



# FY2014 Moving to Work Annual Report

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Approved:



**CHA**

CHICAGO HOUSING  
AUTHORITY™

## Message from CEO

I am pleased to present the Chicago Housing Authority's FY2014 Moving to Work (MTW) Annual Report. In FY2014, CHA continued to make progress toward *Plan Forward* goals and to implement key initiatives. In CHA's MTW Annual Report, you will find updates on these initiatives as well as outcomes for specific activities made possible through the flexibilities of the U.S. Department of Housing and Urban Development's MTW Demonstration program.

This past year, CHA exceeded its goal to increase leasing through the Housing Choice Voucher Program, with approximately 3,200 new vouchers leased in FY2014. CHA also continued to plan for a future Rental Assistance Demonstration (RAD) Program award and made required updates to the annual plan and resident policies. In addition, CHA moved forward with the first phase of the Uniform Housing Policy, aimed at streamlining rules and policies across public housing and HCV programs. Finally, CHA delivered an additional 358 housing units in FY2014, which brings the agency to 88% completion of the overall 25,000 housing unit goal.

The agency's progress would not be possible without the support of and coordination with numerous partners, including CHA's Board of Commissioners, HUD and the City of Chicago. I am grateful for the leadership of Mayor Rahm Emanuel, which is critical to continue CHA's efforts to provide affordable housing and contribute to sustainable, vibrant Chicago neighborhoods. I am also thankful for ongoing partnerships with key stakeholders, including residents and resident leadership, development partners and community organizations.

I look forward to continued progress and collaboration in the coming year.



Michael Merchant  
Chief Executive Officer  
Chicago Housing Authority

# Section One

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## Introduction

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## Overview of CHA's MTW Goals and Objectives

Since 2000, CHA has been engaged in achieving the goals of the original Plan for Transformation: rehabilitate or redevelop 25,000 housing units in Chicago; reintegrate low-income families and housing into the larger physical, social and economic fabric of the city; provide opportunities and services to help residents improve their lives; and spur the revitalization of communities once dominated by CHA developments. CHA and HUD signed the original Moving To Work (MTW) Agreement on February 6, 2000 which allowed CHA to implement the original Plan for Transformation. CHA's Amended and Restated MTW Agreement with HUD was fully executed on June 26, 2008 which extended CHA's participation in the MTW Demonstration Program through FY2018.

In April 2013, Mayor Rahm Emanuel and CHA unveiled a new strategic plan, *Plan Forward: Communities that Work*, which outlines the agency's newly articulated mission and strategic goals that will guide CHA's work moving forward. The key goals of Plan Forward include completing the final phase of the original Plan and coordinating public and private investments to develop vibrant communities; ensuring CHA's housing portfolio is safe, decent and sustainable; and expanding targeted services to more residents at critical milestones in their lives. As CHA implements Plan Forward initiatives, the agency will continue to pursue the three statutory objectives of the MTW Demonstration Program:

- **MTW Statutory Objective I:** Increase housing choices for low-income families.
- **MTW Statutory Objective II:** Give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.
- **MTW Statutory Objective III:** Reduce costs and achieve greater cost effectiveness in federal expenditures.

As part of the MTW Agreement, CHA must submit an annual report to HUD no later than 90 days after the end of the fiscal year. In May 2013, HUD issued a revised Form 50900 (Attachment B to the MTW Agreement) which outlines new requirements for the content of MTW annual plans/reports and for tracking the impact of MTW activities. CHA continues to work with HUD for technical guidance and feedback on MTW reporting processes and requirements to ensure compliance.

The following sections summarize CHA's key MTW goals and initiatives.

### Key Plan Forward Initiatives

Throughout FY2014, CHA continued to pursue and/or plan for future implementation of the following Plan Forward initiatives.

#### ***CHA Unit Delivery Strategy and Progress toward Goal of 25,000 Housing Units***

CHA continues to pursue a variety of unit delivery strategies to achieve the original Plan for Transformation goal of rehabilitating or replacing 25,000 units of affordable housing in Chicago and to fulfill the obligations of CHA's MTW Agreement with HUD.

- **Mixed-Income Redevelopment:** CHA will continue with new on- and off-site phases in mixed-income developments which have replaced many former CHA properties.
- **Real Estate Acquisition Program (REAP):** CHA launched a new strategy for acquisition of public housing units, primarily in opportunity areas. In addition, CHA released a Request for Qualifications (RFQ) to solicit a pool of developers interested in partnering with CHA.

- Property Rental Assistance (PRA) Program: CHA will continue to expand the existing PRA program to provide new project-based voucher units through multi-year contracts with private owners and developers.
- Preservation Strategies: CHA plans to support local preservation strategies to ensure long-term affordability of existing non-CHA properties is maintained.
- Rehabilitation: CHA plans to rehabilitate a portion of remaining offline units at Altgeld Gardens.
- Sponsor-Based Housing Program: CHA proposed a new sponsor-based housing program to contribute to HUD's Designated Opportunities to End Homelessness and Chicago's Plan to End Homelessness 2.0 initiatives. CHA is exploring implementation of this program through the use of project-based vouchers.
- Choose To Own Homeownership Program: CHA facilitates homeownership opportunities for CHA families through long-term subsidy commitments. CHA will request HUD approval, through a proposed amendment to CHA's MTW Agreement, to count these units toward the 25,000 goal.
- Conversion of Moderate Rehabilitation Properties: CHA is assessing existing privately-owned CHA Moderate Rehabilitation program properties to identify opportunities for possible conversion to project-based vouchers through the PRA program.
- Other Initiatives: New *Plan Forward* initiatives are being developed to respond to local housing preferences and market opportunities.

During FY2014, CHA continued to make progress toward the original Plan for Transformation goal of rehabilitating or replacing 25,000 units of affordable housing in Chicago.

FY2014 Overall Unit Delivery

IL Number	Type	Development/Program	Projected FY2014 Unit Delivery	Actual FY2014 Unit Delivery
IL002162000	Mixed-Income Redevelopment (Public Housing)	Dorchester Artist Housing	12	12
IL002161000		Shops and Lofts	28	28
IL002163000		Legends South Phase C3/Gwendolyn Place	0	9
IL0021580001	Public Housing Acquisition	Property Investment Initiative	7	7
TBD		Real Estate Acquisition Program (REAP)	220	0
N/A	Project-Based Vouchers	Property Rental Assistance Program	296	302
<b>Total FY2014 Unit Delivery</b>			<b>563</b>	<b>358</b>

In FY2014, CHA delivered 358 housing units through mixed-income redevelopment, public housing acquisition and new project-based voucher units through the PRA program. As of the end of FY2014, CHA has completed 22,007 housing units or 88% of the overall unit delivery goal for the Plan.<sup>1</sup> *(Please refer to Section II and IV for more information.)*

### ***Uniform Housing Policy***

Like most housing authorities, CHA administers two primary housing subsidy programs: the Public Housing and Housing Choice Voucher programs. While the programs are similar in several key aspects, the specific policies have evolved over time and differ in areas that lead to administrative inefficiencies and participant confusion. Another element of Plan Forward is to address these issues by creating a Uniform Housing Policy to establish a more consistent set of rules for all CHA-assisted housing. The Uniform Housing Policy will align requirements, standards, and processes for the two housing programs, including establishing consistent policies where possible, to streamline and clarify program administration and to make policies more user-friendly for participants. CHA will implement the Uniform Housing Policy through a multi-phased approach.

In FY2014, CHA moved forward with Phase 1 of Uniform Housing Policy, prioritizing policies that benefit participants and enhance consistency across programs. CHA received approval for several policies that require MTW authority, including expanding biennial recertification to public housing (which was previously approved for HCV), adopting triennial recertification for fixed-income households with only senior/disabled participants in public housing and HCV, and modifying “Choose to Own” homeownership and Family Self Sufficiency program requirements. In addition, CHA made changes to additional policies related to HCV unit inspection owner participation, clarification of waitlist priorities, clarification of definitions of absent participants, guests and unauthorized members, and adoption of smoke-free housing policies for all new properties. Updates to CHA’s Public Housing Admissions and Continued Occupancy Policy (ACOP), Public Housing Residential Lease and HCV Administrative Plan, based on Phase 1 of Uniform Housing Policy, were released for public comment in July 2014 and were approved by CHA’s Board in August 2014. Implementation of Phase 1 will be ongoing throughout FY2015.

In FY2015, CHA plans to propose Phase 2 of Uniform Housing Policy, which will explore changes to streamline rent and utility allowance structures in public housing and HCV as well as strategies to encourage work and self-sufficiency. CHA will conduct impact analyses and engage in numerous efforts for resident and stakeholder communication. CHA anticipates requesting MTW approval for Phase 2 of Uniform Housing Policy through a future proposed amendment to the FY2015 MTW Annual Plan.

### ***Rental Assistance Demonstration (RAD) Program***

In October 2013, CHA submitted a portfolio application to HUD to utilize RAD for approximately 64 public housing properties with 10,935 units over a two-year period. CHA plans to utilize RAD to refinance some properties and to support new initiatives that will expand affordable housing opportunities. More than 40 stakeholder, resident and community meetings were held prior to the application to educate people about the benefits of RAD and how it can be used to support long-term affordability.

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<sup>1</sup> CHA’s progress toward the 25,000 unit delivery goal is not the same as the total number of CHA public housing units, or the number of online public housing units. Public housing units renovated or redeveloped through the Plan, though counted toward unit delivery progress, may now temporarily be offline for capital maintenance. Moreover, project-based vouchers (PBVs) administered through CHA’s PRA Program are not CHA ACC/public housing units, but do provide needed affordable housing opportunities and are counted toward the overall goal of 25,000 revitalized housing units.

At the time the RAD portfolio application was submitted, CHA learned that the 60,000 unit maximum previously available for RAD had already been reached through applications received by HUD. However, CHA continued the internal planning process for RAD in the event that the number of units available for the program is increased, or if any of the earlier applications do not move forward. In December 2014 via a Continuing Resolution Omnibus bill, the RAD unit cap was raised to 185,000; CHA's portfolio application is now within the new authorized cap. In anticipation of a potential future RAD award, CHA proceeded with required revisions to the annual plan through an amendment to the FY2014 MTW Annual Plan.

In the submitted portfolio application, CHA has elected to transition the proposed RAD units to the Project-Based Voucher program. CHA continues to work with HUD and to develop policies for a potential RAD conversion. In FY2014, CHA updated the HCV Administrative Plan to reflect RAD-specific policies, as well as created a RAD lease/lease addendum and RAD grievance policy. These RAD policies were released for public comment in November 2014 and approved by CHA's Board in January 2015. As reflected in these policies, CHA will adhere to the regulations of the RAD program, including the incorporation of key public housing provisions that protect residents' interests and encourage resident participation and self-sufficiency.

### ***Housing Programs to Support Local Preferences***

As part of Plan Forward, CHA has explored alternative housing programs, including a locally-administered step-down subsidy program, to support local initiatives and needs. After careful consideration, CHA has determined it will not pursue this type of program. However CHA continues to explore strategies and program parameters that will contribute to Chicago's Plan to End Homelessness 2.0, HUD's Designated Opportunities to End Homelessness and other local initiatives. In FY2014, CHA determined it will explore implementing a Sponsor-Based Voucher Program, utilizing project-based vouchers, to support these initiatives. *(Please refer to Section II for more information.)*

### **Approved MTW Activities in FY2014**

In FY2014, CHA continued or proceeded with implementation of the following approved MTW activities to provide more housing options for families, assist residents in achieving self-sufficiency, and increase the cost-effectiveness of public housing and Housing Choice Voucher program administration.

### ***Housing/Development***

- ***Revitalization of 25,000 Housing Units (2000-01)***: CHA continues to make progress toward the goal of 25,000 housing units and providing additional housing opportunities for residents.
- ***Reasonable Cost Formula and Methodologies for Redevelopment and Rehabilitation (2010-01)***: Through an amendment to the FY2014 MTW Annual Plan, CHA received HUD approval to expand the use of the reasonable cost formula for redevelopment, which was approved in FY2010, to both redevelopment and rehabilitation projects.

### ***Public Housing and HCV Programs/Uniform Housing Policy***

- ***\$75 Minimum Rent for Public Housing and HCV Programs (2009-01)***: CHA increased the minimum rent from \$50 to \$75 in FY2009 in public housing and HCV programs. The impact of the revised minimum rent level is an increase in rent revenue from residents paying the minimum rent.
- ***Biennial Re-examinations for HCV (2006-01) and Public Housing (2014-03)***: CHA continues to conduct biennial re-examinations for HCV Program participants. In FY2014, CHA received HUD approval to expand biennial re-examinations to eligible public housing households.

- Triennial Re-examinations for Households with Only Elderly/Disabled Participants for HCV and Public Housing (2014-02): CHA received HUD approval in FY2014 to implement a streamlined triennial re-examination schedule for public housing and HCV fixed income households consisting of only disabled and/or elderly participants.
- Choose to Own Homeownership Program for HCV and Public Housing (2011-01): CHA expanded the HCV Choose to Own Homeownership Program to eligible current public housing residents. In FY2014, CHA received approval to modify program eligibility requirements to promote participant success.
- Family Self-Sufficiency Program for HCV and Public Housing (2014-01): CHA received approval in FY2014 to modify participation requirements for the Family Self-Sufficiency program for public housing and HCV participants to promote participant success.
- CHA Re-entry Pilot Program (2014-04): Through an amendment to the FY2014 MTW Annual Plan, CHA received HUD approval to implement a Re-entry Pilot Program for up to 50 eligible participants in CHA traditional public housing or CHA's HCV Program.

### **Public Housing**

- Public Housing Work Requirement (2009-02): Through the implementation of a work requirement across CHA's public housing portfolio, more residents are engaged in employment, education, job training, and community service in order to achieve goals for self-sufficiency. CHA provides case management and workforce development resources to residents to assist them in fulfilling this requirement.
- Office of the Ombudsman (2008-01): The Office of the Ombudsman provides designated staff to address the concerns of public housing residents living in mixed-income communities and serves as a liaison between residents and CHA leadership. The office assists residents in resolving issues and adapting to their new community.

### **Housing Choice Voucher Program**

- Exception Payment Standards (2010-02): CHA is authorized to implement exception payment standards that exceed the standard limit of 110% of HUD's published Fair Market Rents (FMRs) for the City of Chicago. In FY2014, CHA has lowered the limit for exception payment standards to no more than 150% of HUD FMR for all new requests and will phase out of existing exception payments that exceed 150% over the next three years.
- Owner Excellence – Acceptance of Passed Annual or Initial HQS Inspection for New Request for Tenancy Approval within 90 Days of Passed Date (2011-02): As part of the HCV Owner Excellence Program, CHA may approve tenancy for a unit that passed an inspection within the previous 90 days for eligible owners, with qualifying units, participating in the Owner Excellence Program.
- Owner Excellence – Vacancy Payments (2011-03): As part of the HCV Owner Excellence Program, CHA may provide a modest vacancy payment to eligible owners, with qualifying units, participating in the Owner Excellence Program who re-lease such a unit currently in the HCV program to another HCV participant.

### ***Property Rental Assistance/Project-Based Voucher Program***

- *Exceed the Limit of 25% Project-Based Voucher (PBV) Assistance in Family Properties (2008-02)*: CHA may increase the percent of assisted PBV units in family properties above the regulatory limit of 25% per family building.
- *Authorization of Qualified PRA Owners/Property Managers to Perform Initial Eligibility Determinations and Reexaminations (2011-04)*: CHA allows qualified owners, as defined by CHA, to perform initial eligibility determinations and re-examinations of participants in the PRA Program.
- *PBV Contract Commitments with 16-30 Year Initial Terms (2011-05)*: To facilitate the expansion of affordable housing opportunities through the use of PBVs, CHA uses MTW authority to enter into HAP contracts for initial terms between 16 and 30 years.
- *Acceptance of City Certificates of Occupancy for Initial PRA Inspections (2011-06)*: CHA is authorized to accept the issuance of a Certificate of Occupancy by the City of Chicago as evidence of the property's compliance with Housing Quality Standards for initial PRA inspections.
- *Two-Year Requirement for PBV Participant Transition to Housing Choice Voucher (2011-07)*: CHA reduces turnover in PBV developments by requiring families to occupy the unit for two years, unless a supportive housing unit, before they are eligible for a Tenant-Based Voucher.
- *Payments During Initial Occupancy/Leasing – New Construction and Substantially Rehabilitated Properties (2011-08)*: CHA provides vacancy payments, as determined necessary on a project by project basis, during the initial operating lease-up period in order to provide an incentive for owner participation and to ensure the long-term viability of newly constructed and substantially rehabilitated properties.

Finally, in FY2014, CHA continued to utilize the single fund budget provided through MTW participation for expanded and flexible resources for overall administration of housing assistance, capital and redevelopment activities, and services and programs for residents. *(Please refer to Section V for more info.)*

# Section Two

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## General Housing Authority Operating Information

## **Section II: General Housing Authority Operating Information**

This section contains General Housing Authority Operating Information for CHA's public housing portfolio and Housing Choice Voucher (HCV) Program, including Housing Stock, Leasing, and Wait List information.

### **Section II-A: Housing Stock Information**

#### **Project- Based Voucher Utilization in FY2014**

CHA has continued to expand the use of project-based vouchers (PBVs) since FY2001 to increase housing options for low-income families in the region. PBVs are issued directly to property owners, unlike tenant-based vouchers, and remain with the unit if a tenant moves out. In FY2014, 2,905 PBVs were utilized in properties with units under either Housing Assistance Payment (HAP) contracts or an Agreement to Enter into a Housing Assistance Payment (AHAP). This includes 2,744 total PBV units under HAP contract and 161 under AHAP.

#### ***New Housing Choice Vouchers that were Project-Based During FY2014***

The following table provides an overview of new project-based vouchers and leasing in FY2014.

<b>Site/Property</b>	<b>Anticipated Number of Vouchers to be Project-Based</b>	<b>Actual Number of New Vouchers that were Project-Based</b>	<b>Site Description</b>
Thresholds Humboldt Park & Kiley House	6	0	Scattered Site in the Humboldt Park and Kenwood community area; Existing Housing with one 4-story and one 3-story building for individuals with mental health/developmental disabilities.
Sunnyside Kenmore Apartments	4	1	Existing housing in the Uptown Community Area serving families.
Thresholds at Casa de Troy	2	1	Existing Housing located in Edgewater. The development serves individuals in need of mental health services.
Princeton Park Apartments	30	10	Existing Housing located in Roseland. The development serves families.
The Drex	12	12	Substantial Rehab in the Chatham area. The development serves veterans in need of supportive services.
Townhall Apartments	79	79	Substantial Rehab located in Lakeview. The development serves individuals age 55 and older with a focus on the LGBT community.
Hope Manor II	73	73	New Construction in Englewood community. The development serves veteran families in need of supportive services.
Illinois Accessible Housing-Phase 2	25	8	Acquisition of scattered condo units retrofitted for Physically Disabled individuals.
937 W Cullom	4	0	Substantial Rehab located in Uptown community area. The development will serve individuals with disability and mental illness in need of supportive services.
Lake Street Studios	61	61	New Construction in the Near West Side Community Area. The development serves individuals, some of whom were previously homeless.

Illinois Accessible Housing-Phase 1	0	5	Acquisition of scattered condo units retrofitted for Physically Disabled individuals.
Buffett Place	0	51	Substantial rehab of a former residential hotel serving people with mental illness.
Nathalie Salmon	0	3	Existing housing serving seniors in Rogers Park.
Congress Parkway	0	6	New construction serving families in Crystal Lake. (RHI- these units are not located in Chicago and not counted toward overall unit delivery goals.)
Harriet Tubman	0	-1	Unit removed from existing HAP contract. Rehabilitation of a walk-up building in Washington Park for families needing supportive services.
Sojourner Truth	0	-1	Unit removed from existing HAP contract. Existing walk-up building in Washington Park for families needing supportive services.
<b>Planned New PBVs under HAP Contract in FY2014</b>	<b>296</b>	<b>308</b>	

		2014 Anticipated Total Number of Project-Based Vouchers Committed at the End of the Fiscal Year	2014 Anticipated Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year
2014 Anticipated Total Number of New Vouchers to be Project-Based	2014 Actual Total Number of New Vouchers that were Project-Based	2,807 HAP 92 AHAP	(CHA did not project this number in the FY2014 Annual Plan.)
296	308	Actual Total Number of Project-Based Vouchers Committed at the End of the FY2014	2014 Actual Total Number of Project-Based Vouchers Leased Up or Issued to a Potential Tenant at the End of the Fiscal Year
		2,744 HAP 161 AHAP	2,128

### ***Overview of CHA's Property Rental Assistance (Project-Based Voucher) Program***

Throughout FY2014, CHA continued to expand high-quality affordable housing opportunities in healthy and revitalizing neighborhoods in Chicago for families and individuals on CHA's waiting lists by providing PBV rental subsidies to additional units under the PRA program. CHA will continue to market the PRA program to developers and building owners through the ongoing solicitation and continue to accept applications on a rolling basis throughout the year.

The following section provides an overview of CHA's project-based voucher initiatives through the Property Rental Assistance (PRA) Program.

#### City/State PBVs

CHA continues to administer 341 PBV units across three city-state sites: Harrison Courts, Loomis Courts, and Lathrop Elderly. These 341 PBV units are located in Chicago and counted toward overall unit delivery progress.

#### PRA Supportive Housing

Through the PRA Program, CHA provides supportive housing units through partnerships with developers/owners and service providers who provide affordable housing for families and individuals in need of comprehensive supportive services. Target populations include those who are homeless or at risk  
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of becoming homeless, those facing serious persistent life challenges such as HIV/AIDS, mental illness, alcohol/substance abuse, veterans in need of supportive services, young single parents and persons with physical and/or developmental disabilities.

