Moving Forward
Moving To Work Program

Annual Report for Fiscal Year 2020

San Diego Housing Commission
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SECTION I – INTRODUCTION AND AGENCY GOALS

MESSAGE FROM THE PRESIDENT & CEO

Early this year, San Diego welcomed U.S. Department of Housing and Urban Development (HUD) Secretary Dr. Ben Carson for a stop on his "Driving Affordable Housing Across America" bus tour. I was pleased to join Secretary Carson, Mayor Kevin L. Faulconer, Affirmed Housing President & CEO Jim Silverwood, and additional local and housing industry leaders for a roundtable discussion about reducing regulatory barriers to affordable housing and addressing homelessness.

The San Diego Housing Commission's Moving to Work (MTW) status is crucial to the success of our programs to create and preserve affordable housing and address homelessness in the City of San Diego.

In the weeks and months since Secretary Carson's visit, as the COVID-19 global pandemic rapidly evolved, SDHC continued to provide essential housing assistance to thousands of families with low income or experiencing homelessness.

Our MTW status and HUD waivers in response to the pandemic provide the essential flexibility needed to implement some of the policies and programs we developed to assist families in SDHC's programs who are experiencing financial hardships related to COVID-19, such as:

- SDHC's federal rental assistance program is utilizing revised criteria for families currently in the program to report decreases in income due to COVID-19, which may enable SDHC to temporarily provide a higher amount of rental assistance to these households for up to six months.
- SDHC will not terminate anyone from the federal rental assistance program until September 30, 2020, unless they engage in violent or criminal behavior or pose a threat to the safety of others in their neighborhood.
- Residents at SDHC's affordable rental housing properties who do not currently receive federal rental assistance can receive rent relief. Applications are accepted through September 30, 2020. All or part of the rent will be forgiven for up to four months for eligible households.

MTW status fosters innovative, cost-effective solutions to address housing challenges. I invite you to read more in this report about SDHC's MTW initiatives that are having a positive impact on the individuals and families we serve in the City of San Diego—the eighth largest city in the nation and second largest in California.

Sincerely,

Richard C. Gentry
President & Chief Executive Officer
San Diego Housing Commission

SHORT-TERM AND LONG-TERM MTW GOALS

LONG-TERM GOALS

SDHC STRATEGIC PLAN

A special meeting of the San Diego Housing Commission (SDHC) Board of Commissioners' Strategic Plan Committee was held on January 10, 2020, to discuss an overview of the agency's next agency wide Strategic Plan. Work on the development of the plan continued through the first half of 2020 and is ongoing.

SDHC's next Strategic Plan will build upon the accomplishments of SDHC's 2016-2020 Strategic Plan, which included three major goals:

1. Maximize resources through operational efficiencies and technological innovations.
2. Increase the number of housing opportunities that serve low-income and homeless individuals and families in the city of San Diego.
3. Advocate for more effective affordable housing policies and resources

CITY OF SAN DIEGO COMMUNITY ACTION PLAN ON HOMELESSNESS

The City of San Diego (City) Community Action Plan on Homelessness is a comprehensive, 10-year plan that builds on recent progress, lays out short-term achievable goals and will serve as a guide for long-term success in addressing homelessness.

Through a contract with SDHC on behalf of the City, the Corporation for Supportive Housing (CSH), a nationally recognized consultant with broad expertise in the area of homelessness, developed the City's Community Action Plan on Homelessness. On October 14, 2019, the San Diego City Council unanimously approved the City's Community Action Plan on Homelessness, available online: https://www.sdhc.org/wp-content/uploads/2019/10/SD_Homeless_CSH_report_final_10-2019.pdf

The plan recommended the creation of a Leadership Council to provide for cross-agency collaboration, alignment of resources toward systems-level thinking and accountability. The Leadership Council will review progress, problem-solve when challenges arise, identify funding and resources for implementation, and create an appropriate level of both accountability and insulation from political issues. The Leadership Council met on February 3, 2020, April 20, 2020, and July 21, 2020. The Leadership Council consists of:

- City of San Diego Mayor Kevin L. Faulconer
- San Diego City Councilmember Chris Ward, Chair of the Regional Task Force on the Homeless (RTFH)
- County of San Diego Supervisor Nathan Fletcher, Vice Chair of the RTFH
- San Diego Housing Commission (SDHC) President & CEO Richard C. Gentry
- RTFH CEO Tamera Kohler
- Lucky Duck Foundation Board Member Peter Seidler, General Partner of the San Diego Padres
- Voices of Our City Choir Advocacy & Operations Director John Brady
- San Diego Gas & Electric (SDG&E) Vice President of State Governmental Affairs and External Affairs Eugene "Mitch" Mitchell

The Leadership Council oversees the Interagency Implementation Team, which consists of members from the four main funding agencies and oversight structures in the City related to homelessness:

- City of San Diego Chief of Homelessness Strategies and Housing Liaison Keely Halsey
- San Diego City Councilmember Chris Ward's Chief of Staff Molly Chase
- RTFH CEO Tamera Kohler
- SDHC Senior Vice President of Homeless Housing Innovations Lisa Jones

The plan includes a vision, guiding principles and key strategies to address homelessness in the City of San Diego:

VISION

By working creatively and collaboratively, the City of San Diego will build a client-centered homeless assistance system that aims to prevent homelessness, and that quickly creates a path to safe and affordable housing and services for people who experience homelessness in our community.

GUIDING PRINCIPLES

1. Be accountable.
2. Develop creative and new housing options, as quickly as possible.
3. Value the voices of people with lived experiences.
4. Improve service and options to people experiencing homelessness through evidence-based approaches.
5. Make data-driven decisions and create transparency.
6. Communicate and collaborate more effectively and frequently.
7. Build capacity.
8. Create positive momentum.
9. Remove politics from decision-making about homelessness.

KEY STRATEGIES

1. Implement a systems-level approach to homeless planning – Build capacity and infrastructure around city-level governance, strategic thinking and systems change to support the articulated goals.
2. Create a client-centered homeless assistance system – Create a homeless assistance system that centers on clients and values client feedback in system design and resource allocation.
3. Decrease inflow into homelessness by increasing prevention and diversion – Work with other regional systems to prevent homelessness when possible and divert people from the system altogether.
4. Improve the performance of the existing system – Review current practices, performance and metrics to move from project-level thinking to system-level thinking.
5. Increase the production of/access to permanent solutions – Identify low-income and affordable housing options to increase opportunities to provide greater access to permanent housing.

The plan also identifies the need for 5,416 permanent housing opportunities over the next 10 years and 350-500 new crisis response beds or services for individuals and families experiencing homelessness.

SHORT-TERM GOALS

ADDRESSING HOMELESSNESS

The City's Community Action Plan on Homelessness identifies three "Goals Within Reach" that can be achieved within three years:

1. Decrease unsheltered homelessness by 50 percent
2. Finish the job of ending veteran homelessness
3. Prevent and end youth homelessness as outlined in the San Diego County Coordinated Community Plan to End Youth Homelessness

CREATING AND PRESERVING AFFORDABLE HOUSING

In Fiscal Year 2020, SDHC participated in celebrations of groundbreakings for three partnership developments that will provide 677 affordable units when they are completed.

GROUNDBREAKINGS		
DEVELOPMENT	**AFFORDABLE UNITS**	**DATE**
Mid-City Apartments (Family and Senior)	192	June 10, 2020
Saint Teresa of Calcutta Apartments	403	January 21, 2020
Benson Place	82	January 7, 2020
TOTAL	**677**	

These developments are among approximately 3,000 affordable rental housing units that have received SDHC Board of Commissioners approval and/or remain under construction (new construction or rehabilitation):

- **14th and Commercial (new construction)** – 323 affordable units, including 230 permanent supportive housing units for San Diegans experiencing homelessness

- **14C VHHP Apartments (new construction)** – 80 affordable housing units for veterans experiencing homelessness, of which 40 units are permanent supportive housing units for chronically homeless veterans and veterans with disabilities

- **Courthouse Commons (new construction, mixed-income)** – 41 affordable units for low-income families

- **Grant Heights II (Rehabilitation, scattered sites)** – 41 affordable units for low-income families (formerly known as Grant Heights and Winona properties)

- **Harbor View Villas (rehabilitation)** – 59 affordable units for low-income families

- **Hillside Views (rehabilitation)** – 297 affordable units for low-income families

- **Ivy Senior Apartments (new construction)** – 52 permanent supportive housing units for seniors experiencing homelessness

- **Jamboree (rehabilitation)** – 64 permanent supportive housing units for San Diegans with mental disabilities experiencing homelessness

- **Keeler Court Apartments (new construction)** – 70 affordable units, including seven permanent supportive housing units for veterans experiencing homelessness

- **The Link (new construction)** – 86 affordable units, including 72 permanent supportive housing units for San Diegans experiencing homelessness

- **Mariner's Village (rehabilitation)** – 171 affordable units for low-income families

- **Mercado Apartments (rehabilitation)** – 142 affordable units for low-income families

- **Mid-City Family (new construction)** – 77 affordable units for low-income families (formerly known as East Block Family)

- **Mid-City Senior (new construction)** – 115 affordable units for low-income seniors (formerly known as East Block Senior)

- **Mission Terrace (rehabilitation)** – 76 affordable units for low-income families

- **Mississippi ECB Apartments (new construction)** – 60 affordable units for low-income families

- **The Orchard (new construction)** – 111 affordable units for low-income families (formerly known as Hilltop & Euclid Family Housing)

- **Pacifica at Playa del Sol (new construction)** – 41 affordable rental apartments, including 12 designated for households with family members who have developmental disabilities

- **Park & Market (new construction, mixed income)** – 85 affordable units for low-income families

- **Park Crest (rehabilitation)** – 139 affordable units for low-income families

- **Quality Inn (rehabilitation)** – 91 permanent supportive housing units for transition-age youth, veterans, seniors, and adults with mental disabilities who are experiencing homelessness

- **Regency Centre (rehabilitation)** – 99 affordable units for low-income seniors

- **San Ysidro Senior Village (new construction)** – 50 permanent supportive housing units for seniors experiencing homelessness

- **Scripps Mesa (new construction, mixed income)** – 53 affordable units for low-income families

- **Stylus Apartments (new construction, mixed income)** – 201 affordable units for low-income families (formerly known as Civita II Family Apartments)

- **Trinity Apartments (new construction)** – 73 permanent supportive housing units for San Diegans experiencing homelessness

- **Ulric Street (new construction)** – 95 affordable units for low-income families
- **Ventana al Sur Apartments (new construction**) – 100 affordable units, including 25 permanent supportive housing units for seniors experiencing homelessness
- **Wesley Terrace (rehabilitation**) – 159 affordable units for seniors

SECTION II – GENERAL OPERATING INFORMATION

HOUSING STOCK INFORMATION MATRIX

ACTUAL NEW PROJECT-BASED VOUCHERS

Tenant-based vouchers that the MTW PHA project-based for the first time during the Plan Year. These include only those in which at least an AHAP was in place by the end of the Plan Year.

Property Name	Number of Vouchers Newly Project-Based		Status at End of Plan Year**	RAD?	Description of Project
	Planned*	Actual			
Jamboree San Ysidro	64	0	AHAP Not executed	N/A	Homeless
	64	**0**	**Planned/Actual Total Vouchers Newly Project-Based**		

* Figures in the "Planned" column should match the corresponding Annual MTW Plan.
** Select "Status at the End of Plan Year" from: Committed, Leased/Issued

ACTUAL EXISTING PROJECT-BASED VOUCHERS

Tenant-based vouchers that the MTW PHA is currently project-basing in the Plan Year. These include only those in which at least an AHAP was in place by the beginning of the Plan Year.

Property Name	Number of Vouchers Newly Project-Based		Status at End of Plan Year**	RAD?	Description of Project
	Planned*	Actual			
Take Wing	8	8	Leased/Issued	N/A	Homeless
Hollywood Palms	23	23	Leased/Issued	N/A	Low-Income
Leah Residence	14	14	Leased/Issued	N/A	Homeless
Townspeople	9	9	Leased/Issued	N/A	Homeless
Potiker	36	36	Leased/Issued	N/A	Low-Income
Alabama Manor	14	14	Leased/Issued	N/A	Low-Income
Meade	11	10	Leased/Issued	N/A	Low-Income
Santa Margarita	12	12	Leased/Issued	N/A	Low-Income
Courtyard	3	3	Leased/Issued	N/A	Low-Income
Hotel Sandford	26	24	Leased/Issued	N/A	Low-Income
Connections Housing	73	73	Leased/Issued	N/A	Homeless
Mason Hotel	16	16	Leased/Issued	N/A	Homeless
Parker-Kier	22	22	Leased/Issued	N/A	Homeless
Celadon	88	87	Leased/Issued	N/A	Homeless
Alpha Square	76	76	Leased/Issued	N/A	Homeless
New Palace Hotel	79	70	Leased/Issued	N/A	Homeless
Village North Senior	32	44	Leased/Issued	N/A	Homeless
Atmosphere	51	51	Leased/Issued	N/A	Homeless
Talmadge Gateway	59	59	Leased/Issued	N/A	Homeless
Cypress Apartments	62	62	Leased/Issued	N/A	Homeless
North Park Senior	8	8	Leased/Issued	N/A	Homeless
Quality Inn	91	91	Leased/Issued	N/A	Homeless
West Park	46	46	Leased/Issued	N/A	Homeless
The Lofts	52	52	Leased/Issued	N/A	Homeless
Zephyr Housing	84	84	Leased/Issued	N/A	Homeless
Vista Del Puente	38	38	Leased/Issued	N/A	Homeless
The Beacon	43	43	Leased/Issued	N/A	Homeless
Twain Housing	62	62	Leased/Issued	N/A	Homeless
The Link	72	72	Committed	N/A	Homeless
San Ysidro Senior	50	50	Committed	N/A	Homeless
	1,260	**1,259**	**Planned/Actual Total Existing Project-Based Vouchers**		

* Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.
** Select "Status at the End of Plan Year" from: Committed, Leased/Issued

Please describe differences between the Planned and Actual Existing Number of Vouchers Project-Based:

Several units have been removed or added back in due to renovations being undertaken.

HOUSING STOCK INFORMATION MATRIX

ACTUAL OTHER CHANGES TO MTW HOUSING STOCK IN THE PLAN YEAR

Examples of the types of other changes can include (but are not limited to): Units held off-line due to relocation or substantial rehabilitation, local non-traditional units to be acquired/developed, etcetera.

Actual Other Changes to MTW Housing Stock in the Plan Year

N/A

GENERAL DESCRIPTION OF ALL ACTUAL CAPITAL EXPENDITURES DURING THE PLAN YEAR

Narrative general description of all capital expenditures of MTW funds during the Plan Year.

General Description of All Actual Capital Expenditures During the Plan Year

Capital Fund 501-19

SDHC expended $1.465 million in Capital Fund Program formula funds used to fund the soft costs, the hard costs and administrative costs of various renovation activities throughout the (8) Public Housing properties consisting of (189) public housing units. Hard costs included upgrades to property fencing, parking lot seal and stripe, water conservation landscape and irrigation system, solar PV panel upgrades, limited stair upgrades, exterior area and building lighting, limited electrical, signage, and other limited site improvements. Soft costs include architecture and engineering and third party consultants for due diligence related activities.

SECTION II(B). MTW REPORT: LEASING INFORMATION

ACTUAL NUMBER OF HOUSEHOLDS SERVED

Snapshot and unit month information on the number of households the MTW PHA actually served at the end of the Plan Year.

Number of Households Served Through:	Number of Unit Months Occupied/Leased*		Number of Households Served**	
	Planned ^^	Actual	Planned ^^	Actual
MTW Public Housing Units Leased	2,220	2,256	185	188
MTW Housing Choice Vouchers Utilized	170,076	169,068	14,173	14,089
Local, Non-Traditional: Tenant-Based	12,852	9,108	1,071	759
Local, Non-Traditional: Property-Based	10,452	11,256	871	938
Local, Non-Traditional: Homeownership	0	0	0	0
Planned/Actual Totals	**195,600**	**191,688**	**16,300**	**15,974**

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

** "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 (as shown in the Annual MTW Plan).

^^ Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

Please describe any differences between the planned and actual households served:

During the FY 2020 program year, several of our Sponsor-Based subsidy providers were not meeting their voucher allocations. In response, SDHC is redistributing the non-performing sponsor allocations to those who are meeting planned lease ups. This accounts for the majority of the difference between planned and actual lease ups.

The second program with a larger difference is the Moving Home program. During the plan year, other sources were used in addition to MTW funds to assist households. Our activity only reports on those households served using MTW funds, so SDHC has planned to revise our planned numbers to focus only on households to be served with MTW funds.

The Moving On program also has been slower to reach planned lease up numbers.

Local, Non-Traditional Category	MTW Activity Name/Number	Number of Unit Months Occupied/Leased*		Number of Households to be Served*	
		Planned^^	Actual	Planned^^	Actual
Tenant-Based	Sponsor-Based Subsidy Program/2011-8	9,084	6,636	757	553
Tenant-Based	Transitional Project-Based Subsidy Program/2013-6	528	540	44	45
Tenant-Based	Monarch Housing Program/2016-1	300	288	25	24
Tenant-Based	Guardian Scholars Program/2016-2	1,080	960	90	80
Tenant-Based	Moving On Program/2017-1	420	216	35	18
Tenant-Based	Moving Home Program/2018-1	1,440	468	120	39
Property-Based	Affordable Housing Development/2011-7	10,452	11,256	871	938
Planned/Actual Totals		**23,304**	**20,364**	**1,942**	**1,697**

* The sum of the figures provided should match the totals provided for each Local, Non-Traditional category in the previous table. Figures should be given by individual activity. Multiple entries may be made for each category if applicable.
^^ Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

Households Receiving Local, Non-Traditional Services Only	Average Number of Households Per Month	Total Number of Households in the Plan Year
N/A	**0**	**0**

ii. DISCUSSION OF ANY ACTUAL ISSUES/SOLUTIONS RELATED TO LEASING

Discussion of any actual issues and solutions utilized in the MTW housing program listed.

Housing Program	Description of Actual Leasing Issues and Solutions
MTW Public Housing	N/A
MTW Housing Choice Voucher	N/A
Local, Non-Traditional	N/A

WAITING LIST INFORMATION MATRIX

ACTUAL WAITING LIST INFORMATION

Snapshot information on the actual status of MTW waiting lists at the end of the Plan Year. The "Description" column should detail the structure of the waiting list and the population served.

Waiting List Name	Description	Number of Households on Waiting List	Waiting List Open, Partially Open, or Closed	Was the Waiting List Opened During the Plan Year
Housing Choice Voucher: Tenant-Based	Community Wide	106,455	Open	N/A
Housing Choice Voucher: Project-Based	Community Wide	58,967	Open	N/A
Housing Choice Voucher: Project-Based	Site-Based	3	Open	N/A
Housing Choice Voucher: Project-Based	Site-Based	N/A	Closed	No
Public Housing	Community Wide	83,942	Open	N/A
Local Non-Traditional	Community Wide	N/A	N/A	N/A

Please describe any duplication of applicants across waiting lists:

Applicants have the opportunity to apply to multiple rental assistance programs and often appear on multiple wait lists. Local Non Traditional programs are receiving referrrals directly through providers.

ACTUAL CHANGES TO THE WAITING LIST IN THE PLAN YEAR

Please describe any actual changes to the organizational structure or policies of the waiting lists(s), including any opening or closing of a waiting list, during the Plan Year.

Waiting List Name	Description of Actual Changes to Waiting List
Housing Choice Voucher: Tenant-Based	No Changes
Housing Choice Voucher: Project-Based	No Changes
Housing Choice Voucher: Project-Based	No Changes
Housing Choice Voucher: Project-Based	No Changes
Public Housing	No Changes
Local Non-Traditional	No Changes

INFORMATION ON STATUTORY OBJECTIVES AND REQUIREMENTS

75% OF FAMILIES ASSISTED ARE VERY LOW INCOME

HUD will verify compliance with the statutory requirement that at least 75% of the households assisted by the MTW PHA are very low income for MTW public housing units and MTW HCVs through HUD systems. The MTW PHA should provide data for the actual families housed upon admission during the PHA's Plan Year reported in the "Local, Non-Traditional: Tenant-based"; "Local, Non-Traditional: Property-Based"; and "Local, Non-Traditional: Homeownership" categories. Do not include households reported in the "Local, Non-Traditional Services Only" category.

