



Moving to Work

2019 Annual Plan



Do you have questions or comments about the 2019 Annual Plan?

Come to the public hearing on September 24th at 10:00 a.m. at the Central Office, at 190 Queen Anne Ave N. (For an interpreter please call (206) 615-3576 by September 17th.)

Or call or email for more information or to submit your comments: (206) 615-3576, mtw@seattlehousing.org.

Draft for Public Comment: August 31, 2018

Seattle Housing Authority

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I. Introduction

This section provides an overview of the purpose and layout of this plan and describes Seattle Housing Authority's (SHA's) short-term and long-term goals.

What is "Moving to Work"?

Moving to Work (MTW) is a U.S. Department of Housing and Urban Development (HUD) demonstration program for housing authorities to design and test innovative, locally designed housing and self-sufficiency initiatives. The MTW program allows participating agencies to waive certain federal statutes and HUD regulations in order to increase housing choice for low-income families, encourage households to increase their self-sufficiency, and improve operational cost effectiveness. SHA's participation in the MTW program allows the agency to test new methods to improve housing services and to better meet local needs.

Fiscal year 2019 will mark twenty years of participation as an MTW agency for SHA. Each year the agency adopts a plan that describes activities planned for the following fiscal year. At the end of the year, we prepare a report describing our accomplishments.

Stakeholder involvement

As part of developing the MTW Plan and annual budget, SHA provides opportunities for public review and comment. The public comment period will begin on August 31, 2018 and end on September 30, 2018. All comments will be taken into consideration before the agency finalizes the plan.

Public hearing: A public hearing will be held on September 24th at 10:00 a.m. at the Central Office at 190 Queen Anne Ave N. The agency will present the draft plan and annual budget and provide an opportunity to receive public testimony. Interpretation and disability accommodations are available.

Resident advisory groups: The Joint Policy Advisory Committee (JPAC), made up of residents who advise SHA on various issues, will discuss plan activities and the budget at their meeting on September 5th. The Seattle Senior Housing Program (SSHP) Advisory Committee will discuss activities and the budget at their meeting on September 21st.

Additional public comment: SHA also accepts comments in writing and by phone. During the public comment period, comments and interpretation and disability accommodation requests can be addressed to mtw@seattlehousing.org; Policy Department, 190 Queen Anne Ave N, PO Box 19028, Seattle WA 98109; or 206-615-3576.

What is in this plan?

The 2019 Annual Plan complies with a HUD-prescribed format:

Section I: Introduction provides an overview of the layout of the document and SHA's short-term and long-term MTW goals.

Section II: General Housing Authority Operating Information provides an overview of the agency's housing portfolio, leasing rates, and waiting list information.

Section III: Proposed MTW Activities describes the new MTW activities that the agency plans to pursue in 2019.

Section IV: Ongoing MTW Activities provides information on previously approved uses of MTW authority.

Section V: Sources and Uses of Funding describes the agency's projected revenues and expenditures for 2019, local asset management program, and use of MTW Block Grant fungibility.

Section VI: Administrative Information provides administrative information required by HUD.

MTW Goals and Objectives

SHA's primary goals for new and existing MTW strategies in 2019 align with the primary goals of the MTW program: promoting cost effectiveness, housing choice, and self-sufficiency. In 2019 SHA is proposing four new MTW activities. These new activities would allow SHA to own mixed-finance projects, disregard student financial aid as income in rent calculation, provide incentives for positive tenant departures and housing stability, and streamline local timelines and processes to improve leasing success.

- **Disregard of student financial aid as income:** Under current Housing Choice Voucher (HCV) policy, financial aid does not count toward income unless the amount received is above the cost of tuition. This does not align with the policy in public housing, which never counts student financial assistance as income when determining rent. SHA is proposing with this new activity that student financial assistance is not counted as income when determining rent for both HCV and public housing. We believe that this activity will have multiple positive impacts, including supporting households who wish to pursue education and saving time for both staff and participants who would no longer need to obtain and document this information in order to calculate the amount of student financial assistance to be included or excluded for the rent calculation.
- **Incentives for positive tenant departures and housing stability:** This activity would allow SHA to provide financial incentives to promote housing stability and support public housing households successfully vacating a public housing unit. Households would be eligible to receive a financial incentive if they leave their unit in a clean and orderly fashion consistent with SHA unit standards. SHA plans to initially pilot a \$300 incentive to households successfully meeting these conditions, but the incentive amount, structure, and eligibility criteria may evolve based on pilot results. SHA believes this incentive may have multiple positive impacts, including reducing repair charges for departing households and decreasing both costs and turnaround time for SHA in bringing units back to standard condition for leasing to new households.
- **Streamlined local timelines and processes for improved leasing success:** HUD requirements limit the length of time and procedures for new and continuing voucher households searching for a unit, including the length of time that families can be absent from a unit. In Seattle's extremely competitive rental market, households often need more time and flexibility to be successful. This proposed MTW activity would allow SHA to adopt local timelines and processes for new and moving with continued assistance (MWCA) voucher households, including the ability for SHA to remove the time limitation to allow families who are moving with continued assistance and are not leased up in a unit to continue looking for a new unit before their voucher expires.
- **Public Housing Authority ownership of mixed finance projects:** This proposed MTW activity would allow SHA to own mixed-finance projects, which would streamline the process when SHA exits mixed-finance agreements. This would waive current federal regulations that state that housing authorities cannot own mixed-finance projects and save both time and money for SHA in refinancing mixed-finance developments. Rather than a two-part approval process, SHA would be able to request HUD approval to

dissolve the partnership and terminate the project lease without the additional requirement to make a modified mixed-finance and Section 30 application. The properties would remain affordable housing and there would be no change in status for public housing units or any other units.

These activities are described in more detail in Section III. We also continue to revisit and improve the effectiveness of existing MTW activities, as described in Section IV.

Long-Term MTW Goals

SHA will continue to use MTW in different ways to maximize our ability to provide affordable housing within Seattle's extremely competitive rental and construction markets. In 2019 that will include changes to our voucher payment standards as well as the possibility of using our MTW authority to develop local development cost limits for construction in the Yesler neighborhood. SHA will also support households in pursuing self-sufficiency, including the JobLink program, and will experiment with and assess the strategies that are most effective in promoting housing choice, including the Creating Moves to Opportunity program for families with children. SHA will also continue to use MTW to build and strengthen cross-sector partnerships, including initiatives such as the Home from School program for families with children enrolled at Bailey Gatzert Elementary School.

SHA and MTW agencies nationwide will also continue to advocate with HUD for improvements in planning, reporting, and performance metrics that will more effectively capture the successes and lessons learned through participation in the MTW program. This effort includes performance measurement initiatives funded by MTW housing authorities through the HAI group and Abt Associates, as well as participation in a housing authority accreditation pilot program. We hope that these efforts will inform HUD's improvement of metrics, particularly in revisions to the Form 50900, which dictates components of the annual plan and report, and throughout local and national evaluation initiatives to better understand the results of MTW activities.

II. General Housing Authority Operating Information

This section provides an overview of SHA's housing portfolio, leasing, and waiting list information.

Mission statement

The mission of SHA is to enhance the Seattle community by creating and sustaining decent, safe and affordable living environments that foster stability and self-sufficiency for people with low incomes.

Agency overview

SHA is a public corporation, providing affordable housing to more than 34,000 people, including more than 29,000 in neighborhoods throughout the city of Seattle. SHA (SHA) operates a variety of programs that include agency operated housing, partner operated communities, and private rental housing.

Participants include approximately 11,000 children, 7,000 seniors, and 6,000 non-elderly disabled adults. The majority (85 percent) of households have annual incomes below 30 percent of the area median income.

In keeping with our mission, SHA supports a wide range of community services for residents, including employment services, case management, and youth activities.

Funding for SHA's activities comes from multiple sources, including HUD's MTW Block Grant, which the agency can use for a variety of activities in support of the agency's mission, special purpose HUD funds that can only be used for specific purposes, other government grants, tenant rents, and revenue from other activities.

Housing stock information: units funded with the MTW Block Grant

The majority of SHA's funding from HUD comes in the form of a block grant that combines the Low Income Public Housing operating fund, Low Income Public Housing capital fund, and MTW Housing Choice Voucher funding into one funding source (MTW Block Grant) for SHA to use to pursue its mission.

Public housing units

The Low Income Public Housing program (also referred to as public housing or LIPH) is projected to include 5,817 units at the beginning of 2019, including high-rises (large apartment buildings), scattered sites (small apartment buildings or single family housing), and communities at NewHolly, Rainier Vista, High Point, Lake City Court, and Yesler Terrace. HUD's MTW Block Grant provides funding to help contribute to costs exceeding rental income. Households typically pay 30 percent of their adjusted monthly income for rent and utilities.

In 2019 125 of these units will be leased to service providers who use the units to provide transitional housing and services to residents. An additional 40 units receiving public housing subsidy through SHA are owned and operated by nonprofits as traditional public housing.

Nearly 900 of these units are in the Seattle Senior Housing Program (SSHP). SSHP communities provide affordable housing to senior households and non-elderly disabled participants, operating under an alternative affordable rent structure.

Projected changes in public housing stock

SHA does not anticipate adding new public housing units in 2019.

The agency may seek HUD approval for demolition and/or disposition of the following during the year, as well as dispositions outlined in prior year plans:

- Up to 124 units at Yesler Terrace for Choice Neighborhoods redevelopment and subsequent disposition of the vacant land.
- Land disposition for sale to market-rate developers, for sale to Limited Partnerships created to finance replacement housing and to the City of Seattle Parks Department. In addition to the Yesler Terrace land disposition noted above, these sites may be part of previously approved HOPE VI developments known as Holly Park, High Point, and Rainier Vista.
- Up to 40 public housing units in our scattered site and partnership housing as part of a second phase of asset repositioning, which may include a potential mixed finance development.
- As part of a potential mixed finance rehabilitation, 299 public housing units at Jefferson Terrace, 97 public housing units at Holly Court, and 41 public housing units at Jackson Park Village.

Planned Public Housing Units to be Removed		
AMP Name and Number	Number of Units to be Removed	Explanation for Removal
Yesler Terrace, WA001000001	124	Redevelopment
Scattered Sites, WA001000050-57	40	Asset repositioning
Jefferson Terrace, WA001000009	299	Rehabilitation of a mixed finance agreement
Holly Court, WA001000041	97	Rehabilitation of a mixed finance agreement
Jackson Park Village, WA001000037	41	Rehabilitation of a mixed finance agreement

Planned Other Changes to MTW Housing Stock Anticipated in the Plan Year
SHA anticipates 39 new local non-traditional units at Red Cedar as part of Yesler Terrace redevelopment in 2019. SHA also anticipates that offline units will include 28 scattered site units that will be placed offline for rehabilitation in 2019, as well as units at Roxhill Court and Wisteria Court that may be taken offline in 2019 depending on condition assessments. SHA anticipates that approximately 33 units will be placed temporarily in Non-Dwelling MTW Neighborhood status for public housing graduates under SHA's MTW strategy 13.P.01, which ends participation in public housing for higher income households in mixed-income communities.

SHA may also consider converting selected properties to the Rental Assistance Demonstration (RAD), pending further analysis and discussion.

MTW Housing Choice Vouchers

The Housing Choice Voucher program (also referred to as the voucher program, HCV, and Section 8) is a public/private partnership that provides housing subsidies through vouchers to low-income families for use in the private rental housing market. **At the beginning of 2019, SHA will administer a projected 9,776 authorized vouchers funded through HUD’s MTW Block Grant.**

Participants typically pay 30 to 40 percent of their household's monthly income for rent and utilities, depending on the unit they choose. Voucher subsidy is provided through a variety of means including:

- Tenant-based (tenants can take their voucher into the open rental market)
- Project-based (the subsidy stays with the unit)
- Program-based (SHA uses MTW flexibility to provide unit-based subsidies that float within a group of units or properties)
- Provider-based (SHA uses MTW flexibility to provide subsidy to service providers to master lease units, who then sublet to participants in need of highly-supportive housing)

Project-based Vouchers

SHA anticipates awarding up to 105 new project-based vouchers in 2019. These new project-based vouchers will support housing for homeless and formerly homeless households through the King County Combined Funders allocation and redevelopment at Yesler Terrace.

See the following tables for more information on planned project-based vouchers.

Planned New Project Based Vouchers			
Property Name	Number of Vouchers to be Project-Based	RAD?	Description of Project
Red Cedar	80	No	Yesler Terrace redevelopment
King County Combined Funders Allocation	25	No	Housing for homeless and formerly homeless households through the King County Combined Funders Allocation
Total planned new project based vouchers	105		

Planned Existing Project Based Vouchers				
Property Name	Number of Project-Based Vouchers	Planned Status at End of Plan Year	RAD?	Description of Project
1811 Eastlake	25	Leased	No	Permanent supportive housing
A Place of Our Own	19	Leased	No	Homeless families (with at least 1 minor)
Albion Court	12	Leased	No	Behavioral Health housing
AlderCrest Apartments	8	Leased	No	Affordable housing
Arbora Court	40	Leased	No	Service Enriched for homeless individuals and families
Aridell Mitchell Home	6	Leased	No	Affordable housing
Aurora House - Levy	30	Leased	No	Permanent supportive housing
Avalon Place	9	Leased	No	Behavioral Health permanent supportive housing
Bakhita Gardens (Rose of Lima)	30	Leased	No	Permanent supportive housing
Beacon House	6	Leased	No	Affordable housing
Bergen Place (YMCA)	2	Leased	No	Homeless Young Adult
Brettler Family Place	51	Leased	No	Service Enriched for families
Broadway Crossing	9	Leased	No	Homeless families (with at least 1 minor)
Bush Hotel	7	Leased	No	Affordable housing
Cascade Court	3	Leased	No	Homeless families (with at least 1 minor)
Cate Apartments	15	Leased	No	Homeless families (with at least 1 minor)
Centerwood Apartments	2	Leased	No	Affordable housing
CHMH Sound Mental Health	6	Leased	No	Behavioral Health housing
Columbia Court	13	Leased	No	Transitional housing for homeless families (with at least 1 minor)
Colwell Building	26	Leased	No	Affordable housing
Compass	33	Leased	No	Permanent supportive housing for Women
Compass on Dexter-Levy	36	Leased	No	Service Enriched for families

Planned Existing Project Based Vouchers				
Property Name	Number of Project-Based Vouchers	Planned Status at End of Plan Year	RAD?	Description of Project
Council House	30	Leased	No	Senior Housing
CPC (10th Ave NW)	5	Leased	No	Behavioral Health housing
CPC (Alderbrook)	6	Leased	No	Behavioral Health housing
CPC (Cluster homes)	14	Leased	No	Behavioral Health housing
Croft Place	7	Leased	No	Homeless families (with at least 1 minor)
Delridge Heights Apartments	3	Leased	No	Affordable housing
Denny Park	8	Leased	No	Homeless families (with at least 1 minor)
Eastern Hotel	4	Leased	No	Affordable housing
Ernestine Anderson	33	Leased	No	Permanent supportive housing
Estelle Supportive Housing	15	Leased	No	Permanent supportive housing
Evans House	49	Leased	No	Permanent supportive housing
FACT Sound Mental Health	20	Leased	No	Behavioral Health housing
First Place School	4	Leased	No	Homeless families (with at least 1 minor)
Four Freedoms House	151	Leased	No	Senior housing
Fremont Solstice	6	Leased	No	Homeless families (with at least 1 minor)
Genesee House	3	Leased	No	Homeless families (with at least 1 minor)
Gossett Place	28	Leased	No	Permanent supportive housing
Heritage House	10	Leased	No	Assisted living
Hilltop House	30	Leased	No	Senior housing
Holden Manor	1	Leased	No	Affordable housing
Holden St Family Housing	25	Leased	No	Homeless families (with at least 1 minor)
Holiday Apartments	6	Leased	No	Homeless families (with at least 1 minor)