In FY2014, 209 new supportive PBV units were placed under HAP contracts, for a total of 1,235 supportive housing (non-RHI) PBV units counted toward overall unit delivery by the end of FY2014.

#### Family & Senior (Non-supportive) PRA Housing

CHA provides high-quality affordable housing opportunities to families, seniors and individuals on CHA's waiting lists by providing PBV rental subsidies in non-supportive housing properties under the PRA program. This includes strategies to preserve the long-term affordability of existing non-CHA developments with expiring restrictions.

In FY2014, 93 non-supportive family/senior PBV units were placed under HAP contracts, for a total of 1,010 non-supportive family/senior housing (non-RHI) PBV units counted toward overall unit delivery by the end of FY2014.

In addition, there are 320 units that have been approved by the Board, including those that are part of CHA's preservation strategy, that have not yet been placed under HAP or AHAP contracts.

#### Regional Housing Initiative

The Regional Housing Initiative (RHI), formed in 2002, is a consortium of seven regional housing authorities (CHA, Housing Authority of Cook County, Housing Authority of Joliet, McHenry County Housing Authority, Lake County Housing Authority, Waukegan Housing Authority and Oak Park Housing Authority) that have pooled project-based vouchers to allocate to competitively selected developments in each housing authority's jurisdiction. Through RHI, property rental assistance is awarded to developers committed to preserving and/or increasing the supply of affordable rental housing and expanding affordable housing options located near employment centers and/or public transportation providing easy access to employment opportunities. RHI is staffed by the Metropolitan Planning Council (MPC) and works closely with the Illinois Housing Development Authority (IHDA) when reviewing applications that are being considered by IHDA for Low Income Housing Tax Credits.<sup>[1]</sup>

In FY2012, HUD provided \$1 million to fund a three-year pilot program to expand RHI's capacity to increase quality affordable housing options throughout the region near jobs, transit, schools, shopping and other key neighborhood amenities for eligible families on the participating PHAs waiting lists. Under the Pilot, a central referral system was established that consists of applicants from each PHA's existing waiting lists who expressed interest in moving to other geographic areas throughout the region. In FY2015, CHA intends to maintain its participation in the RHI Pilot Program in order to offer applicants on CHA's wait list broader housing alternatives in opportunity areas.

In FY2014, six PBV units were placed under a HAP contract through RHI outside of Chicago. By the end of FY2014, a total of 158 CHA PBV units were under HAP contract in the region through RHI. Of these, 69 are under contract in Chicago and are counted toward unit delivery progress.

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<sup>[1]</sup> For more information on RHI, see MPC's website at [www.metroplanning.org](http://www.metroplanning.org).  
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Summary of PRA/PBV Units Counted Toward Overall Unit Delivery Progress

For FY2014, CHA projected a total of 296 new PBV units under HAP contracts in Chicago to be counted toward unit delivery. A total of 302 new PBV units were added and counted toward unit delivery in FY2014, including 209 supportive housing units and 93 non-supportive family/senior housing units. By the end of FY2014, CHA had a total of 2,655 PBV units in Chicago counted toward unit delivery progress.

CHA Sponsor-Based Voucher Program

In FY2014, CHA began exploring implementation of Sponsor-Based Voucher Program, utilizing project-based vouchers, to support these initiatives. This program will enable CHA to contribute to HUD's goal to end chronic homelessness and the City of Chicago's Plan to End Homelessness 2.0. Through this program, sponsoring agencies would apply for Housing Assistance Payment (HAP) subsidies from CHA to "master lease" units for a term of 5-7 years. Each "Sponsor Agency" would be required to provide social services for participants and meet specific criteria as evidenced through an open and competitive application/evaluation process. CHA plans to implement this program in FY2015.

Other Changes to the Housing Stock that Occurred During FY2014

The following section describes changes to CHA's housing stock during FY2014 by category, including Public Housing Units Added, Demolition Activity, Disposition Activity, Long-Term Plan for Offline Units, Additional Capital Maintenance Activity and Additional Redevelopment Activity.

Other Changes to the Housing Stock that Occurred During FY2014
<p><b>Public Housing Units Added</b> CHA added a total of 56 new public housing units to the housing stock in FY2014 at Dorchester Artist Housing, Legends South C3/Gwendolyn Place, and Shops and Lofts at 47th mixed-income sites as well as through the former Property Investment Initiative.</p>
<p><b>Demolition Activity</b> CHA did not demolish any dwelling or non-dwelling structures in FY2014.</p>
<p><b>Disposition Activity</b> CHA disposed of property for Parkside of Old Town Phase IIB as well as the Bronzeville Mariano's Market.</p>
<p><b>Long-term Plan for Offline Units</b> As of the end of FY2014, CHA has 2,852 public housing units across several categories that are currently offline. In coordination with HUD, CHA continues to prioritize reducing the number of offline units and making additional units available for occupancy as soon as possible.</p>
<p><b>Additional Capital Maintenance Activity</b> CHA continued/completed life safety and other capital projects in CHA senior sites, capital projects in scattered sites, as well as modifications at various CHA-owned non-dwelling spaces and family sites.</p>
<p><b>Additional Redevelopment Activity</b> CHA continued redevelopment planning at several sites and closed several real estate transactions for mixed-income development.</p>

**Public Housing Units Added in FY2014**

In FY2014, CHA added a total of 56 new public housing units through mixed-income housing redevelopment (49 units) and public housing acquisition initiatives (7 units). The following section describes these units in more detail.

*Dorchester Artist Housing (IL002162000)*

In FY2014, CHA delivered all 12 public housing units as part of the redevelopment of *Dorchester Artist Housing* on the Southeast scattered site property (*Dante/Harper- Southeast SS/IL2-102C*). This innovative mixed-income development not only provides quality housing opportunities but supports the community's art culture and burgeoning art district. The site includes a total of 32 rental units, with 12 public housing, 11 affordable and 9 market rate units. Of the 12 public housing units, one is accessible and one is sensory accessible. A small onsite art center was developed to provide space for community art programming supported by local and tenant volunteer artists. The public housing units include 4 two-bedroom and 8 three-bedroom units.

*Legends South Phase C3/Gwendolyn Place (IL002163000)*

In FY2014, CHA closed the financial transaction and the developer began construction of *Legends South Phase C3/Gwendolyn Place*, an off-site mixed income phase as part of the redevelopment of Robert Taylor Homes. In FY2014, nine public housing units were delivered. Phase C3 consists of 71 total rental units, including 30 public housing units. The remaining 21 public housing units are projected for delivery in FY2015. The public housing units include 8 one-bedroom, 10 two-bedroom, 9 three-bedroom and 3 four-bedroom units.

*Shops and Lofts at 47<sup>th</sup> (IL002161000)*

In FY2014, CHA delivered all 28 public housing units at *Shops and Lofts* as part of the ongoing revitalization of the South Cottage Grove commercial corridor. The development consists of five buildings - a five-story main building anchored at the corner of 47th Street and Cottage Grove, and four separate residential buildings along South Evans Avenue. The residential portion consists of 96 mixed-income rental units, including 28 public housing, 44 affordable and 24 market rate units. The retail portion includes a Walmart Neighborhood Market grocery store, along with a mixture of smaller national and local retail businesses. The public housing units include 9 one-bedroom and 19 two bedroom units.

*Former Property Investment Initiative Program (IL IL0021570001, IL0021580001)*

CHA launched the former Property Investment Initiative (PII) in January 2009 as a strategy for offsite housing acquisition; however CHA decided to phase out the program and consider new acquisition strategies. In FY2014, the final 7 units were delivered, including 3 three-bedroom units and 4 four-bedroom units, for a total of 37 PII units.

*Real Estate Acquisition Program Unit Delivery in FY2014*

CHA launched the Real Estate Acquisition Program (REAP) in FY2013 as a strategy for offsite acquisitions of public housing units using traditional real estate acquisition processes primarily in CHA-designated opportunity areas. Public housing units acquired through this program will be counted toward the overall unit delivery progress once they become available for occupancy. CHA projected that it would provide 220 public housing units through the program in FY2014. In FY2014, CHA reviewed applications for 50 units which, if approved, would be delivered in 2015. CHA is also working to restructure the program to encourage further developer participation.

***Demolition Activity in FY2014***

CHA did not demolish any dwelling or non-dwelling structures in FY2014. The projected demolition of scattered site units in FY2014 was delayed pending final assessments.

**Disposition Activity in FY2014**

The following disposition activity occurred in FY2014. Other disposition activity previously included in the FY2014 MTW Annual Plan may be carried out in FY2015.

IL Number	Development/Site	Northern Boundary	Southern Boundary	Eastern Boundary	Western Boundary	Type of Disposition	Description of Actual FY2014 Activity
IL002017000	Former Ida B. Wells, Wells Extension, Darrow Homes	East 37th Street	East 39th Street	South Rhodes	South King Drive	Fee Simple	CHA disposed of vacant land in exchange for market value for retail use in the Oakwood Shores mixed-income community. The parcel will be used to create the Bronzeville Mariano's Market. HUD approved the disposition in FY2014, and the transaction closing to convey land is scheduled for the 1 <sup>st</sup> quarter FY2015.
IL002164000	Parkside of Old Town Phase IIB (Cabrini Extension North redevelopment)	Division	Elm	Hudson	Cleveland	Ground Lease	In FY2014, CHA closed the financial transaction for Parkside of Old Town Phase IIB and the land was conveyed per ground lease. The supplemental disposition was approved by HUD in FY2014.

**Long Term Plan for Offline Units Status**

As of the end of FY2014, CHA has 2,852 public housing units across several categories that are currently offline and unavailable for occupancy for HUD-approved reasons. In coordination with HUD, CHA continues to prioritize reducing the number of offline units and making additional units available for occupancy as soon as possible. CHA also provides quarterly status updates through CHA's website. The following is a summary and status of CHA's long-term strategies to address offline units by category as of the end of FY2014.

Units pending redevelopment/planning

A significant number of units are offline due to pending redevelopment plans, primarily at Altgeld Gardens/Murray Homes, Frances Cabrini Rowhouses and Lathrop Homes. While planning is underway for the redevelopment of these sites, the number of offline units in this category did not fluctuate significantly in FY2014. However, CHA is moving forward to expedite the finalization of plans to the extent possible given community planning processes and key stakeholder input.

*Altgeld Gardens/Phillip Murray – 633 offline units (IL002002000)*

CHA continues to work with stakeholders to finalize the master plan for the Altgeld-Murray community, including residential and community facility components, and to pursue the ongoing Section 106 historic preservation process. In FY2014, CHA received approval for redevelopment plans for Blocks 7 and 8 from the Illinois Historic Preservation Agency (IHPA). CHA will present the final site plan to residents and the surrounding community by the 2<sup>nd</sup> quarter of FY2015.

*Frances Cabrini Rowhouses – 438 offline units (IL002089000)*

In FY2014, CHA completed a Development Zone Plan (DZP) for the remaining portions of Cabrini-Green, including Frances Cabrini Rowhouses, with the assistance of the City of Chicago's Department of Planning and Development, Chicago Park District, Chicago Department of Transportation, Chicago Public Schools, and the Near North Working Group. The DZP proposes preferred land uses including housing, retail, open space and other uses as well as reintegration of the street grid, which informs the solicitation of development proposals to occur in three phases. CHA plans to release a solicitation for the first phase of the plan by the 2<sup>nd</sup> quarter of FY2015. CHA will plan for a solicitation for the Cabrini Rowhouses upon resolution of pending litigation.

*Henry Horner Superblock – 92 offline units (IL002093000)*

Redevelopment of the Horner Superblock will transform the existing public housing property into a mixed income development with 200 total rental units, including 95 for public housing, 50 for affordable and 55 for market rate residents. CHA continues to work with all development partners to begin redevelopment in FY2015 with unit delivery to be completed in FY2016.

*Lathrop Homes – 753 offline units (IL002022000)*

CHA remains committed to delivering 400 units of replacement family public housing units through a combination of historically preserved housing, new housing, retail and other amenities in a mixed-income community. CHA continues to work with the Chicago Department of Planning and Development and other key stakeholders to pursue zoning approvals, financing and implementation plans for Phase I redevelopment in FY2015. The preliminary Phase I unit mix consists of 497 rental units, including 180 CHA, 111 affordable and 206 market rate units. In FY2014, CHA's Board approved a predevelopment loan for the first phase of work at Lathrop Homes.

*Parkview/Fannie Emanuel Senior Apartments – 181 offline units (IL002065000)*

CHA will act as master developer for the redevelopment of Parkview/Fannie Emanuel Senior Apartments to provide 100% low-income housing for seniors. Rehabilitation work is planned to begin in the 2<sup>nd</sup> quarter of FY2015 with unit delivery in FY2016. CHA included this site in the agency's October 2013 RAD application and may proceed with RAD for this site.

Units undergoing capital maintenance

This category includes units held offline for ongoing and upcoming maintenance or extensive rehabilitation work across CHA's portfolio. As part of CHA's strategy to modernize, maintain and preserve its existing housing stock and ensure compliance with all regulatory and safety requirements, CHA is making strategic investments at several priority properties. These capital investments require that some units in occupied buildings be vacated for construction to occur; however, CHA has committed to holding only the minimum number of units offline for the duration of construction projects and resuming leasing as soon as feasible when units are completed. While CHA will hold only the minimum number of units offline for construction, major capital projects at larger

sites consist of rolling rehabilitation of units and the number of offline units will fluctuate until all current residents in specific properties are housed in newly rehabilitated units.

In FY2014, a total of 13 major capital projects continued or began, with 2 of the 13 projects fully completed in FY2014 (and unit work completed in 3 of 13 projects). Projects include ADA accessibility modifications, significant new life safety features (sprinklers, elevator controls and interior cameras), replacement of plumbing risers, kitchens and baths, and addressing water infiltration issues. The following is a summary of major capital projects for FY2014.

<b>CHA Major FY2014 Capital Projects</b>			
<b>IL Number</b>	<b>Project/Site</b>	<b>Construction Start</b>	<b>Units Back Online/Available for Leasing</b>
IL002084000	Judge Slater Apartments	May 2012	March 2014
IL002067000	Patrick Sullivan Apartments	May 2012	July 2014
IL002066000	Long Life Apartments	May 2013	November 2014
IL002001000, IL002025000, IL002093000	ADA Projects (Brooks Homes, Lowden Homes, Horner-Westhaven)	August 2013	January 2015
IL002043000	Lidia Pucinska Apartments	April 2013	June 2015
IL002052000, IL002052100	Lincoln Perry Apartments/Annex	October 2013	June 2015
IL002060000	Ella Flagg Apartments	June 2013	October 2015
IL002075000	Daniel Hudson Burnham Apartments	May 2013	November 2015
IL002084000	Judge Slater Annex	May 2014	March 2016
IL002086000	Major Lawrence Apartments	June 2014	June 2016
IL002078000	Minnie Riperton Apartments	June 2014	June 2016

IL002076000	Caroline Hedger Apartments	September 2014	December 2016
Various	General Renovation of Scattered Site Units	September 2013	Ongoing

#### Units pending demolition/disposition

Units in this category are pending HUD approval of demolition or disposition and will not come back online. As of 4<sup>th</sup> quarter of FY2014, there are 41 units in this category that are pending disposition for the creation of the National Public Housing Museum.

#### Units used for non-dwelling purposes

As of 4<sup>th</sup> quarter of FY2014, CHA currently uses only 266 units for non-dwelling purposes. CHA continues to evaluate non-dwelling use of units across its portfolio.

#### ***Additional Capital Maintenance Activity in FY2014***

CHA continued or began the following projects in FY2014:

- Ongoing life safety code compliance projects at various Senior Housing sites.
- Modifications began at Jane Addams Family Resource Center (1254 S. Loomis).
- ADA modifications to family housing properties at Lowden Homes (IL002025000), Brooks Homes (IL002001000), and Horner-Westhaven (IL002093000).
- Major capital maintenance in CHA's scattered site properties including renovation of vacant offline units.
- Mechanical, electrical, plumbing, and/or envelope improvements to several senior buildings including Caroline Hedger Apartments (IL002076000), Patrick Sullivan Apartments (IL0020670000), Daniel Burnham Apartments (IL002075000), Judge Slater Apartments and Annex (IL002084000), Major Lawrence Apartments (IL0020086000, Long Life Apartments (IL002066000), Lincoln Perry Apartments (IL002052000), Lincoln Perry Annex (IL002052100), Armour Square Apartments and Annex (IL002046000), and Minnie Riperton Apartments (IL002078000).

#### ***Additional Redevelopment/Planning Activity***

##### *Casa Queretaro (IL002165000)*

In FY2014, CHA closed the transaction for Casa Queretaro, a mixed-income development to be located at 17<sup>th</sup> Street and Damen Avenue, which will be developed by The Resurrection Project, a not-for-profit community development corporation that serves the Pilsen neighborhood. The development will consist of a four-story, 45-unit rental building, including 15 public housing units and 30 affordable units for households with a range of incomes up to 60% of AMI. The public housing units include 8 one-bedroom and 7 two-bedroom units. Construction began in December FY2014 and unit delivery is planned for FY2016.

##### *Harold Ickes Homes (IL002016000)*

In FY2014, CHA issued a joint developer Request for Proposal (RFP) solicitation with the City of Chicago to redevelop the former Ickes site as a mixed-income, mixed-use development, including public housing and other residential, commercial, institutional, and recreational components. The RFP calls for

a minimum of 200 public housing units. CHA anticipates selecting a development partner for the redevelopment of the former Ickes site during the 2<sup>nd</sup> quarter FY2015.

*Parkside of Old Town Phase IIB (IL002164000)*

In FY2014, CHA closed the transaction for Parkside of Old Town Phase IIB as part of redevelopment of the former Cabrini Extension North. The 106-unit mixed income development consists of two buildings, a nine-story building at 459 W. Division St with 94 units, and a three-story building at 1151 N. Cleveland with 12 units. The site includes 36 public housing units, 27 affordable units and 43 market rate units. The public housing units include 21 one-bedroom, 6 two-bedroom, 8 three-bedroom, and 1 four-bedroom units. Construction and unit delivery are anticipated for completion in FY2015.

*Roosevelt Square Master Planning Process*

In FY2014, CHA procured a planning firm, Solomon Cordwell Buenz (SCB), to engage in master planning activities for the former ABLA Homes site, including the current Roosevelt Square redevelopment area. The planning process will provide recommendations for specific land use and redevelopment plans. In FY2014, CHA held the first of three community meetings to solicit input from community residents. In FY2015, the remaining community meetings will be held and the master planning activities will be finalized.

*Rosenwald Apartments*

In FY2014, the real estate transaction closed for the restoration of Rosenwald Courts, the historic Michigan Boulevard Apartments located in the Bronzeville community which has been vacant since 1999. The City of Chicago, in partnership with private developers, will historically restore the site and provide affordable senior and family housing opportunities. CHA, in support of this initiative, will participate through 60 senior units for public housing residents and 60 PBV units through the PRA program. The project also includes development of commercial space along 47th St. to help foster local businesses.

**General Description of Actual Capital Expenditures in FY2014**

**General Description of Actual Capital Fund Expenditures During FY2014**

CHA's total FY2014 capital expenditures were \$150.0M.

- Upgrades and repairs at CHA family properties totaled \$22.9M. Major expenditures at family properties included:
  - \$8.1M for ADA requirements and interior renovations for scattered sites properties in the North Central region, \$4.1M at Lathrop Homes for steam line replacement, \$2.9M at Horner for ADA requirements and interior renovations, and \$2.5M for ADA retrofit and common area work at ABLA/Brooks Homes.
- Upgrades and repairs at CHA senior buildings totaled \$82.0M. Major expenditures included:
  - \$13.6M for facade repairs, life safety and mechanical/electrical/plumbing (MEP) repairs at Armour Square Apartments; \$8.1M for life safety, fire sprinkler requirements, interior renovations and mechanical/electric/plumbing (MEP) repairs at Lidia Pucinska Apartments; \$7.8M for life safety, sprinkler requirements and interior renovations at Lincoln Perry Apartments; \$5.5M for life safety, heating and air conditioner repairs and common area work at Judge Slater Apartments; \$5.4M for fire sprinkler requirements, life safety and interior renovations at Patrick Sullivan Apartments.
- Construction costs for mixed income properties totaled \$28.9M. Major expenditures included \$11.8M at Park Boulevard 2B, \$4.9M at Legends C3/Gwendolyn Place, \$3.2M at Parkside of Old Town IIB and \$2.6M at Dorchester Artist Housing.
- Other/Administrative expenses totaled \$16.3M, including \$1.3M for debt service in FY2014.

**Overview of Other Housing Owned/Managed in FY2014**

CHA does not currently own or manage housing other than federal MTW public housing units and MTW/Non-MTW Housing Choice Vouchers, which includes both tenant-based and project-based (Property Rental Assistance/PRA) programs.

Overview of Other Housing Owned and/or Managed by the PHA at Fiscal Year End		
Housing Program *	Total Units	Overview of the Program
N/A	0	N/A
<b>Total Other Housing Owned and/or Managed</b>	<b>0</b>	

**Section II-B: Leasing Information**

**Actual Number of Households Served through Local, Non-traditional Programs in FY2014**

CHA does not currently serve households through local, non-traditional programs and does not have any information to report in this section for FY2014.