Income Level	Number of Local, Non-Traditional Households Admitted in the Plan Year
80%-50% Area Median Income	1
49%-30% Area Median Income	3
Below 30% Area Median Income	211

Total Local, Non-Traditional Households Admitted	215

MAINTAIN COMPARABLE MIX

HUD will verify compliance with the statutory requirement that MTW PHAs continue to serve a comparable mix of families by family size by first assessing a baseline mix of family sizes served by the MTW PHA prior to entry into the MTW demonstration (or the closest date with available data) and compare that to the current mix of family sizes served during the Plan Year.

Baseline Mix of Family Sizes Served (upon entry to MTW)					
Family Size	Occupied Public Housing Units	Utilized HCVs	Non-MTW Adjustments*	Baseline Mix Number	Baseline Mix Percentage
1 Person	12	4,808	0	4,820	35%
2 Person	14	2,867	0	2,881	21%
3 Person	5	2,103	0	2,108	15%
4 Person	4	1,729	0	1,733	13%
5 Person	1	1,139	0	1,140	8%
6+ Person	0	1,093	0	1,093	8%
Total	36	13,739	0	13,775	100%

* Non-MTW Adjustments" are defined as factors that are outside the control of the MTW PHA. An example of an acceptable "Non-MTW Adjustment" would include demographic changes in the community's overall population. If the MTW PHA includes "Non-MTW Adjustments", a thorough justification, including information substantiating the numbers given, should be included below.

Please describe the justification for any "Non-MTW Adjustments" give below:

N/A

Mix of Family Sizes Served (in Plan Year)				
Family Size	Baseline Mix Number	Baseline Mix Percentage**	Number of Households Served in Plan Year^	Percentage of Households Served in Plan Year^^	Percentage Change from Baseline Year to Current Plan Year
1 Person	4,820	35%	5,967	41%	6%
2 Person	2,881	21%	3,546	24%	4%
3 Person	2,108	15%	1,801	12%	-3%
4 Person	1,733	13%	1,415	10%	-3%
5 Person	1,140	8%	876	6%	-2%
6+ Person	1,093	8%	886	6%	-2%
Total	13,775	100%	14,491	100%	0%

** The "Baseline Mix Percentage" figures given in the "Mix of Family Size Served (in Plan Year)" table should match those in the column of the same name in the "Baseline Mix of Family Sizes Served (upon entry to MTW)" table.

^ The "Total" in the "Number of Households Served in Plan Year" column should match the "Actual Total" box in the "Actual Number of Households Served in the Plan Year" table in Section II.B.i of this Annual MTW Report.

^^ The percentages in this column should be calculated by dividing the number in the prior column for each family size by the "Total" number of households served in the Plan Year. These percentages will reflect adjustment to the mix of families served that are due to the decisions of the MTW PHA. Justification of percentages in the current Plan Year that vary by more than 5% from the Baseline must be provided below.

Please describe the justification for any variances of more than 5% between the Plan Year and Baseline Year:

New project-based units have been focusing in homelessness, which sees more smaller household sizes due to a focus on elderly and disabled participants.

NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF-SUFFICIENCY IN THE PLAN YEAR

Number of Households, across MTW activities, that were transitioned to the MTW PHA's local definition of self sufficiency during the Plan Year.

MTW Activity Name/Number	Number of Households Transitioned to Self Sufficiency*	MTW PHA Local Definition of Self Sufficiency
Adopt a Local Interim Policy/2010-7	874	Decrease in the number of decrease of income interims processed from the baseline.
Sponsor-Based Subsidies for the Homeless/2011-8	3	Transitioned into the Moving On Program or receiving a voucher.
Path to Success/2012-1	5	Exiting a rental assistance program due to $0 HAP or voluntary surrender of assistance.
Family Self Sufficiency Reinvention/2013-2	13	Successful completion of the MTW FSS Program.
Transitional Project-Based Subsidies for the Homeless/2013-6	41	Transitioning to permanent housing.
Monarch School Project/2016-1	0	Transitioning to permanent housing.
Guardian Scholars Program/2016-2	25	Graduation from post-secondary education.
Moving On Program/2017-1	0	Transitioning to permanent housing.
Moving Home/2018-1	21	Transitioning to permanent housing.
	982	**Total Households Transitioned to Self Sufficiency**

* Figures should match the outcome reported where metric SS#8 is used in Section IV of this annual MTW Report.

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

IMPLEMENTED ACTIVITIES

2010-1. IMPLEMENT A REVISED INSPECTION PROTOCOL

PLAN YEAR IDENTIFIED

Fiscal Year 2010

IMPLEMENTATION DATES

October 1, 2009 (Biennial Cycle)

June 1, 2010 (Self-Certification of Repairs)

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

The activity reduces the number of required inspections by placing units on a Biennial Inspection Cycle and allowing owners to self-certify Housing Quality Standards (HQS) for minor fail items for all inspection types. The activity enables SDHC to utilize Federal expenditures more efficiently.

The first iteration of the activity utilized qualifying criteria for placement on a 24-month cycle. Units passing two consecutive initial and/or annual inspections on the first attempt qualified for the biennial inspection cycle. The unit remained on the biennial cycle as long as the unit continued to pass inspection on the first attempt in subsequent years. Upon a failed inspection, the unit reverted back to the annual inspection cycle until meeting the eligibility requirements for placement back onto the biennial inspection cycle.

Effective January 1, 2015, SDHC removed the qualifying criteria from the inspections protocol and implemented a biennial inspections cycle for all tenant-based participants, including the VASH and NED programs. Inspections were also optimized to (1) balance the number of inspections between the months and years and (2) utilize zones defined by census tracts to schedule clusters of inspections to maximize travel time. In March 2017, SDHC placed additional housing programs on the biennial inspection cycle. The programs include the Sponsor-Based Subsidy Program, the Family Unification Program, and all project-based vouchers. The Guardian Scholars Housing Program, Monarch School Housing Program, and Transitional Project-Based Subsidies for the Homeless Program transitioned to a biennial inspection cycle in June 2018.

Concerning the Self-Certification of Repairs: Inspectors conducting an annual inspection where only a minor fail item prohibits the unit from receiving a "Pass" result have the discretion to allow the tenant and owner the opportunity to complete a Self-Certification of Repair form in lieu of scheduling a second inspection. When the option is available, the tenant and property owner remedy the minor fail item and return the signed Self-Certification of Repair form to SDHC. The unit is issued a "Pass" status upon receipt of the form.

During Fiscal Year 2020, as a result of the COVID-19 pandemic, a technical amendment to the activity was approved. The approved modifications were:

- Both landlords and tenants are required to self-certify that the building, premises, and unit fulfill HQS requirements with SDHC
- If the self-certification indicates the presence of any health or safety concerns, SDHC will conduct a physical inspection taking proper precautions pertaining to the type of emergency.

IMPACT OF ACTIVITY

Using the revised inspection protocol, SDHC initially predicted saving 1.5 Full Time Equivalents (FTEs) due to the overall reduction of mandatory HQS inspections utilizing the capacity of the Self-Certification of Repair process and the biennial inspection cycle system. At the conclusion of Fiscal Year 2020, SDHC reduced the total number of inspections by 7,884 when compared to baseline numbers which translated into an approximate savings of 5 FTEs. The additional staff savings allows the inspections department to continue scheduling the HQS inspections, maintain an inspections coordinator, and continue increasing the number of Quality Assurance

inspections conducted. SDHC was able to utilize the emergency modifications approved through the FY 2020 technical amendment in order to ensure that HQS inspections were able to be completed as required.

IMPLEMENT A REVISED INSPECTION PROTOCOL				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
CE #1: Agency Cost Savings *Total cost of task in dollars (decrease).*	$544,779	$451,737	$331,911	Yes
CE #2: Staff Time Savings *Total time to complete the task in staff hours (decrease).*	15,133	12,548	9,220	Yes
CE #3: Decrease in Error Rate of Task Execution *Average error rate in completing a task as a percentage (decrease).*	11%	10%	0%	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

N/A

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2010-2. AUTHORIZE SDHC TO INSPECT AND DETERMINE RENT REASONABLENESS FOR SDHC-OWNED PROPERTIES

PLAN YEAR IDENTIFIED

Fiscal Year 2010

IMPLEMENTATION DATE

July 13, 2009

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

Federal regulations require an outside inspection contractor to perform HQS inspections and rent reasonableness determinations on Public Housing Authority-owned units receiving Federal subsidies for housing programs. SDHC owns over 2,000 affordable housing units in which the regulations under standard HQS requirements may apply. In order to reduce cost and achieve greater cost effectiveness in Federal expenditures, SDHC received permission from HUD to conduct inspections and determine rent reasonableness for SDHC-owned units using MTW waivers.

IMPACT OF ACTIVITY

SDHC conducted 849 inspections on SDHC-owned units during Fiscal Year 2020 and did not utilize a third-party vendor during the reporting period. The cost for a third-party vendor to conduct inspections per regulations is $24,555. As a result of the initiative, SDHC saved $5,028 thus SDHC more efficiently and effectively utilized Federal expenditures. Staff time savings are not achieved since SDHC conducts additional inspections as a result of the activity. The decrease in error rate is measured in terms of whether or not a unit

passes inspection on the first instance when a quality control inspection is conducted. In Fiscal Year 2020, SDHC reduced the error rate by 13 percent.

AUTHORIZE SDHC TO INSPECT AND DETERMINE RENT REASONABLENESS FOR SDHC-OWNED PROPERTIES				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
CE #1: *Agency Cost Savings* Total cost of task in dollars (decrease).	$128,716	$105,731	$19,527	Yes
CE #2: *Staff Time Savings* Total time to complete the task in staff hours (decrease).	0	0	0	Yes
CE #3: *Decrease in Error Rate of Task Execution* Average error rate in completing a task as a percentage (decrease).	14%	10%	1%	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2010-4. CHOICE COMMUNITIES

PLAN YEAR IDENTIFIED

Fiscal Year 2010

IMPLEMENTATION DATE

January 1, 2010 (Security Deposit Program, Affordability Cap, and Mobility Counseling)

June 1, 2010 (Payment Standards)

PLAN YEAR AMENDED

Fiscal Year 2012 Amendment

Fiscal Year 2018

ACTIVITY DESCRIPTION

The Choice Communities initiative focuses on providing incentives and assistance to MTW program participants aspiring to move to areas of opportunity. SDHC uses a three-pronged approach containing the following elements:

1. A security deposit loan program for families moving to high opportunity areas.

2. A robust mobility counseling program which offers the provision of pre- and post-move counseling, resources and information, assistance with the unit search, and guidance to families expressing interest in moving to neighborhoods of opportunity. The mobility counselor also engages in significant landlord outreach to increase landlord participation and market the Housing Choice Voucher program.

3. Increased payment standards in for opportunity zip codes.

Note: The Choice Communities activity previously employed a four-pronged approach to incentivize participants to move into low-poverty areas of San Diego. Implementation of the Fiscal Year 2015 activity increasing the rent burden from 40 percent to 50 percent program wide eliminated the need for this component of the Choice Communities initiative.

Initially, nine zip codes were identified as target areas for participants seeking to relocate to a better neighborhood. In the Fiscal Year 2018 MTW Annual Plan, SDHC re-proposed the initiative to authorize the agency to determine local Fair Market Rents which considers both gross rents and opportunity indicators in order to establish a payment standard structure. Three opportunity areas were identified according to the opportunity indicators, and updated payment standards were applied to each area: Signature, Enterprise, and Choice. Enterprise Communities and Choice Communities are considered areas of opportunity. The new payment standards were implemented effective January 1, 2018.

During Fiscal Year 2020, the mobility counseling team developed community profiles to inform program participants on areas within SDHC's jurisdiction. These profiles include information on mass transit routes, schools, hospitals, grocery stores, parks, and types of housing found in the area (mobile homes, multi-family, single family attached, and single family detached). SDHC's mobility counseling team also shares with participants the major employers that are located in the area, as well as information on industries found in each community. This information is particularly valuable to participants that are interested in moving into a different area of the City of San Diego that they may not be familiar with.

IMPACT OF ACTIVITY

To date, 561 households have moved into choice neighborhoods since implementation of the activity in January 2010. A total of ten percent of total moves processed involved families moving into or within areas of higher opportunity. Of this ten percent, half were moving from areas of lower opportunity into areas of higher opportunity and the other half was already residing in areas of higher opportunity and moving within the same area.

One hundred percent of the 119 families moving into Enterprise and Choice areas during Fiscal Year 2020 received services aimed to increase housing choice while 362 families participated in the Security Deposit Loan Program. Total dollars loaned in the fiscal year equaled $511,236 with a cumulative total of $1,321,969 since program implementation. This year saw an increase of almost $200,000 in dollars loaned.

Note: Families newly admitted to the program and port-ins are not included in the metric measuring the increase in resident mobility since SDHC cannot verify the poverty rate and opportunity indicators of origin. During Fiscal Year 2020, via internal tracking, a total of 48% of newly admitted families moving into units within Enterprise and Choice areas.

CHOICE COMMUNITIES				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
HC #5: Increase in Resident Mobility Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	33	300	561	Yes
HC #7: Households Assisted by Services that Increase Housing Choice Number of households receiving services aimed to increase housing choice (increase).	0	750	1,047	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2010-5. STANDARDIZE UTILITY ALLOWANCES BY UNIT SIZE

PLAN YEAR IDENTIFIED

Fiscal Year 2010

IMPLEMENTATION DATE

October 1, 2009

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

The activity authorizes a simplified utility allowance structure where the utility allowance amount is based on whether or not the family is responsible for the water/sewer portion of the utilities. The standardized utility allowance schedule reduces the administrative burden related to applying the correct utility allowances during the rent calculation process as well as reduces administrative errors.

Please see the chart below for a review of the utility allowance amounts used for the purposes of the initiative:

Bedrooms	MTW Standard Utility Allowance - Sewer/Water Included	MTW Standard Utility Allowance - Sewer/Water Not Included
0	$49	$18
1	$49	$25
2	$83	$36
3	$113	$49
4	$154	$68
5	$176	$72
6	$192	$94

* Excluding $0 Utility Allowance Households

IMPACT OF ACTIVITY

The utility allowance calculation was simplified in order to streamline certification and leasing processes as well as reduce the complexity of the utility allowance for ease of administration, especially as related to landlords and tenants. The streamlined utility allowance is only offered to tenants currently responsible for utilities as prescribed in the lease and HAP contract. The activity has had a positive impact on program administration; calculation error rates were reduced and significant staff time savings were seen as a result of the implementation.

STANDARDIZE UTILITY ALLOWANCE BY UNIT SIZE				
Metric	Baseline	Benchmark	Outcome	Benchmark Achieved?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$31,710	$6,330	$4,311	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	1,057	211	144	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).	11%	6%	3%	Yes
CE #5: Increase in Agency Rental Revenue Total household contributions towards housing assistance (increase).	$62,464,332	$68,710,765	$84,918,660	Yes

HARDSHIP REQUESTS

At the close of Fiscal Year 2020, zero families requested a hardship exemption due to the new policy. SDHC does not anticipate receiving any hardship requests since eight years have elapsed since implementation of the activity. However, the hardship policy remains in effect in the event a household requests the hardship in the future.

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2010-6. SIMPLIFY INCOME AND ASSET VERIFICATION SYSTEMS

PLAN YEAR IDENTIFIED

Fiscal Year 2010

IMPLEMENTATION DATE

October 1, 2009

PLAN YEAR AMENDED

Fiscal Year 2016

ACTIVITY DESCRIPTION

The income and asset verification policy was simplified in order to streamline verification processes related to conducting annual and interim certifications. The revised verification policy originally contained two main components: Allowing program participants to self-certify the total cash surrender value of all assets when less than $10,000 and restructuring the order of the verification hierarchy. Using the new verification system, staff was not required to issue third-party verifications to verify income and assets and was able to rely on review of documents and UIV as the preferred method of verification. EIV reports are utilized according to HUD requirements while applying the flexibilities afforded SDHC via (1) the MTW activity modifying EIV requirements related to the income report review schedule and (2) the biennial reexamination cycle.

In the Fiscal Year 2016 MTW Plan, SDHC re-proposed the activity in order to:

1. Eliminate assets from the rent calculation regardless of the methods of acquisition or disposal; and

2. Disallow homeownership as criterion for program eligibility and ongoing participation.

SDHC implemented the modifications to the initiative with new admissions effective October 2015, moves/interim requests received May 2016 and after, and full reexaminations of income and household composition effective July 2016.

IMPACT OF ACTIVITY

The effect of the initiative was a significant reduction in the number of third party verifications sent on behalf of the participant. Also, since staff no longer was required to verify assets, significant staff savings resulted from the initiative.

SIMPLIFY INCOME AND ASSET VERIFICATION SYSTEMS TO REDUCE ADMINISTRATION COSTS				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$17,040	$3,345	$1,034	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	568	112	34	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).	13%	7%	0%	Yes
CE #5: Increase in Agency Rental Revenue Total household contributions towards housing assistance (increase).	$62,464,332	$68,710,765	$84,918,660	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

During Fiscal Year 2010 and Fiscal Year 2011, SDHC utilized a manual tracking log completed by staff on a monthly basis to capture the number of third-party verifications issued to verify sources of income and assets. Although an accurate method of data collection, the tracking log proved to create an administrative burden for staff required to track these instances. In response, SDHC instituted an alternative data collection methodology requiring staff to only complete the tracking log for one cycle over the course of the applicable fiscal year. The collected data is then trended over the course of 12 months using full collections of historical data as a baseline of comparison. The revised method was suggested and approved by HUD during the Fiscal Year 2011 MTW annual site visit.

2010-7. ADOPT A LOCAL INTERIM CERTIFICATION POLICY

PLAN YEAR IDENTIFIED

Fiscal Year 2010

IMPLEMENTATION DATE

July 1, 2011

PLAN YEAR AMENDED

Fiscal Year 2012 Amendment

ACTIVITY DESCRIPTION

The local interim policy was created to encourage non-elderly/non-disabled households to maintain current sources of income, thus encouraging self-sufficiency and economic independence.

Changes enacted under the local interim policy include the following elements:

- If the decrease in income is a result of loss of employment, the participant must apply for unemployment benefits (UIB). An interim will not be processed until the household provides proof of the UIB determination.

- The household is only allowed one decrease in the rent portion in a 12-month period due to a reduction in income; multiple decreases within the 12 months are not processed.

  - **Update:** This policy was suspended as a result of SDHC's FY 2020 technical amendment in response to the COVID-19 pandemic. This item will be reinstated once emergency operations are ended.

- All household income, including new income obtained since the last full reexamination is considered for purposes of determining eligibility for the decrease in income interim and will be used in the rent calculation if the interim is processed.

- The loss of income must result in a reduction of the rent portion by more than 20 percent. A household does not qualify for an interim adjustment if the change in the rent portion is less than 21 percent.

  - **Update:** This policy was suspended as a result of SDHC's FY 2020 technical amendment in response to the COVID-19 pandemic. This item will be reinstated once emergency operations are ended.

- An interim will not be processed due to a decrease of public assistance income resulting from a finding of fraud or a failure to comply with work/school requirements.

- The loss of the income source must be through no fault of the program participant. A voluntary loss of income, such as terminating employment without good cause, is not considered an eligible "decrease of income" for purposes of granting a decrease of income interim.

  - **Update:** This policy was suspended as a result of SDHC's FY 2020 technical amendment in response to the COVID-19 pandemic. This item will be reinstated once emergency operations are ended.

In addition to the changes enacted through MTW flexibility, SDHC revised additional components of the decrease of income interim policy. The following revisions do not require MTW authority:

- The decrease of income must be expected to last more than 90 days, a change from the previous 60-day threshold.

  - **Update:** This policy was suspended as a result of SDHC's FY 2020 technical amendment in response to the COVID-19 pandemic. This item will be reinstated once emergency operations are ended.

- The decrease of income interim will be effective the first of the month following the receipt of all required documents from the households, not the first of the month following the written request per the preceding policy.

- If determined eligible for an interim reduction in the rent portion and the interim reexamination is processed, the household must report any increase in income within ten (10) days of the increase. The prior policy did not contain this requirement.

  - **Update:** This policy is no longer effective as of June 30, 2017.

Please note: The local interim policy and the flexibilities waived using MTW authority are not applicable to elderly/disabled households.