Planned Existing Project Based Vouchers				
Property Name	Number of Project-Based Vouchers	Planned Status at End of Plan Year	RAD?	Description of Project
Humphrey House	81	Leased	No	Permanent supportive housing
Josephinum	25	Leased	No	Service Enriched for homeless individuals
Josephinum Stability Program	49	Leased	No	Service Enriched for homeless individuals
Julie Apartments	28	Leased	No	Affordable housing
Katharine's Place	10	Leased	No	Homeless families (with at least 1 minor)
Kerner-Scott House	15	Leased	No	Permanent supportive housing
King Way Apartments	16	Leased	No	Homeless families (with at least 1 minor)
Lakeview Apartments	6	Leased	No	Affordable housing
Legacy House	22	Leased	No	Senior housing
Leighton Apartments	15	Leased	No	Behavioral Health housing
Leschi House	35	Leased	No	Senior housing
Lincoln Apartments	4	Leased	No	Affordable housing
Lyon Building	12	Leased	No	Permanent supportive housing
Marion West Apartments	25	Leased	No	Affordable housing
Martin Court (RFP)	28	Leased	No	Transitional housing for homeless individuals
Martin Court (SF)	13	Leased	No	Transitional housing for homeless families (with at least 1 minor)
McDermott Place	15	Leased	No	Permanent supportive housing
Meadowbrook View	15	Leased	No	Homeless families (with at least 1 minor)
Monica's Village	38	Leased	No	Homeless families (with at least one minor)
Morrison	190	Leased	No	Permanent supportive housing
Muslim Housing Services	10	Leased	No	Homeless families (with at least 1 minor)
Nihonmachi Family Housing	5	Leased	No	Homeless families (with at least 1 minor)

Planned Existing Project Based Vouchers				
Property Name	Number of Project-Based Vouchers	Planned Status at End of Plan Year	RAD?	Description of Project
NP Hotel	5	Leased	No	Affordable housing
Oleta Apartments	6	Leased	No	Affordable housing
One Community Commons	5	Leased	No	Homeless families (with at least 1 minor)
Opportunity Place	145	Leased	No	Permanent supportive housing
Ozanam House	29	Leased	No	Permanent supportive housing
Pacific Hotel	2	Leased	No	Permanent supportive housing
PACT 3 Pioneer Human Services	20	Leased	No	Assertive Community Treatment (ACT) housing
PACT DESC	12	Leased	No	Assertive Community Treatment (ACT) housing
Palo Studios Josephinum	7	Leased	No	Service Enriched for homeless individuals
Pantages Apartments	11	Leased	No	Homeless families (with at least 1 minor)
Parkview	23	Leased	No	Affordable housing for people with disabilities
Pat Williams Apartments	20	Leased	No	Permanent supportive housing
Patrick Place	40	Leased	No	Permanent supportive housing
Plymouth on First Hill	77	Leased	No	Permanent supportive housing
Plymouth on Stewart	84	Leased	No	Permanent supportive housing
Plymouth Place	70	Leased	No	Permanent supportive housing
Ravenna Springs	13	Leased	No	Affordable housing
Samaki Commons	8	Leased	No	Homeless families (with at least 1 minor)
Sand Point Campus	18	Leased	No	Service Enriched for families
Sand Point Family Housing	21	Leased	No	Permanent supportive housing for Families
Sea-Mar Family Housing	5	Leased	No	Homeless families (with at least 1 minor)
Simons Senior Apartments	84	Leased	No	Permanent supportive housing

Planned Existing Project Based Vouchers				
Property Name	Number of Project-Based Vouchers	Planned Status at End of Plan Year	RAD?	Description of Project
St. Charles	61	Leased	No	Permanent supportive housing
Sylvia Odom's Place	55	Leased	No	Service Enriched for individuals who no longer require permanent supportive housing
The Karlstrom	17	Leased	No	Service Enriched for homeless individuals
Traugott Terrace	40	Leased	No	Permanent supportive housing
Tyree Scott (SF)	6	Leased	No	Homeless families (with at least 1 minor)
Views@Madison (SF)	10	Leased	No	Homeless families (with at least 1 minor)
Vivian McLean Place Apartments	4	Leased	No	Affordable housing
Willie London Properties	13	Leased	No	Affordable housing
Wisteria Court	10	Leased	No	Homeless families (with at least 1 minor)
YWCA Women's Residence	53	Leased	No	Permanent supportive housing for women
Total planned existing project-based vouchers	3,710			

Other HUD-funded housing

SHA also administers units and vouchers that are funded by HUD through sources other than the MTW Block Grant.

Special Purpose Vouchers

At the beginning of 2019 SHA projects it will administer an authorized 1,185 non-MTW vouchers provided by HUD for special purposes, including 510 Veterans Affairs Supportive Housing vouchers, 300 Family Unification Program vouchers, and 375 mainstream vouchers. These vouchers are often awarded competitively and funding is provided outside of the MTW Block Grant. This number fluctuates over time, not only due to new vouchers, but also because the agency is able to move certain types of vouchers into the MTW Block Grant after the first year.

These projections of authorized vouchers do not include Yesler tenant protection vouchers and other vouchers that have not yet been awarded, such as Mainstream Vouchers.

Moderate Rehab

As of 2019, the agency will administer HUD Section 8 Moderate Rehab funding for 506 units operated by partner nonprofits serving extremely low-income individuals. All of these units are designated for homeless individuals.

Section 8 New Construction

SHA owns 80 units that receive Section 8 New Construction funding and serve people with extremely low-incomes.

Local housing

Local housing programs are operated outside of HUD's programs. They receive no operating subsidy except for project-based vouchers in selected properties. In a small number of cases, MTW Block Grant funds are used for capital improvements in local housing properties serving low-income residents (as discussed further in Section IV, MTW Activity 20.A.01). SHA's local housing portfolio is not equivalent to HUD's local non-traditional category, but there is some overlap between the two categories, including tax credit units in HOPE VI communities.

SHA operates approximately 1,800 units of local housing in properties throughout Seattle, including low- and moderate-income rental housing in the agency's redeveloped communities (NewHolly, Rainier Vista, High Point, Lake City Court, and Yesler Terrace), three SSHP buildings, and some scattered sites properties throughout the City.

Major capital activities

Within the context of dwindling federal funding, addressing repairs and improvements remains a challenge for public housing authorities nationwide. In 2019 SHA plans to target elevators and roofs at several properties, as well as other capital projects throughout the year, such as security systems, bathroom fans, windows, siding, and floors.

General Description of All Planned Capital Expenditures During the Plan Year

In 2019, SHA anticipates addressing elevators and roofs at several properties, as well as additional capital projects throughout the year. The following description focuses on projects planned for 2019, rather than expenditures based on capital fund year.

- Elevators: SHA will complete upgrades for the second elevator at Jefferson Terrace (WA001000009).

Upgrades are scheduled for the second elevator at Blakeley Manor (WA001000095), and one elevator each at Carroll Terrace (WA001000094), Capitol Park (WA001000086), Pleasant Valley (WA001000094), Beacon Tower (WA001000086), Gideon Matthews Gardens (WA001000094), Schwabacher House (WA001000095), and Tri-Court (WA001000093).

- Exteriors: Exterior rehabilitation design is expected to be completed at Fort Lawton (WA001000094) and Sunrise Manor (WA001000092). Exterior rehabilitation is anticipated to begin at Fort Lawton (WA001000094). Targeted exterior repairs are scheduled for Montridge Arms (WA001000218) and Jefferson Terrace (WA001000009). Targeted repairs are also scheduled for all the senior buildings that have not had extensive exterior rehabilitation (WA001000093 through WA001000095). Exterior upgrades including windows and siding replacement are scheduled for Cedarvale Village (WA001000038).

- Roofs: SHA anticipates roofing projects at over twenty scattered sites locations (WA001000050 through WA001000057). Phase 2 of roof replacement at Cedarvale Village (WA001000038) will take place in 2019.

Roof recoating at Bell Tower (WA001000015) and Olympic West (WA001000087) is scheduled. Roof replacement is scheduled for Lake City House (WA001000087), Primeau Place (WA001000094), Wildwood Glen (WA00100009), Reunion House (WA001000095), and Olmsted Manor (WA001000095).

- Security and Lighting: Completion of security upgrades is planned for Olive Ridge (WA001000013), Jefferson Terrace (WA001000009), Tri-Court (WA001000031), and the remaining Seattle Senior Housing Program buildings. We will begin the design and upgrade of all existing ACAM systems at all public housing buildings. Lighting upgrades are planned at 16 buildings throughout the portfolio.

Interior Upgrades: Interior upgrades will continue for various scattered site single family units as well as four agency units (WA001000050 through WA001000057) and a number of Special Portfolio units.

House fans: In 2019 SHA will continue a program to replace bathroom fans with 24/7 fans in the scattered sites portfolio (WA001000050 through WA001000057).

Other capital projects: Various capital projects are planned for scattered sites buildings, including window replacement, siding repair and replacement, exterior painting, appliances, flooring, cabinet replacement, door repair and replacement, and window furnishings.

Leasing information

In 2019, SHA anticipates overall strong rates of leasing despite some challenges for both public housing and vouchers. The following tables represent projected utilization for vouchers and occupancy for SHA-operated housing.

Planned Number of Households Served Through:	Planned Number of Unit Months Occupied/Leased*	Planned Number of Households to be Served**
MTW Public Housing Units Leased	67,604	5,634
MTW Housing Choice Vouchers (HCV) Utilized	109,100	9,092
Local, Non-Traditional: Property-Based (MTW Activity)	7,274	606
Planned Total Households Served	183,978	15,332

* "Planned Number of Unit Months Occupied/Leased" is the total number of months the MTW PHA plans to have leased/occupied in each category throughout the full Plan Year.

** "Planned Number of Households to be Served" is calculated by dividing the "Planned Number of Unit Months Occupied/Leased" by the number of months in the Plan Year.

Local, Non-Traditional Category	MTW Activity Name/Number	Planned Number of Unit Months Occupied/Leased	Planned Number of Households to be Served*
Property-Based	MTW Activity #20: Use of Funds for Local Non-Traditional Affordable Housing	7,274	606

Discussion of Any Anticipated Issues/Possible Solutions Related To Leasing	
Housing Program	Anticipated Leasing Issues and Possible Solutions
MTW Public Housing	We do not anticipate leasing difficulties for the vast majority of public housing units. Overall leasing rates are expected to remain high throughout SHA's public housing portfolios. Certain unit types will likely remain slower to lease, such as north end scattered site units and two-bedroom Seattle Senior Housing Program units.
MTW Housing Choice Voucher	<p>Leasing is a challenge for vouchers in Seattle's rental market, which is increasingly expensive and low in vacancies. SHA has implemented several tactics to improve leasing success rates and increase opportunities for mobility, including raising voucher payment standards. In addition, SHA continues to develop and implement strategies to help voucher holders lease successfully, including one on one search assistance with a housing counselor, deposit and screening fee assistance, and risk reduction funds.</p> <p>SHA's efforts to reach out to and work with landlords include new online forms for landlords to advertise their units. SHA's Creating Moves to Opportunity initiative also seeks to improve leasing success for families with children in opportunity neighborhoods with strategies such as pre-issuance marketability coaching and streamlined leasing for landlords and is anticipated to impact overall leasing success rates.</p> <p>To support Veterans Affairs Supportive Housing (VASH) voucher holders, SHA is not only providing financial assistance for moving costs such as deposits and application fees, but also expediting issuance by processing applications, determining eligibility, and issuing within the same day to avoid wait times if a unit is identified. For the Family Unification Program (FUP), SHA is increasing referrals by offering onsite application assistance and training to our partner agencies so that their staff can support applicants throughout the process.</p>
Local, Non-Traditional	Leasing rates for local non-traditional units are expected to remain strong in 2019.

Reporting Compliance with Statutory MTW Requirements
SHA is in compliance with the three statutory objectives.

Waiting list information

SHA’s waiting list strategies vary to match the needs of different properties and housing programs. Applicants may be, and often are, on multiple waiting lists at the same time.

Housing Choice Vouchers

SHA maintains a single tenant-based waiting list for MTW vouchers, which was opened via a lottery and then closed in 2017. An initial random lottery selection created a waiting list of 3,500 applicants, with a second random lottery selection of 600 applicant families with children. As of the beginning of 2019, SHA anticipates that approximately 2,200 households will be on the tenant-based waiting list.

As of 2018 project-based voucher properties targeting homeless households are served by the community’s coordinated entry programs, including consolidated waiting lists for families, young adults, and single adults. For programs serving populations other than homeless households, the project-based voucher properties operate their own site-specific waiting lists.

SHA-operated housing

Site-specific waiting lists are offered for all of SHA’s affordable housing properties. Most waiting lists are maintained centrally, by program/property, to maximize efficiencies and housing choice, and are updated on an ongoing basis through the use of Save My Spot, a system that allows applicants to check in monthly by phone or computer to indicate their continued interest in housing opportunities with the agency.

Anticipated waiting list changes

SHA anticipates that community need for public housing and vouchers will remain high in 2019. Most public housing waiting lists will remain open, with the exception of Yesler Terrace. The waiting list for tenant-based vouchers will likely remain closed throughout the year.

Waiting List Name	Description (Structure, Population Served)	Number of Households on Waiting List	Waiting List Open, Partially Open, or Closed	Plans to Open the Waiting List During the Plan Year
Federal MTW Public Housing (SHA Administered)	Site-Based, Public Housing	7,334	Partially Open	No
Federal MTW Housing Choice Voucher Program (Tenant Based)	Community Wide, Housing Choice Vouchers	2,200	Closed	No
Federal MTW Housing Choice Voucher Program (Project Based)	Site-Based, Housing Choice Vouchers	2,124	Partially Open	N/A
Project-Based Local, Non-Traditional MTW Housing Assistance Program	Site-Based, Local Non-Traditional	201	Partially Open	N/A

Description of Duplication Across Waiting Lists

There is duplication between categories as households may be and often are on waiting lists for public housing, tenant-based HCV, and project-based HCV at the same time. Households waiting for project-based local non-traditional units may also be on the waiting list for tenant-based HCV and/or project-based HCV. There is also duplication within the project-based count as the waiting lists are site-based and administered by different community partners.

Planned Changes to Waiting Lists

Waiting List Name	Description of Planned Changes
Federal MTW Public Housing (SHA Administered)	No changes are planned.
Federal MTW Housing Choice Voucher Program (Tenant Based)	No changes are planned.
Federal MTW Housing Choice Voucher Program (Project Based)	No changes are planned.
Project-Based Local, Non-Traditional MTW Housing Assistance Program	No changes are planned.

III. Proposed MTW Activities: HUD approval requested

This section provides information detailing proposed new uses of MTW authority, including evaluation criteria and specific waivers to be used.

New proposed MTW activities

Public Housing Authority Ownership of Mixed-Finance Projects (MTW Activity #1.P.07)

SHA is proposing this MTW activity to enable a more streamlined exit of mixed-finance projects when the interest of the investor limited partner is purchased by the housing authority. This activity would reduce the overall administrative burden for the housing authority as well as for HUD. In addition, it would save legal and transaction costs.

Current HUD regulations pertaining to the development and ownership of mixed-finance projects (24 CFR 905.604 (a)) require that the development is owned in whole or in part by an entity other than a housing authority. However, the statute (42 U.S.C 1437z-7(d)(2)) states that a “mixed-finance project” can be developed and owned by a housing authority or an entity affiliated with a housing authority. With this MTW activity, SHA is asking HUD to waive the regulation (24 CFR 905.604 (a)) pertaining to the ownership of mixed-finance projects and allow the ownership of a mixed-finance project by a housing authority, as is consistent with U.S. statute (42 U.S.C 1437z-7(d)(2)).

This MTW activity will streamline exit of mixed-finance projects when the interest of the investor limited partner is purchased by SHA. Washington State Law makes it difficult for a housing authority to establish an affiliate to act as the General Partner and as a result all partnerships established by SHA for the purposes of using Low Income Housing Tax Credits to develop mixed-finance projects are structured with the investor as the Limited Partner with 99.99 percent and the housing authority as the General Partner with 0.01% interest. In addition to this Partnership structure, SHA structures all mixed-finance projects using a project lease to give the partnership control of the property while still retaining ownership of the land. As a result, there is no transfer to real estate from SHA to the Partnership.

Due to this structure of our partnerships, past exits have resulted in a two-part approval process that adds costs and time. First, SHA has requested permission from HUD to restructure the Partnership with the housing authority acquiring 99.99% interest as the General Partner and an affiliate of the housing authority becomes the Limited Partner with 0.01% interest. Once this is complete, SHA begins the process of dissolving the previous partnership and terminating the project lease. This step required a modified mixed-finance and Section 30 application to HUD, which added significant cost and delays to the process.

This proposed MTW activity would streamline the process by allowing SHA to request HUD approval to dissolve the partnership and terminate the project lease, without the additional requirement to make a modified mixed-finance and Section 30 application. HUD’s rights and the public housing units would still be protected by the Declaration of Restrictive Covenants (DORC) as the DORC is recorded against title and dissolving the partnership and terminating the project would not impact those rights or HUD’s priority. In addition, the Mixed Finance ACC Amendment would remain in place as this is the instrument that allows the public housing units to float within the project. Both the DORC and the Mixed Finance ACC Amendment would be amended to reflect the new ownership entity and the Regulatory and Operating Agreement would no longer be needed.