Housing Program:	Number of Households Served	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs	0	0
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs	0	0
Port-In Vouchers (not absorbed)	0	0
<b>Total Projected and Actual Households Served</b>	<b>0</b>	<b>0</b>
	Unit Months Occupied/Leased	
	Planned	Actual
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Property-Based Assistance Programs	0	0
Number of Units that were Occupied/Leased through Local Non-Traditional MTW Funded Tenant-Based Assistance Programs	0	0
Port-In Vouchers (not absorbed)	0	0
<b>Total Projected and Annual Unit Months Occupied/Leased</b>	<b>0</b>	<b>0</b>
	Average Number of Households Served Per Month	Total Number of Households Served During the Year
Households Served through Local Non-Traditional Services Only	0	0

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

CHA does not currently serve any families through local, non-traditional programs and does not have any information to report in this section for FY2014.

<b>Reporting Compliance with Statutory MTW Requirements: 75% of Families Assisted are Very Low-Income</b>				
<b>Fiscal Year: FY2014</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Total Number of Local, Non-Traditional MTW Households Assisted	0	0	0	0
Number of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	0	0	0	0
Percentage of Local, Non-Traditional MTW Households with Incomes Below 50% of Area Median Income	0	0	0	0

**Reporting Compliance with MTW Statutory Objectives: Maintain Comparable Mix**

<b>Reporting Compliance with Statutory MTW Requirements: Maintain Comparable Mix</b>					
<b>Baseline for the Mix of Family Sizes Served</b>					
<b>Family Size:</b>	<b>Occupied Number of Public Housing units by Household Size when PHA Entered MTW</b>	<b>Utilized Number of Section 8 Vouchers by Household Size when PHA Entered MTW</b>	<b>Non-MTW Adjustments to the Distribution of Household Sizes</b>	<b>Baseline Number of Household Sizes to be Maintained</b>	<b>Baseline Percentages of Family Sizes to be Maintained</b>
1 Person	10,778	8,018	N/A	18,796	36.8%
2 Person	3,764	5,919	N/A	9,683	19.0%
3 Person	3,222	5,545	N/A	8,767	17.2%
4 Person	2,583	3,988	N/A	6,571	12.9%
5 Person	1,576	2,151	N/A	3,727	7.3%
6+ Person	1,499	2,023	N/A	3,522	6.9%
Totals	23,422	27,644	N/A	51,066	100.0%
Explanation for Baseline Adjustments to the Distribution of Household Sizes Utilized	N/A				

Mix of Family Sizes Served							
	1 Person	2 Person	3 Person	4 Person	5 Person	6+ Person	Totals
Baseline Percentages of Household Sizes to be Maintained	36.8%	19.0%	17.2%	12.9%	7.3%	6.9%	100.0%
Number of Households Served by Family Size in FY2014	26,379	11,964	7,820	5,825	2,968	2,770	57,726
Percentages of Households Served by Household Size in FY2014	45.7%	20.7%	13.5%	10.1%	5.1%	4.8%	100.0%
Percentage Change	24.2%	9.3%	-21.1%	-21.6%	-29.6%	-30.4%	0.0%
Justification and Explanation for Family Size Variations of Over 5% from the Baseline Percentages	Over the past fifteen years, the size of CHA's overall households has decreased. CHA's current household distribution is consistent with 2010 Census data for the Chicago area, which shows higher percentages of 1-, 2-, and 3-person households. In addition to an aging CHA population, the majority of CHA's wait list applicants need a one or two bedroom unit. The combination of these factors over more than a decade has shifted the distribution by household size.						

**Description of Issues Related to Leasing in FY2014**

Description of any Issues Related to Leasing of Public Housing, Housing Choice Vouchers or Local, Non-Traditional Units and Solutions at Fiscal Year End	
Housing Program	Description of Leasing Issues and Solutions
Federal MTW Public Housing Program	As described in previous sections, CHA continues to prioritize the issue of offline units and make additional units available for occupancy as expeditiously as possible. CHA experienced a decline in the number of applicants on its waiting lists for larger bedroom units in most regions of the city towards the end of FY2014. The solution to this issue was to re-open the general family waiting list in Fall 2014. CHA received a large response to the waitlist opening, and a newly replenished waitlist is expected to be in place by early FY2015 which will alleviate this issue.
Federal MTW Housing Choice Voucher Program	CHA increased voucher utilization in the Housing Choice Voucher Program in FY2014 by leasing more than 3,000 additional vouchers.

**Households Transitioned to Self-Sufficiency in FY2014**

CHA is tracking the following metrics to demonstrate households transitioned to self-sufficiency, including metrics associated with relevant approved MTW activities in Section IV. In FY2014, a total of 4,806 CHA households have increased self-sufficiency based on the below definitions.

<b>Number of Households Transitioned To Self-Sufficiency by Fiscal Year End</b>		
<b>Activity Name/#</b>	<b>Number of Households Transitioned</b>	<b>Agency Definition of Self Sufficiency</b>
Biennial Re-exams for HCV (MTW Activity 2014-03)	2,220	Households who move up to a higher AMI category compared to the previous year
Choose to Own Program (MTW Activity 2011-01)	23	Households who purchase a home through CTO
Family Self Sufficiency Program (MTW Activity 2014-01)	104	Participants who graduate from FSS
Public Housing Work Requirement (MTW Activity (2009-02)	2,357 (53% of applicable households)	Households subject to the work requirement in which all adults are compliant
Positive exits from CHA subsidy (This is not associated with an MTW activity as of FY2014.)	130	Public housing households at or above 51% AMI who moved out and HCV participants who terminated their subsidy after six months of zero HAP
<b>Households Duplicated Across Activities/Definitions</b>	28	
<b>ANNUAL TOTAL NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF-SUFFICIENCY</b>	4,806	

**Section II-C: Wait List Information**

CHA maintains the following major wait lists across public housing and Housing Choice Voucher programs.

***Public Housing Wait Lists*****Family Housing (Community-Wide) Wait List**

The Family Housing (Community-Wide) Wait List contains adult applicants who are interested in units within CHA's city-wide traditional family portfolio. This wait list was opened in late FY2014, and CHA will conduct a lottery in early FY2015.

**Scattered Site (Community Area) Wait Lists**

The Scattered Site (Community Area) Wait Lists contain applicants interested in housing opportunities in CHA's scattered site portfolio. CHA has a wait list for each of the 77 community areas in the City of Chicago. In general, these wait lists are opened periodically (for approximately 15-30 days) in order to maintain an adequate list of applicants. No Scattered Site (Community Area) Wait Lists were opened in FY2014.

Senior Site-Based Wait Lists

The Senior-Site Based Wait Lists are for applicants requesting studio and one-bedroom apartments in senior designated housing developments. CHA will continue to update the designation of each building in accordance with the 2010 Senior Designated Housing Plan which allows 1) buildings to be designated Reduced Age Buildings (55yrs and older to be housed) if any building has an occupancy level below 90% for six consecutive months, and 2) buildings to be designated Traditional Buildings (62 yrs and older to be housed) if any Reduced Age Building reaches 98% occupancy for 12 consecutive months. In FY2014, all senior site-based wait lists were open and accepting applications.

Lake Parc Place Site-Based Wait List

The Lake Parc Place Site-Based Wait List contains applicants interested in units at CHA's Lake Parc Place property who are in the 51-80% Area Median Income (AMI) range. Lake Parc Place's Tenant Selection Plan specifies the property must achieve a balance of households with AMIs of 0-50% and 51-80%. In FY2014, the Lake Parc Place site-based wait list was open for households at 51-80% AMI.

HCV/PBV Wait List

In FY2014, CHA continued the screening of applicants on the HCV Wait List and, where eligible, offered an opportunity to be housed by becoming a participant in CHA's HCV or PBV Program. CHA's HCV Wait List was last opened in FY2014, and CHA will conduct a lottery in early 2015.

Wait List Information at the end of FY2014				
Housing Program(s)	Wait List Type	Number of Households on Wait List	Wait List Open, Partially Open or Closed	Was the Waitlist Opened during FY2014?
Federal MTW Public Housing Units	Community-Wide (Family Housing)	11,217	Partially Open	Yes
Federal MTW Public Housing Units	Program Specific (Scattered Site/Community Area)	6,953	Closed	No
Federal MTW Public Housing Units	Site-Based (Senior)	8,961	Open	Yes
Federal MTW Public Housing Units	Site-Based (Lake Parc Place)	450	Partially Open	Yes
Federal MTW and Non-MTW Housing Choice Voucher Program (includes Project-Based)	Program Specific	332	Partially Open	Yes

Description of Partially Opened Wait Lists**Community-Wide (Family Housing)**

In FY2014, CHA opened the Community-Wide wait list between October 27 and November 24, 2014. CHA will hold a lottery in early 2015 to select names for the Community-Wide wait list. In FY2014, the Community Wide wait list was also open for the families that meet the eligibility criteria for and are participating in a CHA demonstration program or special initiative.

**Lake Parc Place Site Based Wait List**

Public housing units at Lake Parc Place are offered through a site-based wait list, in accordance with the Tenant Selection Plan, to achieve a balance of households with Area Median Incomes of 0-50% and 51-80%. In FY2014, the Lake Parc Place site-based wait list was partially open for households with area median incomes of 51-80%.

**HCV/PBV Wait List**

In FY2014, CHA opened the HCV and PRA/PBV wait lists between October 27 and November 24, 2014. CHA will hold a lottery in early 2015 to select names for HCV and PRA/PBV wait lists. In addition, in FY2014, the CHA HCV/PBV Wait List remained open for the following families:

- a) A family that meets the eligibility criteria for and is participating in a CHA demonstration program or special initiative
- b) A family that is a victim of a federally declared natural disaster affecting the city of Chicago
- c) A family that is an active participant in a Witness Protection Program or State Victim Assistance Program
- d) A family living in a CHA public housing unit which must be rehabilitated to meet ADA/504 requirements and for whom an alternate CHA public housing units is not available
- e) An over-housed or under-housed family living in a Section 8 Moderate Rehabilitation project administered by CHA for which no appropriate size unit is available in the same project that is already under a HAP contract

**Description of Local, Non-Traditional Program**

This is not applicable.

**Description of Other Wait List Type**

This is not applicable.

**Changes to CHA Wait Lists in FY2014**

In FY2014, CHA opened the Community-Wide (Family) Public Housing, HCV and PRA/PBV wait lists from October 27 to November 24 through an online registration process which allowed registering households the option to apply for one, two or all three wait list lotteries. During this period, CHA received more than 282,000 online registration forms (including duplicates). CHA will hold a lottery in early 2015 to select names for each wait list. Through this process/lottery in FY2015, CHA will create separate wait lists for the HCV (tenant-based) and PRA/PBV programs, which were previously combined.

In FY2014, CHA also revised the HCV Administrative Plan and Public Housing Admissions and Continued Occupancy Policy (ACOP) to add a preference for families who meet the criteria for and are participating in a CHA demonstration program. The HCV Administrative plan was amended to prioritize the preference for working families and to allow CHA to offer households on the Public Housing General Family Wait List a one-time opportunity for a selection preference to the tenant-based HCV program. CHA may limit the number of households who qualify for this preference.

# Section Three

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## Proposed MTW Activities



**Section III: Proposed MTW Activities: HUD Approval Requested**

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



# Section Four

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## Approved MTW Activities

## Section IV: Approved MTW Activities: HUD Approval Previously Granted

This section contains information on CHA's proposed/approved MTW activities outlined in the FY2014 annual plan.

### Implemented Activities

The following MTW activities were ongoing in FY2014.

#### MTW Activities Related to Housing/Development

##### *Revitalization of 25,000 Units (2000-01)*

- **Description and Impact:** CHA is committed to the goal of replacing 25,000 housing units as part of the original Plan for Transformation and MTW Agreement obligations. Each year CHA continues to make progress toward the goal by completing additional housing units and creating more housing options for CHA's residents. The impact of this activity is that more affordable housing opportunities are available to low-income residents in Chicago neighborhoods through rehabilitation, redevelopment, acquisition and the use of project-based vouchers.
- **Implementation Year:** FY2000
- **Statutory Objective:** MTW Statutory Objective I: Increase housing choices for low-income families.
- **FY2014 Outcome:** CHA delivered a total of 358 housing units in FY2014 as detailed in Section I and II. Overall, CHA did not meet the benchmark of 563 new housing units in FY2014. CHA projected 220 new public housing units through the Real Estate Acquisition Program, however no units were delivered in FY2014 through this program. In FY2014, CHA reviewed applications for 50 units which, if approved, would be delivered in 2015. CHA is working to restructure the program to encourage further developer participation.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
HC-1: Additional Units of Housing Made Available	Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	Zero units were delivered toward the 25,000 unit goal prior to FY2000.	CHA will deliver 563 new housing units in FY2014 toward the 25,000 unit goal.	CHA delivered 358 new housing units in FY2014 toward the 25,000 unit goal.	CHA did not meet the benchmark.
HC-2: Units of Housing Preserved	Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase).	Zero units were rehabilitated toward the 25,000 unit goal prior to FY2000.	CHA will rehabilitate 0 units in FY2014 toward the 25,000 unit goal.	CHA rehabilitated 0 units in FY2014 toward the 25,000 unit goal.	CHA met the benchmark.

- **Data Collection:** CHA tracks the number of public housing units delivered and newly available for occupancy toward the 25,000 unit goal, including units completed through new construction, rehabilitation, and acquisition as well as project-based units under HAP contracts in Chicago.

- **Authorization:** Attachment D, Paragraph 1 and Amendment 3 of CHA's Amended and Restated MTW Agreement in which the 25,000 unit goal addresses the requirement of Section 204(c) (3) (c) of the 1996 Appropriations Act.

**Reasonable Cost Formula and Methodologies for Redevelopment and Rehabilitation Activities (2010-01)**

- **Description and Impact:** In FY2010, HUD approved an alternative reasonable cost formula for CHA redevelopment activities to replace HUD's current Total Development Cost (TDC) limits. Rising construction costs, reduced low-income housing tax credit equity prices, and reduced soft loan funds had combined to significantly reduce the number of new public housing units that CHA was able to deliver at mixed-income development sites. The increased reasonable cost limits cover the full cost of public housing units, as originally intended, and increase public housing opportunities on an annual basis. The current impact of the increased reasonable cost limits is that CHA is able to finance the full cost of public housing units in mixed-income developments which allows the tax equity and soft loan funds to be directed toward the construction of the accompanying affordable housing units at these mixed-income developments.

Through an amendment to the FY2014 MTW Annual Plan, CHA received HUD approval to utilize this alternative reasonable cost formula for both redevelopment and rehabilitation projects. Based on parameters for rehabilitation in the Capital Fund regulations, CHA has determined it no longer needs separate alternative reasonable cost limitations for rehabilitation and redevelopment. CHA will instead utilize one alternative reasonable cost formula for all projects moving forward, and, in accordance with Capital Fund regulations, rehabilitation project cost levels will be no more than 90% of the alternate cost formula.

- **Implementation Year:** FY2010 (expansion of this activity proposed in FY2014)
- **Statutory Objective:** MTW Statutory Objective I: Increase housing choices for low-income families.
- **FY2014 Outcome:** In FY2014, six mixed-income sites which utilized the alternate TDC formula were under construction: Shops and Lofts at 47<sup>th</sup>, Dorchester Artist Housing, Park Boulevard Phase IIB, Legends South Phase C3, Parkside of Old Town Phase IIB, and Casa Queretaro. (See tables below.) The expansion of the alternate TDC formula for rehabilitation projects was not implemented in FY2014.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
HC-1: Additional Units of Housing Made Available	Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0 additional public housing units made available without the alternate TDC formula.	31 additional public housing units will be under construction at four mixed-income developments in 2014.	48 additional public housing units were under construction at 6 mixed-income developments in 2014.	CHA exceeded the benchmark.
HC-2: Units of Housing Preserved	Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase).	Zero housing preserved through the alternate TDC formula.	60 housing units preserved/rehabilitated through the alternate TDC formula in FY2014.	Zero housing units preserved/rehabilitated through the alternate TDC formula in FY2014.	Not applicable. The expansion of the alternate TDC formula for rehabilitation projects was not implemented in FY2014.

HC-3: Decrease in Wait List Time	Average applicant time on wait list in months (decrease).	As of FY2013, 11,313 applicants on the Public Housing Family Wait List have an average wait time of 41 months.	The average wait time for 11,313 applicants on the Public Housing Family Wait List will remain stable at 41 months in FY2014.	The average wait time for 11,217 applicants on the Public Housing Family Wait List increased to 54 months in FY2014.	CHA did not meet the benchmark.
HC-4: Displacement Prevention	Number of households at or below 80% AMI that would lose assistance or need to move (decrease).	Zero households lost assistance or had to move prior to the alternate TDC formula.	Zero households will lose assistance or move as a result of the alternate TDC formula in FY2014.	Zero households lost assistance or moved as a result of the alternative TDC formula in FY2014.	CHA met the benchmark.
HC-5: Increase in Resident Mobility	Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	Zero households moved to a better unit as a result of the alternate TDC formula prior to implementation.	40 households will move to a better unit as a result of the alternate TDC formula in FY2014, pending unit delivery schedules for Shops/Lofts and Dorchester.	In FY2014, 38 households moved to a better unit at Shops/Lofts and Dorchester, as result of the alternate TDC formula.	CHA met the benchmark, considering unit delivery and leasing schedules.
CE-1: Agency Cost Savings	Total cost of task (in dollars).	CHA spent zero dollars through the use of the alternate TDC formula prior to implementation.	In FY2014, CHA projects a cost of \$9,324,248 for 31 additional units at 4 mixed-income sites through use of the alternate TDC formula.  In FY2014, CHA estimates a cost of \$1.9M for rehabilitation projects using the alternate TDC formula.	In FY2014, the cost was \$15,089,921 for 48 additional units at 6 mixed-income sites under construction, through use of the alternate TDC formula.  In FY2014, CHA spent zero dollars for rehabilitation projects using the alternate TDC formula.	CHA met the benchmark.  Not applicable. The expansion of the alternate TDC formula for rehabilitation projects was not implemented in FY2014.

Mixed-Income Developments With Construction in FY2014	Public housing units without MTW TDC	Additional public housing units with MTW TDC	Total Public Housing Units in Mixed Income Sites
Shops and Lofts at 47 <sup>th</sup>	18	10	28
Dorchester Artist Housing	9	3	12
Park Boulevard Phase IIB	27	10	37
Legends South Phase C3/Gwendolyn Place	24	6	30

Parkside of Old Town Phase IIB	21	15	36
Casa Queretaro	11	4	15
<b>Total Units Utilizing Alternate TDC Formula in FY2014</b>	<b>110</b>	<b>48</b>	<b>158</b>

- **Data Collection:** CHA tracks the additional number of public housing units that can be constructed and delivered toward the 25,000 goal using the alternative cost formula for redevelopment. CHA also tracks the average time on the Public Housing Family Wait List and the cost of the activity. CHA also tracks the number of units rehabilitated/preserved through the use of this alternative cost formula.
- **Authorization:** Attachment C, Section C (16) of CHA's Amended and Restated MTW Agreement, which waives certain provisions of Section 6(b) of the 1937 Act and 24 C.F.R. 941.306. This allows CHA to establish an alternative reasonable cost formula reflecting CHA's actual costs experienced for construction activity in the local market as the cost control measure for quality construction work.

#### MTW Activities Related to Public Housing and HCV/Uniform Housing Policy

##### ***\$75 Minimum Rent for Public Housing and HCV (2009-01)***

- **Description and Impact:** Through the approval of the FY2007 ACOP for public housing and the approval of the FY2008 HCV Administrative Plan, CHA instituted an increase in the minimum rent from \$50 to \$75 for public housing and HCV programs. The \$75 minimum rent was approved in FY2008 and first implemented in FY2009 across both programs as resident re-examinations took place. The impact of the revised minimum rent level is an increase in rent revenue from residents paying the minimum rent.
- **Implementation Year:** FY2009 (public housing and HCV)
- **Statutory Objective:** MTW Statutory Objective III: Reduce costs and achieve greater cost effectiveness in federal expenditures.
- **FY2014 Outcome:** CHA continues to allow residents across both public housing and HCV programs to pay a minimum rent of \$75 (or less if they request a hardship to minimum rent).
- **Hardship Policy:** CHA describes the policies surrounding financial hardships affecting minimum rent in Chapter 6 of the HCV Administrative Plan and Chapter 11 of the Public Housing Admissions and Continued Occupancy Policy (ACOP). CHA follows HUD-defined financial hardship, has not established any additional hardship criteria, and clearly differentiates between temporary and long-term hardships.
  - In FY2014, 171 public housing residents had a financial hardship affecting minimum rent.
  - In FY2014, 258 HCV participants had a financial hardship affecting minimum rent.<sup>2</sup>
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
CE-5: Increase in Agency Rental Revenue	Rental revenue in dollars (increase).	<u>Public housing:</u> In FY 2008 1,524 residents were expected to pay \$50 minimum rent	<u>Public housing:</u> In FY2014, CHA estimates 1,595 residents will be paying \$75 minimum	<u>Public housing:</u> In FY2014, 1,698 residents paid the \$75 minimum rent for a total annual	<u>Public Housing:</u> CHA exceeded the benchmark. More residents than anticipated paid the

<sup>2</sup> This includes only MTW voucher participants; the number reported in the FY2013 MTW Annual Report included Mod Rehab participants in error.  
CHA FY2014 MTW Annual Report

		for a total annual contribution of \$914,400.  <u>HCV:</u> In FY2008, 5,010 residents were expected to pay \$50 minimum rent for a total annual contribution of \$3,006,000.	rent for a total annual contribution of \$1,435,497.  <u>HCV:</u> In FY2014, CHA estimates 7,206 residents will be paying \$75 minimum rent for a total annual contribution of \$6,484,969.	contribution of \$1,528,200.  <u>HCV:</u> In FY2014, 5,978 residents paid \$75 minimum rent for a total annual contribution of \$5,380,200.	\$75 minimum rent in FY2014.  <u>HCV:</u> CHA did not meet the benchmark. Less residents than anticipated paid the \$75 minimum rent in FY2014.
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- **Data Collection:** CHA tracks Total Tenant Payment (TTP) data to determine the number of residents who contribute \$75 towards rent. In FY2015, CHA will continue to use data from quarterly reports to identify minimum rent population and those granted hardships.
- **Authorization:** For public housing, Attachment C, Section C(11) of CHA's Amended and Restated MTW agreement, which waives certain provisions of Section 3(a)(2), 3(a)(3)(A) and Section 6(l) of the 1937 Act and 24 C.F.R.5.603, 5.611, 5.628, 5.630, 5.632, 5.634 and 960.255 and 966 Subpart A. For HCV, Attachment C, Section D(2)(a) of CHA's Amended and Restated MTW agreement which waives certain provisions of Sections 8(o)(1), 8(o)(2), 8(o)(3), 8(o)(10) and 8(o)(13)(H-I) of the 1937 Act and 24 CFR 982.508, 982.503 and 982.518. These waivers allow CHA to determine the minimum rent amount.