The hardship exemption was created in response to the interim policy limiting the number of decrease of income interims. All requests are reviewed on a case-by-case basis. The eligibility criterion for a hardship approval is as follows:

1) The participant household must provide proof of the inability to continue paying the current rent portion because of a financial hardship, including:

   a) The family's income has decreased because of loss of employment through no fault of the family, and the family demonstrates efforts towards regaining employment;

   b) A death has occurred in the family which eliminates a prior source of income; or

2) Other circumstances determined to warrant an exemption by SDHC.

3) The qualifying financial hardship is long-term (a minimum of 3 months).

A written hardship request and supporting documentation is reviewed by designated staff within the rental assistance department, and a determination is completed based upon the aforementioned criteria and a preponderance of evidence supporting the household's contention.

IMPACT OF ACTIVITY

The number of decrease of income interim reexaminations decreased from Fiscal Year 2020 levels allowing SDHC to achieve success related to cost effectiveness benchmarks; a total of 463 decrease of income interims were processed for Work-Able families. The average earned income amounts for households surpassed benchmark levels resulting in a 31 percent increase over the baseline.

As a separate metric, SDHC also measured the average annual income of Work-Able families to determine if other sources of income were obtained in lieu of earned income. The resulting annual average calculated at $26.866 at the close of the fiscal year, a 42 percent increase over the baseline measurement of $18,971. SDHC believes the Local Interim Policy in combination with Path to Success and Achievement Academy work-readiness services is responsible for the productive economic behaviors displayed in the outcomes.

ADOPT A LOCAL INTERIM RECERTIFICATION POLICY				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
CE #1: Agency Cost Savings — Total cost of task in dollars (decrease).	$21,000	$20,160	$9,062	Yes
CE #2: Staff Time Savings — Total time to complete the task in staff hours (decrease).	700	672	302	Yes
CE #5: Increase in Agency Rental Revenue — Total household contributions towards housing assistance (increase).	$62,464,332	$68,710,765	$84,918,660	Yes
SS #1: Increase in Household Income — Average earned income of households affected by this policy in dollars (increase).	$20,831	$22,914	$27,335	Yes
SS #3: Increase in Positive Outcomes in Employment Status (1) Employed Full-Time	50	63	105	Yes
(2) Employed Part-Time	29	36	53	Yes
(3) Enrolled in an Educational Program	16	20	19	No
(4) Enrolled in Job Training Program	32	40	15	No
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF) — Number of households receiving TANF assistance (decrease).	2,010	1,700	1,018	Yes
SS #8: Households Transitioned to Self Sufficiency — Number of households transitioned to self-sufficiency (increase).* *For purposes of the metric, self-sufficiency is defined as exiting a rental assistance program due to $0 assistance rendered or voluntary surrender of assistance.	0	100	874	Yes

HARDSHIP REQUESTS

During Fiscal Year 2020, 11 households requested a standard hardship exemption; one household were approved. In response to the COVID-19 pandemic, SDHC allowed interim requests to be submitted on a modified basis. As of the end of Fiscal Year 2020, a total of 1,058 COVID-19 hardship requests were received, with 766 being approved.

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology

2010-9. EXPAND THE PROJECT-BASED VOUCHER PROGRAM

PLAN YEAR IDENTIFIED

Fiscal Year 2010

IMPLEMENTATION DATE

September 1, 2009

PLAN YEAR AMENDED

Fiscal Year 2015

ACTIVITY DESCRIPTION

Under the initiative, local non-profits and developers compete for the opportunity to receive a project-based allocation of vouchers, at times coupled with the provision of supportive services. SDHC may award the project-based vouchers (PBV) using a non-competitive process if the competitive process does not yield viable proposals meeting SDHC's objective. SDHC utilizes flexibilities from an existing initiative from the Fiscal Year 2011 Plan allowing SDHC to project-base units in SDHC-owned developments without a competitive process. In the Fiscal Year 2015 Plan, SDHC re-proposed the activity to add additional flexibilities to administer project-based vouchers. All flexibilities contained in this initiative apply to SDHC-owned units as well.

SDHC uses the following MTW flexibilities and strategies to increase housing choice in San Diego:

1) Collaborate with local developers and non-profit housing providers by creating long-term subsidies by means of project-based vouchers, in exchange for the creation of affordable housing for designated low-income populations. The provision of supportive services may be required in the PBV development.

2) Increase the range of options available to low-income households living in high-poverty areas by allowing SDHC to approve an exception payment standard for PBV developments without requiring HUD approval. Since SDHC's jurisdiction contains pockets of neighborhoods with high Fair Market Rents (FMRs), approving exception payment standards exceeding 110% of the FMR without requiring HUD approval increases viable low-income housing options in affluent sectors of the City. SDHC will determine exception areas based on the average percent below the poverty line in contiguous census tracts. The average percent below the poverty line must be less than 30 percent of the published AMI in no less than two contiguous census tracts. The maximum contract rent per unit will adhere to rent reasonableness requirements and apply only in project-based developments to ensure cost effectiveness. Application of the policy will be closely monitored for financial considerations. SDHC will determine rent reasonableness for SDHC-owned units as authorized through a Fiscal Year 2010 MTW activity.

3) Designate greater than 20 percent of SDHC's voucher allocation as PBV with a maximum allotment of 5 percent of total vouchers authorized as PBV per year.

4) Expand the use of project-based vouchers by increasing the permissible percentage of subsidized units in a single development from 25 percent to 100 percent. The number of designated PBV units in a contract may increase outside of the initial term of the contract.

5) In conjunction with programs such as the Neighborhood Stabilization Program, SDHC may apply creative measures utilizing project-based vouchers to increase housing opportunities in vacant and foreclosed properties in the community.

6) Allow for project-specific waiting lists maintained by the owners or non-profit providers in compliance with agency standards.

7) SDHC and/or the developer may require the resident to participate in supportive services as a condition of tenancy. Examples of supportive services rendered may include, but are not limited to, case management, trauma treatment, health and dental care, legal assistance, substance abuse counseling, and mental health therapy. The supportive services offered will be determined by the population served at each PBV complex and the specialized treatment offered by partnering agencies providing the services. Failure to engage in the supportive services may result in program non-compliance with the possibility of termination. Each instance of non-compliance will be evaluated on a case-by-case basis with a decision rendered per the language contained in

Memorandum of Understanding between SDHC and the partnering agency. Extenuating circumstances will be considered for purposes of determining the appropriate course of action as is consistent with current agency practice.

The selected partners are authorized to conduct initial and on-going eligibility determinations while assisting the residents with completing paperwork and gathering verification documents. SDHC recognizes certain confidential verification sources, such as EIV, are not accessible to the partnering agencies. For this reason, SDHC continues to generate and analyze these types of documents and reports. In such instances, the finalized packets are forwarded to SDHC staff for review, final eligibility determination, certification processing, quality control auditing, and submission of the HUD-50058.

SDHC maintains responsibility for calculating the tenant's rent portion. The rent calculation methodology utilized for PBV participants parallels the calculation used for tenant-based voucher participants, including the application of rent reform activities designed under the MTW program.

SDHC adopted the Coordinated Entry System (CES) to place homeless individuals into project-based units designated for the homeless population. The individuals are assessed using the Vulnerability Index-Service Prioritization and Decision Assistance Tool (VI-SPDAT) to inform referral decisions. Those scoring as high acuity on the VI-SPDAT are given priority with regard to receiving project-based assistance.

IMPACT OF ACTIVITY

Expanding the PBV program allowed SDHC to allocate an additional 400 vouchers to provide housing to homeless and low-income families. The vouchers supplement the baseline of 39 project-based vouchers of which 33 served low-income families and 6 served the homeless. Of the PBV dedicated at inception of the initiative, an additional 200 vouchers would serve each population respectively, or a total of 233 dedicated to low-income families and 206 dedicated to the homeless.

Due to the City of San Diego's focus on eliminating homeless in the city, SDHC significantly expanded the number of vouchers dedicated to the homeless since implementation of the activity. SDHC committed 363 project-based vouchers during Fiscal Year 2020 for a total of 2,172 committed or under AHAP/HAP contracts. Of the 2,172 units with project-based commitments, 1,762 units serve the homeless. Designating additional vouchers increased the range of housing options and housing opportunities to underserved families in San Diego. Outcomes of the activity are as follows:

EXPAND THE PROJECT-BASED VOUCHER PROGRAM				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
CE #1: *Agency Cost Savings* Total cost of task in dollars (decrease).	$28,400	$23,570	$12,883	Yes
CE #2: *Staff Time Savings* Total time to complete the task in staff hours (decrease).	947	786	429	Yes
HC #4: *Displacement Prevention* Number of homeless households at or below 80% AMI that would lose assistance or need to move (decrease).	0	88	88	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology

2011-1. ALLOW LOWER RENTS FOR NON-ASSISTED UNITS IN SDHC-OWNED DEVELOPMENTS

PLAN YEAR IDENTIFIED

Fiscal Year 2011

IMPLEMENTATION DATE

October 1, 2010

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

SDHC received authorization to use a revised rent reasonableness protocol to determine rent reasonableness for assisted units in SDHC-owned developments. Rent reasonableness for voucher assisted units are determined by comparisons to similar units in the surrounding neighborhoods rather than within the development.

IMPACT OF ACTIVITY

In Fiscal Year 2020, zero SDHC-owned units utilized the flexibility to allow lower rents in unassisted units than in assisted units. SDHC created and implemented the initiative to ensure tenants residing in affordable developments owned and/or acquired by SDHC were afforded a transition period before contract rents were reassessed and increased. Although the activity was not used during Fiscal Year 2020, SDHC anticipates utilizing the MTW flexibility in future years due to ongoing affordable housing development activities.

ALLOW LOWER RENTS FOR NON-ASSISTED UNITS IN SDHC-OWNED DEVELOPMENTS				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
CE #1: *Agency Cost Savings* Total cost of task in dollars (decrease).	$97,350	$89,562	$0	Yes
CE #2: *Staff Time Savings* Total time to complete the task in staff hours (decrease).	3,245	2,985	0	Yes
CE #3: *Decrease in Error Rate of Task Execution* Average error rate in completing a task as a percentage (decrease).	1.00%	0.75%	0	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2011-2. AUTHORIZE COMMITMENT OF PBV TO SDHC-OWNED UNITS

PLAN YEAR IDENTIFIED

Fiscal Year 2011

IMPLEMENTATION DATE

October 1, 2010

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

Affordable units within SDHC-owned developments were limited to either tenant-based voucher assisted households with incomes not exceeding 80 percent of the Area Median Income (AMI) at initial occupancy or non-assisted households with average incomes conducive to affording the full contract rent. To preserve and improve the affordable units within each development, SDHC received authority to commit project-based vouchers to SDHC-owned properties with neither a competitive process nor HUD approval.

The activity also utilizes waivers allowing SDHC to conduct HQS inspections and rent reasonableness determinations for SDHC-owned units in project-based developments. Although the number of HQS and rent reasonableness determinations does not historically represent significant administrative savings, the ability to conduct the inspections/determinations internally offers flexibility and additional options during the overall assignment process among SDHC staff and contractors.

SDHC-OWNED PROJECT-BASED DEVELOPMENTS				
HAP EFFECTIVE DATE	DEVELOPMENT NAME	TOTAL NO. OF UNITS IN DEVELOPMENT	TOTAL NO. PROJECT BASED UNITS AUTHORIZED IN DEVELOPMENT	% OF PROJECT BASED UNITS AUTHORIZED IN DEVELOPMENT
4/28/2010	Meade	30	12	40%
5/1/2010	Santa Margarita	32	12	38%
10/15/2010	Courtyard	37	3	8%
11/1/2010	Hotel Sanford	130	29	22%
5/14/2013	Mason Hotel	17	16	94%
6/1/2013	Parker-Kier	33	22	67%
2/1/2016	New Palace Hotel	80	79	99%
2/4/2016	Village North Senior	120	44	37%
8/13/2018	Quality Inn	92	91	99%
9/15/2018	West Park Inn	47	46	98%
	TOTAL	**618**	**354**	**57%**

IMPACT OF ACTIVITY

The flexibility enables SDHC to provide a permanent housing solution for serving the homeless, a principal focus of both SDHC and the City of San Diego. The initiative further increased the number of affordable units available in the City of San Diego, therefore increasing housing choice for low-income families, including homeless populations. In Fiscal Year 2020, no additional PBV vouchers were committed to SDHC-owned developments.

Activity outcomes are as follows:

AUTHORIZE COMMITMENT OF PBV TO SDHC-OWNED UNITS				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$2,272	$0	$0	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	56	0	0	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2011-3. TWO YEAR OCCUPANCY TERM FOR PBV TENANTS

PLAN YEAR IDENTIFIED

Fiscal Year 2011

IMPLEMENTATION DATE

October 1, 2010

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

The activity adopted by SDHC mandates a minimum occupancy requirement of two years in project-based developments before households are eligible to available tenant-based vouchers, thus modifying the one-year occupancy requirement contained in Federal regulations.

To ensure vacancy rates in PBV developments do not exceed a level compromising the sustainability of the property, SDHC re-proposed the initiative in the Fiscal Year 2013 MTW Annual Plan with another modification contained in the Fiscal Year 2012 MTW Annual Report:

> "No more than 35 percent of the tenants in any given development becoming eligible to transition to a tenant-based voucher in any given year and no more than 10 percent in any given month are allowed to move from the PBV assisted complex. A waiting list is maintained for tenants requesting to move when the threshold is exceeded. The availability of a tenant-based voucher is a factor as well."

SDHC included the following hardship policy in the Administrative Plan for families presenting a compelling reason to vacate the PBV unit and receive a tenant-based voucher prior to fulfilling the 24-month occupancy requirement:

> "Families who present a compelling reason to move from the PBV unit and receive a tenant-based voucher prior to fulfilling the 24-month occupancy requirement will be reviewed on a case-by-case basis. The case will go before the Sr. Vice President of Rental Assistance, or designee, and approval to move with a tenant-based voucher may be granted. Circumstances surrounding the request to move, such as VAWA requirements, employment opportunities in other PHA jurisdictions, and availability of tenant-based vouchers will be considered as part of the determination."

IMPACT OF ACTIVITY

The anticipated impact of the initiative concerns stabilizing the occupancy of project-based developments by reducing tenancy turnover and the corresponding administrative costs. The average annual turnover rate in Fiscal Year 2020 was nine percent, a significant decrease when compared to the baseline of 30 percent. Vacancy rates average eight percent, another decrease from the baseline of fourteen percent.

REQUIRE OCCUPANCY IN PBV DEVELOPMENTS FOR TWO YEARS BEFORE HOUSEHOLDS A ELIGIBLE TO AVAILABLE TENANT-BASED VOUCHERS				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
CE #1: *Agency Cost Savings* Total cost of task in dollars (decrease).	$24,960	$12,480	$30,738	No
CE #2: *Staff Time Savings* Total time to complete the task in staff hours (decrease).	832	416	1,025	No

HARDSHIP REQUESTS

SDHC granted zero hardships in Fiscal Year 2020.

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges. However, the significant increase in project-based vouchers has increased the number of moves with a tenant-based voucher even after the two year waiting period. Additionally, the increase of project-based vouchers allocated to serving the homeless oftentimes increases unit turnover due to the instability inherent to the population. For these reasons, benchmarks were not achieved since 94 move outs occurred in Fiscal Year 2020.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2011-4. ACQUISITION OF ADDITIONAL AFFORDABLE UNITS

PLAN YEAR IDENTIFIED

Fiscal Year 2011

IMPLEMENTATION DATE

July 1, 2010

PLAN YEAR AMENDED

Fiscal Year 2014

ACTIVITY DESCRIPTION

The activity utilizes broader uses of funds authority to create affordable housing in San Diego using MTW funds. The activity was re-proposed in the Fiscal Year 2014 Plan to expand the array of affordable housing development options. Methods of development include, but are not limited to, preservation, acquisition of an existing development, acquisition of land and new construction (alone or in combination), moderate or substantial rehabilitation, funding pre-development activities, and gap financing. Affordable housing units created via the initiative serve both voucher assisted households as well as households at or below 80 percent AMI and are funded either entirely or in-part using MTW funds. The activity increases housing choice in the City of San Diego.

IMPACT OF ACTIVITY

Since implementation, 1,902 affordable housing units have been created or preserved in the City of San Diego as a direct result of the initiative. Of the units created, 131 market rate units in the Maya Linda development were made affordable by using MTW funds to satisfy the terms of the mortgage.

SDHC committed $9.3 million MTW funds as gap financing for the Churchill. The Churchill, formerly identified as the Hotel Churchill, is a seven story historically designated structure located on a 10,000 square foot rectangular lot in downtown San Diego. Seventy-two Sponsor-Based Subsidies have also been committed to the development. Construction was completed in early Fiscal Year 2017.

SDHC expended $15 million MTW funds to purchase Village North Senior Garden Apartments, a 120-unit existing development. Upon acquisition of the development, 100 percent of the units were transitioned from market rate apartments to affordable units. Additionally, 44 project-based vouchers were committed to serve the elderly, homeless population.

SDHC acquired New Palace Hotel, an 80-unit development, in December 2015. As a result of the acquisition, SDHC preserved 79 affordable housing units in the City of San Diego. Project-based vouchers were committed to 100 percent of the development (excluding the manager's unit) to serve the homeless population. Additionally, SDHC uses the flexibility of the initiative to fund a portion of the operating expenses for the project-based units to ensure the development remains solvent. Restrictions on the units due to a state of California program limit the cash flow; MTW funds will be utilized for approximately four years until the state restrictions expire.

SDHC expended $7.6 million MTW funds to in-part purchase the Quality Inn in December 2017. The acquisition creates 92 units of affordable housing in the City of San Diego. Rehabilitation activities will occur in calendar year 2019 to update the units and transition a portion of the SRO units into studio rentals. Ninety-one project-based vouchers are committed to the development.

MTW Block Grant Commitments to Preserve Affordable Housing

Through a Board action in Fiscal Year 2016, SDHC committed $12 million of HUD-held reserves to fund rehabilitation activities of SDHC-owned affordable housing developments to ensure the properties receive necessary capital repairs. The rehabilitation of the developments remedied items identified through the Green Physical Needs Assessment (GPNA) assessment, thus preserving affordable housing in the City of San Diego. In Fiscal Year 2017, 667 units were preserved via rehabilitation activities. The remaining 645 units underwent rehabilitation construction in Fiscal Year 2018. SDHC invested $8.9 million of HUD-held reserves to fund the second round of GPNA capital repairs. An additional $3.5 million was utilized to fund the substantial rehabilitation of 84 SDHC-owned affordable units in the Via Las Cumbres Affordable Housing portfolio (not including the 36 public housing units) during Fiscal Year 2018. During Fiscal Year 2019, $1.2 million was utilized to fund the rehabilitation of SDHC-owned affordable-housing units in Vista Verde, and as a result, 12 units were preserved via the MTW Block Grant. Note: The properties may contain Housing Choice Voucher participants.

The Churchill, Village North Senior, and Quality Inn units are reported as "new housing units made available" in the metrics. Maya Linda, New Palace Hotel, Via Las Cumbres, and the 1,312 SDHC-Owned GPNA units are reported as "new housing units preserved" in the metrics. Thus, benchmarks are achieved and superseded.

ACQUISITION OF ADDITIONAL AFFORDABLE UNITS				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
HC #1: *Additional Units of Housing Made Available* Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0	200	284	Yes
HC #2: *Units of Housing Preserved* Number of new housing units preserved for households at or below 80% AMI as a result of the activity (increase).	131	131	1,606	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2011-6. MODIFY EIV INCOME REPORT REVIEW SCHEDULE

PLAN YEAR IDENTIFIED

Fiscal Year 2011

IMPLEMENTATION DATE

August 1, 2010

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

HUD regulations mandate the use of the EIV income report as a third party source to verify participant employment and income information during the full reexamination of income and household composition. Reinterpretation of the regulations concerning the use of the EIV changed the requirement such that review of the EIV income report became a required component of all certification processes, including interim certifications. In Fiscal Year 2011, SDHC received permission to exempt interim certifications from the requirement to use the EIV income report. SDHC continues to use the EIV income report when processing full reexaminations of income and household composition in accordance with the annual and biennial reexamination cycles.

IMPACT OF ACTIVITY

Of the interims processed during Fiscal Year 2020, EIV income reports were generated for only .007 percent of all interims. The initiative ensures Federal expenditures are utilized more efficiently and effectively through a reduction of staff hours and the resulting cost savings.