MTW Activity #1.P.07	Public Housing Authority Ownership of Mixed-Finance Projects: SHA may own mixed-finance projects.			
Targeted MTW statutory objective	Cost Effectiveness: This activity would reduce administrative burden for both SHA and for HUD, as well as saving legal and transaction costs.			
Schedule	After receiving approval, SHA would begin implementation in 2019.			
Outcome Measures	Metric	Baseline	Benchmark	Final Projected Outcome
	CE1: Total cost of mixed-finance project exits (per exit)	\$60,000 per transaction	\$15,000 per transaction	At least \$135,000 saved
	CE2: Total time to complete mixed-finance project exits in staff hours (per exit)	40 hours	10 hours	At least 90 hours saved
Data sources	SHA maintains detailed records of project expenses, including actual costs and legal invoices for past and future mixed-finance project exits. Staff hours are estimated based on time spent on previous projects.			
Cost Implications	The proposed activity will result in positive cost implications, which are estimated at approximately \$45,000 per transaction. Cost savings will be allocated toward SHA operating, capital, and development activities.			
Authorizations Cited	Attachment C, Section B (1) – Single Fund Budget with Full Flexibility Attachment C, Section C (7) – Simplification of the Development and Redevelopment Process for Public Housing			

Disregard of Student Financial Aid as Income (MTW Activity #10.H.15)

Under current Housing Choice Voucher (HCV) policy, financial aid does not count toward income unless the amount received is above the cost of tuition. This does not align with the policy in public housing, which never counts student financial assistance as income when determining rent. SHA is proposing with this new activity that student financial assistance is not counted as income when determining rent for both HCV and public housing.

We believe that this activity will have multiple positive impacts, including:

- Aligning rules across public housing and HCV, thereby enhancing the agency’s ability to provide consistent and positive messaging to tenants and participants about education
- Promoting self-sufficiency by not reducing financial resources available to households pursuing an education
- Easing administrative burden by removing the need to calculate the amount of student financial assistance to be included or excluded

- Reducing time burden for participants, who would no longer need to obtain, document, and submit this information

Impact Analysis

This policy would benefit current and future SHA households with student financial assistance by reducing their rent. Currently 35 HCV participants across 24 households have student financial assistance in excess of tuition that is counted as income towards their rent calculation. The total income counted is \$140,980, which is on average \$2,999 per individual or \$4,374 per household. Eliminating the current rule would reduce the rent of these 24 households by approximately \$1,750 per year or \$145 per month on average.

SHA analyzed demographic information for individuals and households that would be impacted by the policy. Current households that would be impacted by this policy (and would pay less in rent) are as follows:

Impact Analysis of Subpopulations		
	Individuals Currently Impacted by Policy (N=35)	All Housing Choice Voucher Individuals (N=18,493)
HCV Program	69% Tenant-Based Voucher 23% Project-Based Voucher 6% Mod Rehab 2% Agency Based Voucher	67% Tenant-Based Voucher 25% Project-Based Voucher 4% Mod Rehab 4% Agency Based Voucher
Gender	57% Female 43% Male	55% Female 45% Male
Race and Ethnicity	63% Black or African-American 14% White 11% Asian 6% Native American 6% Latino	53% Black of African-American 24% White 11% Asian 2% Native American 6% Latino 4% Other
Veteran Status	6% U.S. Military Veterans	4% U.S. Military Veterans
Disability Status	37% Disabled	20% Disabled
Average Age	39	36

The financial cost to SHA would be approximately \$42,000 in student financial assistance that is currently collected through reduced Housing Assistance Payments to these households. However SHA would gain staff time savings as HCV staff would no longer need to calculate the amount of student financial aid to include or exclude in the rent calculation. The proposed policy would also improve SHA’s communications with participants on the importance of and SHA support for education.

Because this proposed activity is to the benefit of applicable families, we anticipate no unintended consequences or impacts that are negative. However, we will monitor metrics for the activity to ensure that it is on track and effective. Positive or negative results will guide future annual discussions to reevaluate whether the activity needs to be adjusted.

MTW Activity #10.H.15	Disregard of Student Financial Aid as Income: SHA may disregard student financial aid as income in determining rent.			
Targeted MTW statutory objective	<p>Cost Effectiveness: This activity would reduce administrative burden for both SHA and for HCV participants with student financial aid.</p> <p>This activity also supports self-sufficiency by removing a barrier for households pursuing education. However, collecting data on the standard HUD metric regarding education enrollment would nullify the time savings gained through streamlining this process.</p>			
Schedule	After receiving approval, SHA would begin implementation at the time of next regularly scheduled recertification for affected households.			
Outcome Measures	Metric	Baseline	Benchmark	Final Projected Outcome
	CE2: Total time to complete recertifications in staff hours	(2017) 45,407 staff hours	45,224 staff hours	Not applicable
	Staff time savings from local rent policy	(2017) 2,873 staff hours	3,056 staff hours	Not applicable
Data sources	SHA estimates at least 30 minutes of staff time savings per household with a student. While not captured within the metrics, we anticipate additional time savings in days spent waiting to complete certifications while students collect financial aid and registration information. However, because student financial aid documentation will no longer be required for the calculation of income and rent, SHA will not maintain records on student financial assistance after this activity is implemented.			
Description of Annual Reevaluation	Each year SHA will reevaluate the effectiveness of this activity and the potential need for any adjustments based on metrics results.			
Authorizations Cited	Attachment C, Section D (2) – Rent Policies and Term Limits			
Hardship Case Criteria and Transition Period	<p>This activity is to the benefit of affected households and therefore there is no reason to anticipate a need for a hardship case criteria. However, if for unanticipated reasons a household would like student financial assistance to be included as income and their rent increased, they may make this request.</p> <p>The transition for affected households will begin at their next regularly scheduled recertification.</p>			

Incentives for Positive Tenant Departures and Housing Stability (MTW Activity #13.P.02)

SHA is proposing an activity providing financial incentives to promote housing stability and support public housing households successfully vacating a public housing unit. Households will be made aware that they are eligible to receive a financial incentive should they leave their unit in a clean and orderly fashion consistent with SHA unit standards. SHA plans to initially pilot the provision of a \$300 incentive to households successfully meeting these conditions, but the incentive amount, structure, and eligibility criteria may evolve based on information received during implementation and the results of an evaluation at the pilot’s conclusion.

This incentive was developed as part of SHA’s collaboration with the behavioral science firm ideas42. Through that work SHA staff documented the causes and consequences of households unsuccessfully vacating their unit, particularly the impact of repair charges for households when failing to leave an orderly unit upon vacate. SHA believes this incentive will promote housing stability and positive tenancy conduct while households are living in an SHA unit, and support households’ ability to move to unsubsidized housing. Further, this should reduce SHA’s remediation costs and decrease the amount of time needed to bring units back to standard condition for leasing to new households.

MTW Activity #13.P.02	Incentives for Positive Tenant Departures and Housing Stability: SHA may provide a financial incentive to public housing households who vacate their unit in a manner consistent with SHA unit guidelines.			
Targeted MTW statutory objective	Cost Effectiveness: Initiatives to promote positive tenancy behavior at departure would reduce money and staff time spent on unit remediation, as well as support households in transitioning to unsubsidized housing without repair charges due to the housing authority.			
Schedule	This policy may be implemented following HUD approval in 2019. SHA plans to pilot the approach using non-federal funds and the results of the pilot may inform the extent and form of implementation.			
Outcome Measures	Metric	Baseline (2017)	Benchmark	Final Projected Outcome
	CE1: Total remediation costs in buildings where the incentive is offered	\$416,688 remediation costs for Bell Tower, Jefferson Terrace, Olive Ridge, Westwood Heights	10 percent reduction, adjusted for inflation and buildings where the incentive is offered (\$375,019)	To be determined based on evaluation and feedback from the pilot program.
	CE2: Total vacancy time in buildings where the incentive is offered	48 days for Bell Tower, Jefferson Terrace, Olive Ridge, Westwood Heights	10 percent reduction, adjusted to reflect which buildings participate in the incentive (43 days)	To be determined based on evaluation and feedback from the pilot program.
Data sources	SHA maintains records of households vacating their units, including the date of exit and costs of unit remediation services (i.e. work orders).			

Cost Implications	SHA anticipates that the cost of incentives will be offset by reduced remediation costs.
Authorizations Cited	Attachment C, Section B (1) – Single Fund Budget with Full Flexibility Attachment C, Section C (9) – Simplification of Property Management Practices

Streamlined Local Timelines and Processes for Improved Leasing Success (MTW Activity #19.H.04)

HUD regulations include requirements regarding the length of time and procedures for new and continuing voucher households searching for a unit and the length of time that families can be absent from a unit. In Seattle’s extremely competitive market, households often need more time and flexibility to be successful. This proposed MTW activity would allow SHA to adopt local timelines and processes for new and moving with continued assistance (MWCA) voucher households.

Local timelines and processes would include flexibility to waive the HUD requirement that households who have been issued a MWCA voucher cannot be absent from a unit for more than 180 days. Currently more than twenty percent of MWCA vouchers have ended in terminations because the families are not leased up in a unit and are still searching for a new unit to lease. To mitigate this issue, SHA would remove the time limitation to allow families who are moving with continued assistance and are not leased up in a unit to continue looking for a new unit before their voucher expires.

MTW Activity #19.H.04	Streamlined Local Timelines and Processes for Improved Leasing Success: SHA modify leasing timelines and processes to support leasing success and improve efficiency.			
Targeted MTW statutory objective	Housing Choice: This activity would improve voucher holders’ ability to successfully lease in the highly competitive Seattle rental market, thereby increasing their housing choice.			
Schedule	Upon HUD approval, SHA would discontinue the 180 day deadline for households with a MWCA voucher that are unable to remain in their unit. In 2018 and 2019 SHA will continue to evaluate and identify additional opportunities to streamline processes and extend opportunities by modifying the leasing timelines and requirements for both new and existing voucher households searching for a unit to lease. Additional changes will be noted in future plans and reports.			
Outcome Measures	Metric	Baseline (2017)	Benchmark	Final Projected Outcome
	HC4: Number of households at or below 80% AMI that would lose assistance	153 expired MWCA voucher households	76 expired MWCA voucher households	NA
Data sources	SHA maintains records of leasing success, including expired vouchers.			

Cost Implications	Not applicable.
Authorizations Cited	Attachment C, Section D (1) – Operational Policies and Procedures

IV. Approved MTW Activities: HUD approval previously granted

This section provides HUD-required information detailing previously HUD-approved uses of MTW authority.

Background

SHA has made an effort to include all previously approved MTW activities. Any exclusion is unintentional and should be considered continuously approved. If additional previously approved activities are discovered, we will add them to subsequent plans or reports.

MTW activities

MTW activities are overarching areas of reform that SHA is pursuing, such as rent reform and the local project-based voucher program, often with multiple different strategies to reach our goals. The agency obtained approval from HUD for most of these activities through previous Annual Plans and other means prior to execution of the Amended and Restated MTW Agreement. During that time, MTW agencies were not required to specify policy elements or waivers being used to implement the activity. For the purpose of evaluating the impact and success of these activities, the agency has made an effort to break down the specific elements of the initiative into different strategies.

SHA has 22 previously approved MTW activities, which are:

1. Development Simplification
2. Family Self-Sufficiency Program
3. Inspection Protocol
4. Investment Policies
5. Local Leases
6. MTW Block Grant and Fungibility (*no longer reported as an MTW activity*)
7. Procurement (*no longer reported as an MTW activity*)
8. Special Purpose Housing
9. Project-based Program
10. Rent Policy Reform
11. Resource Conservation
12. Waiting Lists, Preferences, and Admission
13. Homeownership and Graduation from Subsidy
14. Related Nonprofits (*closed out as an MTW activity*)
15. Combined Program Management
16. Local Asset Management Program (*no longer reported as an MTW activity*)
17. Performance Standards (*no longer reported as an MTW activity*)

18. Short-term Assistance
19. Mobility and Portability
20. Local Non-Traditional Affordable Housing
21. Self Sufficiency Assessment and Planning
22. Housing Assistance for School Stability

In the following pages, we provide a description of ongoing MTW activities that have been previously approved, with an update on any changes anticipated for 2019.

In accordance with the guidance issued by HUD in the current Form 50900, activities are organized in separate sections based on whether they are active, not yet implemented, on hold, or closed out.

The agency is not using outside evaluators for any of the following ongoing activities.

Implemented MTW Activities

MTW Activity #1 – Development Simplification

Status

Active - First included in the 1999 MTW Agreement and 1999 MTW Annual Plan and first implemented in 2004.

Description

Development simplification helps SHA to move quickly to acquire, finance, develop, and remove public housing properties from its stock in an efficient, market-driven manner. MTW flexibilities allow the agency to respond to local market conditions and avoid delays related to HUD requirements and approval processes, which ultimately increases the number of affordable units that SHA is able to develop and preserve in the community. While of greatest impact when the housing market is highly competitive, these strategies present opportunities at all times for SHA to increase housing options as circumstances arise.

2019 Updates

SHA is exploring strategies to improve the efficiency of the scattered site portfolio, which may include the removal and/or redevelopment of up to 40 scattered site units, as well as dispositions related to mixed finance rehabilitation at Jefferson Terrace, Jackson Park Village, and Holly Court. We will also dispose of units and land at Yesler Terrace as part of Choice Neighborhoods redevelopment.

SHA is also exploring the use of local Total Development Cost (TDC) limits to reflect the Seattle market in 2019 at Hanoki and LamBow and is considering the use of local blended subsidy for work at Jefferson Terrace and potentially other public housing portfolios.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Public Housing Strategies					
1.P.01	Design guidelines: SHA may establish reasonable, modest design guidelines, unit size guidelines and unit amenity guidelines for development and redevelopment activities.	1999 MTW Agreement	Has not been implemented	Inactive	None
1.P.02	Streamlined public housing acquisitions: Acquire properties for public housing without prior HUD approval, provided that HUD site selection criteria are met.	1999 MTW Agreement	2004	Active	None
1.P.03	Total Development Cost limits: Replace HUD's Total Development Cost limits with reasonable limits that reflect the local market place for quality construction.	1999 MTW Plan	Has not been implemented	Under development	None
1.P.04	Streamlined mixed-finance closings: Utilize a streamlined process for mixed-finance closings	2000 MTW Plan	2005	Inactive	None
1.P.05	Streamlined public housing demo/dispo process: Utilize a streamlined demolition/disposition protocol negotiated with the Special Applications Center for various public housing dispositions	2000 MTW Plan	2004	Inactive	None
1.P.06	Local blended subsidy: SHA may blend public housing and Housing Choice Voucher funds to subsidize units that serve households earning below 80 percent of Area Median Income.	2018 MTW Plan	Has not been implemented	Under development	None

Planned Non-Significant Changes

SHA does not plan to make non-significant changes or modifications to this MTW activity.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

MTW Activity #2 – Family Self-Sufficiency Program

Status

Active - First included in the 1999 MTW Annual Plan and first implemented in 2018.

Description

SHA’s Family Self-Sufficiency (FSS) Program supports residents with services and financial incentives that help them to pursue self-sufficiency in multiple arenas, including employment, education, and moves to market-rate housing. MTW strategies have been designed to help the Family Self-Sufficiency Program expand its impact by providing incentives for participation and using local policies for contract terms and escrow calculation methods.

2019 Updates

No changes are anticipated.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Agency-wide Strategies					
2.A.01	FSS: Partner with City: Partner with the City of Seattle to share responsibilities and resources for a new integrated FSS program.	1999 MTW Plan	Has not been implemented	Inactive	None
2.A.02	SJI preference + time limits: Preference for Seattle Jobs Initiative participants coupled with time limits.	1999 MTW Plan	Has not been implemented	Inactive	None
2.A.03	FSS escrow accounts: Use local policies for determining escrow calculation, deposits, and withdrawals.	2007 MTW Plan	2018	Active	None
2.A.04	FSS participation contract: Locally designed contract terms including length, extensions, interim goals, and graduation requirements.	2007 MTW Plan	2018	Active	None
2. A. 05	FSS Program Coordinating Committee: Restructure Program Coordinating Committee (PCC) to better align with program goals and local resources.	2007 MTW Plan	Has not been implemented	MTW authority not needed	None

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
2.A.06	FSS program incentives: Provide incentives to participants including those who do not receive escrow deposits, including program offerings for non-heads of household and other members not enrolled in HUD's FSS program.	2007 MTW Plan	2018	Active	None
2.A.07	FSS selection preferences: Up to 100% of FSS enrollments may be selected by local preferences.	2007 MTW Plan	2018	Active	None

Planned Non-Significant Changes

SHA does not plan to make non-significant changes or modifications to this MTW activity.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

MTW Activity #3 - Inspection Protocol

Status

Active - First included in the 1999 MTW Annual Plan and implemented in 2001.