#### ***Choose to Own Homeownership Program for Public Housing and HCV (2011-01)***

- **Description and Impact:** In FY2014, CHA received approval to institute a higher minimum income requirement for eligibility for the Choose to Own Homeownership Program. Rather than the current minimum income of \$14,500, the new eligibility requirement will be 50% or more of the Area Median Income (AMI). The overall goal is to help ensure that those who participate in the Choose to Own program successfully transition to self-sufficiency once their subsidy period is over. Specifically, this activity addresses the issue that some program participants will not be able to assume their full mortgage when their 15-year subsidy period ends, putting them at risk of foreclosure. The new minimum income requirement will take effect for all new HCV and public housing program enrollees when the FY2015 HCV Administrative Plan reflecting these changes, approved by CHA's Board in August 2014, goes into effect on January 1, 2015. It does not apply to those currently in the program preparing to purchase a home. This change also does not apply to those who are elderly or disabled who enroll in the program.

In FY2011, CHA expanded the Choose to Own (CTO) Home Ownership Program beyond HCV participants to current CHA public housing residents. Public housing residents who meet program criteria are now also eligible to participate in the CTO program in addition to current HCV participants. Participants of this program receive a subsidy to be used toward the payment of their monthly mortgage obligation. Pre- and post-home ownership education and counseling requirements are an integral component to remain an eligible participant.

The overall impact of the Choose to Own program is to increase self-sufficiency and expand housing options through opportunities for home ownership.

- **Implementation Year:** FY2011 (expansion to public housing), FY2015 (new income eligibility requirement)
- **Statutory Objectives:**
  - MTW Statutory Objective I: Increase housing choices for low-income families.

- MTW Statutory Objective II: Give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.
- **FY2014 Outcome:** In FY2014, 23 families purchased a home through the CTO program. 21 homeowners were able to receive approximately \$157,500 in additional down payment assistance towards their home purchase from the Illinois Housing Development Association (IHDA). Throughout the year, 57 families received homeownership counseling to prepare for the home-buying process. In FY2014, CHA amended the HCV Administrative Plan to reflect new income requirements for the CTO program, which will become effective in FY2015.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
SS-5: Households Assisted by Services that Increase Self-Sufficiency	Number of households receiving services aimed to increase self-sufficiency (increase).	0 families enrolled under new income requirements.	25 families enroll under new income requirements in FY2014.	0 families enrolled under new income requirements in FY2014.	Not applicable. The new income requirements were not implemented in FY2014.
SS-8: Households Transitioned to Self-Sufficiency*	Number of households transitioned to self-sufficiency (increase).	26 families (23 HCV and 3 public housing) purchased a home in FY2012.	30 families (25 HCV and 5 public housing) purchase homes in FY2014.	23 families (16 HCV and 7 public housing) purchased homes in FY2014.	CHA did not meet the benchmark. As of the end of FY2014, 8 families had pending closings anticipated in FY2015.
HC-6: Increase in Homeownership Opportunities	Number of households that purchased a home as a result of the activity (increase).	26 families (23 HCV and 3 public housing) purchased a home in FY2012.	30 families (25 HCV and 5 public housing) purchase homes in FY2014.	23 families (16 HCV and 7 public housing) purchased homes in FY2014.	CHA did not meet the benchmark. As of the end of FY2014, 8 families had pending closings anticipated in FY2015.
*For the SS-8 standard metric tracking, CHA is establishing the purchase of a home through Choose to Own as a definition of self-sufficiency.					

- **Data Collection:** CHA tracks program enrollment and the number of homes purchased by both public housing residents and HCV Program participants.
- **Authorization:** Attachment C, Section B, Paragraph 1(b)(iii), and Attachment C, Section D, Paragraph 8 (a-b) of CHA's Amended and Restated MTW Agreement, which waives certain provisions of Sections 8 (o)(15) and 8(y) of the 1937 Act and 24 C.F.R 982.625 through 982.643.

#### **Modified Family Self Sufficiency Program for HCV and Public Housing Participants (2014-01)**

- **Description and Impact:** In FY2014, CHA received approval to revise the participation requirements for the Family Self-Sufficiency program for public housing and HCV participants in the following ways:
  - Provide FSS participants with the ability to opt out of the Earned-Income Disregard so that they begin earning escrow more quickly.
  - Terminate participants from the FSS program who are not engaged with the program to open slots for those who are more interested in taking advantage of it. (This will not affect their housing subsidy.) Engagement will be defined as having at least one face-to-face meeting with an FSS coordinator each year.

- Create more stringent education requirements for program participants, including attending three financial literacy sessions each year.
- Require participants to be continuously employed for at least 12 months prior to program completion.

These revisions will remedy several current issues, including existing disincentives to participation due to a short period of time in which to earn escrow, underutilization of the program by participants who are not fully interested in engaging, and lack of financial self-sufficiency of current graduates. The overall goal is to maximize engagement in the FSS program and maximize the benefits of participation for those enrolled in the program. The impact of this activity is that more participants will remain engaged, obtain escrow, and increase consistent employment so they are better prepared for economic self-sufficiency upon graduation.

- **Implementation Year:** FY2014
- **Statutory Objective:** MTW Statutory Objective II: Give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.
- **FY2014 Outcome:** In FY2014, there were 954 FSS program participants. CHA did not reach the FSS program capacity of 1,250 in FY2014, but remained compliant with CHA's HUD FSS Administrative Plan. In FY2014, 104 (35%) of FSS families successfully completed the program, with \$785,568.91 disbursed in escrow payouts. In FY2014, several participants received contract extensions, voluntarily exited the program, or ported out from CHA to another housing authority, resulting in a lower number of participants than anticipated at the end of FY2014. In 2014 CHA amended the HCV Administrative Plan for FSS requirements to eliminate EID for participants and to formalize the financial education requirements. These changes will go into effect in 2015 for new enrollees.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
SS-1: Increase in Household Income	Average earned income of households affected by this policy in dollars (increase).	In FY2013, the average income from wages among FSS participants was \$8,855 (742 participants).	The average income from wages among FSS participants will remain stable at \$8,800 (1,050 projected participants) in FY2014.	In FY2014, the average income from wages among FSS participants was \$9,504 (860 households).*	CHA exceeded the benchmark.
SS-2: Increase in Household Savings	Average amount of savings/escrow of households affected by this policy in dollars (increase).	In FY2013, FSS participants had an average escrow of \$2,819 (742 participants).	In FY2014, the average escrow per FSS participant will remain stable at \$2,800.	In FY2014, the average escrow per FSS participant was \$3,501.	CHA exceeded the benchmark.
SS-3: Increase in Positive Outcomes in Employment Status**	Other category defined as:  Having earned income.	In FY2013, 344 FSS participants had income from wages.	The number of FSS participants with income from wages is projected as 483 participants in FY2014, which remains stable at 46%.	In FY2014, 395 of 860 FSS participants had income from wages, which is 46% of participants.	CHA met the benchmark.

		In FY2013, 46% of FSS participants had income from wages.	The percent of FSS participants with income from wages will remain stable at 46% in FY2014.	In FY2014, 46% of FSS participants had income from wages.	CHA met the benchmark.
SS-4: Households Removed from TANF	Number of households receiving TANF assistance (decrease).	In FY2013, 133 FSS participants were receiving TANF.	In FY2014, the number of FSS participants receiving TANF will remain stable at 130.	In FY2014, the number of FSS participants receiving TANF was 208.	CHA did not meet the benchmark.
SS-5: Households Assisted by Services that Increase Self-Sufficiency	Number of households receiving services aimed to increase self-sufficiency (increase).	As of 12/31/12, approximately 1,000 FSS participants were enrolled in services.	In FY2014, 200 new FSS participants will enroll in services, for a total of 1,200 participants.	In FY2014, 188 new participants enrolled in services, for a total of 954 FSS participants receiving services.	CHA did not meet the benchmark.
SS-6: Reducing Per Unit Subsidy Costs for Participating Households	Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	<u>Public Housing:</u> In FY2013, the average subsidy per public housing household was \$6,519 (based on 21,417 eligible units).  <u>HCV:</u> In FY2013, the average subsidy per HCV household was \$8,922 (based on 36,679 eligible vouchers).	<u>Public Housing:</u> The average subsidy per public housing household will remain stable at \$6,500 (based on 21,400 eligible units) in FY2014.  <u>HCV:</u> The average subsidy per HCV household will remain stable at \$8,900 (based on 36,500 eligible vouchers) in FY2014.	<u>Public Housing:</u> In FY2014, the average subsidy per public housing household was \$7,149 based on 21,290 units.  <u>HCV:</u> In FY2014, the average subsidy per HCV household was \$9,570 based on 39,319 vouchers.	Not applicable.
SS-7: Increase in Agency Rental Revenue	Rental revenue in dollars (increase).	<u>Public Housing:</u> In FY2013, public housing FSS participants contributed a total of \$1,006,056 (237 households).  <u>HCV:</u> In FY2013, HCV FSS participants contributed a total of \$1,831,476 (505 households).	<u>Public Housing:</u> The total contribution of public housing FSS participants will remain stable at \$1,000,000 (230 households) in FY2014.  <u>HCV:</u> The total contribution of HCV FSS participants will remain stable at \$1,800,000 (500 households) in FY2014.	<u>Public Housing:</u> In FY2014, the total contribution of public housing FSS participants was \$1,235,196 (304 households).  <u>HCV:</u> In FY2014, the total contribution of HCV FSS participants was \$2,197,548 (556 households).	CHA met the benchmark.

SS-8: Households Transitioned to Self-Sufficiency***	Number of households transitioned to self-sufficiency (increase).	In FY2012, 109 participants graduated from the FSS program.	In FY2014, 110 participants will graduate from the FSS program.	In FY2014, 104 participants graduated from the FSS program.	CHA did not meet the benchmark.
<p>*There were 954 cumulative FSS participants who participated at some point in FY2014. As of the end of FY2014, there were 860 FSS participants for which data is reported for certain metrics.</p> <p>**For SS-3 tracking, CHA defines “employed” based on whether income from wages is recorded in Yardi, CHA’s system of record.</p> <p>***For SS-8 tracking, CHA is establishing graduation from the FSS program as a definition of self-sufficiency.</p>					

- **Data Collection:** CHA will track the following for FSS program participants: average income from wages and employment status (defined as having income from wages), average escrow accumulation, program enrollment, resident contribution toward rent and yearly graduation totals as a measure of self-sufficiency.
- **Authorization:** Attachment C, Section E of CHA’s Amended and Restated MTW Agreement, which waives certain provisions of Section 23 of the 1937 Housing Act and 24 CFR 984.

### MTW Activities Related to Public Housing

#### **Public Housing Work Requirement (2009-02)**

- **Description and Impact:** CHA implemented a work requirement in FY2009 as a condition of occupancy across its public housing portfolio. Applicable adult members of public housing households are required to be engaged in employment or employment related activities for, at least, 20 hours per week, unless the resident is eligible for an exemption or granted Safe Harbor. With the BOC approval of the FY2011 ACOP, CHA changed the age range of the work requirement to apply to adult members of public housing households age 18 to age 54, or age 17 and not attending school full time.<sup>3</sup> In addition, upon a third request for Safe Harbor and subsequent requests, CHA now requires residents who seek Safe Harbor for reason of failure to obtain employment to work with their service provider to obtain a workforce assessment and to develop an action plan prior to returning to a property manager. If a resident is seeking Safe Harbor for any other reason (e.g. waiting on SSI determination); this process does not apply. Residents who are approved for Safe Harbor are re-examined every 90 days to determine their compliance. If a resident is denied Safe Harbor, the resident has the right to grieve CHA’s decision through the grievance process outlined in CHA’s Resident’s Grievance Procedure.

CHA provides resources to aid residents in fulfilling the work requirement through case management services and workforce development programs. The impact of the public housing work requirement is a greater number of residents engaged in employment, education, job training, and community service in order to achieve self-sufficiency.

- **Implementation Year:** FY2009
- **Statutory Objective:** MTW Statutory Objective II: Give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.

<sup>3</sup> The original work requirement applied to every adult member of a public housing household, age 18 to age 61 (or age 17 and not attending school full time).

- **FY2014 Outcome:** The public housing work requirement continues to be implemented successfully, and CHA continues to assist residents in maintaining and achieving compliance with the work requirement. Throughout FY2014, 27% of individual residents moved from Safe Harbor to compliance (497 of 1,838 residents in Safe Harbor as of 12/31/13).
- **Hardship Policy:** As described above, residents may request Safe Harbor if they are unable to comply with the work requirement for approved reasons. As of the end of FY2014, 1,572 adults subject to the work requirement were under Safe Harbor.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
SS-1: Increase in Household Income*	Average earned income of households affected by this policy in dollars (increase).	In FY2013, the average income from wages for households with a “work-able” adult subject to the work requirement was \$11,365 (5,081 households).	The average income from wages for households with a “work-able” adult subject to the work requirement will remain stable at \$11,300 in FY2014 (5,000 households).	In FY2014, the average income from wages for households with a “work-able” adult subject to the work requirement was \$12,085 (5,051 households).^	CHA exceeded the benchmark.
SS-3: Increase in Positive Outcomes in Employment Status*	Other category: Having earned income.	2,347 “work-able” public housing heads of household subject to the work requirement had income from wages in 2008.	3,391 “work-able” public housing heads of household subject to the work requirement will have income from wages in FY2014.	In FY2014, 2,464 (59%) of 4,154 “work-able” public housing heads of household subject to the work requirement had income from wages.^	CHA meet benchmark.
		52.7% of “work-able” public housing heads of household subject to the work requirement had income from wages in 2008.	59% of “work-able” public housing heads of household subject to the work requirement will have income from wages in FY2014.	In FY2014, 59% of “work-able” public housing heads of household subject to the work requirement had income from wages.	CHA met the benchmark.
SS-4: Households Removed from TANF	Number of households receiving TANF assistance (decrease).	In FY2013, 2,390 “work-able” public housing households with a “work-able” adult subject to the work requirement received TANF.	In FY2014, the number of “work-able” public housing households with a “work-able” adult subject to the work requirement receiving TANF will remain stable at 2,300.	In FY2014, 2,931 “work-able” public housing households with a “work-able” adult subject to the work requirement received TANF.	CHA did not meet the benchmark.

SS-5: Households Assisted by Services that Increase Self Sufficiency	Number of households receiving services aimed to increase self-sufficiency (increase).	In FY2013, 4,527 public housing households with a “work-able” adult subject to the work requirement were engaged with service providers through Family Works.	The number of public housing households with a “work-able” adult subject to the work requirement were engaged with service providers through Family Works will remain stable at 4,500 in FY2014.	In FY2014, 4,335 (out of 5,051) public housing households with a “work-able” adult subject to the work requirement were engaged with service providers through Family Works.	CHA did not meet the benchmark.
SS-6: Reducing Per Unit Subsidy Costs for Participating Households	Average amount of Section 8 and/or 9 subsidy per household affected by this policy in dollars (decrease).	In FY2013, the average subsidy per public housing household was \$6,519 (based on 21,417 eligible units).	The average subsidy per public housing household will remain stable at \$6,500 (based on 21,400 eligible units) in FY2014.	In FY2014, the average subsidy per public housing household was \$7,149 based on 21,290 units.	Not applicable.
SS-7: Increase in Agency Rental Revenue	Rental revenue in dollars (increase).	In FY2013, public housing households with a “work-able” adult subject to the work requirement contributed a total of \$21,401,844 (5,081 households).	The total contribution of public housing households with a “work-able” adult subject to the work requirement will remain stable at \$21,400,000 in FY2014.	In FY2014, “work-able” public housing households subject to the work requirement contributed a total of \$21,680,652 (5,051 households).	CHA met the benchmark.
SS-8: Households Transitioned to Self-Sufficiency**	Number of households transitioned to self-sufficiency (increase).	In FY2012, 52% of households subject to the work requirement (2,246 of 4,350 households) had all adults in compliance.	The percent and number of households subject to the work requirement that will have all adults in compliance will remain stable at 50% (2,200 households) in FY2014.	In FY2014, 47% of households subject to the work requirement (2,357 of 5,051) had all adults in compliance.	CHA exceeded the benchmark.
HC-3: Decrease in Wait List Time	Average applicant time on wait list in months (decrease).	As of FY2013, 11,313 applicants on the Public Housing Family Wait List have an average wait time of 41 months.	The average wait time for 11,313 applicants on the Public Housing Family Wait List will remain stable at 41 months in FY2014.	The average wait time for 11,217 applicants on the Public Housing Family Wait List increased to 54 months in FY2014.	CHA did not meet the benchmark.

^In FY2014, there were 5,051 households with an adult subject to the work requirement; of these, 4,154 have a head of household who is subject to the work requirement.

\*For SS-1 and SS-3 tracking, CHA defines "work-able residents" as those age 18 to 54 who are not receiving SSI, SSDI or a pension. CHA defines "employed" based on whether income from wages is recorded in Yardi, CHA's system of record.

\*\*For SS-8, CHA is establishing households in which all adults are compliant with the work requirement as a definition of self-sufficiency.

- Additional Metrics:

Additional Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
Work Requirement Compliance Status	Number/Percent of residents in each work requirement compliance status (Compliant, Safe Harbor, Exempt, Under Legal, Non-compliant)	49% (4,149) compliant 27% (2,292) exempt 20% (1,724) safe harbor 1% (71) non-compliant 3% (297) under legal as of 12/31/12.	Of the families with a Safe Harbor designation at the end of FY2013, move 3% to compliance in FY2014.	In FY2014: 51% (4,210) compliant 23% (1,941) exempt 19% (1,572) safe harbor 5% (375) non-compliant 2% (191) under legal 0.1% (8) status expired  27% of individual residents moved from Safe Harbor to compliance (497 of 1,838 residents in Safe Harbor as of 12/31/13).	CHA exceeded the benchmark.

- Data Collection: CHA tracks work requirement compliance at the time of re-examination. CHA tracks the changes in compliance status each year compared to the previous year. In addition, CHA tracks income and employment outcomes for work-able public housing heads of household as well as contribution toward rent, average subsidy, engagement in services and average time for applicants on the wait list.
- Authorization: Attachment D, Paragraph 21 of CHA's Amended and Restated MTW Agreement which gives CHA authority to implement a work requirement as a condition of tenant occupancy in public housing.

#### ***Office of the Ombudsman (2008-01)***

- Description and Impact: CHA established the Office of the Ombudsman in FY2008 to address the concerns of public housing residents in mixed-income communities. The Ombudsman serves as a liaison between residents and CHA leadership, while providing a forum for residents to learn about the benefits and offerings in the mixed-income communities. The Ombudsman holds meetings for public housing residents renting in mixed-income developments by region. Residents and other community members are provided an opportunity to share comments and concerns at these meetings, and comments are collected, responded to, and posted on CHA's website. The impact of this activity is that, by providing designated CHA staff to assist public housing residents in mixed-income communities in resolving any public housing related issues that may arise, residents are able to adapt to their new communities.
- Implementation Year: FY2008

- **Statutory Objective:** MTW Statutory Objective II: Give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.
- **FY2014 Outcome:** In FY2014, the Office of the Ombudsman continued to experience a decrease in participants contacting the office for services, as well as attendance at regional forums. CHA will reevaluate the decrease in resident participation, but sees this as a positive step in increasing self-sufficiency as some residents are able to address their own issues and access available services.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
SS-5: Households Assisted by Services that Increase Self-Sufficiency	Number of households receiving services aimed to increase self-sufficiency (increase).	0 residents engaged before the Office of the Ombudsman existed.	500 residents engaged through the Office of the Ombudsman in FY2014.	292 residents engaged through the Office of the Ombudsman in FY2014.	CHA did not meet the benchmark.

- **Additional Metrics:**

Additional Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
Regional meetings to engage residents	Number of meetings held	0 meetings held before the creation of the Office of the Ombudsman.	Minimum of six meetings for mixed-income residents in FY2014.	Six meetings were held for mixed-income residents in FY2014.	CHA met the benchmark.

- **Data Collection:** CHA tracks the number of residents engaged through the Office of the Ombudsman, the number of meetings and resident participants, and the posting of meeting notes and responses on CHA's website.
- **Authorization:** Attachment D, Paragraph 20 of CHA's Amended and Restated MTW Agreement, which waives provisions of 24 CFR 964.18 as well as 24 CFR 964 Subpart B.