MODIFY EIV INCOME REPORT REVIEW SCHEDULE				
METRIC	**BASELINE**	**BENCHMARK**	**OUTCOME**	**BENCHMARK ACHIEVED?**
CE #1: *Agency Cost Savings* Total cost of task in dollars (decrease).	$61,500	$30,750	$436	Yes
CE #2: *Staff Time Savings* Total time to complete the task in staff hours (decrease).	2,050	1,025	15	Yes
CE #3: *Decrease in Error Rate of Task Execution* Average error rate in completing a task as a percentage (decrease).	1.8%	1.5%	4.8%	No
CE #5: *Increase in Agency Rental Revenue* Total household contributions towards housing assistance (increase)	$62,464,332	$68,710,765	$84.918.660	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2011-7. DEVELOPMENT OF PUBLIC HOUSING UNITS USING A COMBINATION OF FUNDS

PLAN YEAR IDENTIFIED

Fiscal Year 2011

IMPLEMENTATION DATE

July 1, 2010

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

SDHC received approval to develop additional public housing units using a combination of funds and without a competitive process. The creation of public housing units for low-income households increases the availability of affordable housing within San Diego while balancing SDHC's affordable housing portfolio. The methods of development approved under the initiative include both acquisition and rehabilitation. As previously reported, the Public Housing Development initiative approved in Fiscal Year 2010 has been closed out and all Public Housing development is reported under this activity.

IMPACT OF ACTIVITY

SDHC received HUD's permission to convert and renovate 113 state-aided units to public housing. The 113 units include 112 state-assisted units and one manager's unit. HUD granted approval on April 25, 2013 for the transition of the state sites transaction into public housing. The units were being converted in two phases: The Picador conversion date occurred in October 2013 with the Otay Villas scattered sites conversion completed in Fiscal Year 2017. SDHC utilized RHF funds to complete the renovation of Picador as well as committed RHF funds for the rehabilitation of the scattered sites. The conversion of the 112 public housing units enables SDHC to supersede the benchmark of 105 new public housing units. The scattered sites added another 35 public housing units to the 152-unit outcome. Upon completion of the scattered sites in Fiscal Year 2017, 187 units of public housing were made available to low-income households.

Finally, in Fiscal Year 2017, $422,267 in RHF funds leveraged $46,053 of MTW funds. Of the $9.75 million expended to rehabilitate the former state site units, a total of $1,231,878 in Community Development Block Grant funds and $6,288,647 in Replacement Housing Factor (RHF) funds leveraged the MTW Block Grant funds utilized for the balance of the rehabilitation activities, thus increasing cost effectiveness. The overall leverage for the duration of the rehabilitation activities beginning in Fiscal Year 2014 is $7,520,525, or a leverage of 94 percent.

DEVELOPMENT OF PUBLIC HOUSING UNITS USING A COMBINATION OF FUNDS				
Metric	Baseline	Benchmark	Outcome	Benchmark Achieved?
CE #4: Increase in Resources Leveraged Amount of funds leveraged in dollars (increase).	$0	$250,000	$7,520,525	Yes
HC #1: Additional Units of Housing Made Available Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	0	75	75	Yes
HC #2: Units of Housing Preserved Number of new housing units preserved for households at or below 80% AMI as a result of the activity (increase).	0	112	112	Yes
HC #3: Decrease in Waitlist Time Average applicant time on waitlist in months (decrease).	108	96	72	Yes
HC #4: Displacement Prevention Number of households at or below 80% AMI that would lose assistance or need to move (decrease).	112	10	0	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2011-8. SPONSOR-BASED SUBSIDY PROGRAM FOR THE HOMELESS

PLAN YEAR IDENTIFIED

Fiscal Year 2011

IMPLEMENTATION DATE

July 1, 2011

PLAN YEAR AMENDED

Fiscal Year 2013

Fiscal Year 2017

ACTIVITY DESCRIPTION

The objective of the Sponsor-Based Subsidy Program for the Homeless is to work in partnership with sponsor agencies to combine comprehensive supportive services with permanent housing using MTW flexibility. In the initiative approved in Fiscal Year 2011, SDHC committed to providing up to 100 subsidies to house homeless persons while sponsor organizations provide the necessary supportive services. The program targets homeless San Diegans lacking an adequate nighttime residence, living on the street, and have disabilities and/or substance abuse issues.

SDHC re-proposed the activity in the Fiscal Year 2013 and Fiscal Year 2017 MTW Annual Plans. The following programmatic changes approved by HUD represent the program as currently administered:

1) The number of subsidies allocated to the program is 1,000 (2013)

2) Participants are not provided with a tenant-based Housing Choice Voucher upon exiting the program (2013)

3) Calculate the rent portion using 28.5 percent of gross monthly income (no allowances or deductions) for both existing and future program participants (2017)

4) SDHC may apply the Path to Success rent calculation structure to a specific allocation of subsidies (2017)

5) Expands the populations served under the program, including serving both individuals and families. (2017)

6) Reiterates the following status updates provided in applicable MTW Plans and Reports (2017):

   a) Subsidies may be utilized as tenant-based subsidies or using a project-based structure, although the assistance remains connected to the sponsoring agency.

   b) Subsidies may fund individual units, beds, or rooms. Rooms may be located in a group home, serving minors with adequate oversite provided by the sponsor.

   c) Subsidies may be awarded to SDHC without a competitive process.

   d) Both non-profit and for-profit agencies may be awarded subsidies under a competitive process. Please note: An exception to this policy is the ability to award non-competitively if previous solicitations do not yield viable opportunities to award the subsidies.

IMPACT OF ACTIVITY

The first group of 25 subsidies from the program allocation was provided to a partnership between SDHC, United Way of San Diego, and the County of San Diego. This contract went through a competitive solicitation and was awarded to Saint Vincent de Paul Village, Inc. (SVdPV), an agency providing supportive services to San Diego's homeless community. Project 25 was a pilot program, which served 25 of the highest homeless users of public resources in San Diego, with SDHC providing the housing subsidies and the supportive services provided by SVdPV and the County of San Diego. The United Way provided three years of program funding for this effort as well. The three-year pilot program continued beyond the initial three years due to a sustainability plan allowing SVdPV to continue funding and providing supportive services. Since implementation in July 2011, Project 25 has resulted in an overall reduction in public service costs for the entire County of San Diego.

SDHC competitively awarded the next two groups of 25 vouchers to two partnering non-profit agencies, Community Research Foundation and Mental Health Systems, in January 2011. Using San Diego County mental health funds, the two agencies pair the housing subsidies with mental health and substance abuse case management services for homeless individuals. Formal implementation of this Sponsor-Based Subsidy Program for the Homeless began in the first quarter of Fiscal Year 2012.

SDHC awarded 75 additional subsidies to two partnering non-profit agencies: Community Research Foundation, Inc. (35 subsidies) and Mental Health Systems, Inc. (40 subsidies) in October 2012. Using San Diego County mental health funds, the two agencies pair the housing subsides with mental health and substance abuse case management services for homeless individuals. The programs were fully implemented during Fiscal Year 2013.

Under a separate RFP, SDHC competitively awarded an additional 75 subsidies in October 2012 to three partnering agencies: Mental Health Systems, Inc. (20 subsidies), People Assisting the Homeless (35 subsidies), and Saint Vincent de Paul Village, Inc. (20 subsidies). The programs were fully implemented during Fiscal Year 2015 with the exception of the subsidies awarded to Mental Health Systems, Inc. The agency returned the unused 20 subsidies to SDHC and stated declining administrative funding created the inability to administer the additional 20 subsidies.

Eleven subsidies were awarded to Housing Development Partners, a non-profit agency which funds units at a building owned by SDHC. The development, Parker-Kier, is ground leased and operated by a partnering sponsor incorporating the participants into their scope of services on-site. The program was implemented in early Fiscal Year 2014.

- Fiscal Year 2014: Eighty-nine subsidies were awarded to Community Research Foundation. Supportive services are funded by San Diego County mental health funds to provide case management and other services to the population.

- Fiscal Year 2015: Seventy-two subsidies were awarded to Housing Development Partners for utilization in the Hotel Churchill, an affordable housing development owned by SDHC. Utilization of the 72 subsidies occurred in Fiscal Year 2017.

- Fiscal Year 2016: 59 sponsor-based subsidies were awarded to Alpha Project for use in the Alpha Square development complimented with 76 project-based vouchers serving homeless populations. The subsidies were awarded August 2015 via a Notice of Funding Availability published by SDHC.

- Fiscal Year 2017: SDHC partnered with San Diego County Behavioral Health Services to issue a joint RFP to combine subsidies with supportive services. The RFP awarded 100 subsidies to Mental Health Systems for a hybrid program which services 45 homeless individuals with severe mental illness and 55 dually diagnosed homeless individuals.

  Also in Fiscal Year 2017, an additional 400 sponsor-bases subsides were awarded under separate RFPs. The 1,000 Veterans Initiative authorized 100 subsidies to serve homeless veterans: 40 subsidies were awarded to Veterans Village of San Diego and 60 subsidies were awarded to Saint Vincent de Paul Villages. Project One For All is a collaborative effort between San Diego County Behavioral Health Services, SDHC, and other local housing authorities to end homelessness via subsidy/voucher set asides and the provision of supportive services. Please see the section below for additional details.

- Thus far, SDHC has committed 220 subsidies for this endeavor by awarding 150 subsidies to Mental Health Systems, 50 subsidies to Community Research Foundation, and 20 subsidies to Pathways Community Services. The 20 subsidies were awarded to Pathways in Fiscal Year 2018.

The total number of subsidies awarded since implementation is 880, excluding the 20 subsidies returned by Mental Health Systems, Inc. SDHC will continue to expand the program over the next several years in an effort to fully award the 1,000 subsidies allocated to the Sponsor-Based Subsidy Program for the Homeless.

Sponsor-Based Subsidy Commitments

SDHC is partnering with the County of San Diego to implement Project One for All, a comprehensive strategy to ensure individuals with serious mental illness and other co-occurring disorders have access to intensive treatment services paired with permanent housing. The project's multi-pronged approach utilizes outreach and engagement, treatment services, housing resources, and performance measurements to ensure maximum impacts and reduce homelessness in the County and City of San Diego. To satisfy the housing resources component of the four-pronged approach, SDHC has committed 733 sponsor-based subsidies to the project and partnered with five regional PHAs to provide a combined total of 1,103 housing subsidies. Project One for All is an opportunity to significantly change the landscape of homelessness throughout the region and positively impact the community.

During Fiscal Year 2020, 4 households were eligible for the Moving On program while an additional 3 received a voucher. In addition, 50 households ended participation in the Sponsor-Based subsidy program after becoming self-sufficient following zero HAP.

SPONSOR-BASED SUBSIDY PROGRAM FOR THE HOMELESS				
METRIC	**BASELINE**	**BENCHMARK**	**OUTCOME**	**BENCHMARK ACHIEVED?**
CE #4: *Increase in Resources Leveraged* Amount of funds leveraged in dollars (increase).	$0	$2,000,000	$4,249,055	Yes
SS #1: *Increase in Household Income* Average earned income of households affected by this policy in dollars (increase).	$13,329	$13,995	$18,793	Yes
SS #2: *Increase in Household Savings* Average amount of savings/escrow of households affected by this policy in dollars (increase).	$0	$0	$0	Yes
SS #3: *Increase in Positive Outcomes in Employment Status* (1) Employed full-time (2) Employed part-time (3) Enrolled in an educational program (4) Enrolled in a job training program (5) Unemployed	3 12 0 0 301	4 15 2 2 293	3 15 22 0 561	No Yes Yes No No
SS #4: *Households Removed from Temporary Assistance for Needy Families (TANF)* Number of households receiving TANF assistance (decrease).	7	5	15	No
SS #5: *Households Assisted by Services that Increase Self Sufficiency* Number of households receiving services aimed to increase self-sufficiency (increase).	0	500	596	Yes
SS #6: *Reducing Per Unit Subsidy Costs for Participating Households* Average amount of Section 8 and/or Section 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	$633	$627	$881	No
SS #7: *Increase in Agency Rental Revenue* Total household contributions towards housing assistance (increase).	$1,100,700	$1,210,770	$1,794,024	Yes
SS #8: *Households Transitioned to Self Sufficiency* Number of households transitioned to self-sufficiency (increase).* *For purposes of the metric, self-sufficiency is defined as transitioning into the Moving On Program or receiving a voucher.	0	5	7	No
HC #5: *Increase in Resident Mobility* Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity.	0	2	326	Yes

EXPLANATION OF CHALLENGES

As seen in the metrics, per unit subsidy costs have continued to increase as a result of the overall market in San Diego. Despite seeing an increase in the average subsidy costs, household income and agency rental revenues have increased. The increase in the number of unemployed is also a result of the expansion of the Sponsor-Based subsidy program since the program's inception.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2012-1. PATH TO SUCCESS

PLAN YEAR IDENTIFIED

Fiscal Year 2012

IMPLEMENTATION DATE

July 1, 2013 (Rent Reform)

November 1, 2013 (Portability Policy)

PLAN YEAR AMENDED

Fiscal Year 2012 Amendment

Fiscal Year 2014

ACTIVITY DESCRIPTION

Path to Success is a comprehensive rent reform program utilizing a tiered rent structure with progressive increases to minimum rents for Work-Able families. Families defined as Elderly/Disabled receive streamlining measures only. The model also eliminates deductions and streamlines allowances for both populations. The activity was re-proposed in the Fiscal Year 2014 Plan to include a local portability policy which limits the portability function of the Housing Choice Voucher program for families defined as Work-Able. The policy does not apply to Elderly/Disabled families. An increase in the minimum rents for Work-Able families is on schedule for a January 1, 2020 effective date, in which the minimum rents will increase to $400 for families with one work-able adult and $650 for families with two work-able adults.

Work-Able Model

The Path to Success Work-Able rent reform model utilizes two components working in tandem as one dynamic system: Tiered rents and progressive minimum rents. For the tiered rent table, adjusted annual income is separated into bands of income. If a family's adjusted income falls in between income bands, the lower edge of the band is used to calculate the rent portion. The monthly income amount at the lower edge of the band is multiplied by 30%, the utility allowance is subtracted, and the family's rent portion is the greater of the income band calculation or the applicable minimum rent.

Minimum rents are based on the number of Work-Able adults residing in the household. Minimum rents were set using factors including the current California minimum wage rate, a minimum number of weekly hours a household could reasonably expect to work, as well as the rates of other benefits most often received by program participants. The increases in minimum rent over time coincide with the expectation households will begin to work and/or increase work hours or income as a result of utilizing the features of the Achievement Academy. Most aspects of the model motivate self-sufficiency given the participants determined to be "Work-Able" will be expected to pay an increasing portion of rent over time while receiving the necessary supportive services to expand household income.

SDHC recognizes there may be subpopulations within the Work-Able population who may have difficulty adhering to the requirements of Path to Success and has made provisions for these households in the form of hardship policies.

Elderly/Disabled Model

The Elderly/Disabled population includes families where 100 percent of adults are elderly and/or disabled, with elderly being defined as 55 or older for this purpose only. The Total Tenant Payment (TTP) has been dropped to 28.5 percent with a minimum rent of $0 to ensure Elderly/Disabled families are minimally impacted by the changes proposed under Path to Success.

Additional Components of Model: Work-Able and Elderly/Disabled:

Additional features of Path to Success include aligning the application of the utility allowance with the application of the payment standard by using the smaller of the voucher or unit size to determine the utility allowance as well as eliminating the utility reimbursement. All other deductions and allowances will be eliminated with the exception of the child care and medical expense deductions. The child care deduction is administered under current regulations while the medical expense deduction is streamlined

into standard bands. Disability assistance expenses fold into the standardized medical expense bands as a further streamlining measure. Households receiving the Earned Income Disallowance (EID) at implementation continue to receive the deduction until the EID term is satisfied. No new families were enrolled in EID after implementation of Path to Success.

Local Portability Policy

Path to Success was designed to encourage self-sufficiency among Work-Able households. In order for families to fully utilize and profit from Path to Success, SDHC created a local portability policy to ensure families maximize the benefits of the program. Elderly/Disabled households are exempt from the aggressive elements of Path to Success, including the progressive minimum rents. Thus, the policy applies to only Work-Able households.

SDHC anticipated Work-Able households experiencing significant increases to their rent portion as well as applicants determined eligible for the program may consider exercising the portability aspect of the HCV program in an effort to circumvent Path to Success. Since Path to Success was designed to increase the self-determination of San Diego households in the most need of supportive services to build skill levels and increase economic opportunities, SDHC instituted the local portability policy where both participant and applicant households may only utilize the portability option as a policy exception.

Hardship Policies

Comprehensive hardship: Families requesting an exemption from the Path to Success rent calculation must request the hardship exemption in writing. Requirements for consideration are as follows:

- Family's shelter burden must be greater than the acceptable level as calculated by SDHC: 45 percent for Work-Able families and 40 percent for Elderly/Disabled families.

- The family must either be Elderly/Disabled or consist of a single Work-Able adult with one or more dependents.

- Gross income before exclusions will be considered.

- Family must sign a document consenting to participate in required self-sufficiency activities, which may include classes/workshops, applying for benefits, etcetera.

SDHC appointed an internal Hardship Review Committee which reviews and renders decisions on all hardship requests. Hardship exemptions are temporary. During the hardship exemption period, the family's monthly rent portion is reduced to the appropriate hardship minimum rent. All families approved for the hardship exemption are transferred to a designated caseworker who also serves as the nexus between the family and the Achievement Academy services. Hardship rents are applied according to the adjusted annual income, as described in the table below. The annual income bands used within the hardship rent table were increased to a maximum of $20,000 during Fiscal Year 2020 in order to account for increases to the minimum wage rates.

PATH TO SUCCESS HARDSHIP RENT TABLE	
ANNUAL INCOME	**HARDSHIP RENT**
$0 - $4,999	$0
$5,000 - $9,999	$125
$10,000 - $14,499	$250
$15,000 - $19,999	$375

- *Hardship for zero income:* Any family whose income is reduced to zero will have a zero rent portion (with no utility reimbursement) if the loss of income is through no fault of their own. The exemption will have a duration of six months' maximum after which time their rent portion will default to the applicable minimum rent. Work-Able zero income families will be required to sign a document consenting to participate in required self-sufficiency activities, which may include classes/workshops, applying for benefits, etcetera. Families are transferred to a designated caseworker serving as the nexus between the family and the Achievement Academy services. At the point the exemption ceases, the family will be responsible to pay their true rent portion or the minimum rent for the household, whichever is higher.

- *Hardship for special needs families:* As a final hardship policy, SDHC considers special situations on a case-by-case basis for admission to the Elderly/Disabled population. The Hardship Review Committee formulates a recommendation to the Sr. Vice President of Rental Assistance, or designee, who issues final approval in such extraordinary circumstances.

- *Hardship for medical expenses:* In order to accommodate Elderly/Disabled (per HUD's definition) families with extremely high medical expenses, a fourth medical band was established. Families with medical expenses of $10,000 or more will receive a medical deduction in the actual amount of qualified medical expenses.

- *Hardship for local portability policy:* HCV participants or applicants may only port-out to another jurisdiction if the household requests and is granted an exception to the policy for either pursuing employment opportunities, education, safety reasons, a medical/disability need, or other exceptions as determined on a case-by-case basis. Any family presenting a compelling reason to move outside of SDHC's jurisdiction beyond the noted policy exceptions has the request considered per the exception criteria. All requests for an exception must be requested in writing and are evaluated by management staff. A written decision is rendered and disseminated to the household advising the family of the determination.

During FY 2020, as a result of the COVID-19 pandemic, SDHC submitted an amendment to the Plan to allow for the following modifications during emergency operations:

- Minimum rents were suspended and reverted to zero for all households
- Rent calculation for all households was set at 20 percent of adjusted annual income for interim certifications

IMPACT OF ACTIVITY

Path to Success was implemented effective July 1, 2013. Work-Able and Elderly/Disabled families were placed onto the rent reform program at their respective anniversary dates throughout the course of the year. By the close of Fiscal Year 2014, 100 percent of HCV families subject to Path to Success had rent portions calculated according to the rent reform methodology which includes the first set of minimum rents: $200 for families with one work-able adult and $350 for families with two or more work-able adults. The second set of progressive minimum rents was effective with July 2015 reexaminations, increasing to $300 and $500 respectively. During Fiscal Year 2020, the third set of minimum rents was implemented beginning with January 2020 reexaminations: $400 for families with one work-able adult and $650 for families with two or more work-able adults.