Description

SHA uses a cost-benefit approach to unit and property inspections. Current strategies within this approach include using SHA's own staff to complete inspections of its properties with vouchers and inspecting residences less frequently.

2019 Updates

SHA is planning a collaborative LEAN initiative between the public housing and voucher departments to develop training and staffing structures that would enable the agency to implement MTW Strategy #3.A.01, avoiding duplication in inspections by using other recent inspections completed for agencies such as the Washington State Housing Finance Commission and the Seattle Office of Housing. This will likely be implemented in 2019.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Agency-wide Strategies					
3.A.01	Private sector cost benefit and risk management approaches to inspections such as avoiding duplicative inspections by using other recent inspections for agencies such as the Washington State Housing Finance Commission	1999 MTW Plan	Has not been implemented	Under development	None
3.A.03 (formerly 3.H.03, 3.P.01)	Reduced frequency of inspections: Cost-benefit approach to housing inspections allows Seattle Housing to establish local inspection protocol, including less frequent inspections and interchangeable use of HQS/UPCS/UPCS-V	1999 MTW Plan	2003	Active	None
Voucher Strategies					
3.H.01	Inspect SHA-owned properties: Allows SHA staff, rather than a third party entity, to complete inspections of SHA owned properties.	2000 MTW Plan	2001	Active	None
3.H.02	Fines for no-shows at inspections: Impose fines on the landlord or participant for failing to be present at scheduled inspections.	2005 MTW Plan	Has not been implemented	Inactive	None
3.H.04	Self-certification for minor fails: Self-certification by landlords of correction of minor failed inspection items.	2010 MTW Plan	2010	MTW authority no longer required	None

Planned Non-Significant Changes

SHA does not plan to make non-significant changes or modifications to this MTW activity.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

MTW Activity #5 – Local Leases

Status

Active - First included in the 1999 MTW Annual Plan and implemented in 1999.

Description

SHA utilizes local lease strategies to incorporate best practices from the private market and encourage self-sufficiency.

2019 Updates

No changes are anticipated.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Agency-wide Strategies					
5.A.01	Self-sufficiency requirement: All households receiving subsidy from SHA (public housing or voucher) in HOPE VI communities must participate in self-sufficiency activities.	1999 MTW Plan	1999	Active	None
Public Housing Strategies					
5.P.01	Local lease: SHA may implement its own lease, incorporating industry best practices.	2001 MTW Plan	2011	Inactive	None
5.P.02	Grievance procedures: Modify grievance policies to require tenants to remedy lease violations and be up to date in their rent payments before granting a grievance hearing for proposed tenancy terminations.	2008 MTW Plan	Has not been implemented	Inactive	None
5.P.03	Lease term for public housing units: SHA may offer lease renewals for six months or month-to-month time periods.	2009 MTW Plan	2009	Inactive	None
5.P.04	Property-specific pet policies: SHA may establish pet policies, which may include the continuation or establishment of pet-free communities or limits on the types of pets allowed, on a building by building basis.	2011 MTW Plan	2011	Active	None
5.P.05	Leasing incentives: SHA may offer lease incentives to promote the leasing of a public housing unit	2017 MTW Plan	2018	Active	None

Planned Non-Significant Changes

No changes are anticipated.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

MTW Activity #8 – Special Purpose Housing Use

Status

Active - First implemented prior to MTW participation in 1999 and continued throughout MTW participation.

Description

SHA utilizes public housing units to provide special purpose housing and to improve quality of services or features for targeted populations and other residents. In partnership with agencies that provide social services, SHA is able to make affordable housing available to households that would not likely be admitted in traditional public housing units. With this program SHA and partner agencies use residential units for service-enriched transitional/short-term housing, for office space for community activities and service delivery, and for management uses tied to MTW goals. The ability to designate public housing units for specific purposes and populations facilitates this work, including allowing units to target populations with specific service and housing needs, and specific purposes such as pet-free housing.

2019 Updates

No changes are anticipated.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Agency-wide Strategies					
8.A.01	Conditional housing: Housing program for those who do not currently quite meet SHA's minimum qualifications	2000 MTW Plan	Has not been implemented	Inactive	None
8.A.02	Program-specific waiting lists: Operate separate waiting lists (or no waiting list) for specific	2000 MTW Plan	Prior to MTW participation	Active	None

programs such as service enriched units.					
Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
8.A.03	Service enriched housing: With the help of key partners, SHA may develop supportive housing communities.	2001 MTW Plan	Has not been implemented	Inactive	None
Public Housing Strategies					
8.P.01	Agency units for housing and related supportive services: Make residential units available for service-enriched housing by partner agencies.	1999 MTW Agreement	Prior to MTW participation	Active	None
8.P.02	Agency units for services: Make residential units available as space for community activities, management use, and partner agencies providing services in and around the community.	1999 MTW Agreement	Prior to MTW participation	Active	None
8.P.03	Designate LIPH units for specific purposes/ populations: SHA may designate properties/units for specific purposes such as elderly.	2000 MTW Plan	2011	Active	None
8.P.04	Definition of elderly: Allows change in definition of elderly for HUD-designated elderly preference public housing from 62 to 55.	2008 MTW Plan	Has not been implemented	Inactive	None
8.P.05	Pet-free environments: Establish pet-free environments in connection with selected service enriched housing.	2009 MTW Plan	Has not been implemented	Inactive	None

Planned Non-Significant Changes

SHA does not plan to make non-significant changes or modifications to this MTW activity.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

MTW Activity #9 - Project-based Program

Status

Active - First included in the 1999 MTW Annual Plan and first implemented in 2000.

Description

SHA uses MTW to develop and implement a local project-based program, providing vouchers to subsidize units in SHA-owned and non-profit-owned properties throughout Seattle. SHA's project-based activities include a large number of MTW strategies to reduce costs, make project-based programs financially feasible for owners, and to provide housing choice in Seattle. The project-based program promotes housing choice through strategies such as offering site-specific waiting lists maintained by providers (and, therefore, does not issue exit vouchers), expanding the definition of eligible unit types, allowing more project-based units per development and overall, admitting certain types of felons, allocating vouchers to programs and providers (not just units), allowing payment standards that promote services and the financial viability of projects, and coupling housing assistance with services by working with partners. The project-based program reduces SHA's costs through strategies allowing project-based staff to self-certify selected inspections and maintain their own waiting lists, reducing the frequency of inspections by SHA staff, streamlining admissions, and non-competitively allocating subsidies to SHA units. Project-based program strategies also make contract terms consistent with requirements for other leveraged funding sources.

2019 Updates

No changes are anticipated.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modification, or Additions to Authorizations
Voucher Strategies					
9.H.01	Cost-benefit inspection approach: Allows SHA to establish local inspection protocol, including self-certification that inspection standards are met at time of move in for mid-year turnovers	1999 MTW Plan	2004	Active	None
9.H.02	Assets in rent calculation: Only calculate income on assets declared as valuing \$5,000 or more.	2000 MTW Plan	2005	Inactive (superseded by \$50,000 under 10.H.12)	None
9.H.03	Choice offered at beginning (no exit vouchers): Housing choice is offered at the beginning of the project-based admissions process (by nature of site-specific waiting lists); exit vouchers are not offered.	2000 MTW Plan	2000	Active	None

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modification, or Additions to Authorizations
9.H.04	Contract term: Project-based commitments renewable up to 40 years.	2000 MTW Plan	2000	Active	None
9.H.05	Eligible unit types: Modify the types of housing accepted under a project-based contract - allows shared housing and transitional housing.	2000 MTW Plan	2002	Active	None
9.H.06	HAP contracts: Modify the HAP contract to ensure consistency with MTW changes and add tenancy addendum.	2000 MTW Plan	2000	Active	None
9.H.07	Non-competitive allocation of assistance: Allocate project-based subsidy non-competitively to SHA controlled units, including non-contiguous project-based units within a portfolio.	2000 MTW Plan	2000	Active	None
9.H.08	Owners may conduct new and turnover inspections: SHA may allow project-based owners to conduct their own new construction/rehab inspections and to complete unit turnover inspections	2000 MTW Plan	2005	Active	None
9.H.09	Percent of vouchers that may be project-based: Raise the percentage of vouchers that may be project-based above HUD limits, including exclusion of replacement vouchers and calculation based on authorized number of vouchers.	2000 MTW Plan	2000	Active	None
9.H.10	Unit cap per development: Waives the 25% cap on the number of units that can be project-based in a multi-family building without supportive services or elderly/disabled designation.	2000 MTW Plan	2008	Active	None
9.H.11	Rent cap-30% of income: Project-based participants cannot pay more than 30% of their adjusted income for rent and utilities.	2000 MTW Plan	2000	Inactive	None
9.H.12	Streamlined admissions: SHA may streamline and centralize applications and waiting list processes for project-based HCV units.	2000 MTW Plan	2000	Active	None

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modification, or Additions to Authorizations
9.H.13	Competitive allocation process: Commit vouchers to the City's competitive process for housing funding.	2004 MTW Plan	2005	Active	None
9.H.14	Payment standards for SHA units: Allows higher than Voucher Payment Standard for SHA-operated project-based units if needed to support the project budget (while still taking into account rent reasonableness).	2004 MTW Plan	2004	Active	None
9.H.15	Subsidy cap in replacement units: Cap subsidy at levels affordable to households at 30% AMI in project-based HOPE VI replacement units where SHA also contributed capital to write-down the unit's affordability to that level.	2004 MTW Plan	2004	Active	None
9.H.16	Admissions-admit felons under certain conditions: Allows for the admission into Project-based Voucher units of Class B and Class C felons subject to time-limited sex offender registration requirements who do not, in the opinion of the owner of the subsidized units, constitute a threat to others.	2005 MTW Plan	2005	Active	None
9.H.17	Program-based vouchers: Allocate floating voucher subsidy to a defined group of units or properties.	2003 MTW Plan	2004	Active	None
9.H.18	Provider-based vouchers: Provide vouchers to selected agencies to couple with intensive supportive services. The agency master leases units and subleases to tenants.	2007 MTW Plan	2007	Active	None
9.H.19	Streamlined admissions and recertifications: SHA may streamline admissions and recertification processes for provider-based and project-based programs.	2009 MTW Plan	Not yet implemented	Inactive	None

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modification, or Additions to Authorizations
9.H.20	Partners maintain own waiting lists: Allow partners to maintain waiting lists for partner-owned and/or operated units/vouchers and use own eligibility and suitability criteria.	2000 MTW Plan	2000	Active	None
9.H.21 (formerly 9.H.20)	COPES housing assistance payment calculations: Count as zero income for residents who are living in project-based units at assisted living properties where Medicaid payments are made on their behalf through the COPES system	2012 MTW Plan	Prior to MTW participation	Active	None

Planned Non-Significant Changes

SHA does not plan to make non-significant changes or modifications to this MTW activity.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

MTW Activity #10 – Local Rent Policy

Status

Active - First included in the 2000 MTW Annual Plan and first implemented in 2000.

Description

SHA’s rent policy program tackles a number of objectives, including increased flexibility in the rent calculation process and determining the eligibility of units and payment standards. Rent policies also promote cost effectiveness and self-sufficiency through a minimum rent and asset income threshold and through streamlined rent review processes.

2019 Updates

As described in previous MTW plans, SHA uses multiple local factors to analyze adjustments to Voucher Payment Standards in order to respond effectively to the highly competitive local housing market, including different standards for vouchers used in market-rate rather than affordable housing properties. These higher market-rate payment standards have proven necessary to support voucher holders’ buying power in Seattle’s high cost, low-

vacancy rental market, but many households issued a voucher by SHA are still unable to lease a unit. As the Seattle rental market continues to escalate, SHA believes increased support for voucher holders in the private market is needed and has increased payment standards for both newly issued market-rate vouchers and current private-market voucher households that are rent burdened as of September 2018. In addition, SHA may adopt local and state agency definitions (e.g. Seattle Department of Construction and Inspections, Seattle Office of Housing, and WSHFC) of bedroom size for open one-bedroom units as one-bedroom rather than studio units in determining voucher payment standards.

In addition, SHA continues to analyze its policies on documentation of self-employment expenses (10.P.23) and is considering options including adoption of tax credit rules for self-employment expenses for improved efficiency for both SHA and residents.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Agency-wide Strategies					
10.A.01	Streamlined Income Verification: SHA may adopt tax credit rules or the rules of other major funders regarding the length of time income verification documents are considered valid for income review processes.	2014 MTW Plan	2014	Active	None
Voucher Strategies					
10.H.01	Rent burden-include exempt income: Exempt income included for purposes of determining affordability of a unit in relation to 40% of household income.	2000 MTW Plan	2005	Active	None
10.H.02	Rent cap-use gross income: Rent burden calculated on 40% of Gross Income, up from HUD's standard 30% of Adjusted Income.	2000 MTW Plan	2005	Active	None
10.H.03	Rent Reasonableness at SHA owned units: Allows SHA staff to perform Rent Reasonable determination for SHA owned units.	2000 MTW Plan	2000	Active	None
10.H.04	Payment standard: SHA may develop local voucher payment standards, including supplements for opportunity areas and different standards for market-rate and affordable housing and shared housing.	2003 MTW Plan	2002	Active	See above

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
10.H.05	Absolute minimum rent: The minimum rent for all residents will be established annually by SHA. No rent will be reduced below the minimum rent amount by a utility allowance.	2003 MTW Plan	Has not been implemented	Inactive	None
10.H.06	Payment standard-SROs: SHA may use the studio payment standard for SRO units.	2003 MTW Plan	2003	Active	None
10.H.07	Tenant-based self-sufficiency incentives: Rent policies to foster self-sufficiency among employable households, including income disregards proportional to payroll tax; allowances for employment-related expenses; intensive employment services coupled with time limits; locally-defined hardship waivers.	2005 MTW Plan	Has not been implemented	Inactive	None
10.H.08	Imputed income from TANF: Impute TANF income if household appears eligible and has not documented ineligibility. TANF not counted toward income if family is sanctioned.	2006 MTW Plan	Has not been implemented	Inactive	None
10.H.09	Rent reasonableness streamlining: Allows SHA to streamline rent reasonable determinations, including automatic annual updates and shared housing.	2006 MTW Plan	2017	Active	None
10.H.10	Rent reviews for entirely elderly/disabled adult households every three years: Income reviews conducted for households with 100 percent elderly and/or disabled adults only every three years (within a period of 40 months).	2009 MTW Plan	2010	Active	None
10.H.11	Recategorized as 13.H.02. See Activity #13.				
10.H.12	Asset income threshold: SHA will establish a threshold for calculating asset income to an amount up to \$50,000 and may allow self-certification of assets below the threshold.	2010 MTW Plan	2010	Active	None

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
10.H.13	Streamlined medical deduction: SHA will allow self certification of medical expenses.	2010 MTW Plan	2011	Active	None
10.H.14	Simplified utility allowance schedule: HCV participants' rent will be adjusted for a Utility Estimate based on the number of bedrooms (defined as the lower of voucher size or actual unit size) and tenant responsibility for payment of energy, heat, and sewer/water under their lease, with a proration for energy-efficient units.	2011 MTW Plan	2011	Active	None
Public Housing Strategies					
10.P.01	Absolute minimum rent: Tenants pay a minimum rent (\$50 or more) even if utility allowance would normally result in a lower rental payment or reimbursement.	2000 MTW Plan	2001	Active	None
10.P.02	Earned Income Disregard: HUD's Earned income Disregard is not offered to public housing residents.	2000 MTW Plan	2001	Active	None
10.P.03	Every third year rent reviews for entirely elderly/disabled adult households: Rent reviews conducted for households with 100 percent elderly and/or disabled triennially (within a period of 40 months, and with Cost of Living Adjustment in intervening years).	2001 MTW Plan	2004	Active	None
10.P.04	Rent freezes: Voluntary rent policy freezes rent in two year intervals.	2000 MTW Plan	2000	Inactive	None
10.P.05	TANF rent calculation: Calculate TANF participant rent on 25% of gross income.	2000 MTW Plan	2000	Inactive	None
10.P.06	Tenant Trust Accounts: A portion of working public housing residents' income may be deposited in an escrow account for use toward self-sufficiency purposes.	2000 MTW Plan	2001	Inactive	None
10.P.07	Ceiling rent 2 year time limit: When a tenant's calculated rent reaches the ceiling rent for their unit, the rent will not be increased beyond the rent ceiling for 24 months.	2000 MTW Plan	2001	Inactive	None