### MTW Activities Related to HCV Program

#### ***Biennial Re-examinations for HCV (2006-01)***

- **Description and Impact:** CHA currently conducts biennial re-examinations for HCV Program participants to review family circumstances, income, assets, expenses, and family composition to establish continued eligibility for the HCV Program. The impact of this activity is a decrease in staff time and resources for conducting re-examinations for applicable families. In addition, this activity decreases the re-examination burden for participants who undergo re-examinations on a biennial basis instead of an annual basis. Biennial re-examinations will be applicable for those HCV households who are not on annual or triennial re-examination schedules.<sup>4</sup>

<sup>4</sup> CHA conducts annual re-examinations for public housing and HCV households participating in the FSS and Choose to Own programs and households in Moderate Rehab properties. CHA is planning to implement triennial re-examinations for fixed-income households with only elderly and/or disabled participants.

- Implementation Year: FY2006 (HCV), proposed FY2014 (Public Housing)
- Statutory Objective: MTW Statutory Objective III: Reduce costs and achieve greater cost effectiveness in federal expenditures.
- FY2014 Outcome: CHA conducted 15,495 biennial re-examinations for HCV households in FY2014.
- Hardship Policy: If for any reason a participant's income decreases, they will be eligible for an interim re-examination to adjust their rent calculation based on a decrease in income. In FY2014, 2918 families had an interim re-examination due to a decrease in income.
- Standard Metrics:

Standard Metric	Unit of Measurement	Revised Baseline^	2014 Benchmark^	2014 Outcome	Benchmark Achieved?
CE-1: Agency Cost Savings	Total cost of task (in dollars).	In FY2013, HCV households who had re-exams, based on a biennial schedule, (14,105 households, or half of the total 28,209 biennial-eligible households) cost approximately \$1,057,875. (14,105 re-exams x \$75).	<u>HCV</u> : Biennial re-exams for applicable HCV participants will cost \$644,700 (8,596 re-exams x \$75) in FY2014.	<u>HCV</u> : Biennial re-exams for applicable HCV participants cost \$2,246,920 (15,496 re-exams x \$145) in FY2014.	Not applicable.
CE-2: Staff Time Savings	Total time to complete the task in staff hours (decrease).	In FY2013, for HCV households who had re-exams, based on a biennial schedule (14,105 households, or half of the total 28,209 biennial-eligible households), CHA spent 49,368 staff hours (14,105 re-exams x 3.5 hours).	<u>HCV</u> : CHA will spend 30,086 staff hours on biennial re-exams (8,596 re-exams x 3.5 hours) in FY2014.	<u>HCV</u> : CHA spent 100,724 staff hours on biennial re-exams (15,496 re-exams x 6.5 hours) in FY2014.	Not applicable.
CE-5: Increase in Agency Rental Revenue	Rental revenue in dollars (increase).	In FY2013, HCV households who had re-exams, based on a biennial schedule, contributed a total of \$47,568,930 (14,105 households, or half of the total 28,209 biennial-eligible households).	<u>HCV</u> : The total contribution of HCV households eligible for biennial re-examinations will remain stable at \$62,000,000 in FY2014.	In FY2014, HCV households who had a biennial re-examination contributed a total of \$54,097,620 (15,192 households).**	Not applicable.

SS-1: Increase in Household Income*	Average earned income of households affected by this policy in dollars (increase).	In FY2013, the average income from wages for 28,209 HCV households who were eligible for biennial re-exams was \$5,226.	<u>HCV:</u> Average income from wages for HCV household eligible for biennial re-examinations will remain stable at \$4,000 in FY2014.	In FY2014, the average income from wages for 15,192 HCV households who had biennial re-examinations was \$5,008.	Not applicable.
SS-3: Increase in Positive Outcomes in Employment Status*	Other category:  Having earned income.	In FY2013, 3,697 “work-able” HCV heads of household had income from wages (of 14,105 households, or half of the total 28,209 biennial-eligible households)	<u>HCV:</u> The number of “work-able” HCV heads of household eligible for biennial re-examinations with income from wages will remain stable at 3,400 in FY2014.	In FY2014, 3,693 of 7,747 “work-able” HCV heads of household who had biennial re-examinations had income from wages.	Not applicable.
		In FY2013, 42% of “work-able” HCV heads of household eligible for biennial re-exams had income from wages in FY2013 (3,697 of 8,776 work-able heads of household).	<u>HCV:</u> The percent of “work-able” HCV heads of household eligible for biennial re-examinations with income from wages will remain stable at 45% in FY2014.	In FY2014, 48% of “work-able” HCV heads of household who had biennial re-examinations had income from wages.	Not applicable.
SS-4: Households Removed from Temporary Assistance for Needy Families (TANF)	Number of households receiving TANF assistance (decrease).	In FY2013, 1,480 HCV households were receiving TANF (of 14,105 households, or half of the total 28,209 biennial-eligible households).	<u>HCV:</u> In FY2014, the number of HCV households eligible for biennial re-examinations who receive TANF will remain stable at 1,500.	In FY2014, the number of HCV households with biennial re-examinations who receive TANF was 1,530.	Not applicable.
SS-8: Households Transitioned to Self-Sufficiency***	Number of households transitioned to self-sufficiency (increase).	In FY2013, 1,144 HCV households moved up at least one AMI category (of 14,105 households, or half of the total 28,209 biennial-eligible households).	<u>HCV:</u> 1,300 HCV households eligible for biennial re-examinations will move up at least one AMI category in FY2014.	In FY2014, 2,220 HCV households (out of 15,192) who had biennial re-examinations moved up at least one AMI category.	Not applicable.
^CHA adjusted baselines for these metrics in the FY2015 MTW Annual Plan based on implementation plans for biennial and triennial re-examinations. FY2014 MTW Annual Plan benchmarks for some metrics do not correspond to the revised baselines. In FY2014, CHA also updated cost and staff time estimates for re-examinations.					

\*For SS-3 tracking, CHA defines "work-able residents" as those age 18 to 54 who are not receiving SSI, SSDI or a pension. CHA defines "employed" based on whether income from wages is recorded in Yardi, CHA's system of record.

\*\*This number (15,192) includes only households who had biennial re-exams in FY2014 who were still participants in the HCV program as of 12/31/14, therefore it does not match the total number of households who had biennial re-exams in FY2014 (15,496), which also includes households who had biennial re-exams in FY2014 but as of 12/31/14 were no longer receiving HCV assistance.

\*\*\*For SS-8 tracking, CHA is establishing the movement up to a higher Area Median Income (AMI) category as a definition of self-sufficiency. CHA tracks the following AMI categories: Thriving (above 80% AMI), Stable (51-80% AMI), Safe (31-50% AMI with at least one employed household member), At Risk (0-30% AMI with at least one employed household member) and Crisis (0-50% AMI with zero employed work-able adults in household).

- **Data Collection:** CHA will track the staff time and cost savings for biennial re-examinations. In addition, CHA will continue to track the following metrics for households eligible for biennial re-examinations: resident contribution toward rent, average income from wages and employment status (defined as "having earned income") for "work-able" heads of household, and those who move up to a higher AMI category as described above.

In FY2014, CHA conducted a new time study and cost analysis for re-examinations. The cost per re-examination increased from \$75 to \$145. The time to conduct a re-examination increased from 3.5 hours to 6.5 hours. The new HCV analyses include itemize costs (direct and indirect) of a random sample population and track costs associated with re-examinations. Itemized costs reviewed included but were not limited to operating expenses, staffing, training, and quality control activities.

- **Authorization:** For HCV, Attachment C, Section D (1) (c) of CHA's Amended and Restated MTW Agreement, which waives certain provisions of Section 8(o) (5) of the 1937 Act and 24 C.F.R. 982.516.

#### ***Exception Payment Standards (2010-02)***

- **Description and Impact:** In FY2010, CHA received HUD approval to implement exception payment standards that exceed the standard limit of 110% of HUD's published Fair Market Rents (FMRs) for the City of Chicago.<sup>[4]</sup> Following an extensive analysis in FY2014, CHA lowered the limit for exception payment standards to no more than 150% of HUD FMR for all new requests with phase out of existing exception payments that exceed 150% over the next three years.

Exception payment standards are part of CHA's strategy to expand housing choices for HCV participants through access to Opportunity Areas throughout Chicago. CHA currently defines Opportunity Areas as census tracts with low poverty and low subsidized housing (in addition to some census tracts with low poverty, moderate subsidized housing, and improving community economic characteristics). Approval of exception payment standards is determined on a case-by-case basis. CHA will approve an exception payment standard only in the following cases:

1. CHA has approved a reasonable accommodation for the family; or
2. The family is residing in or moving into a CHA-designated Opportunity Area.

The impact of this activity is an increase in housing opportunities in neighborhoods designated as Opportunity Areas that typically may have higher rents.

- **Implementation Year:** FY2010

<sup>[4]</sup> In FY2010, CHA received approval to implement exception payment standards that may be up to 300% of HUD's Fair Market Rents (FMRs).  
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- **Statutory Objective:** MTW Statutory Objective I: Increase housing choices for low-income families.
- **FY2014 Outcome:** In FY2014, CHA conducted an extensive analysis of exception payment standards and decided to cap exception payment standards at 150% of HUD FMR for all new requests. In addition, CHA developed a plan to phase out existing exception payment standards that exceed 150% of HUD FMR over the next three years. CHA's Mobility Program continues to provide mobility counseling to voucher holders to encourage residents to move to Opportunity Areas, with and without exception payment standards.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
HC-5: Increase in Resident Mobility	Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	In FY2012, 37 households leased in Opportunity Areas with exception payment standards.	In FY2014, a total of 192 households will lease (including new and existing leases) in Opportunity Areas with exception payment standards.	In FY2014, a total of 985 households leased (including new and existing leases) in Opportunity Areas with exception payment standards. This includes families who have since moved out of Opportunity Areas and no longer have exception payment standards.	CHA exceeded the benchmark.*
*The FY2014 benchmark was created based on data from mid-2013. Mobility counseling efforts intensified significantly in late FY2013 and throughout FY2014, leading to a substantial increase in households leasing in Opportunity Areas with Exception Payment Standards.					

- **Data Collection:** CHA tracks the number of HCV participants living in CHA-designated Opportunity Areas with exception payment standards.
- **Authorization:** Attachment C, Section D(2)(a-c) of CHA's Amended and Restated MTW Agreement, which waives certain provisions of Section 8(o)(1-3), 8(o)(7), and 8(o)(10) of the 1937 Act and 24 C.F.R. 982.308, 982.503, 982.507, 982.508, 982.518, and 982.451.

#### HCV Owner Excellence Program MTW Activities

CHA implemented the Owner Excellence Program (OEP) on September 1, 2011. Prior to membership, an owner must be accepted into the program and fulfill certain requirements, such as completing courses in HQS, HCV, and property management. There are currently 353 OEP Members. OEP members are eligible for a Unit Excellence Program (UEP) designation, which provides additional unit-based benefits, such as acceptance of passed inspections for new tenancy approvals, vacancy payments, and biennial inspection. Effective August 2013, all new OEP applicants must have one unit participating in UEP. At the end of FY2014, a total of 207 OEP members have at least one UEP unit for a total of 1121 occupied UEP units. The Owner Excellence Program aims to have 2,000 occupied UEP units by the end of FY 2015. Unit-based benefits will continue to be restricted to UEP units.

CHA began to evaluate OEP and UEP in FY2014, and the evaluation is ongoing. The following MTW activities are related to the HCV Owner Excellence Program and available for eligible UEP units.

**Owner Excellence - Acceptance of Passed Annual or Initial HQS Inspection for New Request for Tenancy Approval within 90 Days of Passed Date (2011-02)**

- **Description and Impact:** As part of the HCV Owner Excellence Program, and for units with a UEP designation only, CHA is authorized to approve tenancy for a unit that passed inspection within the previous 90 calendar days without conducting a new inspection for each Request for Tenancy Approval [RTA] received. The purpose of this activity is to provide incentives to retain high quality owners and units, to continue to provide viable housing options for HCV participants.
- **Implementation Year:** FY2012 (approved FY2011)
- **Statutory Objective:** MTW Statutory Objective I: Increase housing choices for low income families.
- **FY2014 Outcome:** CHA's evaluation of the Owner Excellence Program is ongoing, and metrics may be updated in FY2015.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
HC-5 Increase in Resident Mobility	Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	In FY2012, 0 households leased UEP units where a passed annual or initial inspection was transferred (passed inspection within 90 days of RTA receipt).	5 new households leased in UEP units in FY2014 where a passed annual or initial inspection result was transferred.	3 new households leased in UEP units in FY2014 where a passed annual or initial inspection result was transferred.	CHA did not meet the benchmark.
CE-1: Agency Cost Savings*	Total cost of task (in dollars).	In FY2012, CHA conducted 261 annual or initial inspections for UEP units for a total cost of \$25,056 (261 x \$96).*	CHA did not establish a benchmark for this metric for FY2014.*	In FY2014, CHA spent \$91,200 on regular (annual) and initial inspections for UEP units (950 UEP inspections x \$96 per inspection).	Not applicable.
CE-2: Staff Time Savings*	Total time to complete the task in staff hours (decrease).	In FY2012, CHA conducted 261 annual or initial inspections for UEP units for total of 239 staff hours (261 x .92).*	CHA did not establish a benchmark for this metric for FY2014.*	In FY2014, CHA spent 874 staff hours on initial inspection for UEP units (950 UEP inspections x .92 hours per inspection).	Not applicable.
*Due to CHA's evaluation of the Owner Excellence Program, CHA did not establish baselines and benchmarks for these metrics in the FY2014 MTW Annual Plan. CHA established baselines for these metrics in the FY2015 MTW Annual Plan.					

- **Data Collection:** CHA tracks the number of new households who lease available UEP units where a passed annual or initial inspection result transferred. CHA is currently automating the process to transfer a passed annual or initial inspection. CHA estimates the cost of an initial/annual inspection is \$96 and takes .92 staff hours (55 minutes). However, CHA will develop new estimates for staff time and cost of initial/annual inspections by the end of FY2015. The HCV analyses will reflect updates associated with new contracts for administration of the HCV program.
- **Authorization:** Attachment C, Section D (5) of the MTW Agreement which waives certain provisions of Section 8(o) (8) of the 1937 Act and 24 CFR 982 Subpart I.

#### **Owner Excellence - Vacancy Payments (2011-03)**

- **Description and Impact:** As part of CHA's Owner Excellence Program, CHA is authorized to provide a modest vacancy payment to participating owners who re-lease a Unit Excellence Program [UEP] unit to another HCV participant. CHA will provide vacancy payments to eligible owners upon the execution of a new HAP contract for a re-leased UEP unit. One-hundred percent of the previous family's HAP amount will be paid to participating owners for the vacant period not to exceed 60 days. The unit shall be deemed vacant (A) commencing on the first day for which HAP is not paid for the unit following completion of a move out or termination of the lease, and (B) ending on the day preceding the first day for which HAP is paid for such unit based on the execution of a new HAP with CHA. The purpose of this activity is to provide incentives to retain high quality owners and units in the program, and to continue to provide viable housing options for families.
- **Implementation Year:** FY2012 (approved FY2011).
- **Statutory Objective:** MTW Statutory Objective I: Increase housing choices for low income families.
- **FY2014 Outcome:** CHA's evaluation of the Owner Excellence Program is ongoing, and metrics may be updated in FY2015.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
HC-2: Units of Housing Preserved	Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase).	9 UEP units preserved through vacancy payments in FY2012.	10 UEP units will be preserved through a vacancy payment in FY2014.	62 UEP units were preserved through a vacancy payment in FY2014.	CHA exceeded the benchmark.

- **Data Collection:** CHA tracks the number of UEP units preserved in the HCV program through vacancy payments.
- **Authorization:** Attachment C, Section D(1)(d) of the MTW Agreement which waives certain provisions of Sections 8(o) (9) of the 1937 Act and 24 CFR 982.311.

#### **Owner Excellence - Biennial Inspections (2011-09)**

- **Description and Impact:** As part of CHA's Owner Excellence Program, units with UEP designation will be inspected on a biennial basis. The impact of this activity is a reduction in staff hours spent on conducting inspections, which subsequently will result in administrative cost savings.
- **Implementation Year:** FY2012 (approved FY2011)

- **Statutory Objective:** MTW Statutory Objective III: Reduce costs and achieve greater cost effectiveness in federal expenditures.
- **FY2014 Outcomes:** This activity was implemented in FY2014. However, in response to HUD implementation of FY2014 Appropriations Provision Section 220, CHA decided to place this activity on hold for FY2015. In addition, CHA's evaluation of the Owner Excellence Program is ongoing, and metrics may be updated in FY2015.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
CE-1: Agency Cost Savings	Total cost of task in dollars (decrease).	Between FY2012 and FY2013, CHA estimates spending \$68,704 conducting annual inspections of UEP units (716 projected UEP units by 12/31/13 x \$96).	In FY2014, CHA will spend \$38,112 conducting biennial inspections (397 UEP units x \$96).	In FY2014, CHA spent \$91,200 conducting biennial inspections (950 inspections x \$96).	CHA did not meet the benchmark.
CE-2: Staff Time Savings	Total time to complete the task in staff hours (decrease).	Between FY2012 and FY2013, CHA estimates spending 658 staff hours on annual inspections (716 projected UEP units by 12/31/13 x .92 hours).	In FY2014, CHA will spend 365 staff hours on annual inspections (397 projected UEP units x .92 hours).	In FY2014, CHA spent 874 staff hours on annual inspections (950 inspections x .92 hours).	CHA did not meet the benchmark.
CE-3: Decrease in Error Rate of Task Execution	Average error rate in completing a task as a percentage (decrease).	CHA did not establish a baseline for this metric for FY2014. CHA does not have enough data to establish a baseline.	CHA did not establish a benchmark for this metric for FY2014.	CHA does not have enough data to report on outcomes for FY2014.	Not applicable.

- **Data Collection:** CHA estimates the cost of an initial inspection is \$96 and takes .92 staff hours (55 minutes). CHA tracks biennial inspections for UEP units and the associated staff time and cost savings. CHA is currently conducting an evaluation of the Owner Excellence Program, which includes a thorough review of performance metrics, and will provide updates in the FY2014 Annual Report.
- **Authorization:** Attachment C, Section D(5) of the MTW Agreement which waives certain provisions of Section 8(o) (8) of the 1937 Act and 24 CFR 982 Subpart I.

MTW Activities Related to Property Rental Assistance/Project-Based Voucher Program***Exceed the Limit of 25% Project-Based Voucher Assistance in Family Properties (2008-02)***

- **Description and Impact:** CHA is authorized to increase the percent of assisted PBV units in certain projects above the regulatory limit of 25% per family building. CHA uses this flexibility to create innovative funding structures for PBV developments and enhance its Property Rental Assistance Program. The impact of making PBVs available in excess of the 25% limit is that more developers are enticed to preserve or create affordable housing, increasing the availability of quality housing options throughout Chicago's communities for low-income individuals and families.
- **Implementation Year:** FY2008
- **Statutory Objective:** MTW Statutory Objective I: Increase housing choices for low-income families.
- **FY2014 Outcome:** One unit at Sunnyside Kenmore Apartments was preserved by exceeding the 25% threshold for family housing. There are 10 PBV units out of 26 at the property; nine units were placed under contract prior to FY2014.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
HC-1: Additional Units of Housing Made Available	Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0 additional PBV units were made available by exceeding 25% in family PBV properties prior to FY2008.	8 (out of 26) additional PBV units made available by exceeding 25% in family PBV properties in FY2014.	1 additional PBV unit was made available by exceeding 25% in family PBV properties in FY2014.	CHA did not meet the benchmark.
HC-2: Units of Housing Preserved	Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase).	0 housing units for low-income households were preserved by exceeding 25% in family PBV properties prior to FY2008.	51 housing units for low-income households will be preserved by exceeding 25% in family PBV properties in FY2014.	One housing unit for low-income households was preserved by exceeding 25% in family PBV properties in FY2014.	The FY2014 benchmark of 51 was an error and applied to a different MTW activity. The benchmark should have been zero for this metric, in which case CHA exceeded the benchmark.

- **Data Collection:** CHA tracks the number of additional PBV units in family properties made available through the flexibility to exceed the 25% limit.
- **Authorization:** Attachment D, Paragraph 6 of CHA's Amended and Restated MTW Agreement which waives Section 8(o)(13)(D)(i) of the 1937 Act and 24 CFR 983.56. This waiver provides CHA with the ability to supply more affordable housing units in family PBV buildings.

***Authorization of Qualified PRA Owners/Property Managers to Perform Initial Eligibility Determinations and Re-examinations (2011-04)***

- **Description and Impact:** CHA has authority to train and certify qualified owners, as defined by CHA, in the Property Rental Assistance (PRA) Program to perform initial tenant eligibility determinations and re-examinations of PBV participants. CHA will require the owners to enter re-examination and initial eligibility data into CHA's systems of record for transmission to HUD PIC, will monitor owner performance monthly, and will perform comprehensive quality control reviews. However, CHA will continue to monitor EIV for income verification and participating owners will not be granted access to this

function. The anticipated impact of this activity is to reduce costs, to minimize the duplication of effort, and to administer the PRA program using a best practices model for privately-managed mixed-income and public housing developments.