In Fiscal Year 2020, Work-Able families increased average earned income amounts 36 percent over baseline. SDHC suspects the transition into the second phase of Path to Success, which requires Work-Able families to pay a higher percentage of the gross monthly income towards the rent portion, contributed to the increase in average earned income.

Approximately 30 percent of Work-Able households were subject to the progressive minimum rents which resulted in a 12 percent decrease in the average HAP. Since implementation, the decreased HAP expense enabled SDHC to expend $9.3 million MTW funds in Fiscal Year 2014 for gap financing of the Churchill, a 72-unit development serving homeless individuals. Approximately $15 million MTW funds were expended in Fiscal Year 2015 to purchase Village North Senior Garden Apartments, a 120-unit affordable housing development including 44 project-based vouchers serving the homeless. Another $7.6 million MTW funds were expended to in-part purchase Quality Inn and create 92 affordable housing units. In Fiscal Year 2018, 84 units of affordable housing at Via Las Cumbres were preserved through rehabilitation activities. Lastly, SDHC funded the rehabilitation of 1,312 SDHC-owned units by using $20.9 million in MTW funds during Fiscal Year 2017 and Fiscal Year 2018 to engage in the preservation activities.

During Fiscal Year 2020, in response to COVID-19, SDHC had 1,058 households receive interim certifications using SDHC's emergency modifications. The average tenant contribution prior to COVID-19 for these households was $722 per month. By utilizing modifications

allowing for a reversion to zero minimum rents and a 20 percent rent calculation, the new average tenant contribution came out to $445 per month. This results in an average reduction of $277 per household as a result of this emergency activity.

PATH TO SUCCESS				
Metric	**Baseline**	**Benchmark**	**Outcome**	**Benchmark Achieved?**
CE #1: Agency Cost Savings Total cost of task in dollars (decrease).	$480,609	$370,740	$265,235	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	15,733	12,136	8,841	Yes
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).	17%	15%	5%	Yes
CE #5: Increase in Agency Rental Revenue Total household contributions towards housing assistance (increase)	$47,360,952	$52,097,047	$49,809,504	No
SS #1: Increase in Household Income Average earned income of households affected by this policy in dollars (increase).	$18,586	$20,445	$25,264	Yes
SS #3: Increase in Positive Outcomes in Employment Status (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program	 50 29 16 32	 63 36 20 40	 105 53 19 15	 Yes Yes No No
SS #6: Reducing Per Unit Subsidy Costs for Participating Households Average amount of Section 8 and/or Section 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	$967	$938	$860	Yes
SS #8: Households Transitioned to Self Sufficiency Number of households transitioned to self-sufficiency (increase).* *For purposes of the metric, self-sufficiency is defined as exiting a rental assistance program due to $0 assistance rendered or voluntary surrender of assistance.	0	120	46	No

HARDSHIP REQUESTS

Path to Success provides for three primary hardship types: A comprehensive hardship, a zero income hardship, and a policy exception to the local portability policy. The matrix below summarizes the hardship requests and results during Fiscal Year 2020.

PATH TO SUCCESS HARDSHIPS					
TYPE	**NUMBER REQUESTED**	**NUMBER APPROVED**	**NUMBER DENIED**	**NUMBER DECLINED**	**NUMBER PENDING**
Comprehensive Hardship	21	6	15	0	0
Zero Income Hardship	14	10	1	3	0
Portability Hardship	205	153	50	2	0
Total:	**240**	**169**	**66**	**5**	**0**

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2012-2. BIENNIAL REEXAMINATION SCHEDULE

PLAN YEAR IDENTIFIED

Fiscal Year 2012

IMPLEMENTATION DATE

July 1, 2012

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

Path to Success, SDHC's comprehensive rent reform activity, separates Housing Choice Voucher participants into Work-Able and Elderly/Disabled populations. Initially, only Work-Able households were placed on the biennial reexamination schedules in Fiscal Year 2012. In Fiscal Year 2016, SDHC closed out the Triennial Recertification Cycle for Elderly and Disabled Families initiative and placed the Elderly/Disabled families on the biennial reexamination cycle as well. Although not subject to Path to Success, VASH participants were placed onto the biennial reexamination cycle in Fiscal Year 2014 for additional streamlining measures.

During Fiscal Year 2017, SDHC decided to include participants with project-based vouchers and sponsor-based subsidies within the alternative reexamination cycles. The participants will receive full reexaminations of income and household composition on a biennial basis instead of annually beginning in Fiscal Year 2018.

During Fiscal Year 2020, SDHC submitted an amendment to the Plan in response to the COVID-19 pandemic that included emergency modifications to this activity. This included:

- Families have the ability to self-certify if there are no changes to EIV and household composition. This self-certification is then processed as a full biennial reexamination using current participant information.
- Full recertifications are to be completed by SDHC staff only for participants who report significant changes to income or household composition.
- SDHC is extending the validity of a family's most recent full recertification by up to one year. The due date of the family's next full recertification will be two years from the original due date, and future recertifications will follow the biennial schedule.
- The threshold for EIV unreported income reconciliation was increased to $5,000.

These modifications were approved April 9, 2020 and were in effect throughout the remainder of the program year. As stated in the technical amendment, these modifications will be ending once emergency operations at SDHC have concluded.

IMPACT OF ACTIVITY

SDHC realized significant staff savings related to the biennial reexamination schedule. The staff savings were reallocated within the Rental Assistance Division in a variety of capacities such as caseload coverage, special projects, program integrity functions, mobility counseling, external auditing functions, and assuming additional responsibilities.

BIENNIAL REEXAMINATION SCHEDULE				
METRIC	**BASELINE**	**BENCHMARK**	**OUTCOME**	**BENCHMARK ACHIEVED?**
CE #1: Agency Cost Savings Total cost of task in dollars (decrease)	$961,218	$637,773	$656,210	No
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease)	31,465	20,877	$21,481	No
CE #3: Decrease in Error Rate of Task Execution Average error rate in completing a task as a percentage (decrease).	0%	0%	0%	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges. The increase in project-based vouchers, sponsor-based subsidies, and the overall 104 percent lease rate continue to increase the number of full reexamination of income and household circumstances required each year. Therefore, SDHC did not experience the staff time savings and cost savings as in previous years. In the event the outcomes remain unsatisfactory, SDHC may consider revising benchmarks if a thorough analysis of the initiative supports the modification.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2012-3. MODIFY FULL-TIME STUDENT DEFINITION

PLAN YEAR IDENTIFIED

Fiscal Year 2012

IMPLEMENTATION DATE

December 1, 2011

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

SDHC modified the full-time student definition to ease the programmatic administration associated with the designation as well as encourage self-sufficiency among participants. Under the new definition, only adult family members ages 18 to 23 (excluding the head, spouse, and co-head) are eligible for designation as a full-time student. To coincide with the Path to Success rent reform activity implemented in Fiscal Year 2014, the $480 deduction for verified full-time students is eliminated, but 100 percent of the earned income is excluded from the rent calculation. The elimination of the $480 dependent deduction offsets the earned income exclusion, thus remaining neutral in terms of the Housing Assistance Payments rendered and participant impact. Additionally, the activity authorized SDHC to exclude financial aid from the income calculation if received by any program participant, not just full-time students. The student rule surrounding the determination of programmatic eligibility for applicants still applies per the current Federal regulations and Public Law. These components of the initiative were implemented effective with December 2011 full reexaminations of income and household composition.

The modifications encourage self-sufficiency by providing an incentive to participants to complete post-secondary education and enter the workforce in a timely manner with a greater skill set acquired in early adulthood. Allowing a time span of six years for students to complete their education allows for additional time in the event the standard degree/certificate cannot be achieved within four years, such as the student decides to pursue an alternate degree/certificate or the student wishes to pursue a higher degree.

Elimination of the $480 deduction and excluding 100 percent of earned income and financial aid from the income calculation streamlines the administration of the rental assistance program by removing these as components of the rent calculation. Limiting the benefit to a select population of rental assistance participants reduces staff time spent verifying full-time student status as well.

An incentive extended to all students receiving their degree or certificate of completion is eligibility to receive a monetary award upon providing proof of graduation. Eligibility to receive the award is not limited to students age 18 to 23; any adult household member including the head, spouse, or co-head is eligible for the award. A program participant may receive only one award for acquiring a

degree, diploma, or certificate of completion per lifetime. The Graduation Incentive was implemented at the beginning of Fiscal Year 2013.

SDHC sent written notifications to all households impacted or potentially impacted by the modification to the administration of the full-time student employment income exclusion. The notification advised each household the exclusion of employment wages no longer applied to full-time students ages 24 and over and provided an explanation of the graduation incentive available to all adult household members.

As a hardship policy, the elimination of the exclusion was phased in over the first year of implementation. Households with full-time students immediately affected by the modification continued to receive an employment income exclusion of 50 percent at the first annual reexamination occurring after implementation before dropping to 0 percent at the subsequent full reexamination of income and household composition.

IMPACT OF ACTIVITY

In Fiscal Year 2020, SDHC verified 1,147 household members age 18 to 23 as full-time students with the average earned income of the households increasing 49 percent over baseline numbers. Cost savings from the activity resulted in the decreased amount of staff time expended verifying the full-time student status of participants. Since implementation, 21 program participants have received a graduation award under the Graduation Incentive Program.

MODIFY FULL-TIME STUDENT DEFINITION				
METRIC	**BASELINE**	**BENCHMARK**	**OUTCOME**	**BENCHMARK ACHIEVED?**
CE #1: *Agency Cost Savings* Total cost of task in dollars (decrease).	$11,325	$10,613	$8,603	Yes
CE #2: *Staff Time Savings* Total time to complete the task in staff hours (decrease).	378	354	287	Yes
SS #1: *Increase in Household Income* Average earned income of households affected by this policy (increase).	$18,913	$20,804	$28,240	Yes

HARDSHIP REQUESTS

The hardship policy only applied to program participants admitted before implementation of the activity. The hardship policy is no longer in effect since the one-year implementation period of the activity has concluded.

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2013-1. MTW VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH) VOUCHER PROGRAM

PLAN YEAR IDENTIFIED

Fiscal Year 2013

IMPLEMENTATION DATE

August 1, 2012

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

On May 27, 2010 SDHC received regulatory and statutory waivers from the Housing Voucher Management and Operations Division of HUD for administration of the HUD-VASH Voucher Program using certain elements of MTW authority. SDHC has implemented a number of initiatives since then to ease administration and provide benefits to the VASH participants, while ensuring the VASH protections remain. As directed in the approval received from HUD, the Local Interim Policy will not apply to VASH participants.

The VASH participants are a group of persons with unique needs. Ongoing discussions between SDHC and Veteran's Administration (VA) staff focused on designing initiatives benefiting both the VASH participants and staff conducting the program administration. To this end, SDHC adapted the program to implement a distinct set of policies:

- VASH applicants are subject to a less stringent review of criminal history than all other HCV program applicants. However, when a VASH applicant or participant wishes to add a member to the household, the new member is held to the higher standard. Under the approved initiative, any adult the VASH applicant/participant wishes to add to the household has a reduced criminal history initial requirement: No violent or drug-related criminal activity in the two years preceding application. The reduced criminal history requirements for family members still preclude individuals from participating in the program if subject to registration as a sex offender.

- VASH applicants/participants often have difficulty paying a minimum rent when beginning the VASH program due to initial limited/zero income. Most participants gain an income source through VA case management assistance during the first year on the program. To facilitate this transition, minimum rents may be set at zero for the first 12 months of program participation as a policy exception. After the first 12 months, minimum rents are set according to SDHC policy.

- When VASH participants obtain benefits after long periods of having no income source, garnishments for things such as child support and debt collections are attached to these income sources. This discourages these persons from seeking income and makes it more difficult to successfully pay their rent portions. A 12-month reprieve counteracts this situation for VASH participants. Thus, income garnishments are not counted as income for the first 12 months of program participation if requested by the participant.

- To coincide with SDHC's rental assistance program administration, utility reimbursements are not a part of the SDHC VASH program. This component of the initiative was implemented with Path to Success effective July 1, 2013.

- To coincide with SDHC's rental assistance program administration, VASH participants are eligible for the biennial inspection cycle. SDHC adopted a biennial inspection cycle with no qualifying criteria effective January 1, 2015 thus 100 percent of VASH households are placed on the cycle.

IMPACT OF ACTIVITY

Of the flexibilities created for VASH participants under the initiative:

- Zero families utilized the reduced criminal history requirements.

- Seventeen VASH families benefitted from the $0 minimum rent.

- Five families paid a rent portion with garnishments excluded from the rent calculation.

The average number of months VASH participants successfully remained on the rental assisted program increased from a baseline of 16 months to 53 months at the close of the fiscal year. The increase in ongoing participation is a result of the positive, collaborative effort between SDHC and the Veterans Administration to ensure VASH participants remain successful on the program. Robust case management services rendered by the Veterans Administration in combination with SDHC's rental subsidies ensures utilization of a housing first model and improves the probability of programmatic success of VASH participants.

Fiscal Year 2020 outcomes are as follows:

MTW VETERANS AFFAIRS SUPPORTIVE HOUSING (VASH) VOUCHER PROGRAM				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
SS #1: *Increase in Household Income* Average earned income of households affected by this policy in dollars (increase).	$16,693	$18,362	$19,682	Yes
SS #6: *Reducing Per Unit Subsidy Costs for Participating Households* Average amount of Section 8 and/or Section 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	$707	$642	$935	No

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The average subsidy cost per household increased in Fiscal Year 2021 as a result of increasing the separate VASH payment standard schedule. Although the increased payment standards resulted in an increase to the VASH lease-up rate, the intended outcome, the average cost per voucher significantly increased as well.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2013-2. FAMILY SELF-SUFFICIENCY REINVENTION

PLAN YEAR IDENTIFIED

Fiscal Year 2013

IMPLEMENTATION DATE

July 1, 2013

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

The Family Self-Sufficiency Reinvention activity modifies the Family Self Sufficiency (FSS) Program by revising the contract term and the escrow calculation method to coincide with the Path to Success initiative. Changes to the program and contract increase program accessibility and participant engagement.

- **Revised FSS Contract:** SDHC reduced the initial FSS contract term from five to two years. Participants may extend the contract term up to three years if extending the contract enables attainment of program objectives. The contract term may not be extended for the sole purpose of increasing the escrow balance.

- **Reinvented FSS Escrow Calculation:** The FSS escrow calculation continues to utilize escrow deposits based solely on earned income. Additionally, the calculation provides one-time escrow credits based on completing outcomes such as obtaining full-time or part-time employment with a six-month retention rate; graduating from a vocational program or two-year program; surrendering cash aid assistance; increasing income tiers on the Path to Success program; and establishing a personal savings account with a $500 balance.

- **Participation by Non-Heads of Household:** Activity 2011-9 "Enhance Family Self-Sufficiency Program" was integrated into the activity in Fiscal Year 2015. The flexibility allows a non-head of household to participate in the FSS program as the sole participant.

IMPACT OF ACTIVITY

In the MTW FSS program, participants increased earned income over baseline levels during the fifth year of participation, thus increasing household savings as a result. Attaining credits through completion of one-time efforts contributed to the increased savings as well.

FAMILY SELF-SUFFICIENCY REINVENTION				
METRIC	**BASELINE**	**BENCHMARK**	**OUTCOME**	**BENCHMARK ACHIEVED?**
CE #1: *Agency Cost Savings* Total cost of task in dollars (decrease).	$6,499	$5,220	$4,402	Yes
CE #2: *Staff Time Savings* Total time to complete the task in staff hours (decrease).	249	200	169	Yes
CE #3: *Decrease in Error Rate of Task Execution* Average error rate in completing a task as a percentage (decrease).	8.2%	5.0%	1.9%	Yes
CE #5: *Increase in Agency Rental Revenue* Total household contributions towards housing assistance (increase)	$1,420,485	$2,274,708	$2,140,140	No
SS #1: *Increase in Household Income* Average earned income of households affected by this policy in dollars (increase).	$7,922	$8,714	$25,941	Yes
SS #2: *Increase in Household Savings* Average amount of savings/escrow of households affected by this policy in dollars (increase).	$252	$400	$3,747	Yes
SS #3: *Increase in Positive Outcomes in Employment Status* (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program	50 29 16 32	63 36 20 40	105 53 19 15	Yes Yes No No
SS #4: *Households Removed from Temporary Assistance for Needy Families (TANF)* Number of households receiving TANF assistance (decrease).	17	0	51	No
SS #5: *Households Assisted by Services that Increase Self Sufficiency* Number of households receiving services aimed to increase self-sufficiency (increase).	96	216	380	Yes
SS #6: *Reducing Per Unit Subsidy Costs for Participating Households* Average amount of Section 8 and/or Section 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	$956	$813	$1,022	No
SS #7: *Increase in Rental Revenue* Total household contributions towards housing assistance (increase)	$1,420,485	$1,562,534	$2,140,140	Yes
SS #8: *Households Transitioned to Self Sufficiency* Number of households transitioned to self-sufficiency (increase).* *For purposes of the activity, self-sufficiency is defined as successful completion of the FSS Program.	0	20	13	No

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

SDHC notes the participants enrolled in an educational program and job training continue to remain at low levels while the program experienced an increase in the number of MTW FSS families receiving TANF. Given the efforts and focus of the Achievement Academy towards job obtainment, SDHC does not anticipate significant progress towards achieving the education and job training benchmarks. The focus on increasing employment levels and employment income, in SDHC's opinion, is a more advantageous outcome for both participants and SDHC.

The increase of the number of families receiving TANF is explained by the stages of the program. As families enroll in the MTW FSS program, SDHC assists families with obtaining social benefits, such as TANF, to ensure all options for increasing income are accessed during FSS participation. As families obtain employment, the reliance on TANF decreases. SDHC anticipates the outcomes will continue to fluctuate as families are enrolled in, and graduated/attrition from, the MTW FSS program.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2013-3. ELIMINATION OF 100% EXCLUDED INCOME

PLAN YEAR IDENTIFIED

Fiscal Year 2013

IMPLEMENTATION DATE

November 1, 2013

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

In support of the MTW goal of attaining increased cost effectiveness in operations, SDHC ceased verifying, counting, or reporting income amounts specifically identified by HUD as 100 percent excluded from the income calculation process, as well as earnings for full-time students age 18 to 23, which are 100 percent excluded through a previously approved MTW initiative. Examples of 100 percent excluded income are earnings from minors, amounts paid by a state agency to the family for the care of a family member with a developmental disability, and food stamps.

IMPACT OF ACTIVITY

Implementation of the activity generated administrative savings since less time was expended verifying income amounts ultimately not effecting the rent calculation and Housing Assistance Payments rendered. The matrix below contains the Fiscal Year 2020 outcomes for the activity.

METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
ELIMINATE 100% OF EXCLUDED INCOME VERIFICATION				
CE #1: *Agency Cost Savings* Total cost of task in dollars (decrease).	$17,010	$11,907	$0	Yes
CE #2: *Staff Time Savings* Total time to complete the task in staff hours (decrease).	567	397	0	Yes
CE #3: *Decrease in Error Rate of Task Execution* Average error rate in completing a task as a percentage (decrease).	17%	15%	4%	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2013-4. PUBLIC HOUSING: FLAT RENT ELIMINATION

PLAN YEAR IDENTIFIED

Fiscal Year 2013

IMPLEMENTATION DATE

August 1, 2014

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

SDHC eliminated the flat rent option from the public housing program. Under Federal regulations, public housing tenants choose either a rent portion calculated at 30 percent of adjusted monthly income or a flat rent amount which is tied to the market value of the unit. Tenants with higher annual incomes benefit from the flat rent option since the flat rent is typically less than a rent portion based on adjusted income. The initiative removes the flat rent option, thus requiring all tenants to pay a rent portion based on adjusted income and the Path to Success rent calculation. This ensures tenants have a rent portion based on the ability to pay and equalizes the contributions towards housing among both lower and higher income tenants. Tenants are not negatively impacted by the initiative since the rent portion is still affordable to the household regardless of income levels.

IMPACT OF ACTIVITY

The elimination of the flat rent provides administrative savings through discontinuing the associated research, notifications, and record-keeping to maintain the program. The matrix below summarizes the impact of the activity with regard to utilizing Federal funds more efficiently.