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
10.P.08	Impute income from public benefits: SHA may impute income in rent calculation for tenants declaring no income who appear eligible for but decline to collect cash benefits	2000 Annual Plan	2001	Active	None
10.P.09	Partners develop separate rent policies: Allow partner providers and HOPE VI communities to develop separate rent policies that are in line with program goals and/or to streamline.	2005 MTW Plan	Has not been implemented	Inactive	None
10.P.10	Studio vs. 1 bedroom: Differentiate rents for studios vs. 1 bedroom units.	2005 MTW Plan	Has not been implemented	Inactive	None
10.P.11	Utility allowance-self-sufficiency and resource conservation: Change utility allowance where metering permits to encourage self-sufficiency and resource conservation.	2005 MTW Plan	Has not been implemented	Inactive	None
10.P.12	Utility allowance-schedule: SHA may change utility allowances on a schedule different for current residents and new move-ins.	2008 MTW Plan	2008	Active	None
10.P.13	Streamlined for fixed income: Further streamline rent policy and certification process for fixed income households, including self-certification of medical expenses.	2009 MTW Plan	2014	Active	None
10.P.14	Streamlined rent policy for partnership units: Allow non-profit partners operating public housing units to implement simplified rent policies.	2009 MTW Plan	Has not been implemented	Inactive	None
10.P.15	Utility allowance-frequency of utility allowance updates: SHA may revise the schedule for reviewing and updating utility allowances due to fluctuations in utility rates.	2009 MTW Plan	2010	Active	None
10.P.16	Utility allowance-local benchmark: SHA may develop new benchmarks for "a reasonable use of utilities by an energy conservative household" - the standard by which utility allowance are calculated.	2009 MTW Plan	Has not been implemented	Inactive	None

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
10.P.17	SSHP rent policy: Rents in SSHP units will be one of five flat rents based on the tenant's percentage of Area Median Income, with annual adjustments and income reviews only every three years.	2011 MTW Plan	2011	Active	None
10.P.18	No HUD-defined flat rents: SHA does not offer tenants the choice of "flat rents" as required of non-MTW agencies (includes alternate calculation for mixed citizenship households).	2000 MTW Plan	2001	Active	None
10.P.19 (formerly 10.P.17)	Asset income threshold: SHA will increase the threshold for including asset income in rent contribution calculations to an amount up to \$50,000 and may allow self-certification of assets below the threshold.	2012 MTW Plan	2012	Active	None
10.P.20	Simplified Utility Assistance Payment for HOPE VI communities: HOPE VI participants receive a maximum level of consumption rather than reduction, and incentive for conservation. Annual adjustments are made at the next regularly scheduled annual review or update.	2013 MTW Plan	2013	Active	None
10.P.21	Market rate rent: SHA may charge market rate rent as a penalty for noncompliance with the annual review process.	2005 MTW Plan	2005	Active	None
10.P.22	Delay in rent increase for newly employed households: SHA may allow a longer notification period before rent increase if the increase is due to the resident becoming employed after at least six months of unemployment and is self-reported by the resident in a timely manner.	2014 MTW Report	2005	Active	None
10.P.23	Self-employment expenses: Households may declare employment expenses up to a set threshold of gross income without further validation of deductions.	2015 MTW Plan	2015	Active	See above

Planned Non-Significant Changes

SHA does not plan to make non-significant changes or modifications to this MTW activity, other than the previously mentioned potential adoption of tax credit rules for declaring self-employment expenses and changes in payment standards for open-concept one-bedroom units.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

MTW Activity #11 – Resource Conservation

Status

Active - First included in the 2000 MTW Annual Plan and first implemented in 2000.

Description

SHA’s resource conservation strategies take advantage of the agency’s existing relationships with the City of Seattle and local utility providers, which continuously identify opportunities to increase resource conversation and reduce costs, rather than conducting a HUD-prescribed energy audit every five years. Conservation strategies have already achieved significant energy and cost savings to the agency, including conversion to more efficient toilets and electrical upgrades.

2019 Updates

We anticipate no changes in this activity.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Public Housing Strategies					
11.P.01	Energy protocol: Employ a cost-benefit approach for resource conservation in lieu of HUD-required energy audits every five years.	2000 MTW Plan	2000	Active	None

Planned Non-Significant Changes

SHA does not plan to make non-significant changes or modifications to this MTW activity.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

MTW Activity #12 – Waiting Lists, Preferences, and Admission

Status

Active - First included in the 2000 MTW Annual Plan and first implemented in 2000.

Description

SHA’s waiting list, preferences, and admission strategies have two primary objectives: to increase efficiencies and to facilitate partnerships with agencies that provide supportive services. SHA’s MTW flexibilities in this area allow the agency to provide a greater percentage of vouchers to service providers and make decisions if needed to prevent homelessness. These strategies also expedite admission into the program for partner agencies’ clients by allowing agencies to maintain their own waiting lists and allowing applicants referred by selected providers to receive the next available unit.

2019 Updates

We anticipate no changes in this activity.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Agency-wide Strategies					
12.A.01	Local preferences: SHA may establish local preferences for federal housing programs.	2002 MTW Plan	2002	MTW authority not currently needed	None
Voucher Strategies					
12.H.01	Recategorized as 9.H.20. See Activity #9.				
12.H.02	Voucher distribution through service provider agencies: Up to 30% of SHA's tenant-based vouchers may be made available to local nonprofits, transitional housing providers, and divisions of local government that provide direct services for use by their clients without regard to their client's position on SHA's waiting list.	2000 MTW Plan	2002	Active	None

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
12.H.03	Special issuance vouchers: Establish a "special issuance" category of vouchers to address circumstances where timely issuance of vouchers can prevent homelessness or rent burden.	2003 MTW Plan	2003	Active	None
12.H.04	Admit applicants owing SHA money: Provide voucher assistance to households owing SHA money from prior tenancy under specific circumstances, for example if they enter into a repayment agreement.	2008 MTW Plan	2008	MTW authority no longer required	None
12.H.05	Limit eligibility for applicants in subsidized housing: Implement limits or conditions for tenants living in subsidized housing to participate in the HCV program. For example, before issuing a Public Housing resident a Voucher, they must fulfill the initial term of their public housing lease.	2008 MTW Plan	2011	Active	None
12.H.06	Streamlined eligibility verification: Streamline eligibility verification standards and processes, including allowing income verifications to be valid for up to 180 days.	2009 MTW Plan	2013	Active	None
Public Housing Strategies					
12.P.01	Site-based waiting lists: Applicants can choose from several site-specific and/or next available waiting lists.	1999 MTW Plan	1999	MTW authority not currently needed	None
12.P.02	Partners maintain own waiting lists: Allow partners to maintain waiting lists for partner-owned and/or operated units (traditional LIPH units; service provider units, etc.) and use own eligibility and suitability criteria (including no waiting list).	2000 MTW Plan	2000	Active	None
12.P.03	Expedited waiting list: Allow applicants referred by selected partners (primarily transitional housing providers) to receive expedited processing and receive the "next available unit."	2004 MTW Plan	2004	MTW no longer required	None

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
12.P.04	No waiting list: Allows for filling units without a waiting list.	2008 MTW Plan	Has not been implemented	Inactive	None
12.P.05	Eligibility criteria: Unique eligibility criteria for specific units or properties, such as service enriched units.	2008 MTW Plan	Has not been implemented (except for the agency units governed by 8.P.01)	Inactive	None
12.P.06	Seattle Senior Housing Program (SSHP) Waiting List Policy: SHA will not distinguish between senior and non-senior disabled households in filling vacancies in the SSHP portfolio based on bedroom size. The SSHP program will maintain a 90 percent senior, 10 percent non-senior disabled ratio at the AMP level.	2013 MTW Plan	2013	Active	None

Planned Non-Significant Changes

SHA does not plan to make non-significant changes or modifications to this MTW activity.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

MTW Activity #13 – Homeownership and Graduation from Subsidy

Status

Active - First included in the 2004 MTW Annual Plan and first implemented in 2004.

Description

SHA provides support for the multiple ways that households can successfully move away from housing subsidy – not only through homeownership, but also through unsubsidized rentals in the private market. These strategies include End of Participation clocks for households whose income has increased to the point where they no longer require substantial subsidy.

2019 Updates

No changes are anticipated.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Agency-wide Strategies					
13.A.01	Down payment assistance: Allocate MTW Block Grant funds to offer a local down payment assistance program.	2004 MTW Plan	2004	Inactive	None
13.A.02	Savings match incentive: Program that matches savings and provides financial information for participating public housing and HCV households leaving subsidized housing for homeownership or unsubsidized rental units.	2012 MTW Plan	2013	Inactive	None
Voucher Strategies					
13.H.01	Monthly mortgage assistance: SHA may develop a homeownership program that includes a monthly mortgage subsidy.	2008 MTW Plan	Has not been implemented	Inactive	None
13.H.02	180-day EOP clock: The 180-day End of Participation "clock" due to income will start when a family's Housing Assistance Payment (HAP) reaches \$50 or less.	2010 MTW Plan	2010	Active	None
Public Housing Strategies					
13.P.01	End of Participation for higher income households in mixed-income communities: In mixed-income communities, SHA will remove subsidy when household income exceeds the established limit for six months.	2012 MTW Plan	2016	Active	None

Planned Non-Significant Changes

SHA does not plan to make non-significant changes or modifications to this MTW activity.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

MTW Activity #15 – Combined Program Management

Status

Active - First included in the 2008 MTW Annual Plan and first implemented in 2008.

Description

In some of its communities, SHA co-locates units funded through project-based vouchers and low income public housing. Combining program management and policies for both of these types of units (referred to as Streamlined Low Income Housing Program, or SLIHP, units) within the same community reduces costs by eliminating redundancies, including duplicative rent reviews and inspections. It also avoids unnecessary disparities between tenants of the two different types of units. SHA’s current implementation of this activity allows for all units subsidized by project-based housing choice vouchers to be operated like public housing subsidized units in communities that receive both types of subsidy. This streamlined approach includes transfer policies as well as acceptance of slight differences (generally less than \$1) in rent calculation caused by different data systems of record for vouchers and public housing.

2019 Updates

No changes are anticipated.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Agency-wide Strategies					
15.A.01	Combined program management: Combined program management for project-based vouchers co-located with public housing or other units in communities operating both subsidy types.	2008 MTW Plan	2008	Active	None

Planned Non-Significant Changes

SHA does not plan to make non-significant changes or modifications to this MTW activity.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

MTW Activity #18 – Short-Term Assistance

Status

Active – First included in the 2013 MTW Plan and first implemented in 2013.

Description

SHA is working on multiple fronts with community partners to develop innovative new assistance programs that are designed to be short-term in length. These new programs help households both access and retain housing through one-time or temporary assistance such as rent, deposits, arrears, utility assistance, moving and relocation costs, and temporary housing as needed. Short-term assistance is paired with targeted services when needed, including connections to case management, employment, childcare services, and domestic violence counseling.

SHA’s MTW activities for short-term assistance also include disregarding one-time or short-term emergency assistance from other sources to prevent households from losing their housing in determining eligibility and rent contribution.

2019 Updates

We anticipate no changes in this activity.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Agency-wide Strategies					
18.A.01	Interagency Domestic Violence Transfer Program: SHA may join an inter-jurisdictional transfer program to assist residents and program participants who become victims of domestic violence.	2014 MTW Plan	Has not been implemented	Inactive	None
18.A.02	Emergency Assistance for Housing Stability: SHA may disregard one-time or short-term emergency assistance from other sources to prevent households from losing their housing in determining eligibility and rent contribution.	2014 MTW Plan	2014	Active	None
Voucher Strategies					
18.H.01	Short-Term Rental Assistance: SHA may provide funding for short-term shallow rental assistance through cooperative community initiatives to help families, students, adults, and youth obtain and retain housing.	2013 MTW Plan	2013	Inactive	None

Planned Non-Significant Changes

SHA does not plan to make non-significant changes or modifications to this MTW activity.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

MTW Activity #19 – Mobility and Portability

Status

Active – First included in the 2013 MTW Plan and first implemented in 2015.

Description

SHA has adopted strategies related to the mobility and portability of vouchers, including a program to help voucher holders access improved housing opportunities when security deposits and other moving costs pose a barrier. SHA also maintains MTW authority for a strategy aimed as cost effectiveness that would allow SHA to deny requests for portability moves to another jurisdiction when the receiving housing authority intends to administer rather than absorb the voucher and the combination of higher payment standards and/or more generous subsidy standards would result in a higher payment standard for the household than the payment standard applicable within SHA’s jurisdiction.

2019 Updates

No changes are anticipated.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Agency-wide Strategies					
19.H.01	Limiting portability in high cost areas: SHA may deny requests for portability moves to another jurisdiction when the receiving housing authority intends to administer rather than absorb the voucher and the resulting payment standard would be higher than SHA’s payment standard.	2013 MTW Plan	Has not been implemented	Inactive	None
19.H.02	Housing choice moving cost assistance and support: SHA may develop a program for voucher households to provide assistance with housing search, access	2014 MTW Plan	2015	Active	None

	supplements, deposits and similar costs, outreach and incentives for landlord participation such as risk reduction funds, and access supplements.				
19.H.03	One year residency requirement before port out: SHA may require that Housing Choice Voucher households live in Seattle for one year before moving with their voucher to a different community.	2015 MTW Plan	2015	Active	None

Planned Non-Significant Changes

SHA does not plan to make non-significant changes or modifications to this MTW activity.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

MTW Activity #20: Use of Funds for Local Non-Traditional Affordable Housing

Status

Active - First included in the 2013 MTW Annual Plan and first implemented with HUD’s definition of local non-traditional activities in 2011.

Description

SHA may use MTW Block Grant funds to support affordable housing outside of the traditional public housing and voucher programs. This activity includes both short and long term funding for development, capital improvement, and maintenance of affordable housing units. It may also provide financial maintenance, such as the contribution of funds to meet an established Debt Coverage Ratio, required for continued operation of the affordable units. SHA follows applicable requirements regarding local non-traditional use of MTW funds.

2019 Updates

No changes are anticipated.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Agency-wide Strategies					
20.A.01	Use of Funds for Local Non-Traditional Affordable Housing: SHA may use Block Grant funds to develop, capitably improve, and maintain and operate affordable housing outside of the traditional public housing and voucher programs.	2013 MTW Plan	2011	Active	None

Planned Non-Significant Changes

SHA does not plan to make non-significant changes or modifications to this MTW activity.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

MTW Activity #22 – Housing Assistance for School Stability

Status

Active - First included in the 2016 MTW Annual Plan and first implemented in 2016.

Description

Stable, quality schools are a core component of neighborhoods of opportunity. SHA is partnering with local service providers and the school district to implement Home from School, a collaborative initiative to support homeless and unstably housed families with children in order to positively impact family and school stability. Student turnover, especially mid school year, creates challenges for schools and for students, both in serving new students and those who remain throughout the year. Residential stability can lead to an uninterrupted school year for students and can prevent fewer school changes that often leave children behind academically.

SHA provides housing assistance to participating families, using multiple means as available, including prioritizing preference for participating families for admission into units within the selected neighborhood, as well as tenant-based vouchers for participating families, with use limited to the school neighborhood. Partnering service providers provide outreach, enrollment, and pre and post-move support, including services such as housing search, assistance with barriers to leasing such as lack of security deposit and utility arrears, and connecting families to neighborhood resources and services.

Participation in the program is voluntary and priority is given to literally homeless families. To continue to receive SHA housing assistance, participating families must remain in the school neighborhood until their children graduate from elementary school.

2019 Updates

No changes are anticipated.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Agency-wide Strategies					
22.A.01	Housing Assistance for School Stability: SHA may provide housing assistance for homeless or unstably housed low-income families with children at selected neighborhood schools.	2016 MTW Plan	2016	Active	None

Planned Non-Significant Changes

SHA does not plan to make non-significant changes or modifications to this MTW activity.

Planned Changes in Metrics

No changes are anticipated.

Planned Significant Changes

SHA does not plan to make significant changes to this MTW activity.

Not Yet Implemented Activities

MTW Activity #21 – Self Sufficiency Assessment and Planning

Status

Not yet implemented - First included in the 2015 MTW Annual Plan.

Description

This activity is intended to increase self-sufficiency by connecting participants to assessments, individualized plans, and community resources designed to help them increase their education, training, and credentials and obtain higher wage jobs.

SHA launched the Workforce Opportunity System pilot in 2015 and in the original program design included an option to make participation mandatory. However, over the three year course of operating the program, SHA did not find that mandatory participation was necessary, instead utilizing other strategies to support enrollment and participation. In 2017 SHA ended the pilot and incorporated key strategies from the pilot that had been successful into the new JobLink program, which launched in 2018. JobLink provides streamlined access to services previously delivered through the Family Self Sufficiency and Economic Opportunities programs.