- **Implementation Year:** FY2012 (approved FY2011)
- **Statutory Objective:** MTW Statutory Objective III: Reduce costs and achieve greater cost effectiveness in federal expenditures.
- **FY2014 Outcome:** CHA implemented this activity for 79 units at Town Hall Apartments in FY2014, where the owner performed new admissions services instead of CHA's HCV contractor. CHA saved \$45,543.50 in new admission fees for the 79 units. CHA has not yet implemented this activity for re-examinations.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline <sup>^</sup>	2014 Benchmark <sup>^</sup>	2014 Outcome	Benchmark Achieved?
CE-1: Agency Cost Savings	Total cost of task in dollars (decrease).	In FY2012, CHA spent \$1,081,356 for PRA initial eligibility determinations and re-examinations prior to implementation (2,425 units x \$445.92).	In FY2014, CHA will spend \$957,356 by allowing owners to perform initial eligibility determinations and re-examinations (2,149 units x \$445.92).	<p><u>Initial Eligibility Determinations:</u> In FY2014, CHA spent \$527,350 on initial eligibility determinations for PRA. This includes \$224,688 (604 new admission units X \$372) plus \$302,662.50 (525 new units x \$576.50 new admission fee). CHA did not pay a new admission fee for 79 units.</p> <p><u>Re-examinations:</u> In FY2014, CHA spent \$19,375 on re-examinations for PRA (625 re-examinations X \$31).</p>	Not applicable. CHA has updated the method of tracking outcomes for this activity.
CE-2: Staff Time Savings	Total time to complete the task in staff hours (decrease).	In FY2012, 8,488 hours of staff time were dedicated to PRA initial eligibility determinations and re-examinations prior to implementation (2,425 units x 3.5 hours).	In FY2014, 7,522 hours of staff time will be dedicated to PRA initial eligibility determinations and re-examinations (2,149 units x 3.5 hours).	In FY2014, CHA spent 13,832 hours of staff time for PRA initial eligibility determinations and re-examinations for all PRA units (2,128 units x 6.5 hours). CHA did not save staff time through this activity.	Not applicable. CHA has updated the method of tracking outcomes for this activity.
<sup>^</sup> Since the baseline and benchmark was established, the per unit cost for initial eligibility determinations and re-examinations has decreased from \$445.92 to \$372. In addition, CHA has updated the staff time required for these activities from 3.5 to 6.5 hours.					

- **Data Collection:** CHA tracks the decrease in costs and staff time associated with allowing qualified owners to perform initial eligibility determinations and re-examinations. CHA estimates the cost of conducting PRA initial eligibility determinations is \$939.50, which includes a cost of \$372 yearly per unit for eligibility determinations, based on a \$31.00 monthly PUC, as well as a new unit admission fee of \$567.50. The cost for re-examinations is \$372 yearly per unit, based on a \$31.00 monthly PUC. CHA currently estimates it takes 6.5 hours to conduct an initial eligibility determination or re-examination based on new time/cost analyses conducted in FY2014.

- **Authorization:** Attachment C, Section D (1)(a), (1)(c), and 3(b) of CHA's Amended and Restated MTW Agreement, which waive certain provisions of Sections of 8(o)(5) and 8(o)(7) of the 1937 Act and 24 C.F.R. 982.162, 24 C.F.R. 982.516, and 982 subpart E.

#### ***PBV Contract Commitments with 16-30 Year Initial Terms (2011-05)***

- **Description and Impact:** To facilitate the expansion of affordable housing opportunities through the use of project-based vouchers, CHA enters into new PRA Program project-based voucher HAP contracts for an initial term between one and 30 years. CHA utilizes MTW authority to enter into contracts that have an initial term of 16-30 years. The impact of this activity is that it will assist developers to obtain better financial terms and help to ensure the long-term availability of quality affordable housing. Through this activity, contracts with an initial term of 16-30 years do not have the 15-year extension option.
- **Implementation Year:** FY2011
- **Statutory Objective:** MTW Statutory Objective I: Increase housing choices for low income families.
- **FY2014 Outcome:** In FY2014, a total of 281 units had new PBV contract commitment with 16-30 year initial terms. Of this amount, 213 units were new housing units and 68 units were preserved. Overall, there are a total of 904 units with initial terms of 16 or more years.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
HC-1: Additional Units of Housing Made Available	Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0 PBV units made available with 16-30 year contracts prior to implementation.	In FY2014, 292 new PBV units will be made available with 16-30 year contracts, for a total of 915 PBV units.	In FY2014, 213 new PBV units were made available with 16-30 year contracts, for a total of 904 PBV units.	CHA did not meet the benchmark.
HC-2: Units of Housing Preserved	Number of housing units preserved for households at or below 80% AMI that would otherwise not be available (increase).	0 PBV units preserved with 16-30 year contracts prior to implementation.	In FY2014, 0 PBV units preserved with 16-30 year contracts.	In FY2014, 68 PBV units were preserved with 16-30 year contracts.	The FY2014 benchmark of 0 was an error and applied to a different MTW activity. The benchmark should have been 51 for this metric, in which case CHA exceeded the benchmark.

- **Data Collection:** CHA tracks the number of additional PBV units that are made available through executed HAP contracts with initial terms of 16 to 30 years.
- **Authorization:** Attachment C, Section D (2)(b) of CHA's Amended and Restated MTW Agreement, which waives certain provisions of Section 8(o)(7) and 8(o)(13) of the 1937 Housing Act and 24 C.F.R. 983 Subpart E.

**Acceptance of City Certificates of Occupancy for Initial PRA Inspections (2011-06)**

- **Description and Impact:** For the PRA Program, CHA reduces the number of inspections required prior to lease-up of project-based voucher developments that are new construction or substantial rehabilitation. In cases involving such properties, CHA considers Certificates of Occupancy issued by the City of Chicago as evidence of the property's compliance with Housing Quality Standards. CHA will not perform initial inspections on such units prior to entering into the PRA Housing Assistance Payment (HAP) contracts. The impact of this activity is to reduce costs by reducing the number of inspections conducted by staff, as well as the associated tenant inconvenience in developments that have additional governmental funding such as tax credits and state-financed loans.
- **Implementation Year:** FY2011
- **Statutory Objective:** MTW Statutory Objective III: Reduce costs and achieve greater cost effectiveness in federal expenditures.
- **FY2014 Outcome:** In FY2014, CHA spent \$0 on initial PRA inspections and zero staff hours on initial PRA inspections for new construction and substantial rehab units.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline^	2014 Benchmark	2014 Outcome	Benchmark Achieved?
CE-1: Agency Cost Savings	Total cost of task in dollars (decrease).	In FY2011, CHA spent \$5,054 for initial PRA inspections (351 units x \$14.40 per year).	In FY2014, CHA will spend \$0 on initial PRA inspections.	CHA spent \$0 on initial PRA inspections in FY2014.	CHA met the benchmark.
CE-2: Staff Time Savings	Total time to complete the task in staff hours (decrease).	In FY2011, 176 hours of staff time were dedicated to initial PRA inspections for new construction and substantial rehab units (351 units x .50 hours).	In FY2014, 0 hours of staff time will be dedicated to initial PRA inspections for new construction and substantial rehab units.	Zero hours of staff time were dedicated to initial PRA inspections for new construction and substantial rehab units in FY2014.	CHA met the benchmark.

^Since the baseline was established, CHA has updated the cost of conducting initial PRA inspections to \$32.95 from \$14.40, and has also updated the estimated inspection time to .92 hours

- **Data Collection:** CHA estimates the cost of conducting initial PRA inspections per unit is \$32.95. CHA tracks the decrease in costs and staff time associated with accepting Certificates of Occupancy issued by the City of Chicago for initial inspections. CHA currently estimates it takes .92 hours to conduct an inspection.
- **Authorization:** Attachment C, Section D(7)(d)(ii) of CHA's Amended and Restated MTW Agreement, which waives certain provisions of Section 8(o)(8) of the 1937 Housing Act and 24 C.F.R. 982 Subpart I.

**Two-Year Requirement for PBV Participant Transition to Housing Choice Voucher (2011-07)**

- **Description and Impact:** Under the PRA program, CHA reduces the turnovers in project-based voucher developments by allowing families only to receive a Housing Choice Voucher after two years of occupancy rather than one year, except for tenants currently residing in a supportive housing unit.

Supportive housing units are exempt from the two-year tenancy requirement in cases where families who graduate from their supportive services program(s) before two years wish to move to traditional family housing. In those cases, the family would be issued a tenant-based voucher and the unit would become available for another family in need of supportive services. The impact of this activity is reducing PBV unit turnover and providing stability as an incentive to developers and property owners to participate in the PRA program. Moreover, this also assists PBV developments reduce turnover costs.

- **Implementation Year:** FY2011
- **Statutory Objective:** MTW Statutory Objective III: Reduce costs and achieve greater cost effectiveness in federal expenditures.
- **2014 Outcome:** In FY2014, no PBV tenants transferred to tenant-based vouchers within 1-2 years of initial occupancy.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
CE-1: Agency Cost Savings	Total cost of task in dollars (decrease).	In FY2010, CHA spent \$567 (1 transfer x \$567) to transfer tenants from PBV units to tenant-based vouchers in 2010.	In FY2014, CHA estimates spending \$0 to transfer tenants from non-supportive PBV units to tenant-based vouchers in FY2014.	In FY2014, CHA spent zero dollars to transfer tenants from non-supportive PBV units to tenant-based vouchers.	CHA met the benchmark.
CE-2: Staff Time Savings	Total time to complete the task in staff hours (decrease).	In FY2010, CHA spent 10.5 staff hours (1 transfer x 10.5 staff hours per transfer) to transfer tenants from PBV units to tenant-based vouchers.	In FY2014, CHA estimates spending 0 staff hours (0 transfers x 10.5 staff hours per transfer) to transfer tenants from non-supportive PBV units to tenant-based vouchers.	In FY2014, CHA spent zero staff hours to transfer tenants from non-supportive PBV units to tenant-based vouchers.	CHA met the benchmark.

- **Data Collection:** CHA tracks the number of transfers within 1-2 years of initial occupancy from non-supportive PBV units to tenant-based vouchers and associated staff time and cost savings. CHA also tracks the number of PBV units with the two-year tenancy requirement.
- **Authorization:** Attachment C, Section D (7) of CHA's Amended and Restated MTW Agreement which waives certain provisions of 24 CFR 983.

***Payments during Initial Occupancy/Leasing for New Construction and Substantially Rehabilitated Properties (2011-08)***

- **Description and Impact:** To provide an incentive for participation in CHA's PRA Program and to ensure the long-term viability of newly constructed and substantially rehabilitated properties, CHA provides vacancy payments, as determined necessary on a project by project basis, during the initial operating lease-up period. Such an approach is consistent with practices in the affordable housing industry (e.g., initial operating reserve for tax-credit properties, provision of operating subsidy for mixed-finance and public housing properties, and allowable vacancy payments from execution of contract to initial occupancy in the Moderate Rehabilitation Program). These payments allow new developments to maintain a positive cash position in meeting operating expenses when all of the PBV units are not leased.

CHA is authorized to make payments for a period not to exceed 90 days from the execution of the HAP contract. These vacancy payments are equal to 50% of the contract rent for the initial 60 days of the vacancy. CHA may determine that there is a reasonable opportunity to refer an applicant from its waiting list and may elect to pay an additional vacancy payment of 100% of the contract rent for the additional 30 days. Under no circumstances will the vacancy payments exceed the 90-day period. Payments are contingent on the owner demonstrating compliance with program rules, including taking all feasible actions to fill the vacancies and not rejecting eligible applicants except for good cause acceptable to CHA. Further, CHA does not compensate landlords for units that receive funding from another source.

- **Implementation Year:** FY2012
- **Statutory Objective:** MTW Statutory Objective I: Increase housing choices for low income families.
- **FY2014 Outcome:** In FY2014, CHA made 71 PBV units available by providing a combined total of \$47,621 vacancy payments during initial leasing at 7 PRA sites.
- **Standard Metrics:**

Standard Metric	Unit of Measurement	Baseline	2014 Benchmark	2014 Outcome	Benchmark Achieved?
HC-1: Additional Units of Housing Made Available	Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0 PBV units made available through vacancy payments during initial leasing prior to the implementation of the activity.	39 additional PBV units in 10 developments made available through vacancy payments during initial leasing in FY2014.	71 additional PBV units in 7 developments made available through vacancy payments during initial leasing in FY2014.	CHA exceeded the benchmark.

- **Data Collection:** CHA tracks the number of PRA developments and number of units that are made available through vacancy payments during initial leasing as well as the associated costs.
- **Authorization:** Amendment No. 6 to CHA's Amended and Restated MTW Agreement which authorizes implementation of approved local, non-traditional activities using MTW funds.

## Not Yet Implemented Activities

The following activities approved for FY2014 have not yet been implemented.

### ***Biennial Re-examinations for Public Housing (2014-03)***

- **Description and Impact:** CHA plans to implement biennial re-examinations for public housing residents to review family circumstances, income, assets, expenses, and family composition to establish continued eligibility for public housing. The impact of this activity is a decrease in staff time and resources for conducting re-examinations for applicable families. In addition, this activity decreases the re-examination burden for participants who undergo re-examinations on a biennial basis instead of an annual basis. Biennial re-examinations will be applicable for those public housing residents who are not on annual or triennial re-examination schedules.<sup>5</sup>

<sup>5</sup> CHA conducts annual re-examinations for public housing and HCV households participating in the FSS and Choose to Own programs and households in Moderate Rehab properties. CHA is planning to implement triennial re-examinations for fixed-income households with only elderly and/or disabled participants.

- Implementation Year: FY2015
- Statutory Objective: MTW Statutory Objective III: Reduce costs and achieve greater cost effectiveness in federal expenditures.
- Implementation/Status Update: In FY2014, CHA updated the Public Housing Admissions and Continued Occupancy Policies (ACOP) to reflect biennial re-examinations for eligible public housing households. CHA plans to implement biennial re-examinations for public housing in FY2015. CHA will place those admitted in odd admission years on the biennial schedule after completion of their FY2015 re-examination. Residents who were admitted in even admission years will be reexamined again in FY2016 and then placed on the biennial re-examination schedule. All eligible residents will be placed on the biennial re-examination schedule by the end of FY2016.
- Hardship Policy: If for any reason a participant's income decreases, they will be eligible for an interim re-examination to adjust their rent calculation based on a decrease in income.
- Data Collection: CHA will track the staff time and cost savings for biennial re-examinations. In addition, CHA will track the following metrics for households eligible for biennial re-examinations: resident contribution toward rent, average income from wages and employment status (defined as "having earned income") for "work-able" heads of household, and those who move up to a higher AMI category as described above.

In FY2014, CHA conducted a new time study and cost analysis for re-examinations. The cost per re-examination increased from \$75 to \$145. The time to conduct a re-examination increased from 3.5 hours to 6.5 hours. The new analyses included itemized costs (direct and indirect) of a random sample population and track costs associated with re-examinations. Itemized costs reviewed included but were not limited to operating expenses, staffing, training, and quality control activities.

- Authorization: For public housing, Attachment C, Section C (4) of CHA's Amended and Restated MTW Agreement, which waives certain provisions of sections 3(a)(1) and 3(a)(2) of the 1937 Act and 24 C.F.R 966.4 and 960.257.

#### ***Triennial Re-examinations for Households with Only Elderly/Disabled Participants and Fixed Income for HCV and Public Housing (2014-02)***

- Description and Impact: CHA proposes to implement a streamlined triennial re-examination schedule for public housing and HCV fixed income households consisting of only elderly and/or disabled participants. Given the infrequency of income changes for these households, the impact of this activity is decreased staff time and resources currently utilized for conducting re-examinations for this population. In addition, this activity will decrease the re-examination burden for fixed income elderly/disabled households.
- Implementation Year: FY2015 (HCV and Public Housing)
- Statutory Objective: MTW Statutory Objective III: Reduce costs and achieve greater cost effectiveness in federal expenditures.
- Implementation/Status Update: In FY2014, CHA updated the Public Housing Admissions and Continued Occupancy Policies (ACOP) and the HCV Administrative Plan to reflect triennial re-examinations for fixed-income elderly/disabled households.
  - HCV: Currently, HCV participants are on a biennial re-examination schedule. CHA will phase in the implementation of this activity in FY2015. CHA will process HCV re-examinations already scheduled in FY2015 and assign the new date of re-examination (FY2017 for biennial population and FY2018 for triennial population). CHA will process re-examinations already scheduled in FY2016 and assign the new date of re-examination (FY2018 for biennial population and FY2019 for triennial population).
  - Public Housing: CHA plans to implement triennial re-examinations for public housing in FY2015. CHA will place those admitted in odd admission years on the triennial schedule after completion of their FY2015 re-examination. Residents who were admitted in even admission years will be reexamined again in FY2016 and then placed on the triennial re-examination schedule. All eligible residents will be placed on the triennial re-examination schedule by the end of FY2016.

- Hardship Policy: If for any reason a participant's fixed-income decreases, they will be eligible for an interim re-examination to adjust their rent calculation based on a decrease in income.
- Data Collection: CHA will track the staff time and cost savings for triennial re-examinations. In FY2014, CHA conducted a new time study and cost analysis for re-examinations. The cost per re-examination increased from \$75 to \$145. The time to conduct a re-examination increased from 3.5 hours to 6.5 hours. The new analyses included itemized costs (direct and indirect) of a random sample population and tracked costs associated with re-examinations. Itemized costs reviewed included but were not limited to operating expenses, staffing, training, and quality control activities
- Authorization: For public housing, Attachment C, Section C (4) of CHA's Amended and Restated MTW Agreement, which waives certain provisions of sections 3(a)(1) and 3(a)(2) of the 1937 Act and 24 C.F.R 966.4 and 960.257. For HCV, Attachment C, Section D (1)(c) of CHA's Amended and Restated MTW Agreement, which waives certain provisions of Section 8 (o)(5) of the 1937 Act and 24 CFR 982.516.

#### **CHA Re-Entry Pilot Program (2014-04)**

- Description and Impact: CHA proposes a Re-entry Pilot Program for up to 50 eligible participants who are:
  - 1) reuniting with a qualifying family member currently living in CHA traditional public housing (excluding mixed-income sites) or participating in CHA's HCV Program, or
  - 2) on a CHA wait list and meeting eligibility requirements for the program when they are called for screening (in the existing wait list order).

In support of the City of Chicago Mayor's Office initiative to provide more resources and services for ex-offenders returning from prison, CHA is working with the Re-entry Committee of the Chicago Coalition for the Homeless to develop this pilot program. CHA will partner with designated/approved re-entry program provider partners (Safer Foundation, Lutheran Social Services, or St. Leonard's Ministries) who will identify potential program participants to apply for the program. Eligibility requirements for the program include:

  - Participants must have completed a minimum of one year in a re-entry program with one of the following Reentry Pilot service providers:
    - Safer Foundation
    - Lutheran Social Services
    - St. Leonard's Ministries
  - Participants must be reuniting with spouse, parent, grandparent, sibling or adult child currently in CHA's Public Housing or HCV Program or must be on a CHA wait list.
  - Participants with the following convictions are not eligible: murder, attempted murder, terrorism, and any of HUD's mandatory criminal background exclusions including sex offenses and criminal drug activity resulting in eviction (see CHA's HCV Administrative Plan and Public Housing Admissions and Continued Occupancy Policies/ACOP for detailed information).
  - Participants must be drug free.

Participants will be required to consent to participation requirements of the Re-entry Pilot which will allow CHA to consult with the designated re-entry provider. Heads of Households will also be required to consent to participation and reunification with the participant family member. Participants must meet CHA's work requirement (including those who reunite with an HCV household) and engage in mandatory supportive services by one of the designated/approved re-entry provider partners. Services will include ongoing case management intervention for life skill development, mental health, and employment and training.

Participants will sign a conditional lease/agreement for a period of two years with the option to extend for another two years, pending compliance with program requirements. After successful completion of a four-year term, the family may request that the pilot participant be added to their household, with certain ongoing program requirements detailed in the lease/agreement.

CHA continues to work with the Mayor's Office and Re-entry Committee of the Chicago Coalition for the Homeless to finalize program parameters. This demonstration program was approved by CHA's Board in November 2014 and is pending HUD approval. Specific eligibility requirements and program criteria are outlined in a separate demonstration/pilot program policy document, available on CHA's website.

- Implementation Year: proposed FY2014
- Statutory Objective: MTW Statutory Objective I: Increase housing choices for low-income families.
- Implementation/Status Update: This activity was not implemented in FY2014. CHA will implement this activity in FY2015.
- Data Collection: CHA, in partnership with re-entry providers, will track the number of program participants, participant compliance with requirements and service participation. CHA will also track self-sufficiency metrics for participant households.
- Authorization: Attachment C, Section B(4), C(2), C(9)(b), D(1)(b), D(3)(b) and D4 of CHA's Amended and Restated MTW Agreement which allow the development of conditional housing programs and alternative eligibility and program requirements and waive certain provisions of Sections 3, 4, 5, 8, and 9 and Section 6 (l), and Sections 8(o)(6), 8(o)(7)(a), 8(o)(13)(F), 8(o)(13)(G) 8(o)(13)(J) and 8(o)(16), of the 1937 Act and 24 CFR 941, 960 Subpart B, 966 Subparts A and B, 982.303, 982.30,5 982.309, 982.516, 982 Subpart E and 983 Subpart F. CHA is seeking MTW authority specifically to implement conditional program participation agreements and mandatory participation in services as a component of the program.