PUBLIC HOUSING: FLAT RENT ELIMINATION				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
CE #1: Agency Cost Savings Total cost of task in dollars (decrease)	$5,460	$0	$0	Yes
CE #2: Staff Time Savings Total time to complete the task in staff hours (decrease).	182	0	0	Yes

HARDSHIP REQUESTS

Zero families requested a hardship due to implementation of the policy.

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2013-6. TRANSITIONAL PROJECT-BASED SUBSIDIES FOR THE HOMELESS

PLAN YEAR IDENTIFIED

Fiscal Year 2013

IMPLEMENTATION DATE

January 1, 2013

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

SDHC partners with local agencies to operate a transitional housing program using flat subsidies paired with supportive services offered by the selected provider agency. The service-providing agency creates and maintains a site-based waiting list while SDHC audits the list to ensure Fair Housing compliance. If the Coordinated Entry System (CES) in conjunction with the Vulnerability Index-Service Prioritization and Decision Assistance Tool (VI-SPDAT) is utilized to inform referral decisions, the waitlist component of program administration is eliminated.

Due to the short-term nature of the program, SDHC considers a unit "fully occupied" if the unit was in use at least 25 days out of the month. Each month a unit is utilized according to this criterion is considered a month a participant was served for purposes of payment, tracking, and MTW reporting requirements. Program participants are encouraged to apply for, and remain on, SDHC's tenant-based waiting list.

A status update included in the Fiscal Year 2015 MTW Annual Plan grants the ability of for-profit agencies to respond to a competitive process for the Transitional Project-Based Subsidies for the Homeless program. Additionally, SDHC may award the subsidies to an SDHC-owned development without a competitive process.

IMPACT OF ACTIVITY

In the first year of implementation during Fiscal Year 2013, People Assisting the Homeless (PATH) operated the activity as a pilot program. The sixteen subsidies utilized by PATH serve homeless individuals in a development called Connections Housing. Connections Housing is an integrated service and residential community whose primary goal is to help homeless persons living on the neighborhood streets to rebuild their lives and secure and retain permanent housing. Virtually every resource a person needs to break the cycle of homelessness is available without ever leaving the building. Along with the 16 short-term SRO units designated to the program, Connections Housing includes 73 permanent supportive project-based housing units, two manager units, and 134 interim housing beds. The complex contains the PATH Depot, a one-stop service center offering services such as case management, a life skills unit, women's empowerment program, legal services, and personal care services. The Downtown Family Health Center is also a part of the project, offering comprehensive medical and mental health care services. The project was the first of its kind in San Diego and was designed to serve the specific needs of the downtown area. In Fiscal Year 2020, 9 participants relocated to permanent housing after stabilizing in the transitional units at Connections Housing.

In Fiscal Year 2014, SDHC partnered with Episcopal Community Services (ECS) and Serving Seniors to serve homeless clientele in the City of San Diego. The Uptown Save Haven (UTSH) program operated by ECS is a transitional housing program working with the locally funded Full Service Partnership (FSP) providers to assist homeless persons with psychiatric disabilities in an effort to access permanent housing and connect participants with resources to address physical and mental health challenges. UTSH targets the chronically homeless, the mentally ill, persons combating substance abuse and/or HIV/AIDS, and persons who are destitute and disabled. The FSP provider staff informs individuals about the opportunity to reside at UTSH while working on securing permanent housing. UTSH staff is assigned to a resident for one-on-one weekly meetings and the provision of onsite support services. UTSH primarily tracks three outcomes as residents leave the program: The transition to permanent housing, the ability to acquire/retain an income, and the ability

to acquire/maintain sufficient life skills to improve greater self-sufficiency. During the fiscal year, 23 residents participated in the UTSH program, and 13 exited UTSH with the following outcomes:

- Eight residents increased or maintained income.
- Thirteen residents increased motivation and/or life skills to improve self-sufficiency.
- Nine residents transitioned to a permanent housing situation.
- One resident was admitted to a psychiatric facility.
- Two residents transitioned to a residential halfway house.
- One resident entered short term hospital care and passed away.

Serving Seniors provides participants with case management, health services, and safe shelter allowing seniors to transition to permanent housing by removing barriers to independent living. Case managers are assigned to individuals to set objectives and goals of achieving permanent housing and successful independent living. During the fiscal year, 22 seniors successfully completed the program and moved into more permanent housing. The program maintained a close relationship with Connections Housing who refers clients to SCC for possible placement.

The program served a total of 101 participants in the seventh year of implementation with an aggregate total of 381 households transitioning to self-sufficiency since implementation.

Metric	Baseline	Benchmark	Outcome	Benchmark Achieved?
TRANSITIONAL PROJECT-BASED SUBSIDIES FOR THE HOMELESS				
CE #1: *Agency Cost Savings* Total cost of task in dollars (decrease).	$16,920	$9,450	$7,878	Yes
CE #2: *Staff Time Savings* Total time to complete the task in staff hours (decrease).	564	315	263	Yes
SS #5: *Households Assisted by Services that Increase Self Sufficiency* Number of households receiving services aimed to increase self-sufficiency (increase).	0	96	101	Yes
SS #6: *Reducing Per Unit Subsidy Costs for Participating Households* Average amount of Section 8 and/or Section 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	$0	$600	$675	No
SS #8: *Households Transitioned to Self Sufficiency* Number of households transitioned to self-sufficiency (increase).* *For purposes of the metric, self-sufficiency is defined as transitioning to permanent housing	0	20	41	Yes
HC #1: *Additional Units of Housing Made Available* Number of new housing units made available for homeless households at or below 80% AMI as a result of the activity (increase).	0	16	47	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2014-2. LOCAL INCOME INCLUSION

PLAN YEAR IDENTIFIED

Fiscal Year 2014

IMPLEMENTATION DATE

November 1, 2013

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

Under the standard Housing Choice Voucher rent calculation, the income a household receives for the care of foster children and/or foster adults as well as adopted household members is excluded from the annual income calculation. As a result of the activity proposed in the Fiscal Year 2014 MTW Plan, SDHC includes Kin-GAP, foster care payments, and adoption assistance payments in the determination of the household's annual adjusted income. Kin-GAP and foster care payments are issued as reimbursement for shelter, among other expenses, while adoption assistance payments are meant to defray the costs associated with caring for adopted children. In short, households are receiving monies for use towards the provision of housing which is then excluded from the rent portion calculation by the public housing authority providing housing subsidies. The approved activity authorizes SDHC to include the gross annual income amounts received by families from these sources for the purposes of determining the rent portion. These sources of income are not included when calculating income for purposes of determining initial program eligibility.

IMPACT OF ACTIVITY

SDHC had 119 families receive approximately $1.79 million in Kin-Gap, foster care payments, and adoption assistance payments. Calculating the amounts received for purposes of determining the rent portion potentially resulted in a HAP reduction of approximately $538,782 annually in Fiscal Year 2020.

LOCAL INCOME INCLUSION				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
SS #6: *Reducing Per Unit Subsidy Costs for Participating Households* Average amount of Section 8 and/or Section 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	$1,086	$756	$970	No

HARDSHIP REQUESTS

During Fiscal Year 2020, zero households requested a hardship exemption to the policy.

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges. Metric benchmarks were not achieved due to the implementation of higher payment standards during Fiscal Year 2020.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2015-1. ELIMINATE THE 40 PERCENT RENT BURDEN REQUIREMENT

PLAN YEAR IDENTIFIED

Fiscal Year 2015

IMPLEMENTATION DATE

February 1, 2015

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

The Housing Choice Voucher program limits the rent burden at initial lease-up to 40 percent of the adjusted monthly income. The rent burden imposed on HCV families oftentimes reduces housing choice by prohibiting families from choosing units meeting their specific individual needs and requirements. Additionally, families frequently experience difficulty successfully leasing a new unit even if the affordability cap is only exceeded by one or two percentage points. In an attempt to mitigate these barriers, SDHC modified the 40 percent affordability cap to 50 percent at initial lease-up in order to increase housing choice for low-income families in San Diego.

IMPACT OF ACTIVITY

Since implementation, the opportunity to exceed the 40 percent affordability cap ensured 1,871 families leased in a unit of their choice. Of those, 126 families leased a unit in a high opportunity area of San Diego, as defined by the Choice Communities initiative, with 72 of this subset moving into a Choice or Enterprise community for the first time. With a low vacancy rate in the City of San Diego, the ability for the families to execute an informed decision to exceed the 40 percent threshold is invaluable and offers an increased level of self-determination not previously available under the Housing Choice Voucher program.

MODIFY THE 40 PERCENT RENT BURDEN REQUIREMENT				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
HC #5: Increase in Resident Mobility Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0	50	72	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2016-1. THE MONARCH SCHOOL HOUSING PROGRAM

PLAN YEAR IDENTIFIED

Fiscal Year 2016

IMPLEMENTATION DATE

January 1, 2016

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

The Monarch School Housing Program is a local, non-traditional tenant-based rental assistance program in partnership with a non-profit agency to offer affordable housing solutions to families with school-aged children. The program targets homeless families with children attending Monarch School (Monarch) and provides rental subsidies to the families. As a condition of program participation, parents must engage in work-readiness services at the Achievement Academy while contributing to the children's academic development and progress via Monarch School's supportive services programs. Family contributions may include maintaining acceptable levels of attendance and continued engagement in the family's service plan.

The activity was re-proposed in Fiscal Year 2020, as SDHC recognized the range of services needed to ensure housing stability for the population. SDHC committed to provide permanent supportive housing (PSH) level services and housing in addition to providing services to all adult household members via the SDHC Achievement Academy's (AA) resources.

IMPACT OF ACTIVITY

The program creates housing stability by providing families with subsidies and the resources necessary to increase self-sufficiency. As indicated in the matrix below, participant families have increased income amounts through employment and community resources. Additionally, of the 23 families housed and receiving rental assistance, one family is residing in a high opportunity neighborhood of San Diego.

MONARCH SCHOOL HOUSING PROGRAM				
METRIC	**BASELINE**	**BENCHMARK**	**OUTCOME**	**BENCHMARK ACHIEVED?**
CE #4: *Increase in Resources Leveraged* Amount of funds leveraged in dollars (increase)	$0	$10,000	$69,492	Yes
SS #1: *Increase in Household Income* Average earned income of households affected by this policy in dollars (increase)	$7,290	$10,400	$16,631	Yes
SS #2: *Increase in Household Savings* Average amount of savings/escrow of households affected by this policy in dollars.	$0	$150	$247	Yes
SS #3: *Increase in Positive Outcomes in Employment Status* Number of participants employed full-time Number of participants employed part-time Number of participants enrolled in an educational program Number of participants enrolled in a job training program Number of unemployed participants	 0 2 0 0 1	 12 6 3 4 0	 1 1 1 19 21	 No No No No No
SS #4: *Households Removed from Temporary Assistance for Needy Families (TANF)* Number of households receiving TANF assistance (decrease)	3	0	14	No
SS #5: *Households Assisted by Services that Increase Self Sufficiency* Number of households receiving services to increase self sufficiency (increase)	0	25	23	No
SS #7: *Increase in Agency Rental Revenue* Total household contributions towards housing assistance (increase)	$0	$90,000	$62,202	No
SS #8: *Households Transitioned to Self Sufficiency* Number of households transitioned to self sufficiency (increase) *For the purposes of the activity, self sufficiency is defined as transitioning to permanent housing.	0	25	0	No
HC #5: *Increase in Resident Mobility* Number of households able to move to a better unit and/or neighborhood as a result of the activity (increase)	0	25	1	No

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

Midway through Fiscal Year 2020, case management was taken over by Community Research Foundation. SDHC anticipates benchmarks and outcomes will be achieved as the program progresses and families attain personal milestones contained in the individual service plans. It is anticipated that the proposed benchmarks should be achieved by the end of Fiscal Year 2023 as a result of the addition of long-term services.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2016-2. THE GUARDIAN SCHOLARS HOUSING PROGRAM

PLAN YEAR IDENTIFIED

Fiscal Year 2016

IMPLEMENTATION DATE

August 1, 2016

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

The Guardian Scholars Program at San Diego State University (SDSU) provides resources to students either exiting the foster care system, under legal guardianship, designated as wards of the court, or unaccompanied homeless youth. The Educational Opportunity Program (EOP) operated on the SDSU campus provides the Guardian Scholars with an array of resources in an effort to support the students and ensure academic success. As a component of the program, Guardian Scholars are encouraged to reside in campus supported housing during and between semesters. The holistic approach removes barriers for an historically underserved population and increases the probability of completing post-secondary education.

Through the program, the Guardian Scholars receive scholarship funds in order to supplement financial aid and/or relieve reliance on student loans. Additional services offered through EOP are tutoring, mentoring, summer transitional programs, intensive retention services, and academic advising. If critical services are necessary for certain Guardian Scholars, EOP counselors are available to provide direct services and connect the student to other departments and programs within the university such as Counseling and Psychological Services, the Office of Financial Aid and Scholarships, Student Disability Services, and others to address the unique needs of the individual students.

The Guardian Scholars Program ensures an affordable education is accessible for the participating students. Using a Federal formula, a student's education is funded according to tiers: Financial aid and government grants are applied to the student's expenses, first funding the tuition, fees, books, meal plans, and finally the housing element. Often, the funding resources are exhausted before the housing component is subsidized. The result is the student must rely on loans to fund the housing. The Guardian Scholars Program is in-part supported through philanthropy to assist with reducing the student's reliance on loans, but a funding gap exists despite significant philanthropic support.

SDHC received permission to use broader uses of funding authority to provide the financial support necessary for closing the funding gap for the student's housing expense. On an annual basis, SDHC provides $200,000 to SDSU to fund the housing component of the Guardian Scholars Program. In addition, SDHC provides a dollar for dollar match to funds raised by SDSU through philanthropy, up to $400,000 annually, to further assist with funding the student's housing requirements. Assistance provided by SDHC is not expected to

exceed an aggregate of $600,000 per year, but annual amounts may fluctuate depending on the number of students served by the program and the commensurate level of need. MTW funds will be applied to the housing component only after SDSU has calculated the funding gap for each student.

SDHC's contribution to the program further removes barriers to education and ensures affordable housing remains available for the Guardian Scholars students.

IMPACT OF ACTIVITY

SDHC served 93 students via the provision of housing subsidies during Fiscal Year 2020. With an SDHC-provided budget of $600,000 committed to the program, Guardian Scholars selected a housing solution of their choice, including both on-campus and off-campus housing, but excluding Greek housing. Since the subsidy program requires a Housing Quality Standards inspection during the unit approval process, students were also ensured a decent, safe, and sanitary living situation.

In Fiscal Year 2020, SDHC also increased the amount of resources leveraged during the reporting year. SDSU provided the following leverage:

- SDSU housing contribution of $878,720
- Scholarship funding of $422,904
- Provision of supportive services totaling $77,970

As indicated in the matrix below, the final leverage amount totaled $1,379,594 with 64 percent of the leverage expended on rental assistance contributions.

A notable outcome of the program includes the reduction of student loans from a baseline number of $254,121 in academic year 2015/2016 to only $49,163 in academic year 2019/2020. The reduction is strictly due to the rental assistance provided via the program.

In response to the COVID-19 pandemic, the Guardian Scholars Program was committed to ensuring every student was safe, received accurate and timely information, had access to resources and staff on and off campus, and had proper bedding in their new room. COVID 19 presented additional challenges as an emergency migration took place that required a massive transition of students to one building, in order to meet public health standards. The migration required all team members to account for the move of every student who departed or remained on campus.

GUARDIAN SCHOLARS HOUSING PROGRAM				
Metric	Baseline	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
CE #4: *Increase in Resources Leveraged* Amount of funds leveraged in dollars (increase)	$0	$400,000	$1,379,594	Yes
SS #3: *Increase in Positive Outcomes in Employment Status* Number of participants enrolled in an educational program	0	63	93	Yes
SS #5: *Households Assisted by Services that Increase Self Sufficiency* Number of households receiving services to increase self-sufficiency (increase)	0	63	93	Yes
SS #8: *Households Transitioned to Self Sufficiency* Number of households transitioned to self-sufficiency (increase) *For the purposes of the activity, self-sufficiency is defined as graduating from SDSU.	0	17	23	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

Specific to SS #8, the benchmark will be modified annually on an ongoing basis. The benchmark will reflect the number of current students expected to graduate during the given academic year, and the outcome will measure the actual number of graduates. The fluctuating benchmark will more effectively indicate program performance.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2016-3. HOMELESS SHELTER BEDS

PLAN YEAR IDENTIFIED

Fiscal Year 2016

IMPLEMENTATION DATE

July 1, 2019

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

The 2014 "Regional Task Force on the Homeless Point-In-Time Count" conducted January 24, 2014 identified approximately 2,468 people as unsheltered homeless residing within the City of San Diego (City). The unsheltered homeless typically reside in canyons, beaches, riverbeds, parks, or on the streets. The unsheltered homeless population is a particularly vulnerable sub-population due to the risk of injury and other health, safety, and welfare-related circumstances and consequences associated with living outside.

SDHC has administered the contracts for the City's Homeless Shelters and Services Programs since July 1, 2010. In Fiscal Year 2015, the City allocated funding for a total of 695 beds to serve the homeless, including 200 temporary beds at the City's Single Adult Emergency Winter Shelter. SDHC requests permission to use broader uses of funds authority to subsidize additional permanent, indoor emergency shelter beds in San Diego if determined necessary. The shelter beds will be administered as follows:

- **Admission Process:** Case management staff will participate in the Coordinated Assessment and Housing Placement (CAHP) system and utilize the Vulnerability Index and Service Prioritization Decision Assistance Tool (VI-SPDAT) to obtain referrals. The CAHP system is being utilized by all homeless service providers in Downtown San Diego. This system allows homeless service providers to instantly share information to screen homeless individuals, track background information, and direct them to the most appropriate housing options, based on who is most in need: Homeless San Diegans who have been on the street the longest and the most vulnerable homeless San Diegans, based on their physical or mental health needs.

- **Administration:** The administrative functions of the program will be conducted by staff at the permanent indoor shelter. During the coordinated assessment, homeless San Diegans will self-certify income eligibility. Registered sex offenders will be precluded from residing at the shelter.

- **Inspections:** Inspections will be conducted at program implementation and on an annual basis thereafter to ensure the shelter complies with minimum requirements.

- **Reporting:** For purposes of Voucher Management System reporting, SDHC will calculate individuals served by tracking the number of bed-nights utilized in relation to the available bed nights. This methodology ensures a shelter bed is only counted once since multiple individuals may utilize a single bed in a given month.

In the Fiscal Year 2020 Plan, the budget for this activity was increased to $8 million.

IMPACT OF ACTIVITY

During Fiscal Year 2020, there were no permanent indoor shelter beds added, but MTW funds did help fund temporary beds at the San Diego Convention Center for Operation Shelter to Home under the Alpha Project and Veterans Village of San Diego shelter

contracts. These temporary beds were a part of the City of San Diego's COVID-19 response. There were 485 temporary beds, in addition to the current 524 permanent shelter beds, placed online at the Convention Center beginning April 1, 2020. As a result of the use of temporary shelter beds, SDHC will be renaming this activity from "Permanent Indoor Shelter Beds" to "Homeless Shelter Beds." The current temporary beds will not continue to exist after demobilization from the Convention Center. In total, 3,118 households were assisted by both temporary and permanent shelter beds over the course of the program year.

HOMELESS SHELTER BEDS				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
HC #1: *Additional Units of Housing Made Available* Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase)	0	300	0	No
HC #7 *Households Assisted by Services that Increase Housing Choice* Number of households receiving services aimed to increase housing choice (increase)	0	300	3,118	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

No new permanent shelter beds were created using MTW funds this fiscal year, but instead MTW funds were used to provide temporary beds in response to the COVID-19 pandemic.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2017-1. THE MOVING ON PROGRAM

PLAN YEAR IDENTIFIED

Fiscal Year 2017

IMPLEMENTATION DATE

January 1, 2018

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

SDHC created the Moving On Program to provide rental assistance to formerly homeless persons transitioning from permanent supportive housing due to obtaining stability and the decreased need for intensive case management and services. The Moving On Program initiative supports tenants who are successful in their recovery to live more independently using a Federal subsidy while accessing community based resources, as needed. Additionally, the program frees up valuable permanent supportive housing and services for vulnerable homeless individuals in need of these resources.