2019 Updates

Mandatory participation in self-sufficiency assessments and other services has not been needed to date. However each year SHA monitors enrollment and participation and may make changes such as requiring mandatory participation based on those results.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Agency-wide Strategies					
21.A.01	Self-sufficiency Assessment and Plan: SHA may make self-sufficiency assessments and planning mandatory for work-able adults	2015 MTW Plan	Has not been implemented	Not yet implemented	None

Non-Significant Changes

SHA has not made non-significant changes or modifications to this MTW activity since it was approved by HUD.

On Hold Activities

MTW Activity #4 – Investment Policies

Status

On Hold - First included in the 1999 MTW Annual Plan. First implemented in 1999. Placed on hold in 2013.

Description

SHA’s MTW investment policies give the agency greater freedom to pursue additional opportunities to build revenue by making investments allowable under Washington State’s investment policies in addition to HUD’s investment policies. Each year, SHA assesses potential investments and makes a decision about whether this MTW flexibility will be needed.

2019 Updates

SHA annually assesses potential investments to determine which investment policies are most beneficial. In 2019 this assessment will include evaluation of whether it would be useful to adopt state guidelines that permit longer maturities for investments (up to five years rather than three years). If so, this activity will be updated and reported on in the 2019 MTW Report.

Previously Approved Strategies

Strategy	Description	First Identified	First Implemented	Current Status	Anticipated Changes, Modifications, or Additions to Authorizations
Agency-wide Strategies					
4.A.01	Investment policies: SHA may replace HUD investment policies with Washington State investment policies.	1999 MTW Plan	1999	On Hold	None

Non-Significant Changes

SHA has not made non-significant changes or modifications to this MTW activity since it was approved by HUD.

Closed Out Activities

MTW Activity #6: MTW Block Grant and Fungibility

First implemented with MTW participation in 1999. Closed out in 2011.

While SHA maintains MTW Block Grant and fungibility authority, we no longer report on this as an MTW activity at HUD's request. Previously approved strategies for this activity were:

- MTW Block Grant: SHA combines all eligible funding sources into a single MTW Block Grant used to support eligible activities.
- Operating reserve: Maintain an operating reserve consistent with sound management practices.
- Utilization goals: HCV utilization defined by use of budget authority.
- Obligation and expenditure timelines: SHA may establish timelines for the obligation and expenditure of MTW funds.

While the Block Grant, fungibility, operating reserve, and utilization goals continue to be active and critical elements of SHA's participation as an MTW agency, this activity may be considered closed out as of 2011, which was the last year that SHA reported on it as a separate activity. HUD no longer allows SHA to establish timelines for the obligation and expenditure of MTW funds.

MTW Activity #7: Procurement

First implemented with MTW participation in 1999. Closed out in 2011.

While SHA's MTW procurement activity was approved by HUD in the 1999 Annual Plan, HUD has since that time taken the position that it is not an allowable MTW activity.

Previously approved strategies for this activity were:

- Construction contract: Locally-designed form of construction contract that retains HUD requirements while providing more protection for SHA.
- Procurement policies: Adopt alternative procurement system that is competitive, and results in SHA paying reasonable prices to qualified contractors.
- Wage rate monitoring: Simplified process for monitoring the payment of prevailing wages by contractors.

This activity may be considered closed out as of 2011, which was the last year that SHA reported on it as a separate activity.

MTW Activity #14 – Related Nonprofits

First approved in the 2004 MTW Annual Plan. Closed out in 2013.

SHA never implemented this activity, which would have allowed the agency to enter into contracts with related nonprofits. SHA determined that existing partnership structures were adequate without needing additional MTW authority.

Previously approved strategies for this activity were:

- Related non-profit contracts: SHA may enter into contracts with any related nonprofit.

This activity may be considered closed out as of 2013. SHA closed out this activity without implementing it because it found that MTW flexibility was not needed for the activities intended.

MTW Activity #16 – Local Asset Management Program

First included in the 2000 MTW Annual Plan. Closed out in 2013.

While SHA maintains Local Asset Management Program (LAMP) authority, we no longer report on this as an MTW activity at HUD's request.

Previously approved strategies for this activity were:

- Local Asset Management Program: Use asset management principles to optimize housing and services.

Although SHA continues to operate under the LAMP and this remains an essential element of the agency's participation in the MTW program, this activity may be considered closed out at HUD's request as of 2013

MTW Activity #17 – Performance Standards

First included in the 1999 MTW Annual Plan. Closed out in 2014.

SHA has used alternative performance measurements since becoming a MTW agency in 1999. Because MTW agencies are allowed to try out new strategies that fall outside of regular HUD activities, some of the standard measures that HUD uses to measure housing authorities' accomplishments may not apply to MTW agencies. SHA continues to collaborate with other housing authorities and with HUD to develop HUD-approved measures for MTW agencies that can serve as alternatives to systems such as HUD's Public Housing Assessment System (PHAS).

Previously approved strategies for this activity were:

- Local performance standards in lieu of HUD measures: Develop locally relevant performance standards and benchmarks to evaluate the agency performance in lieu of HUD's Public Housing Assessment System (PHAS).

Although SHA continues to maintain and refine alternate performance standards, this activity may be considered closed out at HUD's request as of 2014.

V. MTW Sources and Uses of Funds

This section presents the agency's projected revenues and expenditures for MTW funds for 2019, local asset management program, and use of MTW Block Grant single fund flexibility.

Sources and uses of MTW funds

The table below summarizes estimated MTW sources of funds for 2019 by Financial Data Schedule (FDS) line item, pursuant to HUD guidance on MTW plans and reports.

Estimated Sources of MTW Funds		
FDS Line Item Number	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	\$17,339,000
70600	HUD PHA Operating Grants	\$180,557,000
70610	Capital Grants	15,695,000
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$4,500
71100+72000	Interest Income	\$160,000
71600	Gain or Loss on Sale of Capital Assets	\$0
71200+71300+71310+71400+71500	Other Income	\$1,568,000
70000	Total Revenue	\$215,323,500

Estimated Uses of MTW Funds		
FDS Line Item Number	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating – Program Administrative	\$24,328,000
91300+91310+92000	Management Fee Expense	\$6,130,000
91810	Allocated Overhead	\$0
92500 (92100+92200+92300+92400)	Total Tenant Services	\$367,000
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$6,553,000
93500+93700	Labor (Included in Lines 91000/94000)	\$0
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$14,976,000

FDS Line Item Number	FDS Line Item Name	Dollar Amount
95000 (95100+95200+95300+95500)	Total Protective Services	\$641,000
96700 (96710+96720+96730)	Total Interest Expense & Amortization Cost	\$0
97100+97200	Total Extraordinary Maintenance	\$0
97300+97350	HAP + HAP Portability-In	\$98,524,000
97400	Depreciation Expense	\$0
97500+97600+97700+97800	All Other Expense	\$31,977,000
90000	Total Expenses	\$186,602,000

Variance Between Estimated Total Revenue and Estimated Total Expenses

Estimated MTW Sources exceed Estimated MTW Uses for several reasons. The summary of expenditures table does not include capital expenses, which account for approximately \$13.8 million. Seattle Housing Authority’s planned capital expense budget is not part of the Uses table but capital sources are included on the Sources table. In addition, the Uses table does not include \$13.7 million that Seattle Housing Authority plans to spend on programs and services for voucher and public housing participates, such as career coaching, parks operations in low income communities, and planning for and redevelopment of low income housing. See the description of single fund flexibility that follows in this section for a discussion of expenses not included within the Uses table. The Uses table also does not capture over \$0.9 million for required replacement reserve contributions.

Single Fund Flexibility

Seattle Housing Authority established an MTW Block Grant Fund under the original MTW Agreement and continues to use single-fund flexibility under the Amended and Restated MTW Agreement. MTW Block Grant single-fund flexibility is important in supporting the agency’s array of low-income housing programs and services, its local partnerships, and to meet locally defined needs. Seattle Housing Authority exercises its MTW authority to move funds and project cash flow among projects and programs, as the agency deems necessary to further its mission and strategic plan, cost objectives, statutory compliance, and local housing needs.

The agency analyzes its housing, rental assistance, tenant and community services, sustainability services, administrative, and capital needs annually through the budget process to determine the level of services and resources needs to meet the agency’s strategic objectives. Seattle Housing Authority’s single-fund flexibility allows allocation of MTW Block Grant revenues among Seattle Housing Authority’s programs. This enables the agency to balance mixes of housing types, tenant services, administrative support, and capital investments to different low-income housing residents and programs. It also enables the agency to tailor resource allocation to best achieve our cost, program, and strategic objectives and therefore maximize our services to low-income residents and applicants to meet their varied needs.

The majority of Seattle Housing Authority’s use of its MTW single fund authority is focused on activities in MTW communities, support of low-income housing development and preservation, and services for Low-Income Public Housing and Housing Choice Voucher participants. Examples are:

- Community supportive services, including transitioning to an electronic newsletter to communicate with participants, digital access training for residents after installing Wi Fi hot spots, youth tutoring, job training and activities for high school youth, aging in place services, and health related programs.
- Parks and open spaces for our low-income communities with play opportunities for children, active and team sports activities for youth, and passive and active exercise options for all.
- Planning, pre-development, and construction management services for public housing redevelopment and opportunities to increase affordable housing for people with incomes under 80 percent of the area median income.

The MTW Block Grant will enable Seattle Housing Authority to:

- Address some of the most urgent capital needs, such as elevator replacements, exterior rehabilitation, and significant upgrades to our single-family homes and scattered sites units in both MTW communities and other local housing programs with subsidized units.
- Potentially establish a buy-up program to create up to 20 more family housing units by partnering with developers of affordable housing.
- Invest in a multi-year right sizing program to house more families seeking limited 2-3 bedroom units.
- Incentivize landlords to join or expand participation in the Housing Choice Voucher program.
- Fund planning, feasibility studies, and concept work before a project is selected for predevelopment.
- Replace Lam Bow units lost to fire and units with major long term safety issues.
- Replace aging vehicles with more economical and environmentally friendly ones.

Local Asset Management Plan	
Is the MTW PHA allocating costs within statute?	Yes
Is the MTW PHA implementing a local asset management plan (LAMP)?	Yes
Has the MTW PHA provided a LAMP in the appendix?	Yes
Description of proposed changes to the LAMP in the Plan Year	
<p>Pursuant to the requirements of OMB Super Circular Part 200, the Indirect Service Fee (IDSF) is determined in a reasonable and consistent manner based on projected total units and leased vouchers. The IDSF is a per-housing-unit or per-leased-voucher fee per month charged to each program. For the 2019 budget, the per-unit-month (PUM) cost will be \$56.26 for housing units and \$23.15 for leased vouchers.</p> <p>Modest changes to the LAMP include allocating GASB 68 liabilities and related entries. SHA allocates GASB 68 liabilities and related entries to a higher level of MTW activities and Other Business Activities. HUD gave conditional approval of SHA’s unaudited FDS on June 14, 2018 with the GASB 68 liabilities and related entries at the MTW Activities and Other Business Activities level.</p> <p>SHA made a minor change to the IT fee allocation method based on the Department’s computer and electronic equipment, changing to a fee based on head count and weighted by employee job function; i.e. field employees were weighted less than office staff.</p> <p>No other changes are proposed for 2019.</p>	

Rental Assistance Demonstration (RAD) Participation

SHA is not participating in the RAD program.

Rental Assistance Demonstration (RAD) Participation	
Has the MTW PHA submitted a RAD Significant Amendment in the appendix?	No

VI. Administrative Information

This section provides documentation of Board of Commissioners actions regarding this plan and describes agency-directed evaluations of MTW, if any.

Planned and ongoing evaluations

The agency is not currently engaged in third-party agency-wide evaluations of its MTW program. However, we are conducting an internal MTW program review of our existing MTW activities.

Appendix A – Local Asset Management Plan

I. Introduction

The First Amendment to the Amended and Restated Moving to Work (MTW) Agreement (“First Amendment”) allows the Seattle Housing Authority (SHA or the Authority) to develop a local asset management program (LAMP) for its Public Housing Program. The agency is to describe its LAMP in its next annual MTW plan, to include a description of how it is implementing project-based management, budgeting, accounting, and financial management and any deviations from HUD’s asset management requirements. Under the First Amendment, SHA agreed its cost accounting and financial reporting methods would comply with the federal Office of Management and Budget (OMB) Super Circular at Title 2 CFR Part 200 (formerly A-87 requirements) and agreed to describe its cost accounting plan as part of its LAMP, including how the indirect service fee is determined and applied. The materials herein fulfill SHA’s commitments.

II. Framework for SHA’s Local Asset Management Program

A. Mission and Values

SHA was established by the City of Seattle under State of Washington enabling legislation in 1939. SHA provides affordable housing to about 26,000 low-income people in Seattle, through units SHA owns and operates or for which SHA serves as the general partner of a limited partnership and as managing agent, and through rental assistance in the form of tenant-based, project-based, and provider-based vouchers. SHA is also an active developer of low-income housing to redevelop communities and to rehabilitate and preserve existing assets. SHA operates according to the following Mission and Values:

Our Mission

Our mission is to enhance the Seattle community by creating and sustaining decent, safe and affordable living environments that foster stability and increase self-sufficiency for people with low-income.

Our Values

As stewards of the public trust, we pursue our mission and responsibilities in a spirit of service, teamwork, and respect. We embrace the values of excellence, collaboration, innovation, and appreciation.

SHA owns and operates housing in neighborhoods throughout Seattle. These include the four large family communities of NewHolly and Rainier Vista in Southeast Seattle, High Point in West Seattle, and Yesler Terrace in Central Seattle. In the past eighteen years, SHA has undertaken redevelopment or rehabilitation of all four family communities, a new family community in Lake City, and 23 of our public housing high-rise buildings, using mixed financing with low-income housing tax credit limited partnerships and/or ARRA funds. As of year-end 2018, SHA was the general partner in sixteen limited partnerships.

SHA has approximately 590 employees and a total projected operating and capital budget of \$299 million for Calendar Year 2019.

B. Overarching Policy and Cost Objectives

SHA's mission and values are embraced by our employees and ingrained in our policies and operations. They are the prism through which we view our decisions and actions and the cornerstone to which we return in evaluating our results. In formulating SHA's Local Asset Management Program (LAMP) our mission and values have served as the foundation of our policy/cost objectives and the key guiding principles that underpin SHA's LAMP.

Consistent with requirements and definitions of 2 CFR 200, SHA's LAMP is led by three overarching policy/cost objectives:

- ◇ ***Cost Effective Affordable Housing:*** To enhance the Seattle community by creating, operating, and sustaining decent, safe, and affordable housing and living environments for low-income people, using cost-effective and efficient methods.
- ◇ ***Housing Opportunities and Choice:*** To expand housing opportunities and choice for low-income individuals and families through creative and innovative community partnerships and through full and efficient use of rental assistance programs.
- ◇ ***Resident Financial Security and/or Self-Sufficiency:*** To promote financial security or economic self-sufficiency for low-income residents, as individual low-income tenants are able, through a network of training, employment services, and support.

C. Local Asset Management Program – Eight Guiding Principles

Over time and with extensive experience, these cost objectives have led SHA to define an approach to our LAMP that is based on the following principles:

- (1) In order to most effectively serve low-income individuals seeking housing, SHA will operate its housing and housing assistance programs as a cohesive whole, as seamlessly as feasible.***

We recognize that different funding sources carry different requirements for eligibility and different rules for operations, financing, and sustaining low-income housing units. It is SHA's job to make funding and administrative differences as invisible to tenants/participants as we can, so low-income people are best able to navigate the housing choices and rental assistance programs SHA offers. We also consider it SHA's job to design our housing operations to bridge differences among programs/fund sources, and to promote consolidated requirements, wherever possible. It is also incumbent on us to use our own and MTW authority to minimize administrative inefficiencies from differing rules and to seek common rules, where possible, to enhance cost effectiveness, as well as reduce the administrative burden on tenants.

This principle has led to several administrative successes, including use of a single set of admissions and lease/tenant requirements for Low Income Public Housing and project-based Housing Choice Voucher tenants in the same property. Similarly, we have joint funder agreements for program and financial reporting and inspections on low-income housing projects with multiple local and state funders.

An important corollary is SHA's involvement in a community-wide network of public, non-profit, and for-profit housing providers, service and educational providers, and coalitions designed to rationalize and

maximize housing dollars – whatever the source – and supportive services and educational/training resources to create a comprehensive integrated housing + services program city and county-wide. So, not only is SHA’s LAMP designed to create a cohesive whole of SHA housing programs, it is also intended to be flexible enough to be an active contributing partner in a city-wide effort to provide affordable housing and services for pathways out of homelessness and out of poverty.