## FY2014 Implemented MTW Activities

## Housing and Development

MTW Activity Number	Ongoing MTW Activity	Description	Statutory Objective	Authorization
2000-01	Revitalization of 25,000 Units	CHA continues to make progress toward the goal of 25,000 housing units and providing additional housing opportunities for residents.	Increase Housing Options	Attachment D, Paragraph 1 and MTW Agreement, Amendment 3
2010-01	Reasonable Cost Formula and Methodologies for Redevelopment and Rehabilitation	HUD approved the reasonable cost formula for redevelopment in FY2010. Through an amendment to the FY2014 MTW Annual Plan, CHA received approval to utilize the FY2010 reasonable cost formula for both redevelopment and rehabilitation projects in the future.	Increase Housing Options	Attachment C, Section C(16)

## Public Housing and HCV

MTW Activity Number	Ongoing MTW Activity	Description	Statutory Objective	Authorization
2009-01	\$75 Minimum Rent for Public Housing and HCV Programs	CHA increased the minimum rent from \$50 to \$75 in FY2009.	Reduce Costs and Cost Effectiveness	Attachment C, Section C(11) and Attachment C, Section D(2)
2011-01	Choose to Own Homeownership Program for Public Housing and HCV	CHA expanded the Choose to Own (CTO) Home Ownership Program beyond HCV participants to current CHA public housing residents.	Increase Housing Options Self- Sufficiency	Attachment D, Paragraph 21
2014-01	Modified Family Self- Sufficiency Program for HCV and Public Housing Participants	CHA received approval to revise the participation requirements for the Family Self-Sufficiency program for public housing and HCV participants	Self- Sufficiency	Attachment C, Section E

## Public Housing

MTW Activity Number	Ongoing MTW Activity	Description	Statutory Objective	Authorization
2009-02	Public Housing Work Requirement	CHA implemented a work requirement across CHA's public housing portfolio. CHA provides case management and workforce development resources to residents to assist them in fulfilling this requirement.	Self-Sufficiency	Attachment D, Paragraph 21

**FY2014 Implemented MTW Activities**

**Public Housing**

2008-01	Office of the Ombudsman	The Office of Ombudsman provides designated staff to address the concerns of public housing residents living in mixed-income communities and serves as a liaison between residents and CHA leadership.	Self-Sufficiency	Attachment D, Paragraph 20
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**HCV**

<b>MTW Activity Number</b>	<b>Ongoing MTW Activity</b>	<b>Description</b>	<b>Statutory Objective</b>	<b>Authorization</b>
2006-01	Biennial Re-examinations for HCV	CHA currently conducts biennial re-examinations for HCV Program participants	Reduce Costs and Cost Effectiveness	Attachment C, Section D (1) (c)
2010-02	Exception Payment Standards	CHA is authorized to apply exception payment standards that may be up to 300% of HUD's published Fair Market Rents (FMRs) for the City of Chicago in order to increase housing options in opportunity areas throughout Chicago.	Increase Housing Options	Attachment C, Section D(2)
2011-02	Owner Excellence-Acceptance of Passed Annual or Initial HQS Inspection for new Request for Tenancy Approval within 90 days of Passed Date	As part of the HCV Owner Excellence Program, CHA may approve tenancy for a unit that passed an inspection within the previous 90 days for owners participating in the Owner Excellence Program.	Increase Housing Options	Attachment C, Section D(5)
2011-03	Owner Excellence-Vacancy Payments	As part of the HCV Owner Excellence Program, CHA may provide a modest vacancy payment to eligible owners participating in the Owner Excellence Program who re-lease a unit currently in the HCV program to another HCV participant.	Increase Housing Options	Attachment C, Section D(1)
2011-09	Owner Excellence-Biennial Inspections	As another component to the Owner Excellence Program, CHA conducts biennial inspections on qualifying units, as defined by CHA, of eligible owners participating in Owner Excellence Program.	Reduce Costs and Cost Effectiveness	Attachment C, Section D(5)

## FY2014 Implemented MTW Activities

## PRA/PBV

MTW Activity Number	Ongoing MTW Activity	Description	Statutory Objective	Authorization
2008-02	Exceed the Limit of 25% Project-Based Voucher Assistance in Family Properties	CHA may increase the percent of assisted PBV units in certain projects above the regulatory limit of 25% per family building.	Increase Housing Options	Attachment D, Paragraph 6
2011-04	Authorization of Qualified PRA Owners/Property Managers to Perform Initial Eligibility Determinations and Reexaminations	CHA allows qualified owners, as defined by CHA, to perform initial eligibility determinations and re-examinations of participants in the PRA program.	Reduce Costs and Cost Effectiveness	Attachment C, Section D(1) and Section D(3)
2011-05	PBV Contract Commitments with 16-30 Year Initial Terms	To facilitate the expansion of affordable housing opportunities through the use of PBVs, CHA uses MTW authority to enter into HAP contracts for initial terms between 16 and 30 years.	Increase Housing Options	Attachment C, Section D(2)
2011-06	Acceptance of City Certificates of Occupancy for Initial PRA Inspections	CHA is authorized to accept the issuance of Certificate of Occupancy by the City of Chicago as evidence of the property's compliance with Housing Quality Standards for initial PRA inspections.	Reduce Costs and Cost Effectiveness	Attachment C, Section D(7)
2011-07	Two-Year Requirement for PBV Participant Transition to Housing Choice Voucher	CHA reduces turnover in PBV developments by requiring families to occupy the unit for two years, unless and supportive housing unit, before they are eligible for a Tenant-Based Voucher.	Reduce Costs and Cost Effectiveness	Attachment C, Section D(7)
2011-08	Payments During Initial Occupancy/Leasing - New Construction and Substantially Rehabilitated Properties	CHA provides vacancy payments, as determined necessary on a project by project basis, during the initial operating lease-up period in order to provide an incentive for owner participation and to ensure the long-term viability of newly constructed and substantially rehabilitated properties.	Increase Housing Options	MTW Agreement, Amendment 6

## FY2014 Not Yet Implemented MTW Activities

## Public Housing

MTW Activity Number	Ongoing MTW Activity	Description	Statutory Objective	Authorization
2014-03	Biennial Re-examinations for Public Housing	CHA plans to implement biennial re-examinations for public housing residents to review family circumstances, income, assets, expenses, and family composition to establish continued eligibility for public housing.	Reduce Costs and Cost Effectiveness	Attachment C, Section C (4)

FY2014 Not Yet Implemented MTW Activities				
Public Housing and HCV				
MTW Activity Number	Ongoing MTW Activity	Description	Statutory Objective	Authorization
2014-02	Triennial Re-examinations for Households with only Elderly/Disabled Participants and Fixed Income for HCV and Public Housing	CHA proposes to implement a streamlined triennial re-examination schedule for public housing and HCV fixed income households consisting of only elderly and/or disabled participants.	Reduce Costs and Cost Effectiveness	Attachment C, Section C (4) and Attachment C, Section D (1)(c)
2014-04	CHA Re-Entry Pilot Program	CHA plans to implement a Re-entry Pilot Program for up to 50 eligible participants who are either reuniting with a family member currently living in CHA traditional public housing or CHA's HCV Program, or currently on a CHA wait list and meeting program eligibility requirements when they are called for screening (in the existing wait list order).	Increase Housing Options	Attachment C, Section B(4)

### Activities on Hold

The following MTW activity was on hold for FY2014.

#### ***Authorization of Qualified PRA Owners/Property Managers to Perform Annual Inspections (2011-10)***

- **Description and Impact:** CHA performs quality control inspections of Property Rental Assistance (PRA) units and developments consistent with best practices in subsidized-property management. CHA employs a model similar to one that is used by privately-managed public housing and mixed-finance developments. Under this approach, CHA will require owners, through their property managers or contract inspectors that have demonstrated successful property management knowledge and/or experience, to inspect all project-based voucher units annually to insure that they meet HQS and Chicago Building Code requirements. Such owners will be required to certify inspection results and confirm timely repairs. In addition, owners will be required to perform turnover and special inspections and to maintain documentation for CHA review. CHA will perform quality control inspections, review property records of inspections and repairs, and assess the overall property conditions annually. For all properties, CHA will reserve the right to inspect all units in the property as deemed essential to ensure that the property meets inspections standards. The anticipated impact of this activity is to reduce duplicative inspections as well as the associated tenant inconvenience in developments that have additional governmental funding such as tax credits and state-financed loans.
- **Implementation Year:** FY2012 (approved FY2011)
- **Statutory Objective:** MTW Statutory Objective III: Reduce costs and achieve greater cost effectiveness in federal expenditures.
- **FY2014 Status Update:** This activity has not been fully implemented and was placed on hold in FY2014. CHA is evaluating how inspection procedures may be more consistent across the agency and may make changes to this activity.

- **Data Collection:** CHA estimates the cost of an annual inspection per unit is \$60.96 yearly based on a \$5.08 monthly PUC. CHA tracks the decrease in costs and staff time associated with allowing qualified owners to perform annual inspections. CHA currently estimates it takes .50 hours to conduct an inspection.
- **Authorization:** Attachment C, Section D (1)(a) and Section D (5) of CHA's Amended and Restated MTW Agreement, which waives certain provisions of Section 8(o)(7) of the 1937 Act, 24 C.F.R. 982.162, and 24 C.F.R. 982 Subpart I.

## Closed Out Activities

The following activities were closed out by CHA in FY2014 and will no longer be implemented.

### ***Elimination of Assets in Income Calculation After Initial Eligibility for Public Housing (2014-05)***

- **Description and Impact:** In FY2014, CHA received approval to only calculate assets for initial eligibility and to only include income from assets in the initial rent calculation for CHA's public housing program. Upon implementation, CHA would no longer include income earned from assets as part of income calculations for public housing residents after initial admission. The goal of the activity was to achieve administrative efficiency and administrative cost savings. Currently, asset calculations have minimal impact on overall rent calculation and tenant portion in both public housing and HCV programs. The impact of this activity is a reduction in staff resources and costs associated with verifying assets after initial admission.
- **Implementation Year:** approved FY2014 (Public Housing)
- **Statutory Objective:** MTW Statutory Objective III: Reduce costs and achieve greater cost effectiveness in federal expenditures.
- **Status Update:** In FY2014, CHA decided not to implement this activity for public housing and to close out the activity. CHA has decided to follow the guidance issued in the HUD PIH notice 2013-03 and extended in PIH Notice 2013-26, which simplifies asset calculations, instead of continuing this MTW activity. In addition, CHA is exploring future policy changes that may impact asset calculations as part of Phase 2 of Uniform Housing Policy.
- **Final Outcomes:** This activity was never implemented.
- **Authorization:** For HCV, Attachment C, Section D (2)(a) and Attachment C, Section D, (3)(b) of CHA's Amended and Restated MTW Agreement, which waives certain provisions of 24 C.F.R. 982.516 and 24 C.F.R. 982.518. For public housing, Attachment C, Section C(11) which waives 24 C.F.R. 5.603.

### ***Elimination of Assets in Income Calculation After Initial Eligibility for HCV (2011-11)***

- **Description and Impact:** In FY2010, CHA received approval to only calculate assets for initial eligibility and to only include income from assets in the initial rent calculation for CHA's HCV Program. After implementation in FY2011, CHA no longer included income earned from assets as part of income calculations for HCV participants after initial admission. The goal of the activity was to achieve administrative efficiency and administrative cost savings. Currently, asset calculations have minimal impact on overall rent calculation and tenant portion in both public housing and HCV programs. The impact of this activity is a reduction in staff resources and costs associated with verifying assets after initial admission.
- **Implementation Year:** FY2011 (HCV)
- **Statutory Objective:** MTW Statutory Objective III: Reduce costs and achieve greater cost effectiveness in federal expenditures.
- **Status Update:** CHA closed out this activity for HCV in FY2014. CHA has decided to follow the guidance issued in the HUD PIH notice 2013-03 and extended in PIH Notice 2013-26, which simplifies asset calculations, instead of continuing this MTW activity. In addition, CHA is exploring future policy changes that may impact asset calculations as part of Phase 2 of Uniform Housing Policy.

- **Final Outcomes:** This activity eliminated significant cost and staff time associated with performing calculations of assets after initial eligibility. Although cost savings were not available in FY2011 and FY2012, based on available outcomes, CHA saved an estimated \$236,130 and 3,708.73 hours of staff time each year due to this activity (in comparison to the FY2010 baseline).

Standard Metric	Unit of Measurement	Baseline	FY2011 Outcomes*	FY2012 Outcomes*	FY2013 Outcomes	FY2014 Outcomes	Final outcome
CE-1: Agency Cost Savings	Total cost of task (in dollars).	In FY2010, asset calculations for all examination types for HCV cost \$256,470 (\$15 x 17,098 asset calculations).	CHA was not able to estimate cost savings in FY2011.	CHA was not able to estimate cost savings in FY2011.	In FY2013, asset calculations for HCV admissions cost \$12,900 (\$15 x 860 asset calculations).	In FY2014, asset calculations for HCV admissions cost \$27,780 (\$15 x 1,852 asset calculations). Note: Due to an increase in voucher utilization 2014, there were more initial re-examinations than previous years.	Based on years for which outcomes are available, CHA saved an average of \$236,130 per year due to this activity compared to the baseline.
CE-2: Staff Time Savings	Total time to complete the task in staff hours (decrease).	In FY2010, CHA spent 5,813 staff hours on asset calculations for all examination types for HCV (.34 hours x 17,098 asset calculations).	CHA saved approximately 2,256 staff hours by eliminating the asset calculation of an estimated 6,769 HCV participants, out of 21,233, who had a re-examination (based on .33 hours per asset calculation during re-exam)	CHA saved approximately 1,875 staff hours by eliminating the asset calculation of an estimated 5,683 HCV participants, out of 16,238 who had a re-examination (based on .33 hours per asset calculation during re-exam)	In FY2013, CHA spent 292.40 staff hours on asset calculations for HCV admissions (.34 hours x 860 asset calculations).	In FY2014, CHA spent 629.68 staff hours on asset calculations for HCV admissions (.34 hours x 1,852 asset calculations).	Based on outcomes reported from 2011 to 2014, CHA saved an average of 3,708.73 hours of staff time per year due to this activity compared to the baseline.
*CHA instituted new HUD standard metrics in mid-FY2013; outcomes for FY2011 and FY2012 do not reflect the format of the new metrics.							

- **Lessons Learned:** This activity demonstrated that the calculation of assets requires significant resources, and measures providing relief from regulatory requirements to calculate assets for all households at all examinations result in both decreased paperwork and decreased cost.
- **Any statutory exceptions outside of current MTW flexibilities that may have benefited this activity:** The statutory exceptions to asset calculations provided by HUD PIH Notice 2013-03 and extended in PIH Notice 2013-26 provided relief from regulatory requirements to calculate assets that are similar to the exception granted in this activity. Therefore, CHA prefers not to continue implementing this as an MTW activity.
- **Authorization:** For HCV, Attachment C, Section D (2)(a) and Attachment C, Section D, (3)(b) of CHA's Amended and Restated MTW Agreement, which waives certain provisions of 24 C.F.R. 982.516 and 24 C.F.R. 982.518. For public housing, Attachment C, Section C(11) which waives 24 C.F.R. 5.603.

**All Clear Utility Debt Assistance Program (2013-01)**

- **Description and Impact:** CHA is authorized to offer assistance to eligible CHA residents to keep current with their utility payments and remain lease compliant. In partnership with ComEd, the program, known as All Clear, helps eligible residents clear utility debt and so they can be current with their utility bills after receiving assistance. CHA has authority to provide funding for this program in addition to ComEd funds in a given year. Eligible residents must pay 50% of the total amount of their utility debt, and the program provides the other 50% up to a maximum of \$500. Residents are notified of their eligibility through notification letters and a special help line is set up to assist residents who are eligible to participate. Assistance is offered to eligible residents only until the funds are exhausted in a given year. CHA uses the All Clear utility assistance program as a self-sufficiency measure. Clearing outstanding debt can be a first step toward financial stability.
- **Implementation Year:** FY2013
- **Statutory Objective:** MTW Statutory Objective II: Give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.
- **Status Update:** CHA closed out this activity in FY2014. For the past several years, no CHA funds have been used for this activity, which is the only MTW flexibility required. ComEd continues to cover the costs of this program. CHA will discontinue this program in the future if ComEd determines it will no longer fund the program.
- **Final Outcomes:** No CHA funds were utilized for this program since FY2013.
- **Authorization:** Amendment No. 6 to CHA's Amended and Restated MTW Agreement which authorizes implementation of approved local, non-traditional activities using MTW funds.

**Reasonable Cost Formula and Methodologies for Rehabilitation (2008-03)**

- **Description and Impact:** Beginning in FY2008, CHA established reasonable cost limitations for rehabilitation activities in place of HUD's Total Development Cost (TDC) limits. The reasonable cost formula converts CHA's historical construction costs and market conditions into a table of limitations by unit bedroom size and building structure type. CHA updates the database with market data based upon the latest market conditions in Chicago. To establish reasonable cost limitations, data is extracted from the latest construction bids for rehabilitation activity and from evaluations of current market conditions, which are determined by conducting market research of escalation factors in industry publications. The impact of the use of the reasonable cost formula for rehabilitation is that CHA can move forward with rehabilitation activity in alignment with established construction schedules in order to meet unit delivery goals while minimizing cost overages resulting from construction delays.
- **Implementation Year:** FY2008
- **Statutory Objective:** MTW Statutory Objective I: Increase housing choices for low-income families
- **Status Update:** The FY2008 alternate TDC limits for rehabilitation were not used for any projects in FY2014. CHA has not utilized the FY2008 TDC limits since FY2010. In FY2014, CHA received HUD approval of the expanded MTW activity, *Reasonable Cost Formula and Methodologies for Redevelopment and Rehabilitation*. As a result, CHA has closed out this activity and will no longer use the alternative reasonable cost limitations for rehabilitation that were established and approved in FY2008.
- **Final Outcomes:**

IL Number	Rehabilitation Project/Development	Total Costs Applicable to FY2008 TDC Formula	Total Rehabilitated Units Applicable to FY2008 TDC Formula	Overall Project Construction Dates (not specific to use of FY2008 TDC Formula)
IL002002000	Altgeld Gardens/Phillip Murray (Phases I-IV)	\$ 278,083,926	1,323	2005-2010
IL002013000	Dearborn Homes (Phases I-V)	\$ 147,788,626	668	2/2007-9/2011
IL002091000	Frances Cabrini Rowhouses	\$ 31,415,644	146	3/2008-4/2010
IL002038000	Trumbull Park Homes	\$ 33,898,501	234	2007
IL002040000	Wentworth Gardens	\$ 15,366,938	86	2007-08
IL002003000	Bridgeport Homes	\$ 7,213,040	47	2007-08
IL002095000	Lawndale Gardens	\$ 19,764,799	125	2007-08
IL002039000	Washington Park Low Rises	\$ 31,481,007	192	2007-08

- Authorization: Attachment C, Section C(16) of CHA's Amended and Restated MTW Agreement, which waives certain provisions of Section 6(b) of the 1937 Act and 24 C.F.R. 941.306. This allows CHA to establish an alternative reasonable cost formula reflecting CHA's actual costs experienced for construction activity in the local market as the cost control measure for quality construction work.

# Section Five

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## MTW Sources and Uses of Funds

## Section V: MTW Sources and Uses of Funds

### Section V-A: Sources and Uses of MTW Funds

#### *Actual Sources and Uses of MTW Funds*

CHA submitted FY2014 unaudited financial information to HUD on February 26, 2014. CHA's FY2014 audited information will be submitted by the due date of September 30, 2015.

#### *Activities that Used Only MTW Single-Fund Flexibility*

The following section describes CHA's use of MTW single-fund flexibility.

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

CHA continues to use single fund flexibility by designing and/or continuing to implement local activities, including new initiatives related to Plan Forward as described in Section I.

CHA uses capital dollars as well as Section 8 MTW Vouchers from the single fund to support ongoing revitalization activities, described in Section II, in an effort to further advance the progress of the original Plan and implement applicable new Plan Forward initiatives.

Through the use of MTW funds, CHA also continues to implement numerous resident service initiatives including Support to Families Being Relocated, Self-Sufficiency Services, Youth Empowerment Services and Quality of Life Services. (More detail on resident services initiatives is provided below.)

#### Current Support to Families in the Process of Being Relocated

CHA provides a variety of support options to families in the process of being relocated from buildings undergoing rehabilitation or redevelopment as part of Plan Forward. In accordance with the Relocation Rights Contract, CHA provides relocation notices to families impacted by building closures or consolidation and makes move-related payments. Additionally, residents are offered pre-move counseling, HCV mobility counseling, post-move counseling, unit tours, assistance in accessing other necessary services and support for residents in managing their household and adjusting to new communities. CHA also provides packing materials and moving assistance to families who are relocating.

#### Support Services for Families

CHA currently offers public housing families living in CHA properties or temporarily utilizing a Housing Choice Voucher a variety of case management and workforce development services, as well as select services to other HCV residents. These services focus on four main goals, each with measurable outcomes, including permanent housing choices, lease compliance, and employment preparation, placement and retention. A summary of the services offered in FY2014 is below.

*Increasing Economic Independence:*

- **Transition counseling.** Assistance for families to overcome social and emotional barriers to leaving subsidized housing.
- **Housing locator assistance.** Help finding appropriate, affordable housing in the private or affordable market for families transitioning off of subsidy or moving to an Opportunity Area.
- **Choose to Own homeownership program.** Financial assistance toward the mortgage payment, pre- and post-purchase homebuyer education, credit counseling and other services to help families navigate the home-buying process.
- **Family Self-Sufficiency program.** Focused assistance in reaching self-sufficiency goals, including escrow accumulation.

*FY2014 Outcomes:*

- Helped residents build assets, with 954 enrolled in the Family Self-Sufficiency Program (FSS). As of 12/31/2014, \$2,367,943 in escrow has been accumulated, with \$785,569 being disbursed to FSS participants YTD. 104 FSS participants graduated.
- 23 residents purchased a home through the Choose to Own program.
- 343 residents participated in the EITC advance pilot with CEP.

*Increasing Earning Power:*

- **Employment placements.** Job readiness training to prepare residents for work; assistance finding a job; follow-up to foster, promote, and enhance job retention.
- **Transitional Jobs.** Time-limited, subsidized jobs with a training component to help residents transition to permanent employment.
- **Employment readiness and placement for youth.** Starting in elementary school, career exploration programming. For older youth, job readiness training and summer placements with ongoing support.
- **Section 3.** Assist residents with registration in the new Section 3 database in order to apply for posted positions with CHA contractors.