To administer the program, SDHC partners with local Full Service Partnerships (FSPs) serving participants enrolled in permanent supportive housing programs. Currently, SDHC partners with four local agencies under contract with San Diego County Behavioral Health Services. Participants who have stabilized and are doing well in their recovery are assessed and referred to the Moving On Program. Participants must agree to the transition since participation in the Moving On Program is voluntary. Once eligibility is

determined, the participant may lease in place or locate a new unit. The rent portion is calculated according to the Path to Success program.

IMPACT OF ACTIVITY

During Fiscal Year 2020, 22 participants were leased up under the Moving On Program. Nine participants moved into one of SDHC's areas of opportunity. As Moving On is close to reaching its full lease up of 25 participants, SDHC is looking to expand the program to 50 participants in upcoming program years.

MOVING ON PROGRAM				
METRIC	**BASELINE**	**BENCHMARK**	**OUTCOME**	**BENCHMARK ACHIEVED?**
CE #4: *Increase in Resources Leveraged* Amount of funds leveraged in dollars (increase)	$0	$50,000	$46,000	No
SS #5: *Households Assisted by Services that Increase Self Sufficiency* Number of households receiving services to increase self-sufficiency (increase)	0	25	22	No
SS #8: *Households Transitioned to Self Sufficiency* Number of households transitioned to self-sufficiency (increase) *For the purposes of the activity, self-sufficiency is defined as transitioning to permanent housing.	0	5	0	No
HC #5: *Increase in Resident Mobility* Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase).	0	2	9	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

The activity remains effective with no identified challenges.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2018-1. MOVING HOME: A RAPID RE-HOUSING PROGRAM

PLAN YEAR IDENTIFIED

Fiscal Year 2018

IMPLEMENTATION DATE

February 1, 2018

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

Moving Home is a local rapid rehousing program utilizing MTW funds providing housing subsidies to homeless individuals and households while supportive services are rendered. The program also provides short-term transitional subsidies for individuals transitioning from other federally funded rapid re-housing programs to ensure stability during the transition. Modeled after a traditional rapid rehousing program, San Diego's local program assists homeless individuals and families with a mechanism to obtain an appropriate housing solution. Moving Home was implemented as a three-year pilot program providing services such as housing

relocation support, stabilization services, and transitional rental assistance to individuals and households residing on the street, in an emergency shelter, or exiting another rapid rehousing program.

The Moving Home program also ensures an array of resources are available to homeless individuals and households to stabilize and maintain housing while working towards financial independence. Using MTW and local funds, SDHC staff provides support services such as:

- Housing search
- Tenant counseling
- Build basic tenancy skills, including understanding lease requirements, and helping arrange utilities
- Making moving arrangements, including providing financial assistance for moving costs and move-in kits
- Mediation with property owners and landlords
- Developing, securing and coordinating services
- Providing information and referrals to other providers
- Developing an individualized housing and service plan, including planning a path to permanent housing stability
- Access to SDHC's Achievement Academy services

The housing subsidy combined with supportive services ensures program participants have adequate time to stabilize and achieve self-sufficiency. By assisting homeless individuals and households to rapidly return to stable housing, Moving Home will reduce the length of time San Diegans remain in homeless shelters. This will increase the availability of beds for other homeless persons requiring immediate shelter, while also reducing the public and personal costs of homelessness.

As a result of the COVID-19 pandemic, a technical amendment to the activity was approved to increase the program budget from $1.7 million to $5 million.

IMPACT OF ACTIVITY

Moving Home completed its third year of operation within fiscal year (FY) 2020. In FY20, Moving Home successfully served 221 households through one-time financial assistance, short- to moderate-term rental assistance and case management services to quickly obtain housing and stabilize, 46 of which were assisted through leveraged MTW funds. Due the effects of COVID-19 in early March 2020, the Moving Home program provided additional financial assistance to 49 HH that saw a decrease in or loss of employment. In partnership with the Achievement Academy 6 HH were enrolled in the Certified Nursing Assistant program. Of the 221 households who were served this FY20, 56 have transitioned to self-sufficiency, 165 are still receiving financial assistance and/or case management services.

MOVING HOME: A RAPID RE-HOUSING PROGRAM

METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
CE #1: *Agency Cost Savings* Total cost of task in dollars (decrease).	$312,000	$249,600	$104,000	Yes
CE #2: *Staff Time Savings* Total time to complete the task in staff hours (decrease).	7,800	6,240	2,600	Yes
CE #3: *Decrease in Error Rate of Task Execution* Average error rate in completing a task as a percentage (decrease).	17%	4%	6%	No
CE #5: *Increase in Agency Rental Revenue* Total household contributions towards housing assistance (increase).	$0	$62,400	$0	No
SS #1: *Increase in Household Income* Average earned income of households affected by this policy in dollars (increase).	$0	$10,000	$677	No
SS #3: *Increase in Positive Outcomes in Employment Status* (1) Employed Full-Time (2) Employed Part-Time (3) Enrolled in an Educational Program (4) Enrolled in Job Training Program	 22 7 8 4	 38 56 6 18	 1 10 0 3	 No No No No
SS #4: *Households Removed from Temporary Assistance for Needy Families (TANF)* Number of households receiving TANF assistance (decrease).	18	5	9	No
SS #5: *Households Assisted by Services that Increase Self-Sufficiency* Number of households receiving services aimed to increase self-sufficiency (increase).	0	50	43	No
SS #6: *Reducing Per Unit Subsidy Costs for Participating Households* Average amount of Section 8 and/or Section 9 subsidy (or local, non-traditional subsidy) per household affected by this policy in dollars (decrease).	$772	$695	$1,249	No
SS #7: *Increase in Agency Rental Revenue* Total household contributions towards housing assistance (increase).	$0	$88,934	$319,032	Yes
SS #8: *Households Transitioned to Self Sufficiency* Number of households transitioned to self-sufficiency (increase) *For the purposes of the activity, self-sufficiency is defined as transitioning into a permanent housing solution.	0	96	21	No

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

Outcomes reported for Fiscal Year 2020 represent actual program outcomes achieved with MTW funds only and do not include local outcomes based on local funding activity. Only 46 out of 221 households utilized MTW funding. SDHC expects program outcomes to meet benchmarks as the initiative matures.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

2020-1. LANDLORD RETENTION AND INCENTIVE PROGRAM

PLAN YEAR IDENTIFIED

Fiscal Year 2019

IMPLEMENTATION DATE

July 1, 2019

PLAN YEAR AMENDED

N/A

ACTIVITY DESCRIPTION

The City of San Diego is experiencing an escalating housing market and unprecedented market rents. Coupled with low-vacancy rates, Housing Choice Voucher (HCV) participants are experiencing difficulty identifying and leasing affordable rental units. In certain instances, voucher search times can exceed 120 days despite internal process improvements decreasing lease up transaction timelines. Therefore, additional incentives and strategies are necessary to ensure all voucher recipients are housed in a timely manner while ensuring safe, decent and quality dwelling units.

SDHC has already experienced success with the Landlord Engagement & Assistance Program (LEAP), a program designed to incentivize landlords to lease units to homeless households. Due to the success of LEAP, SDHC proposes to implement a similar program, aimed at increasing and retaining quality housing units, within the broader HCV program.

The Landlord Partnership Program (LPP) aims to expand rental opportunities for families holding housing choice vouchers by making landlord participation in the program more attractive by providing both financial and supporting incentives to landlords who rent to HCV Program participants within the City of San Diego.

Incentives are designed to recruit new landlords and units as well as retain existing units within the portfolio of available housing. Proposed strategies and incentives will include the following:

- **Incentive Payments:** Lump sum payment issued to Landlords for leasing to a SDHC HCV family within SDHC jurisdiction. The proposed budget for this fund is $600K.

- **Landlord Partnership Assurance Fund:** For damages caused by tenant beyond normal wear and tear or failure to pay rent, landlords may request assurance funds to cover expenses that exceed security deposits. Landlords can access assurance funds only within first two years of new tenancy. The maximum permissible request will be $3K and the proposed budget for this fund is $250K.

- **Move flexibility allowance:** In the instance of a tenant vacating a subsidized unit to move to a new unit, SDHC may cover up to five days of HAP overlap, regardless of move month, to ensure neither landlord is harmed in the process. The estimated budget for this incentive is $150K for the first year.

- **Simplified inspections:** As part of SDHC's Biennial Inspections Activity, qualified units are subject to biennial inspections instead of annual inspections. In order to ensure housing units maintain biennial status, a quality assurance (QA) plan with random QA inspections was established. These inspections are conducted with the same protocol as a regular inspection. Upon successful results, SDHC will consider the QA inspection as a successful biennial inspection.

- **Pre-Inspections:** For prospective landlords, SDHC will pre inspect vacant units and provide 60-day inspection validation.

- **Landlord Liaison team:** SDHC will establish a specialized team to provide quality customer service to landlords. The team will be responsible for monitoring all program incentives and conducting annual program reviews with recommendations to enhance program.

- **Participant Assistance:** A dedicated team will support families (new and moves) in the process to ensure timely lease ups.

SDHC will perform ongoing analysis to determine the success of each incentive as well as solicit feedback from landlords for possible enhancements to the program. SDHC may adjust the incentives in future years to adjust for market fluctuations, landlord feedback,

funding considerations, and local priorities. The incentives offered through this program will serve to retain and incentivize landlords to participate in the HCV program by eliminating barriers to participation and improving lease up timelines.

IMPACT OF ACTIVITY

During the first year of the Landlord Retention and Incentive Program, a total of $788,500 in incentive payments was disbursed as a result of 1,577 successful lease-ups. This exceeded the initial budget of $600,000 in the activity proposal. In addition, 1,541 units housed participants for the first time during this program year, of which 851 units were located in SDHC's Choice and Enterprise communities. 663 of these units were leased to new participants, with the remaining 188 new units housing existing participants that had moved.

LANDLORD RETENTION AND INCENTIVE PROGRAM				
METRIC	**BASELINE**	**BENCHMARK**	**OUTCOME**	**BENCHMARK ACHIEVED?**
HC #5: *Increase in Resident Mobility* Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	0	50	188	Yes
HC #7: *Households Assisted by Services that Increase Housing Choice* Number of households receiving services aimed to increase housing choice (increase)	0	300	1,541	Yes
CE #1: *Agency Cost Savings* Total cost of task in dollars (decrease).	$227,340	$216,540	$280,836	No
CE #2: *Staff Time Savings* Total time to complete the task in staff hours (decrease).	6,315	6,015	5,851	Yes
CE #3: *Decrease in Error Rate of Task Execution* Average error rate in completing a task as a percentage (decrease).	0%	0%	0%	Yes

HARDSHIP REQUESTS

N/A

EXPLANATION OF CHALLENGES

As a result of the COVID-19 pandemic, a technical amendment was approved to allow for self-inspections in lieu of an annual. 1,426 self-inspections were performed in the final quarter of 2020 and recorded as annual inspections. The use of this temporary modification is resulting in agency cost savings and staff time savings as SDHC's inspectors only have to inspect a property if it meets a threshold for inspection. The metrics in place for this activity base the agency cost savings and staff time savings on the number of annual inspections recorded, which disregards self-inspections. It is anticipated that as operations eventually return to normal, metrics relating to the inspections will more accurately reflect the state of the activity.

REVISION OF BENCHMARKS

No revisions were made to benchmarks.

REVISION OF DATA COLLECTION METHODOLOGY

No changes were made to the data collection methodology.

NOT YET IMPLEMENTED ACTIVITIES

2014-4. HOUSING SUBSIDY PROGRAM FOR HOMELESS YOUTH

PLAN YEAR APPROVED: 2014
RE-PROPOSED: N/A

DESCRIPTION

A time-limited pilot program providing subsidies for homeless youth while a partnering agency delivers supportive services such as counseling, job placement, education, training, and case management.

DISCUSSION

SDHC has further modified the target population to serve a general population of homeless youth. Additionally, the subsidy provided to the partnering agency may be used to fund the housing component of the program as well as administration and operational expenses. Although the changes do not modify the scope of the initiative, the modifications are anticipated to increase the viability of the program. The initiative, in the previous format, failed to yield results in competitive solicitations.

ACTIVITIES ON HOLD

2010-8. ESTABLISH AN HCV HOMEOWNERSHIP PROGRAM

PLAN YEAR APPROVED: 2010
RE-PROPOSED: N/A

IMPLEMENT DATE: OCT 01, 2009
HOLD DATE: JUL 01, 2014

DESCRIPTION

A homeownership program was created to assist income-eligible HCV participants with purchasing a home. Housing assistance payments are utilized to assist with a mortgage payment rather than as a rental payment. Incentives to purchase a home are also program components. Waivers were enacted to modify the eligibility requirements for the program related to the minimum monetary threshold for savings accounts as well as implement the incentives for purchasing foreclosed homes.

ACTION TOWARDS REACTIVATION

SDHC is in the process of reevaluating the program, therefore the program has been placed on hold indefinitely. New applications were no longer accepted effective July 1, 2014 for the program. Families currently participating in the homeownership program continue to receive assistance.

CLOSED OUT ACTIVITIES

2009-1. ACHIEVEMENT ACADEMY OF THE SAN DIEGO HOUSING COMMISSION

PLAN YEAR IDENTIFIED

Fiscal Year 2009

YEAR CLOSED OUT

Reported in Section 5 of the Report as a single fund flexibility activity effective Fiscal Year 2012.

DISCUSSION

- **Final Outcomes and Lessons Learned:** The activity is a Section 8 activity not requiring regulatory waivers or broader uses of funds authority. The activity is ongoing but reported as a single fund flexibility activity in Section 5 of the Report.

- **Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit:** N/A

- **Summary Table of Outcomes:** Outcomes are reported in the single fund flexibility narrative.

2010-1. TRIENNIAL REEXAMINATIONS FOR ELDERLY AND DISABLED FAMILIES

PLAN YEAR IDENTIFIED

Fiscal Year 2010

YEAR CLOSED OUT

Fiscal Year 2016

DISCUSSION

- **Final Outcomes and Lessons Learned:** Although the triennial reexamination schedule was considered a successful MTW activity in terms of efficiency, utilizing both a biennial reexamination schedule for work-able households and triennial reexamination schedule for elderly/disabled households proved difficult. Since households oftentimes experienced changes in household composition which resulted in transitions between the two populations, reexamination schedules continually modified for households. Also, consistency in reexamination cycles reduced confusion for rental assistance staff and external customers since the reexamination schedule was no longer impacted by household composition changes. Using a biennial reexamination schedule for all households proved most effective for all involved.

- **Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit:** N/A

- **Summary Table of Outcomes:** N/A

IMPLEMENT TRIENNIAL INCOME RECERTIFICATIONS FOR ELDERLY AND DISABLED FAMILIES				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
CE #1: *Agency Cost Savings* Total cost of task in dollars (decrease).	$295,000	$213,660	$158,090	Yes
CE #2: *Staff Time Savings* Total time to complete the task in staff hours (decrease).	9,500	6,850	5,072	Yes

2010-10. UNDERTAKE PUBLIC HOUSING DEVELOPMENT

PLAN YEAR IDENTIFIED

Fiscal Year 2010

YEAR CLOSED OUT

Fiscal Year 2012

DISCUSSION

- **Final Outcomes and Lessons Learned:** This activity was closed out in the Fiscal Year 2011 MTW Report. Public Housing development occurs under the Fiscal Year 2011 Public Housing Development initiative which combines the authorizations and flexibilities of both activities.

- **Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit:** N/A

- **Summary Table of Outcomes:** Public Housing units were not created via the Fiscal Year 2010 activity.

UNDERTAKE PUBLIC HOUSING DEVELOPMENT				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
HC #1: *Additional Units of Housing Made Available* Number of new housing units made available for households at or below 80% AMI as a result of the activity (increase).	36	69	75	Yes

2011-5. DISREGARD RETIREMENT ACCOUNTS

PLAN YEAR IDENTIFIED

Fiscal Year 2011

YEAR CLOSED OUT

Fiscal Year 2017

DISCUSSION

- **Final Outcomes and Lessons Learned:** The initiative was determined successful since the administrative burden of verifying retirement accounts, which often are verified as $0 cash surrender value, was eliminated. As a result of the initiative, SDHC determined no intrinsic value to including retirement accounts in the asset calculation since the rent portion is typically unchanged. SDHC's decision to re-propose activity 2010-5: Simplify Income and Asset Verification Systems to eliminate verification of assets entirely from the rent calculation process rendered this activity unnecessary, thus SDHC's decision to close out the activity.

- **Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit:** N/A

- **Summary Table of Outcomes:** All benchmarks were achieved.

DISREGARD RETIREMENT ACCOUNTS IN ASSET CALCULATION				
METRIC	BASELINE	BENCHMARK	OUTCOME	BENCHMARK ACHIEVED?
CE #1: *Agency Cost Savings* Total cost of task in dollars (decrease).	$8,730	$0	$0	Yes
CE #2: *Staff Time Savings* Total time to complete the task in staff hours (decrease).	291	0	0	Yes

2011-9. ENHANCE FAMILY SELF-SUFFICIENCY PROGRAM

PLAN YEAR IDENTIFIED

Fiscal Year 2011

YEAR CLOSED OUT

Fiscal Year 2015

DISCUSSION

- **Final Outcomes and Lessons Learned:** This activity integrated into activity 2013-2 "Family Self-Sufficiency Reinvention".

- **Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit:** N/A

- **Summary Table of Outcomes:** Outcomes are reported in the matrix contained in the narrative for activity 2013-2.

2011-10. BROADER USES OF FUNDS FOR IDAs

PLAN YEAR IDENTIFIED

Fiscal Year 2011

YEAR CLOSED OUT

The activity was formerly reported in Section 5 of the Report as a single fund flexibility activity effective Fiscal Year 2012. Since the IDA activity concluded in September 2016, or Fiscal Year 2017, MTW Plans and Reports will no longer report on the program in the single fund flexibility narrative.

DISCUSSION

- **Final Outcomes and Lessons Learned:** With the focus of the Achievement Academy shifting to work-readiness services and job placement, the Individual Development Accounts no longer aligned with the strategic direction of SDHC. Path to Success further compelled the transition from an asset building curriculum to an emphasis on building job skills and motivating families to seek employment. SDHC considers the activity successful given all benchmarks were achieved and superseded, regardless of the decision to terminate the activity. Other MTW agencies with a focus on asset building may benefit from a similar type of program.

- **Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit:** N/A

- **Summary Table of Outcomes:** All benchmarks were achieved.

ALLOW BROADER USES OF FUNDS FOR THE CREATION OF INDIVIDUAL DEVELOPMENT ACCOUNTS				
Metric	**BASELINE**	**BENCHMARK**	**OUTCOME**	**BENCHMARK ACHIEVED?**
Annual number of adult participants enrolled in the asset building program with an IDA funded by MTW funds	0	10	16	Yes
Annual number of participants enrolled in the youth asset building program with an IDA funded by MTW funds	0	10	68	Yes
Annual number of participants enrolled in the asset building program with a transportation IDA	0	10	29	Yes
Annual number of MTW IDA participants who opened an IDA account	0	20	110	Yes
Annual number of MTW IDA participants who developed a credit improvement plan	0	15	56	Yes
Annual number of MTW IDA participants who made at least nine monthly deposits to their IDA during a twelve-month period	0	15	37	Yes
Annual number of MTW IDA participants who completed ten hours of financial skills education	0	15	45	Yes

2012-4. PROJECT-BASED SUBSIDY PROGRAM FOR THE HOMELESS

PLAN YEAR IDENTIFIED

Fiscal Year 2012

YEAR CLOSED OUT

Fiscal Year 2015

- **Final Outcomes and Lessons Learned:** The activity was not implemented. SDHC determined the program structure as not advantageous to the agency's approach to ending homelessness in the City of San Diego. Efforts are focused on other development capacities.

- **Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit:** N/A

- **Summary Table of Outcomes:** N/A

2013-5. HOMELESS VETERAN PROJECT-BASED SUBSIDY PROGRAM

PLAN YEAR IDENTIFIED

Fiscal Year 2013

YEAR CLOSED OUT

Fiscal Year 2014

DISCUSSION

- **Final Outcomes and Lessons Learned:** The activity was not implemented. Our implementation partner, Veteran's Village of San Diego (VVSD), determined the activity as neither economically advantageous nor viable under current circumstances and requested permission to close out the activity.