(2) *In order to support and promote property performance and financial accountability at the lowest appropriate level, SHA will operate a robust project and portfolio-based budgeting, management, and reporting system of accountability.*

SHA has operated a property/project-based management, budgeting, accounting, and reporting system for the past twenty years. Our project-based management systems include:

- Annual budgets developed by on-site property managers and reviewed and consolidated into portfolio requests by area or housing program managers;
- Adopted budgets at the property and/or community level that include allocation of subsidies, where applicable, to balance the projected annual budget – this balanced property budget becomes the basis for assessing actual performance;
- Monthly property-based financial reports comparing year-to-date actual to budgeted performance for the current and prior years;
- Quarterly portfolio reviews are conducted with the responsible property manager(s) and the area or housing program managers, with SHA’s Asset Management Team.

SHA applies the same project/community based budgeting system and accountability to its non-federal programs.

(3) *To ensure best practices across SHA’s housing portfolios, SHA’s Asset Management Team provides the forum for review of housing operations policies, practices, financial performance, capital requirements, and management of both SHA and other housing authorities and providers.*

A key element of SHA’s LAMP is the Asset Management Team (AM Team) comprised of upper and property management staff from housing operations, asset management, property services, executive, legal, finance and budget, community services, communications, and rental assistance. This interdisciplinary AM Team meets bi-weekly throughout the year and addresses:

- All critical policy and program issues facing individual properties or applying to a single or multiple portfolios, from rent policy to smoke-free buildings to rules for in-home businesses;
- Portfolio reviews and follow-up, where the team convenes to review with property management staff how well properties are operating in relation to common performance measures (e.g. vacancy rates; turnover time); how the property is doing in relation to budget and key reasons for deviations; and property manager projections and/or concerns about the future;

- Annual assessment of capital repair and improvement needs of each property with property managers and area portfolio administrators in relation to five-year projections of capital preservation needs. This annual process addresses the capital needs and priorities of individual properties and priorities across portfolios; and,
- Review and preparation of the annual MTW Plan and Report, where key issues for the future are identified and discussed, priorities for initiatives to be undertaken are defined, and where evaluation of MTW initiatives are reviewed and next steps determined.

The richness and legitimacy of the AM Team processes result directly from the diverse Team composition, the open and transparent consideration of issues, the commitment of top management to participate actively on the AM Team, and the record of follow-up and action on issues considered by the AM Team.

(4) *To ensure that the Authority and residents reap the maximum benefits of cost-effective economies of scale, certain direct functions will be provided centrally.*

Over time, SHA has developed a balance of on-site capacity to perform property manager, resident manager and basic maintenance/handyman services, with asset preservation services performed by a central capacity of trades and specialty staff. SHA's LAMP reflects this cost-effective balance of on-site and central maintenance services for repairs, unit turnover, landscaping, pest control, and asset preservation as direct costs to properties. Even though certain maintenance functions are performed by central trade crews, the control remains at the property level, as it is the property manager and/or area or program manager who calls the shots as to the level of service required from the "vendor" – the property services group – on a unit turnover, site landscaping, and maintenance and repair work orders. Work is not performed at the property by the central crews without the prior authorization of the portfolio manager or his/her designee. And all services are provided on a fee for service basis.

Similarly, SHA has adopted procurement policies that balance the need for expedient and on-site response through delegated authorization of certain dollar levels of direct authority for purchases, with Authority-wide economies of scale and conformance to competitive procurement procedures for purchases/work orders in excess of the single bidder levels. Central procurement services are part of SHA's indirect services fee.

(5) *SHA will optimize direct service dollars for resident/tenant supportive services by waiving indirect costs that would otherwise be borne by community service programs and distributing the associated indirect costs to the remaining direct cost centers.*

A large share of tenant/resident services are funded from grants and foundations and these funds augment local funds to provide supportive services and self-sufficiency services to residents. In order to optimize available services, the indirect costs will be supported by housing and housing choice objectives.

There are a myriad of reasons that led SHA to this approach:

- Most services are supported from public and private grants and many of these don't allow indirect cost charges as part of the eligible expenses under the grant;
- SHA uses local funds from operating surpluses to augment community services funding from grants; these surpluses have derived from operations where indirect services have already been charged;

- SHA's community services are very diverse, from recreational activities for youth to employment programs to translation services. This diversity makes a common basis for allocating indirect services problematic; and,
- Most importantly, there is a uniform commitment on the part of housing and housing choice managers to see dollars for services to their tenants/participants maximized. There is unanimous agreement that these program dollars not only support the individuals served, but serve to reduce property management costs they would experience from idle youth and tenants struggling on their own to get a job.

(6) *SHA will achieve administrative efficiencies, maintain a central job cost accounting system for capital assets, and properly align responsibilities and liability by allocating capital assets/improvements to the property level only upon completion of capital projects.*

Development and capital projects are managed through central agency units and can take between two and five or more years from budgeting to physical completion. Transfer of fixed assets only when they are fully complete and operational best aligns responsibility for development and close-out vs. housing operations.

The practice of transferring capital assets when they are complete and operational, also best preserves clear lines of accountability and responsibility between development and operations; preserves the relationship and accountability of the contractor to the project manager; aligns with demarcations between builders risk and property insurance applicability; protects warranty provisions and requirements through commissioning; and, maintains continuity in the owner's representative to ensure all construction contract requirements are met through occupancy permits, punch list completion, building systems commissioning, and project acceptance.

(7) *SHA will promote service accountability and incorporate conservation incentives by charging fees for service for selected central services.*

This approach, rather than an indirect cost approach, is preferred where services can be differentiated on a clear, uniform, and measureable basis. This is true for information technology services and for Fleet Management services. The costs of information technology services, hardware and software, are distributed based on department headcount and weighted by employee job function, i.e. field employees were weighted much less than office staff.

The Fleet service fee encompasses vehicle insurance, maintenance, and replacement. Fuel consumption is a direct cost to send a direct conservation signal. The maintenance component of the fleet charge is based on a defined maintenance schedule for each vehicle given its age and usage. The replacement component is based on expected life of each vehicle in the fleet, a defined replacement schedule, and replacement with the most appropriate vehicle technology and conservation features.

(8) *SHA will use its MTW block grant authority and flexibility to optimize housing opportunities provided by SHA to low-income people in Seattle.*

SHA flexibility to use MTW Block Grant resources to support its low-income housing programs is central to our Local Asset Management Program (LAMP). SHA will exercise our contractual authority to move our MTW funds and project cash flow among projects and programs, as the Authority deems necessary to further our mission and cost objectives. MTW flexibility to allocate MTW Block Grant revenues among the Authority's housing and administrative programs enables SHA to balance the mix of housing types

and services to different low-income housing programs and different groups of low-income residents. It enables SHA to tailor resource allocation to best achieve our cost objectives and therefore maximize our services to low-income residents and applicants having a wide diversity of circumstances, needs, and personal capabilities. As long as the ultimate purpose of a grant or program is low-income housing, it is eligible for MTW funds.

III. SHA's Local Asset Management Program (LAMP) Implementation

A. Comprehensive Operations

Consistent with the guiding principles above, a fundamental driver of SHA's LAMP is its application comprehensively to the totality of SHA's MTW program. SHA's use of MTW resource and regulatory flexibility and SHA's LAMP encompass our entire operations; accordingly:

- We apply our indirect service fees to all our housing and rental assistance programs;
- We expect all our properties, regardless of fund source, to be accountable for property-based management, budgeting, and financial reporting;
- We exercise MTW authority to assist in creating management and operational efficiencies across programs and to promote applicant and resident-friendly administrative requirements for securing and maintaining their residency; and,
- We use our MTW block grant flexibility across all of SHA's housing programs and activities to create the whole that best addresses our needs at the time.

SHA's application of its LAMP and indirect service fees to its entire operations is more comprehensive than HUD's asset management system. HUD addresses fee for service principally at the low-income public housing property level and does not address SHA's comprehensive operations, which include other housing programs, business activities, and component units.

B. Project-based Portfolio Management

We have reflected in our guiding principles above the centrality of project/property-based and program-based budgeting, management, reporting and accountability in our asset management program and our implementing practices. We also assign priority to our multi-disciplinary central Asset Management Team in its role to constantly bring best practices, evaluations, and follow-up to inform SHA's property management practices and policies. Please refer to the section above to review specific elements of our project-based accountability system.

A fundamental principle we have applied in designing our LAMP is to align responsibility and authority and to do so at the lowest appropriate level. Thus, where it makes the most sense from the standpoints of program effectiveness and cost efficiency, the SHA LAMP assigns budget and management accountability at the property level. We are then committed to providing property managers with the tools and information necessary for them to effectively operate their properties and manage their budgets.

We apply the same principle of aligning responsibility and accountability for those services that are managed centrally, and, where those services are direct property services, such as landscaping, decorating, or specialty trades work, we assign the ultimate authority for determining the scope of work to be performed to the affected property manager.

In LIPH properties, we budget subsidy dollars with the intent that properties will break even with actual revenues and expenses. Over the course of the year, we gauge performance at the property level in relation

to that aim. When a property falls behind, we use our quarterly portfolio reviews to discern why and agree on corrective actions and then track their effectiveness in subsequent quarters. We reserve our MTW authority to move subsidy and cash flow among our LIPH properties based on our considered assessment of reasons for surplus or deficit operations. We also use our quarterly reviews to identify properties whose performance warrants placement on a “watch” list.

C. Cost Allocation Approach

Classification of Costs

Under 2 CFR 200, there is no one universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost be treated consistently in like circumstances, as either a direct or an indirect cost. Consistent with 2 CFR 200 cost principles, SHA has identified all of its direct costs and segregated all its costs into pools, as either a direct or an indirect cost pool. We have further divided the indirect services pool to assign costs as “equal burden” or hard housing unit based, as described below.

Cost Objectives

2 CFR 200 defines cost objective as follows: *Cost objective means a function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which costs are incurred.* The Cost Objectives for SHA’s LAMP are the three overarching policy/cost objectives described earlier:

- Cost Effective Affordable Housing;
- Housing Opportunities and Choice; and,
- Resident Financial Security and/or Self-Sufficiency

Costs that can be identified specifically with one of the three objectives are counted as a direct cost to that objective. Costs that benefit more than one objective are counted as indirect costs. Attachment 1 is a graphic representation of SHA’s LAMP, with cost objectives, FDS structure, and SHA Funds.

SHA Direct Costs

2 CFR 200 defines direct costs as follows: *Direct costs are those that can be identified specifically with a particular final cost objective.* SHA’s direct costs include but are not limited to:

- Contract costs readily identifiable with delivering housing assistance to low-income families.
- Housing Assistance Payments, including utility allowances, for vouchers
- Utilities
- Surface Water Management fee
- Insurance
- Bank charges
- Property-based audits
- Staff training
- Interest expense

Information technology fees
Portability administrative fees
Rental Assistance department costs for administering Housing Choice Vouchers including inspection activities
Operating costs directly attributable to operating SHA-owned properties
Fleet management fees
Central maintenance services for unit or property repairs or maintenance
Central maintenance services include, but are not limited to, landscaping, pest control, and decorating and unit turnover
Operating subsidies paid to mixed income, mixed finance communities
Community Services department costs directly attributable to tenants services
Gap financing real estate transactions
Acquisition costs
Demolition, relocation and leasing incentive fees in repositioning SHA-owned real estate
Homeownership activities for low-income families
Leasing incentive fees
Certain legal expenses
Professional services at or on behalf of properties or a portfolio, including security services
Extraordinary site work
Any other activities that can be readily identifiable with delivering housing assistance to low-income families
Any cost identified for which a grant award is made. Such costs will be determined as SHA receives grants
Direct Finance staff costs
Direct area administration staff costs.

SHA Indirect Costs

2 CFR 200 defines indirect costs as *those (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved.* SHA's indirect costs include, but are not limited to:

Executive
Communications
Most of Legal
Development
Finance
Purchasing
Human Resources

Most of Housing Finance and Asset Management

Administration staff and related expenses of the Housing Operations Department that cannot be identified to a specific cost objective.

SHA Indirect Service Fee – Base, Derivation and Allocation

SHA has established an Indirect Services Fee (IS; ISF) based on anticipated indirect costs for the fiscal year. Per the requirements of 2 CFR 200, the ISF is determined in a reasonable and consistent manner based on total units and leased vouchers. Thus, the ISF is calculated as a per-housing-unit or per-leased-voucher fee per month charged to each program. Please see Attachment 2 to review SHA’s Indirect Services Fee Plan.

Equitable Distribution Base

According to 2 CFR 200, *the distribution base may be (1) total direct costs (excluding capital expenditure), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.* SHA has found that unit count and leased voucher is an equitable distribution base when compared to other potential measures. Testing of prior year figures has shown that there is no material financial difference between direct labor dollar allocations and unit allocations. Total units and leased vouchers are a far easier, more direct and transparent, and more efficient method of allocating indirect service costs than using direct labor to distribute indirect service costs. Direct labor has other complications because of the way SHA charges for maintenance services. Using housing units and leased vouchers removes any distortion that total direct salaries and wages might introduce. Units leased vouchers is an equitable distribution base which best measures the relative benefits.

Derivation and Allocation

According to 2 CFR 200, where a grantee agency’s indirect costs benefit its major functions in varying degrees, such costs shall be accumulated into separate cost groupings. Each grouping shall then be allocated individually to benefitted functions by means of a base which best measures the relative benefits. SHA divides indirect costs into two pools, “Equal Burden” costs and “Hard Unit” costs. Equal Burden costs are costs that equally benefit leased voucher activity and hard, existing housing unit activity. Hard Unit costs primarily benefit the hard, existing housing unit activity.

Before calculating the per unit indirect service fees, SHA’s indirect costs are offset by designated revenue. Offsetting revenue includes 10 percent of the MTW Capital Grant award, a portion of the developer fee paid by limited partnerships, limited partnership management fees, laundry revenue, dividend or savings from insurance companies and purchasing card discounts for early payment, commuting reimbursements from employees and a portion of Solid Waste’s outside revenue.

A per unit cost is calculated using the remaining net indirect costs divided by the number of units and the number of leased vouchers. For the 2019 budget, the per unit per month (PUM) cost for housing units is \$56.26 and for leased vouchers is \$23.15.

Annual Review of Indirect Service Fee Charges

SHA will annually review its indirect service fee charges in relation to actual indirect costs and will incorporate appropriate adjustments in indirect service fees for the subsequent year, based on this analysis.

D. Differences – HUD Asset Management vs. SHA Local Asset Management Program

Under the First Amendment, SHA is allowed to define costs differently than the standard definitions published in HUD's Financial Management Guidebook pertaining to the implementation of 24 CFR 990. SHA is required to describe in this MTW Annual Plan differences between our Local Asset Management Program and HUD's asset management program. Below are several key differences, with additional detail reflected in Attachment 3 to this document:

- SHA determined to implement an indirect service fee that is much more comprehensive than HUD's asset management system. HUD's asset management system and fee for service is limited in focusing only on a fee for service at the Low Income Public Housing (LIPH) property level. SHA's LAMP is much broader and includes local housing and other activities not found in traditional HUD programs. SHA's LAMP addresses the entire SHA operation.
- SHA has defined its cost objectives at a different level than HUD's asset management program. SHA has defined three cost objectives under the umbrella of the MTW program, which is consistent with the issuance of the CFDA number and with the current MTW Contract Agreement (expires 12/31/28). HUD defined its cost objectives at the property level and SHA defined its cost objectives at the program level. Because the cost objectives are defined differently, direct and indirect costs will be differently identified, as reflected in our LAMP.
- HUD's rules are restrictive regarding cash flow between projects, programs, and business activities. SHA intends to use its MTW resources and regulatory flexibility to move its MTW funds and project cash flow among projects without limitation and to ensure that our operations best serve our mission, our LAMP cost objectives, and ultimately the low-income people we serve.
- HUD intends to maintain all maintenance staff at the property level. SHA's LAMP reflects a cost-effective balance of on-site and central maintenance services for repairs, unit turnover, landscaping, and asset preservation as direct costs to properties.
- HUD's asset management approach records capital project work-in-progress quarterly. SHA's capital projects are managed through central agency units and can take between two and five or more years from budgeting to physical completion. Transfer of fixed assets only when they are fully complete and operational best aligns responsibility for development and close-out vs. housing operations.

Please consult Attachment 3 for additional detailed differences between HUD's asset management program and SHA's LAMP. However, detailed differences for SHA's other housing programs are not provided.