*FY2014 Outcomes:*

- Assisted unemployed adults who live in public housing to find a new or better job, with 2,133 job placements; 77% of those in high demand industries.
- Engaged 2,586 youth in paid summer work experiences. Youth received a combined total of more than \$1.3 million in summer wages.
- 37 residents completed the business development program through the Chicago Urban League and started their own business.

*Developing Academic Achievement:*

- **Connections to education.** Coaching and support in accessing post-secondary education, including at the City Colleges of Chicago, where residents can attend at no cost after financial aid.
- **Scholarships.** CHA offers scholarships in amounts of \$1,000 and \$2,500 for youth and adults attending college.
- **Academic enrichment for youth.** Programs for middle school and high school aged youth to expand academic skills and prevent summer learning loss with the goal of preparing youth for college or other post-secondary education.

FY2014 Outcomes:

- 605 residents attended the City Colleges of Chicago; of those, 356 completed a program and 238 are still enrolled.
- Awarded 220 youth a scholarship through CHA's college scholarship program.
- 1,713 children enrolled in Head Start programming.
- Engaged more than 6,000 youth in academic, career, and wellness/recreational programs.
- 57% of employers through the Summer Youth Employment Program rated the youth as expert or skilled on 21st Century Skills.

Increasing Stability and Quality of Life:

- **Recreational programming for youth.** Sports, wellness and arts programs for youth starting at age six, including through the Chicago Park District, as well as special events throughout the year.
- **Lease violation referrals.** Assistance for families referred by their property manager to help them address lease violation issues.
- **Right of Return outreach.** Outreach and assistance for 10/1/99 families who still need to satisfy their Right of Return under the Relocation Rights Contract.
- **Clinical mental health services.** Individual and group counseling for any resident who needs it.
- **Victim Assistance.** Referral to counseling services and, if appropriate, relocation for residents who have been victims of violent crimes or trauma and who need to move for safety reasons.
- **Health initiatives.** Opportunities with CHA partners to address specific health issues such as asthma and cardiovascular health. For seniors, exercise and dance classes, health seminars, frail and emergency well-being checks, and crisis intervention.
- **Social events for seniors.** On-site, regional and city-wide activities such as clubs, classes, field trips and music events.
- **Assessments and outreach for seniors.** Ongoing one-on-one contact with seniors to identify and address issues and engage them in activities.
- **Senior referrals.** Connections to outside resources, such as assistance getting benefits, housekeeping services and transportation assistance. Many services are provided by the City of Chicago's Department of Family and Support Services (DFSS).

FY2014 Outcomes:

- Provided outreach to more than 2,500 households to learn about the Affordable Care Act with 668 enrolling in a health plan.
- Reduced the number of 10/1/99 families with a Right of Return outstanding to 867 – 5% of the original 16,846 households.
- Engaged thousands of seniors, including completing an additional 3,158 senior assessments and bringing more than 3,000 seniors to social events, including summer music festivals, Mayor Emanuel's Senior Summer Fest, and CHA's Senior Holiday Luncheon.
- 332 families moved to an Opportunity Area through the Mobility Counseling program.
- Continued to offer health and wellness programming to 2,800 residents, such as Check Change Control, a blood pressure screening program in partnership with Walgreens and the American Heart Association that engaged 65 seniors in four buildings and an asthma program in partnership with Sinai Urban Health Institute that resulted in reduced symptoms and fewer ER visits for the 128 participants.
- In partnership with DFSS, served 186,842 meals at CHA's Golden Diner sites and 121,206 meals to children through the Summer Food program.
- More than 800 residents have utilized CHA's Computer Labs each week, clocking in more than 9,500 hours of technology usage.

**Section V-B: Local Asset Management Plan**

**Local Asset Management Plan**

Has the PHA allocated costs within statute during the plan year?  
 Has the PHA implemented a local asset management plan (LAMP)?

No
Yes

If the PHA is implementing a LAMP, it shall be described in an appendix every year beginning with the year it is proposed and approved. It shall explain the deviations from existing HUD requirements and should be updated if any changes are made to the LAMP.

Has the PHA provided a LAMP in the appendix?

Yes
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CHA implemented a Local Asset Management Plan (LAMP) in FY2008 and, though the basic components of the plan have not changed materially, CHA continually looks to ensure that the activities, accounting, and financial reporting are in keeping with the LAMP. Examples of CHA activities taken to ensure our LAMP is operating as designed include:

- The CHA property portfolio continues to be managed by professional private management companies with performance metrics and standards identified in their contracts;
- Budgeting and accounting activities are managed at the property level with a robust budgeting program in place that requires substantial internal CHA review be performed prior to approval;
- Detailed accounting activities and financial analysis efforts are performed monthly to ensure that property expenditures are within budget guidelines and appropriately reported.

CHA makes every effort to ensure that program costs are reasonable and consistently applied in accordance with the Moving to Work Agreement by recording accounting activity at the grant and property levels. As identified in the LAMP, CHA utilizes property level management, accounting, and budgeting and has established a Central Office Cost Center (COCC). Internal control considerations are a priority for the CHA and are evident in the manner in which expenditures are budgeted, authorized and reported on. Reviews are routinely performed to make certain that the appropriate segregation of duties and approval authority are in place for CHA staff and management.

Further, CHA makes certain that Generally Accepted Accounting Principles are followed by having external firms perform the required annual financial and A-133 audits. These annual audits, in addition to the quarterly reviews performed by the external firm, require significant consideration be given to program reporting as well as up-to-date accounting treatment of Governmental Accounting Standards Board (GASB) pronouncements.



# Section Six

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**Administrative**



**Section VI: Administrative**

This section contains administrative requirements and certifications that are to be submitted in CHA’s MTW Annual Report.

**Description of any HUD reviews, audits or physical inspection issues that require the agency to take action to review the issue.**

This section is not applicable.

**Results of PHA-Directed Evaluations of the Demonstration**

CHA is not currently engaged in any agency-directed evaluations of its MTW Demonstration Program.

**Certification of Compliance with MTW Statutory Requirements**

FY2014 MTW Annual Report  
Section VI: Administrative

**Certification of Compliance with MTW Statutory Requirements:  
Composition of Households Served**

Chicago Housing Authority  
Applicant Name

Moving to Work Demonstration Program  
Program/Activity Receiving Federal Funding

The undersigned certifies that:

- (1) At least 75 percent of the families assisted by CHA are very low-income families;
- (2) CHA continued 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) CHA maintained a comparable mix of families (by family size) served, as would have been provided had the amounts not been used under the demonstration.

Michael Merchant  
Name of Authorized Official

Chief Executive Officer  
Title

Michael Merchant  
Signature

3/20/2015  
Date



Chicago Housing Authority  
60 E. Van Buren  
Chicago, IL 60605  
312-742-8500  
www.thecha.org



# Appendices

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## **Appendices**

### ***CHA Local Asset Management Plan***

The amended Moving to Work Agreement, effective June 26, 2008, authorizes the Authority to design and implement a local asset management program for its Public Housing Program. As identified in the amended MTW agreement, the term “Public Housing Program” means the operation of properties owned or subsidized by the Authority that are required by the U.S. Housing Act of 1937 to be subject to a public housing declaration of trust in favor of HUD.

The CHA has developed this program to ensure that accounting and financial reporting methods comply with OMB Circular A-87 regarding cost allocations, OMB Circular A-133 regarding audit requirements, and generally accepted accounting practices (GAAP).

The local asset management program incorporates the following key components:

- Implementation of project-based management – CHA has decentralized property operations to each property by contracting with professional private management companies. These private management companies manage the day-to-day operations in accordance with HUD public housing requirements and are overseen by CHA’s Asset Management staff.
- Budgeting and accounting – Public housing operating budgets at the property level are completed annually and the related accounting activities are maintained at that level as well. This model allows the Authority to operate and monitor its asset portfolio as Asset Management Projects (AMPS).
- Financial management – Financial analysis is performed on a monthly basis, at the property level, to ensure operating budgets are properly managed. Financial reporting requirements are in accordance with the amended Moving to Work Agreement as well as OMB Circular A-87.

### **Program Principles**

CHA’s Public Housing Program’s local asset management plan applies the following principles related to program costs:

- Costs incurred are deemed reasonable and consistent with the amended Moving to Work Agreement.
- Costs shall be accorded consistent treatment.
- Costs shall be determined in accordance with GAAP.
- Costs are adequately documented.
- CHA will report results according to HUD MTW guidelines.

### **Cost Allocation Approach**

CHA’s Amended and Restated Moving to Work Agreement identifies either a “fee-for-service” option or an “indirect cost” option to be utilized to distribute direct and indirect costs under local asset management plan under Circular A-87. CHA utilizes an indirect cost allocation. CHA is in keeping with 24 CFR 990 and uses property level management, accounting, and budgeting and has established a Central Office Cost Center (COCC).

As stated in Circular A-87, there is no universal rule for classifying costs as either direct or indirect. A cost may be direct with respect to some specific service or function, but indirect with respect to the final cost objective. Direct costs associated with project activities are allocated to the specific properties receiving the benefit of the expenditure. Direct and indirect costs associated with the COCC are allocated on a reasonable basis and, if allocated to public housing properties, are substantially done using a project unit distribution basis. The following Central Office Cost Center business units are in place at CHA:

- Executive Offices

- Legal Services
- Office of the Inspector General
- Finance and Administration
- Development
- Property (Asset Management and Housing Choice Voucher Program)
- Resident Services

**CHA Cost Objectives Under MTW**

As a Moving to Work Demonstration program agency, the CHA utilizes single fund flexibility which allows the combination of the Public Housing Operating Fund, Public Housing Capital Fund, and Section 8 Housing Choice Voucher Program funding sources. Cost objectives for each program are taken into consideration as program level budgets are developed, accounting activities implemented, and financial reporting designed.

Direct and indirect costs associated with the COCC are allocated on a reasonable basis and use a cost benefit approach. The following tables include, but are not limited to, the direct and indirect costs associated with CHA’s Moving to Work Demonstration program:

<b>Program Direct Costs</b>	
Operating subsidies	Operating costs directly attributable to properties
Asset Management Department costs	Housing assistance payments
Capital improvement costs for properties	Property development costs
Resident Services Department costs	Legal costs
Insurance Costs	Housing Assistance Payments
Housing Choice Voucher department costs	Portability fees and expenses
Homeownership program costs	Any other cost readily identifiable to a property

<b>Program COCC Indirect Costs</b>	
Executive management costs	Procurement-related costs
Personnel administration costs	Information technology services
General finance and accounting costs	Grant management costs
Shared services costs	Any other administrative or indirect cost

**Financial Reporting**

CHA utilizes a project-level accounting system to track costs at the asset management property level and submits information to HUD through the following reporting systems:

- PIH Information Center (PIC);
- Voucher Management System (VMS);
- HUD Financial Data Schedule (FDS) on an annual basis; and
- The Annual Audit, with necessary supplemental schedules (Comprehensive Annual Financial Report)

# Certification for Drug-Free Workplace

## Certification for a Drug-Free Workplace

U.S. Department of Housing and Urban Development

Applicant Name  
**Chicago Housing Authority**

Program/Activity Receiving Federal Grant Funding

### Moving To Work Demonstration

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

- (1) The dangers of drug abuse in the workplace;
- (2) The Applicant's policy of maintaining a drug-free workplace;
- (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
- (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

- (1) Abide by the terms of the statement; and
- (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
  - e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federalagency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
  - f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---
    - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
    - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
    - g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here  if there are workplaces on file that are not identified on the attached sheets.

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

Name of Authorized Official <i>Patricia Emanuel</i>	Title <i>Director of Human Resources</i>
Signature <i>Patricia Emanuel</i>	Date <i>MARCH 14, 2013</i>

form HUD-50070 (3/08)  
 ref. Handbooks 7417.1, 7475.13, 7485.1 & 3

If an investigation confirms violation of the policy has occurred, the CHA will take corrective action. These measures may include, but are not limited to, written warning, counseling, oral reprimand, suspension, or dismissal of the employee engaging in such misconduct. A record of such disciplinary actions will be placed in the employee's personnel file.

### CONFIDENTIALITY

Complaints of harassment, investigation of complaints of harassment, and any corrective action taken in response will be kept confidential to the extent possible.

### NO RETALIATION

The CHA forbids any reprisal or retaliation against an employee for filing a good faith complaint of harassment or for supporting or assisting, in good faith, another employee in pursuing a complaint, or filing a discrimination charge. Anyone experiencing or witnessing any conduct he or she believes to be retaliatory should immediately report it to any of the individuals named above. The CHA will not retaliate or discriminate against any employee for exercising any rights under this policy. Retaliation is a violation of this policy.

### American with Disabilities (ADA)

The CHA is committed to complying fully with the Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act of 1973, and all other state, federal and local laws ensuring equal opportunity in employment for qualified persons with disabilities. We continually review our hiring and selection procedures to assure they are consistent with equal opportunity, and it is our policy to fully explore reasonable accommodations in accordance with the law to enable disabled individuals to safely and effectively perform their jobs. This policy is neither exhaustive nor exclusive.

Reasonable accommodation is available to all disabled employees, where their disability affects the performance of job functions. All employment decisions are based on the merits of the situation in accordance with defined criteria, not the disability of the individual.

The CHA is also committed to not discriminating against any qualified employees or applicants because they are related to or associated with a person with a disability. The CHA will follow any state or local law that provides individuals with disabilities greater protection than the ADA.

### Drug Free Environment

The CHA is a Drug Free Work Place and its Policy on drug and alcohol use is one of "Zero Tolerance." Employees must not appear for work with the presence of alcohol or under the influence of alcohol or illegal non-prescribed drugs in their systems. Employees are prohibited from possessing alcohol or illegal non-prescription drugs. Employees who take prescribed drugs that affect their cognitive abilities should not report to work and should use appropriate leaves. Employees who violate this Policy will be terminated.

Employees are required to participate in drug and alcohol testing at a CHA designated testing facilities in the following circumstances:

1. Upon the CHA's making a conditional offer of employment.
2. Upon re-employment or return from any period of continuous absence of thirty (30) calendar days or more.
3. In instances where the employee has been involved in an automobile accident during the course of employment, regardless of whether the automobile is a CHA vehicle or the employee's vehicle and regardless of whether the employee is injured, the employee must submit to a medical evaluation which includes drug and alcohol testing as immediately after the accident as practical under the particular circumstances, but in no event later than twenty-four (24) hours after the accident.
4. In instances where the employee has suffered an alleged accident, regardless of whether the employee is injured or not, the employee must submit to a medical evaluation which includes drug and alcohol testing immediately after the accident or as soon as practical under the particular circumstances, but in no event later than twenty-four (24) hours after the accident.
5. In instances where the employee's supervisor has a reasonable suspicion that, the employee is at work under the influence of drugs and/or alcohol.

Employees who occupy safety sensitive positions will be subject to random or periodic drug testing.



The CHA drug and alcohol testing vendors are N.I.D.A. accredited. Drug and alcohol test results are confidential and are not disclosed to third parties by the CHA, except upon express written authorization of the employee or as required by law. Employees who submit to drug and alcohol testing described above and whose test results show a positive result will be terminated. Employees who refuse to cooperate in the testing process will be terminated. Employees whose test results are positive may elect to have the sample re-tested at a different N.I.D.A. accredited laboratory at the employee's cost. Arrangements for re-testing must be made through the Director of Human Resources.

The CHA is committed to being a drug-free, healthful, and safe workplace. You are required to come to work in a mental and physical condition that will allow you to perform your job satisfactorily.

Under the Drug-Free Workplace Act, if you perform work for a government contract or grant, you must notify the CHA if you have a criminal conviction for drug-related activity that happened at work. You must make the report within five (5) days of the conviction.

If you have questions about this policy or issues related to drug or alcohol use at work, you can raise your concerns with your supervisor or the Human Resources Department without fear of reprisal.

**Immigration Law Compliance**

The CHA is committed to complying with the immigration laws that require we employ only citizens and others who are authorized to work in the United States. The CHA does not, however, discriminate on the basis of national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Form I-9 and present documentation that establishes identity and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 with the CHA within the past three (3) years, or if their previous I-9 is no longer retained or valid.

Employees may raise questions or complaints about immigration law compliance without fear of reprisal.

**Relationships in the Workplace**

When relatives or persons involved in a dating relationship work in the same area of an organization, it may cause problems at work. In addition to claims of favoritism and morale issues, personal conflicts from outside can sometimes carry over to work.

For this policy, we define a relative as any person who is related to you by blood or marriage, or whose relationship with you is similar to that of a relative. We define a dating relationship as a relationship that might reasonably be expected to lead to a consensual "romantic" relationship. This policy applies to all employees regardless of their gender or sexual orientation.

Our policy is that an employee may not directly work for a relative or supervise a relative. We also discourage a person in a dating relationship to supervise or to report for that person. The CHA also reserves the right to take quick action if an actual or potential conflict of interest arises involving relatives or persons involved in a dating relationship who are in positions at any level (higher or lower) in the same line of authority that may affect the review of employment decisions.

If two employees become relatives, or start a dating relationship and one of them supervises the other, the acting supervisor is required to tell management about the relationship. The two employees are to decide which one of them is to be transferred to another available position. If they do not make that decision within thirty (30) calendar days, the CHA will decide who to transfer or, if necessary, terminate.

There may also be situations when there is a conflict or the potential for conflict due to employee relationships, even if there is no direct reporting or authority involved. In that case, we may reassign or terminate his/her employment. If you are in a close personal relationship with another employee, we ask that you avoid displays of affection or excessive personal conversation at work.

CHA Sites for Work Performance:

- Chicago Housing Authority**
- 1. 60 E. Van Buren St  
Chicago, IL 60605
- 2. **Charles Hayes Family Investment Center**  
4859 S. Wabash Ave  
Chicago, IL 60615
- HCV Satellite Offices**
- Southwest Regional
- 3. 10 W. 35<sup>th</sup> St, 5<sup>th</sup> Fl  
Chicago, IL 60616
- West Regional
- 4. 2750 W. Roosevelt Rd  
Chicago, IL 60608

BOC Resolution



March 11, 2015

Item No. 5

**RECOMMENDATION TO APPROVE CHA'S FY2014 MOVING TO WORK ANNUAL REPORT**

To the Honorable Board of Commissioners:

**RECOMMENDATION**

It is recommended that the Board of Commissioners approve the attached FY2014 Moving to Work (MTW) Annual Report and grant authorization to submit the document to the United States Department of Housing and Urban Development (HUD) for approval.

The Chief of Staff, MTW Policy & Reporting Department and the Office of the General Counsel, have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly.

**CORPORATE GOAL**

Submission of the FY2014 MTW Annual Report fulfills CHA's annual MTW reporting requirements and supports CHA's goal of continued successful compliance with the obligations of HUD's Moving to Work Demonstration Program.

**FUNDING:** Not applicable.

**GENERAL BACKGROUND**

CHA and HUD signed the original Moving to Work (MTW) Agreement on February 6, 2000 which allowed CHA to implement the original Plan for Transformation. CHA's Amended and Restated MTW Agreement with HUD was fully executed on June 26, 2008 which extended CHA's participation in the MTW Demonstration Program through FY2018.

In April 2013, CHA unveiled a new strategic plan, *Plan Forward: Communities that Work*, which outlines the agency's newly articulated mission and strategic goals that will guide CHA's current and future work. As CHA implements Plan Forward initiatives, the agency will continue to pursue the three statutory objectives of the MTW Demonstration Program:

- *MTW Statutory Objective I:* Increase housing choices for low-income families.
- *MTW Statutory Objective II:* Give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient.
- *MTW Statutory Objective III:* Reduce costs and achieve greater cost effectiveness in federal expenditures.

As part of the MTW Agreement, CHA is required to submit an Annual Report to HUD, due 90 days after the end of the fiscal year. The FY2014 MTW Annual Report provides information necessary for HUD to assess CHA's performance in FY2014 regarding both operations and activities authorized by the MTW Demonstration Program.

In May 2013, HUD issued a revised Form 50900 (Attachment B to the Amended and Restated MTW Agreement) which outlines new requirements for the content of MTW Annual Plans/Reports and for tracking the impact of MTW activities. CHA continues to work with HUD to ensure compliance with the new Form 50900.

The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority board policies and all applicable federal (HUD) regulations.

The Chief of Staff concurs with the recommendation to approve the FY2014 MTW Annual Report.

The CEO recommends the approval of the FY2014 MTW Annual Report and submission to HUD by the deadline of March 31, 2015.

Based upon the foregoing, it is recommended that the Board approve the FY2014 MTW Annual Report and grant authorization to the Chief Executive Officer, the Board Chairperson, or their designee to approve any final updates as deemed necessary to submit the FY2014 MTW Annual Report to HUD on the March 31, 2015 deadline.

**RESOLUTION NO. 2015-CHA-20**

**WHEREAS**, the Board of Commissioners has reviewed the Board Letter dated March 11, 2015 requesting approval of the FY2014 Moving to Work Annual Report, attached hereto;

**THEREFORE BE IT RESOLVED BY CHICAGO HOUSING AUTHORITY**

**THAT** the Board of Commissioners hereby approves the attached FY2014 Moving to Work Annual Report and grants authorization to the Chief Executive Officer, the Board Chairperson, or their designee to make any final updates as deemed necessary.

**THAT** the Board of Commissioners grants authorization to submit the FY2014 Moving to Work Annual Report to the U.S. Department of Housing and Urban Development on March 31, 2015. Such approval shall constitute conclusive evidence of the Board's approval of any and all such updates.



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