- **Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit:** N/A

- **Summary Table of Outcomes:** N/A

2013-9. NEW PUBLIC HOUSING TRANSITION

PLAN YEAR IDENTIFIED

Fiscal Year 2013

YEAR CLOSED OUT

Fiscal Year 2014

DISCUSSION

- **Final Outcomes and Lessons Learned:** The activity was not implemented. The flexibility requested under the initiative was not required, thus the activity was closed out.

- **Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit:** N/A

- **Summary Table of Outcomes:** N/A

2014-1. TRANSITIONAL SUBSIDY PROGRAM FOR HOMELESS VETERANS

PLAN YEAR IDENTIFIED

Fiscal Year 2014

YEAR CLOSED OUT

Fiscal Year 2015

DISCUSSION

- **Final Outcomes and Lessons Learned:** The activity was not implemented. Veteran's Village of San Diego, the intended partnering agency for the program, indicated a preference to pursue an alternative rental subsidy program.

- **Description of Statutory Exceptions Outside of Current Flexibility Possibly Providing Additional Benefit:** N/A

- **Summary Table of Outcomes:** N/A

ACTUAL SOURCES AND USES OF MTW FUNDS

ACTUAL SOURCES OF MTW FUNDS IN THE PLAN YEAR

SDHC submitted unaudited and audited information in the prescribed Financial Data Schedule (FDS) format through the Financial Assessment System (FASPHA).

ACTUAL USES OF MTW FUNDS IN THE PLAN YEAR

SDHC submitted unaudited and audited information in the prescribed FDS format through the FASPHA.

DESCRIBE ACTUAL USE OF MTW SINGLE FUND FLEXIBILITY

SDHC uses MTW single fund flexibility to implement and operate programs for HCV and Public Housing program participants.

ACHIEVEMENT ACADEMY

SDHC uses single-fund flexibility in support of MTW activities to enhance self-sufficiency programming. SDHC combines funds from public housing operating and capital fund assistance (authorized by section 9 of the United States Housing Act of 1937 [the Act]) and voucher funds (authorized by section 8 (o) of the Act) to implement a block grant/single fund budget approach to budgeting and accounting. SDHC has consolidated public housing and HCV program funds to implement the approved Moving to Work initiatives described in previously approved MTW Plans and will continue to do so in future Plans.

SDHC uses single-fund flexibility to conduct a variety of activities geared toward self-sufficiency. The Achievement Academy offers a broad range of one-on-one services and workshops geared toward workforce readiness and financial literacy. Partnerships with a variety of external organizations specializing in their fields enable SDHC to provide assistance to participants with different interests, career focuses, and skill levels. Leveraging funding from outside sources increases the services provided to participants. When possible, staff seeks to find grants that provide funding and coaching to assist both staff and participants. Following the Financial Opportunity Center (FOC) model, created by funding from the Local Initiatives Support Corporation (LISC), the Achievement Academy is able to provide robust services to participants that go beyond job leads and help provide self-sufficiency. The resources offered at the Achievement Academy are a vital component of the Path to Success rent reform activity as participants are incentivized to increase income and work towards self-sufficiency. SDHC plans to continue and grow these partnerships to better serve our families and increase economic self-reliance. The following describes services offered at the Achievement Academy:

EMPLOYMENT/WORKFORCE DEVELOPMENT

JOB DEVELOPER

One of the Achievement Academy Workforce Readiness Specialist (WRS) positions serves as a job developer and makes connections with employers of in-demand occupations; organizes job fairs; and coordinates employment services with partner organizations. Training for participants covers such topics as résumé writing, customer service, and how to retain a job. The Achievement Academy also partners with Manpower, an industry leader in employment services. Manpower helps to leverage connections in the business community to help open doors to companies that typically have been a struggle for participants to get into in the past.

ONE-STOP CAREER CENTER

The KRA Corporation, a contractor from San Diego Workforce Partnership, provides services via a satellite One-Stop Career Center at the local downtown public library. The partner offers workforce development services including labor market information, career development, assessment, job search/retention skills, job placement assistance, and referrals to training opportunities.

INDUSTRY SPECIFIC TRAINING

Through a grant provide by the Local Initiatives Support Corporation (LISC) the Achievement Academy is able to offer industry specific training for its Bridges to Careers Opportunity program (BCO). The BCO program offers three weeks of "bridge" classes to prepare students for the occupational

academic coursework. The SDHC Achievement Academy selected the Certified Nursing Assistant and Hospitality/Customer Service industry sectors based on interest from Academy participants. At the end of the program, the clients receive industry certificates that greatly increases their employability.

SMALL BUSINESS DEVELOPMENT TRAINING

Landeros & Associates, a business consulting firm in San Diego, leads the microenterprise program educating participants about how to start or expand a small business and how to create or update a solid business plan. The program provides basic skills training and knowledge to underserved entrepreneurs and also identifies and expands linkages to critical community resources linked to small business development. Landeros & Associates also connects participants with opportunities for additional small business training, technical assistance, and access to mainstream financial institutions to boost economic development.

EMPLOYMENT/WORKFORCE DEVELOPMENT WORKSHOPS

SDHC Achievement Academy Workforce Readiness Specialists conduct employment readiness workshops and provide access to temporary and permanent employment. The Achievement Academy also offers on-site recruitment fairs. Participants are invited to attend presentations and hear directly from human resources representatives how to get hired at their company. Topics covered range from the job application and résumé submittal process to interview preparedness and communication skills. Prior to some recruitments, participants may receive assistance in the Academy's computer lab to submit on-line applications for jobs that will be presented in the recruitment.

YOUTH PROGRAMS

Staff at the Achievement Academy work to offer innovative programing in an effort to keep participants interested and engaged. The Academy offers programs for "opportunity youth", defined as young adults between sixteen and twenty-four years of age who are not working or enrolled in school. Students receive education counseling or career guidance. The Achievement Academy has partnered with International Rescue Committee (IRC) to provide additional training and services to these young adults. IRC is also able to offer intern placements to develop employment history. The partnership with IRC is offered as their funding allows.

ACADEMY COMPUTER LAB

Participants have access to the SDHC Achievement Academy's 30-station computer lab for career assessments, career exploration, labor market information, résumé building, and on-line job applications. In addition, Manpower provides individual participant access to the internet based Training Development Center which hosts over 5,000 on-line courses for skills development. The Achievement Academy partners with San Diego Futures Foundation (as funding allows) to offer beginning and intermediate computer skills (Word, Excel, Internet) classes to participants with minimum or no previous computer use experience.

INCOME SUPPORTS
THRIVE INITIATIVE

THRIVE is a partnership between the United Way, the County of San Diego, and South Bay Community Services. The purpose of the initiative is to enhance the accessibility of benefits screening and tax preparation services. Benefits screening and application assistance is currently offered for an array of program such as CalFresh (food stamps), CalWorks, Women Infants and Children (WIC), California Healthy Families, Child Care Assistance, MediCal, and Supplemental Nutrition Assistance Program (SNAP). On-site benefit screening appointments continue to be conducted for participants.

FINANCIAL EDUCATION
FINANCIAL COUNSELING

The Achievement Academy employs four WRS positions that have also been certified as a Financial Counselors. The Financial Counselors offer on-site credit counseling in debt reduction, credit repair, budgeting, and cash management skills. These services have been incorporated into the FOC service delivery model utilized within the Achievement Academy.

FINANCIAL SKILLS EDUCATION WORKSHOPS

Financial Education workshops are routinely offered in the following topic areas: Debt and credit repair; credit score improvement; controlling expenses; maintaining a financial fitness plan; electronic banking and direct employee deposits; budget management, ordering, reviewing, and repairing credit report; investments strategies and options; and pensions/retirement planning.

FINANCIAL COACHING TRAINING

All SDHC WRS staff utilize the LISC Financial Counseling Model to implement innovative coaching methods during one-on-one appointments with participants. SDHC is also positioned to assist participants with improving credit through a partnership with Credit Builders Alliance. The ability to internally pull credit reports allows SDHC to further assist participants with accessing current credit ratings in order to begin aligning client goals for credit improvement to future financial and career goals.

**Due to the COVID-19 pandemic, as of March 2020 many of the above services have transitioned to an online format via Zoom or other medium. **

The chart below contains a summary of the results of Achievement Academy activities at the close of Fiscal Year 2020:

ACHIEVEMENT ACADEMY			
METRIC	BASELINE	OUTCOME	BENCHMARK ACHIEVED?
Number of rental assistance participants receiving core services	982	1,197	Yes
Number of rental assistance participants with an increase in earnings	229	295	Yes
Number of rental assistance participants placed in employment	144	288	Yes
Number of rental assistance participants employed for 12 or more consecutive months	44	48	Yes
Number of rental assistance participants who attended a work readiness workshop	727	677	Yes
Percent of rental assistance participants who attended a recruitment and resource fair and obtained employment as a direct result	0%	6.4%	Yes
Number of rental assistance participants who completed vocational or bridge training	0	41	Yes

ENVISION CENTER

In June of 2018, HUD announced the designation of EnVision Centers in 17 communities across the nation. SDHC was selected for the only designation in California, and only one of three co-located within a designated Promise Zone.

To provide maximum flexibility, one location will be housed in Southeast San Diego, bordering the Promise Zone. The other location will be at SDHC's Achievement Academy. EnVision Centers will be open to any current households receiving SDHC's rental assistance and those on the waitlist. Other clients will be residents of the Promise Zone.

EnVision Centers will leverage public and private resources to help clients achieve goals to secure economic security. To foster long-lasting self-sufficiency, EnVision Centers will provide support in the following four pillars: Economic Empowerment; Education; Health/Wellness; and Character/Leadership.

LOCAL ASSET MANAGEMENT PLAN

Did the MTW PHA allocate costs within statute in the Plan Year?	**Yes**
Did the MTW PHA implement a local asset management plan (LAMP) in the Plan Year?	**No**
Did the MTW PHA provide a LAMP in the appendix?	**No**

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

SDHC did not operate a Local Asset Management Plan during Fiscal Year 2020.

MTW BLOCK GRANT COMMITMENTS

During FY 2020, SDHC committed $3.8 million in MTW funds to financially support activities to preserve affordable housing of SDHC-owned developments identified capital repairs necessary to preserve the properties. In addition, in response to the city focus on building companion units (ADUs), around $894,000 in MTW funds is being used to rehabilitate several single family units and design ADUs that can be used on the respective properties. An additional $143,000 was expended on due diligence activities for possible hotel acquisitions.

MTW BLOCK GRANT EXPENDITURE SUMMARY		
Scattered Sites	Rehabilitation	$3,833,757
SDHC Additional ADU Designs	Architecture/Design	$49,713
Single Family Homes (5)	Rehabilitation	$845,241
Hotels (Lease to Own)	Due Diligence	$139,247
Hotels (Acquisition) Active	Due Diligence	$4,394
	Total:	**$4,872,352**

SECTION VI – ADMINISTRATIVE

REVIEWS, AUDITS, AND INSPECTIONS

There are no HUD reviews, audits, or physical inspection issues requiring PHA action.

EVALUATION RESULTS

There are no MTW PHA-directed evaluations requiring PHA action.

MTW STATUTORY REQUIREMENT CERTIFICATION

See Appendix A

MTW ENERGY PERFORMANCE CONTRACT (EPC) FLEXIBILITY DATA

SDHC does not utilize and MTW Energy Performance Contract.

Certification of MTW Statutory Compliance

On behalf of the San Diego Housing Commission, I certify the Agency has met the three statutory requirements of the Moving to Work program during Fiscal Year 2020:

1. At least 75 percent of the families assisted by the Agency are very low-income families;

2. The Agency has continued to assist substantially the same total number of eligible low-income families as would have been served without MTW; and

3. The Agency has continued to serve a comparable mix of families (by family size) as would have been served without MTW.

_____   9-17-20

Richard C. Gentry   Date
President & Chief Executive Officer

San Diego Housing Commission   1122 Broadway, Suite 300 San Diego, CA 92101   619.231.9400   www.sdhc.org

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

(See reverse for public burden disclosure.)

Approved by OMB
0348-0046

1. Type of Federal Action:	2. Status of Federal Action:	3. Report Type:
b	a. contract	b	a. bid/offer/application	a	a. initial filing
	b. grant		b. initial award		b. material change
	c. cooperative agreement		c. post-award		**For Material Change Only:**
	d. loan				year _____ quarter _____
	e. loan guarantee				date of last report _____
	f. loan insurance				

4. Name and Address of Reporting Entity:

☒ Prime ☐ Subawardee

Tier _____, *if known*:

San Diego Housing Commission
1122 Broadway, Suite 300
San Diego, CA 92101

Congressional District, *if known*: 4c CA-52

5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:

Congressional District, *if known*:

6. Federal Department/Agency:

U.S. Department of Housing and Urban Development

7. Federal Program Name/Description:

FY 2020 Moving to Work Block Grant

CFDA Number, *if applicable*: N/A

8. Federal Action Number, *if known*:

9. Award Amount, *if known*:

$ $189,290,363

10. a. Name and Address of Lobbying Registrant
(if individual, last name, first name, MI):

N/A

b. Individuals Performing Services *(including address if different from No. 10a)*
(last name, first name, MI):

Doc. Signed by:

11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signature: *Jeff Davis*

Print Name: Jeff Davis[1]

Title: Executive Vice President & Chief of Staff

Telephone No.: 619-578-7531   Date: 7/10/2020

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HUD SECRETARY, REGIONAL ADMINISTRATOR VISIT SAN DIEGO

On February 12, 2020, U.S. Department of Housing and Urban Development (HUD) Secretary Ben Carson visited San Diego as part of his "Driving Affordable Housing Across America" bus tour.

SDHC President & CEO Richard C. Gentry joined Secretary Carson, Mayor Kevin L. Faulconer, Affirmed Housing President & CEO Jim Silverwood, and additional local and housing industry leaders for a roundtable discussion at the SDHC partnership developments Bluewater and The Stella. The conversation included ways to reduce regulatory barriers to affordable housing and to address homelessness.

HUD Secretary Dr. Ben Carson
"Driving Affordable Housing Across America" Tour Stop in San Diego
February 12, 2020

Additionally, HUD Regional Administrator Christopher Patterson visited San Diego and presented SDHC with a letter on December 18, 2019, in recognition of the work of the San Diego EnVision Center.

The EnVision Center is a partnership among HUD, the City of San Diego, SDHC and the San Diego Workforce Partnership. The Envision Center allows SDHC to work in partnership with HUD and community partners to expand the programs currently offered at the SDHC Achievement Academy to more San Diegans, providing opportunities for more families to become financially self-reliant.

Created with SDHC's MTW flexibility, the SDHC Achievement Academy is a learning and resource center and computer lab with programs that emphasize career planning, job skills, job placement and personal financial education. SDHC Achievement Academy programs are available at no cost to Section 8 Housing Choice Voucher rental assistance participants and residents of SDHC's public housing units.

HUD Regional Administrator Chris Patterson Visits
San Diego EnVision Center
December 18, 2019

SDHC PRESIDENT & CEO'S CONGRESSIONAL TESTIMONY

SDHC President & CEO Richard C. Gentry submitted written testimony to the U.S. House of Representatives Committee on Veterans Affairs, Subcommittee on Economic Opportunity, for a March 10, 2020, hearing on pending legislation. Mr. Gentry's testimony included progress San Diego has made in addressing veteran homelessness and a proposed SDHC demonstration program to maximize the utilization of Veterans Affairs Supportive Housing (VASH) vouchers to address VASH utilization challenges in San Diego.

Mr. Gentry's written testimony is available on SDHC's website:

https://www.sdhc.org/wp-content/uploads/2020/03/SDHC_CongressionalTestimony_RichardCGentry_3.10.20.pdf

HOUSING FIRST – SAN DIEGO MILESTONE

SDHC's homelessness action plan, HOUSING FIRST – SAN DIEGO, has created more than 9,200 housing opportunities in the last five and a half years for San Diegans experiencing homelessness or at risk of homelessness. Of these housing solutions, about 1,700 were created in Fiscal Year 2020 alone.

The programs of HOUSING FIRST – SAN DIEGO include non-MTW initiatives, such as SDHC's investment in the creation of new permanent supportive housing units, as well as MTW initiatives, such as the SDHC Moving Home Rapid Rehousing Program.

SDHC AFFORDABLE HOUSING PRESERVATION STUDY

A new SDHC analysis of rental housing in the City of San Diego recommends 10 strategies to help keep thousands of rental housing units affordable for low-income families in the coming decades. The report, "Preserving Affordable Housing in the City of San Diego," was announced at a news conference on May 28, 2020, and the San Diego City Council unanimously accepted it on June 2, 2020. The report is available on SDHC's website:

www.sdhc.org/wp-content/uploads/2020/05/Affordable-Housing-Preservation-Study.pdf

"Preserving Affordable Housing in the City of San Diego" Report
News Conference
May 28, 2020

The preservation strategies recommended in the report are:

Capital Resources

1. Provide seed funding to create a public-private Affordable Housing Preservation Fund that is a dedicated source of funding for preservation activities.
2. Redirect funds originally associated with the Redevelopment Agency of the City of San Diego and its dissolution to fund preservation.
3. Implement a Short-Term Residential Occupancy (STRO) Fee with revenue dedicated to preservation.

Preservation Policies

4. Adopt a Preservation Ordinance to strengthen and expand the rights granted by the State Preservation Notice Law.
5. Offer incentives to owners of unrestricted properties in exchange for recording affordability restrictions.

6. Strengthen San Diego's existing Single-Room Occupancy (SRO) Ordinance to maintain affordability.

Tenant Protections

7. Require relocation assistance for displaced residents.

Capacity Building

8. Develop and staff the administration of a preservation program.
9. Create an interagency preservation working group, to be convened by the San Diego Housing Commission.
10. Create a preservation collaborative composed of non-governmental preservation stakeholders.

To complete this study, SDHC contracted with HR&A Advisors, a consulting firm with more than 40 years of experience in real estate and economic development, in partnership with The National Housing Trust, which has more than 30 years of experience in affordable housing preservation nationwide. SDHC staff also were instrumental to the completion of the study.

Under San Diego City Council President Gómez's leadership, the City Council's Smart Growth & Land Use Committee prioritized affordable housing preservation in its 2018 work plan. In 2019, SDHC hired a Housing Preservation Coordinator and began the study that resulted in the preservation report.

INCLUSIONARY HOUSING ORDINANCE UPDATES

SDHC worked with the Council President's office to facilitate meetings to obtain input from stakeholders and analyze the impacts of potential updates to the City of San Diego's Inclusionary Housing ordinance. The City Council approved updates to the ordinance on December 9, 2019.

The updated ordinance requires new residential and mixed-use developments to include 10 percent of the on-site rental units as affordable housing for individuals with income up to 60 percent of the Area Median Income. Alternative compliance measures include the ability to pay a fee of $25 per square foot to support the development of affordable rental housing, development of inclusionary units off-site, rehabilitation of existing units, and land dedication. These provisions will be phased in over five years, beginning on July 1, 2020.

SDHC administers the Inclusionary Housing Fund on behalf of the City of San Diego and monitors rental housing units to ensure compliance with the Inclusionary Housing Ordinance.

April 22, 2021

Mr. Richard Gentry
Executive Director
San Diego Housing Commission
1122 Broadway, Suite 300
San Diego, CA 92101

Subject: Acceptance of San Diego Housing Commission FY2020 Annual Moving to Work
          Report

Dear Mr. Gentry:

The Department of Housing and Urban Development has completed its review of San Diego Housing Commission's (SDHC) FY2020 Annual Moving to Work (MTW) Report, initially submitted on September 30, 2020, with revisions submitted on April 21, 2021. I am writing to inform you that SDHC's FY2020 Annual MTW Report, as submitted on April 21, 2021, is accepted.

Please note, while HUD is supportive of SDHC's efforts, this acceptance does not necessarily constitute an endorsement of any particular policies described in the Report. In providing assistance to families under programs covered by this Report and corresponding Plan, SDHC must comply with the rules, standards and policies established in the Plan. Also, the approved Plan, accepted Report, and all required attachments and documents should be available for review and inspection at SDHC's principal office during normal business hours.

Please contact Jeree Turlington, your MTW coordinator, at (202) 402-5270 if you have any questions.

Sincerely,

Marianne Nazzaro
Moving to Work Program Director
Office of Public Housing Investments

cc: Meena Bavan, Los Angeles Field Office