Balance Sheet Accounts

Most balance sheet accounts will be reported in compliance with HUD's Asset Management Requirements and some will deviate from HUD's requirements, as discussed below:

- Cash
- Petty Cash
- Prepaid Expenses and Deferred Charges
- Materials Inventory
- Contract Retention
- Other Post-Employment Benefits (OPEB) Liability
- Pension Liability or Asset
- Deferred Inflows and Deferred Outflows

SHA will deviate from HUD's asset management requirements by reporting the above account balances as assets or liabilities maintained centrally. They will not be reported by AMP or program. Through years of practice, we believe that maintaining these accounts centrally has proven to be the most cost effective and least labor-intensive method. Although these balance sheet accounts are proposed to be maintained centrally, the related expenses will continue to be reported as an expense to the appropriate program, department and/or AMP, based on income and expense statements. It is important to note that maintaining the above balance sheet accounts centrally will not diminish SHA's obligation or ability to effectuate improved and satisfactory operations and to develop and adhere to its asset management plan. This is consistent with the new Catalog of Federal Domestic Assistance (CFDA) number for the MTW program.

Enclosures:

Attachment 1: Structure of SHA's LAMP and FDS Reporting

Attachment 2: 2019 Indirect Services Fee Plan

Attachment 3: Matrix – HUD vs. SHA Indirect and Direct Costs

Attachment 1

SHA Cost Objectives, FDS Reporting Structure, and SHA Funds

Local Asset Management Program

Use MTW flexibility to operate Housing and Assistance Programs as seamlessly as feasible



Direct Cost Objectives	Housing							Rental Assistance	Community Services
FDS Columns	MTW	Indirect Services Costs	AMPs	Other Housing	Other Business Activities	LP Component Units	MF Developments & Home Ownership	Other Housing	Other Business Activities
Funds	Capital WIP unallocated costs, IT capital projects, 100 480	400	Various including LIPH portion of LP CUs	104 122 127 137 193/216/228 352-354. 357 591	150 190 194 195 198 199 450 470	19 LPs LIPH portion reported in AMPs	700, 704-709, 711-712, 718-719, 723-736, 738-747	139 168	125 CS grants

Fund Name	Fund Number
General	100
Seattle Senior Housing	104
Bayview Tower	127
Ref 37	137
Housing Choice Vouchers	139
Housing Assistance Payments	150
Mod Rehab	168
Local Fund	190
Local Housing Program	193/216/228
House Ownership	194
SHA Land and Parks Development	195
Wakefield	198
Holly II and III	199
Rainier I	352-353
High Point North	354
Indirect Services Costs	357
Impact Property Services	400
Impact Property Management	450
MTW Fund	470
Baldwin	480
MF Developments & Home Ownership	591
	700-747

Attachment 2

Indirect Cost Allocation Plan – Calendar Year 2019

Department	2019 Estimated Budget	All units	Hard Units only
Executive Total	2,498,413	2,498,413	
Asset Management	290,679		290,679
Finance	3,901,086	3,901,086	
Housing Operations	1,848,597		1,848,597
HCV	115,206	115,206	115,206
HR: Allocated based on staff	2,217,415	803,327	1,414,088
Prior Year Inc/Exp reconciliation - expense	(558,835)	(558,835)	
Total	\$ 10,312,561	\$ 6,759,197	\$ 3,668,570
Percentage	100%	66%	34%
Less fixed revenues	(3,467,386)		
Remaining OH to allocate PUM	6,845,175	4,486,556	2,358,619
Units		16,153	5,937
PUM cost		\$23.15	\$33.11
PUM Cost to equal burden units			\$23.15
PUM fee to hard units			\$56.26
INDIRECT REVENUE			2019 Estimate
Capital Grant Admin			1,552,200
10% of Developer Fee cash			204,225
LP Management Fees			1,055,301
Laundry Fee Revenue			149,060
Insurance Dividend			160,000
City Benefit Reimbursement			96,600
Solid Waste Services			250,000
Total Fixed Revenues			\$ 3,467,386
.			
.			
UNIT SUMMARY			Total
Housing Units			5,937
Total Vochers		10,646	
Leased Vouchers at 92.9% of utilization			9,892
Total Mod Rehab		648	
Divide by two for work equivalency			324
Total Units			16,153

INDIRECT SERVICES FEE BY COMMUNITY			
		Indirect Services Rates	
		Equal Burden Units	23.15
		Hard Units	56.25
Low Income Public Housing			
Development No.	Community Name	Units	2019 Budget
1	Yesler	124	83,700
9	Jefferson Terrace	299	201,825
13	Olive Ridge	105	70,875
15	Bell Tower	120	81,000
17	Denny Terrace	220	148,500
23	Westwood Heights	130	87,750
31	Tri Court	87	58,725
37	Jackson Park Village	41	27,675
38	Cedarvale Village	24	16,200
41	Holly Court	66	44,550
50	Scattered Sites	59	39,825
51	Scattered Sites	121	81,675
52	Scattered Sites	60	40,500
53	Scattered Sites	112	75,600
54	Scattered Sites	71	47,925
55	Scattered Sites	128	86,400
56	Scattered Sites	87	58,725
57	Scattered Sites	73	49,275
86	High Rise Rehab Phase I	704	475,200
87	High Rise Rehab Phase II	687	463,725
88	High Rise Rehab Phase III	586	395,550
92	Seattle Senior Housing North	231	155,925
9	Seattle Senior Housing South	138	93,150
94	Seattle Senior Housing Central	246	166,050
95	Seattle Senior Housing City Funded	279	188,325
Total Low Income Public Housing		4,798	3,238,650
Other Housing Programs			
104	Seattle Senior Housing	68	45,908
201	127th & Greenwood	6	4,051
139	Rental Assistance	9892	2,747,998
168	Mod Rehab	324	90,007
193	Local Housing Program	177	119,496
354	Rainier Vista I - Escallonia	184	124,222
357	High Point N	344	232,241
234	Ritz	30	20,254
352	New Holly II - Othello	96	64,812
353	NewHolly III - Desdemona	219	147,851
591	Baldwin Apartments	15	10,127
Total Other Housing Programs		11,355	3,606,966
Total Management Fee		16,153	6,845,616
2019 MOVING TO WORK ANNUAL PLAN			76

Limited Partnership Units and Restricted Fee Units					
	Property			2019 Units	2019 Budget
089	731 Tamarack (RV)			83	35,496
0xx	736 RV III Northeast			118	52,200
085	733 High Point S			256	34,800
091	727 Lake City Village			86	33,660
Total HOPE VI Limited Partnerships				543	374,832
292	734 South Shore Apts fka Douglas			44	20,592
735	735 Aldercrest			36	19,263
738	738 1105 E Fir/Kebero			103	71,688
739	739 Leschi House			69	48,024
743	743 Raven LP			83	57,768
744	744 Hoa Mai Gardens			111	73,260
745	745 Red Cedar			59.5	39,270
746	746 Holly Park I Re-Redeve			305	121,068
0xxx	747 West Seattle LP			204	13,920
Total Restricted Units				1,015	680,469
Total					1,055,301

Attachment 3

Matrix: HUD's Tables 7.1 and 7.2 Definition of Direct and Indirect/Fee Expense vs. SHA Local Asset Management Program (LAMP)

Low Income Public Housing	
Fee/Indirect Expense per HUD	Fee/Indirect Expense per SHA LAMP
<p>* Actual personnel costs for individuals assigned to the following positions:</p> <ul style="list-style-type: none"> Executive Direct and support staff Human resources staff Regional managers Corporate legal staff Finance, accounting and payroll staff IT staff including help desk Risk management staff Centralized procurement staff Quality control staff, including QC inspections <p>* Purchase and maintenance of COCC arrangements, equipment, furniture and services</p> <p>* Establishment, maintenance, and control of an accounting system adequate to carryout accounting/bookkeeping for the AMPs</p> <p>* Office expense including office supplies, computer expense, bank charges, telephone, postage, utilities, fax and office rent related to the general maintenance and support of COCC</p>	<p>* Actual personnel costs for individuals assigned to the following positions:</p> <ul style="list-style-type: none"> Executive Direct and support staff Human resources staff Corporate legal staff Finance, accounting and payroll staff, except non-supervisory accounting staff (considered front line bookkeepers) Separate IT Fee for Service Risk management staff Most Centralized procurement staff <p>* Purchase and maintenance of Indirect Services ("IS") arrangements, equipment, furniture and services</p> <p>* Establishment, maintenance, and control of an accounting system adequate to carryout accounting/bookkeeping for the AMPs</p> <p>* Office expense including office supplies, computer expense, bank charges, telephone, postage, utilities, fax and office rent related to the general maintenance and support of IS.</p>

<ul style="list-style-type: none"> * The cost of insurance related to COCC buildings, equipment, personnel to include property, auto, liability E&O and casualty. 	<ul style="list-style-type: none"> * The cost of insurance related to COCC buildings, equipment, personnel to include property, auto, liability E&O and casualty.
Fee/Indirect Expense per HUD	Fee/Indirect Expense per SHA LAMP
<ul style="list-style-type: none"> * Work with auditors for audit preparation and review of audit costs associated with the COCC. * Central servers and software that support the COCC (not projects) * Commissioners' stipend and non-training travel. * Commissioners' training that exceed HUD standards * The cost of a central warehouse, unless, with HUD approval, the Agency can demonstrate that the costs of maintaining this warehouse operation, if included with the costs of the goods purchased, are less than what the project would otherwise incur if the goods were obtained by on-site staff. 	<ul style="list-style-type: none"> * Work with auditors for audit preparation and review of audit costs associated with the IS. * Central servers and software that support the IS (not projects) * Commissioners' stipend and non-training travel. * Commissioners' training that exceed HUD standards * The cost of a central warehouse, unless, with HUD approval, the Agency can demonstrate that the costs of maintaining this warehouse operation, if included with the costs of the goods purchased, are less than what the project would otherwise incur if the goods were obtained by on-site staff.

Low Income Public Housing

Direct Expenses per HUD	Direct Expenses per SHA LAMP
<ul style="list-style-type: none"> * Actual personnel costs of staff assigned directly to AMP sites * Repair & maintenance costs, including <ul style="list-style-type: none"> Centralized maintenance provided under fee for service Maintenance supplies Contract repairs e.g. heating, painting, roof, elevators on site Make ready expenses, including painting and repairs, cleaning, floor replacements, and appliance replacements; Preventive maintenance expenses, including repairs and maintenance, as well as common area systems repairs and maintenance Maintenance contracts for elevators, boilers, etc. Other maintenance expenses, Section 504 compliance, pest * Utility costs * Costs related to maintaining a site-based office, including IT equipment and software license allocations. * Advertising costs specific to AMP, employees or other property * PILOT * All costs of insurance for the AMP * Professional services contracts for audits, rehab and inspections specific to the project. 	<ul style="list-style-type: none"> * Actual personnel costs of staff assigned directly to AMP sites * Area management site costs allocated to AMPs w/in area * Direct procurement staff * Repair & maintenance costs, including <ul style="list-style-type: none"> Centralized maintenance provided under fee for service (IPS) Maintenance supplies Contract repairs e.g. heating, painting, roof, elevators on site Make ready expenses, including painting and repairs, cleaning, floor replacements, and appliance replacements; Preventive maintenance expenses, including repairs and maintenance, as well as common area systems repairs and maintenance Maintenance contracts for elevators, boilers, etc. Other maintenance expenses, Section 504 compliance, pest * Utility costs * Costs related to maintaining a site-based office, including IT equipment and software license allocations. * Advertising costs specific to AMP, employees or other property * PILOT * All costs of insurance for the AMP * Professional services contracts for audits, rehab and inspections specific to the project.

Direct Expenses per HUD	Direct Expenses per SHA LAMP
<ul style="list-style-type: none"> * Property management fees, bookkeeping fees, and asset management fees. * Certain litigation costs. * Audit costs (may be prorated) * Vehicle expense * Staff recruiting and background checks, etc. * Family self-sufficiency staff and program costs * Commissioners' training up to a limited amount as provided by HUD 	<p>Inspector costs are allocated to the projects as a direct cost.</p> <ul style="list-style-type: none"> * Property management fees, bookkeeping fees, and asset management fees. * Certain litigation costs. * * Separate Fleet Fee for Service * Staff recruiting and background checks, etc. * Family self-sufficiency staff and program costs * Commissioners' training up to a limited amount as provided by HUD * Building rent

Housing Choice Vouchers

Fee/Indirect Expense per HUD	Fee/Indirect Expense per SHA LAMP
<ul style="list-style-type: none"> * A share of the personnel costs for HCV staff assigned to the COCC. * Establish, maintain and control an accounting system adequate to carryout accounting/ bookkeeping for the HCV program * General maintenance of HCV books and records * Supervision by COCC management staff of overall HCV program operations * Procurement * Preparation of monitoring reports for internal and external use. * Preparation, approval and distribution of HCV payments, not HAP * COCC staff training, and ongoing certifications related to HCV program. * Travel for COCC staff for training, etc. related to HCV program * COCC staff attendance at meetings with landlords, tenants, others regarding planning, budgeting, and program review. * Work with auditors and audit preparation. * Indirect cost allocations imposed on the HCV program by a higher level of local government. * Hiring, supervision and termination of front-line HCV staff. * Preparation and submission of HCV program budgets, financial reports, etc. to HUD and others. * Monitoring and reporting on abandoned property as required by states. * Investment and reporting on HCV proceeds. 	<ul style="list-style-type: none"> * A share of the personnel costs for HCV staff assigned to Indirect Services ("IS"). Some executive staff costs allocated to IS. * Establish, maintain and control an accounting system adequate to carryout accounting/ bookkeeping for the HCV program * General maintenance of HCV books and records * Supervision by IS management staff of overall HCV program operations * Centralized Procurement staff * Preparation of monitoring reports for internal and external use. * Preparation, approval and distribution of HCV payments, not HAP * IS staff training, and ongoing certifications related to HCV program. Certifications are an ongoing cost of keeping trained staff. * Travel for IS staff for training, etc. related to HCV program * IS staff attendance at meetings with landlords, tenants, others regarding planning, budgeting, and program review. * Work with auditors and audit preparation. * Indirect cost allocations imposed on the HCV program by a higher level of local government. * Hiring, supervision and termination of front-line HCV staff. * Preparation and submission of HCV program budgets, financial reports, etc. to HUD and others. * Monitoring and reporting on abandoned property as required by states. * Investment and reporting on HCV proceeds.

Fee/Indirect Expense per HUD

Storage of HCV records and adherence to federal and/or state records retention requirements.

- * Development and oversight of office furniture, equipment and vehicle replacement plans.
- * Insurance costs for fidelity or crime and dishonesty coverage for COCC employees based on a reasonable allocation method.
- * Commissioners' stipend and non-training travel.
- * Commissioners' training that exceed HUD standards

Fee/Indirect Expense per SHA LAMP

Storage of HCV records and adherence to federal and/or state records retention requirements.

- * Development and oversight of office furniture, equipment and vehicle replacement plans.
- * Insurance costs for fidelity or crime and dishonesty coverage for IS employees based on a reasonable allocation method.
- * Commissioners' stipend and non-training travel.
- * Commissioners' training that exceed HUD standards

Direct Expenses per HUD

- * Actual personnel costs of staff assigned directly to HCV program
- * Travel & training for HCV program personnel
- * Prep, approval and distribution of HCV HAP disbursement
- * Legal fees directly related, including tenant and landlord enforcement.
- * Background reports on tenants, landlords, etc.
- * Bank charges
- * Telephone
- * Advertising costs specific to HCV, including applicants, landlords and employees
- * Postage for HAP checks.
- * HCV office furniture and IT equipment
- * Service Agreements re furniture
- * Insurance for auto and equipment
- * Insurance for fidelity or crime for front-line staff.
- * Direct costs of collection activities related to fraud. Indirect cost of fraud collections are a management fee cost.
- * Preparing and maintaining tenant and landlord files, etc. including unit inspections.
- Public relations expenses related to maintaining positive relationships between the local community, landlords and tenants
- * Professional service contracts related to direct services for HCV.
- * Commissioners' training expenses up to a limited amount provided by HUD

Direct Expenses per SHA LAMP

- * Actual personnel costs of staff assigned directly to HCV program
- * Travel & training for HCV program personnel
- * Prep, approval and distribution of HCV HAP disbursement
- * Legal fees directly related, including tenant and landlord enforcement.
- * Background reports on tenants, landlords, etc.
- * Bank charges
- * Telephone
- * Advertising costs specific to HCV, including applicants, landlords and employees
- * Postage for HAP checks.
- * HCV office furniture and IT equipment
- * Service Agreements re furniture
- * Insurance for auto and equipment
- * Insurance for fidelity or crime for front-line staff.
- * Direct costs of collection activities related to fraud. Indirect cost of fraud collections are a management fee cost.
- * Preparing and maintaining tenant and landlord files, etc. including unit inspections.
- Public relations expenses related to maintaining positive relationships between the local community, landlords and tenants. Communications department charges for this.
- * Professional service contracts related to direct services for HCV.
- * Commissioners' training expenses up to a limited amount provided by HUD
- * Building rent