

MOVING TO WORK



HOUSING
AUTHORITY of
BALTIMORE CITY

FY 2022

ANNUAL REPORT



Moving to Work Annual Report

Fiscal Year 2022

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U.S. Department of Housing & Urban Development

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Housing Authority of Baltimore City

Moving to Work Annual Report – Fiscal Year 2022

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I. Introduction and Overview

This Moving to Work (MTW) Annual Report provides information on the Housing Authority of Baltimore City's (HABC) accomplishments and outcomes under the MTW Demonstration Program in Fiscal Year (FY) 2022 which began on January 1, 2022 and ended on December 31, 2022.

HABC has been a participant in the MTW Program since 2005. The current MTW Agreement between HABC and the US Department of Housing and Urban Development (HUD), which defines the terms and conditions of HABC's participation, including the Annual Plan requirements, extends through December 31, 2028.

A. Background on the MTW Demonstration

MTW is a demonstration program authorized by Congress, which provides HABC and other participating Public Housing Authorities (PHAs) with both funding and programmatic flexibility, subject to approval by HUD in the MTW Annual Plan process. MTW designation provides HABC with the ability to test and implement locally determined solutions that address Baltimore City's housing problems and priorities. MTW funding flexibility includes the establishment of a flexible MTW Block Grant, which allows HABC's three primary revenue sources (HUD Public Housing Operating Subsidy, Capital Fund and Section 8 Housing Assistance Payments) to be used interchangeably for any authorized purpose as specified in the MTW Agreement.

MTW programmatic flexibility allows HABC to waive certain HUD regulations and statutory provisions of the US Housing Act of 1937 to promote one or more of the following MTW statutory objectives:

1. Reduce cost and achieve greater cost effectiveness in Federal expenditures;
2. Provide incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and,
3. Increase housing choices for low-income families.

For purposes of this Annual Report, an "MTW activity" is defined as any activity that requires MTW flexibility to waive statutory or regulatory requirements.

The MTW activities undertaken by HABC in Fiscal Year 2022 were all designed to promote one or more of the MTW statutory objectives.

In order to provide the public and HUD with a more detailed view of HABC's FY 2022 outcomes, the Annual Report includes outcomes for both MTW activities and other activities which do not specifically require MTW authority to implement.

B. Goals and Objectives

Long -Terms Goals and Objectives

Over the past several years, HABC has transformed as an agency and has made tremendous progress in advancing our mission, vision and goals. In 2022, HABC expanded upon our Strategic Plan by adding "Sustain" to the existing priorities of Advocate, Innovate and Transform. HABC is committed to sustaining a level of satisfaction among our staff and residents as we strengthen our internal operations and our housing programs. A Strategic Plan dashboard was launched on our website to demonstrate this commitment and show the progress that HABC has made towards implementing our objectives. Additionally in 2022, HABC began working with a consultant to perform an agency-wide equity assessment, and we will incorporate the recommendations from this evaluation into our Strategic Plan. Other efforts that HABC put forth in 2022 to achieve our long-term goals include the following:

1. Internal Operations

HABC enhanced our recruitment and retention practices through a wide-scale advertising campaign that included billboard and social media messaging. This campaign highlighted the many benefits of working at HABC, including being part of a mission-driven organization that helps to improve the quality of life for underserved communities. We continued to participate in job fairs throughout the city, provide trainings for existing staff and build upon our internal communications through employee engagement surveys and contests.

2. Creating and Preserving Affordable Housing

HABC moved forward with its major redevelopment projects, including the Perkins Somerset Oldtown Transformation, O'Donnell Heights and Poe Homes, while continuing to assess other sites for similar redevelopment opportunities that have the potential to revitalize entire communities. Additionally, HABC began an assessment of individual public housing units to address maintenance and repair needs in an effort to preserve our existing inventory.

3. Resident Services

HABC's Office of Resident Services participated in several financial literacy workshops, senior resource fairs, and back to school events. Twelve families graduated from our FSS program, and we disbursed over \$115,000 in escrow. HABC has also begun a collaboration

with the City of Baltimore’s IT department and other agencies to create a plan to bridge the digital divide by bringing broadband to communities, including our public housing sites.

4. Mobility

HABC’s Housing Choice Voucher Program (HCVP) began implementation of its leasing incentive activity, which provides incentives for landlords who lease in areas identified as Opportunity Neighborhoods as reflected by key indicators, including poverty rate, school quality index, transportation access and labor market conditions. HABC also engaged in a mass marketing effort to encourage participation in our homeownership program, and we are exploring ways to grow this program to provide families with opportunities for economic mobility.

HABC is committed to carrying out its mission to create and provide quality affordable housing opportunities and become a catalyst for change in Baltimore’s neighborhoods. We will continue to grow and improve as an agency to maximize our impact on the communities we serve.

Short -Terms Goals and Objectives

In support of our aim to Respond, Return, Reassure and Reinvent, HABC is pleased to report on the following FY 2022 activities.

Public Housing Occupancy – HABC served 5,784 households in FY 2022.

Voucher Utilization – On average, HABC had 16,671 MTW units under lease each month, including Thompson vouchers.

Project-Based Voucher Utilization – At the end of FY 2022, 2,851 housing units were under contract in the Project-Based Voucher (PBV) program, including 124 new units, which were placed under contract during the fiscal year.

Capital Program – In FY 2022, using MTW Block Grant funds, HABC implemented a wide range of capital improvements at existing housing developments and scattered sites, spending approximately \$13.2 million on these capital projects (see Table 6 for detail on specific expenditures).

Development Program – In FY 2022 HABC continued its work on development activities designed to support the revitalization of Baltimore neighborhoods and replace distressed and obsolete public housing developments. The Development Initiatives portion of this report provides detail on the plans and related progress for 2022 including, but not limited to, development plans and progress on O’Donnell Heights, the Hollander Ridge Project and Perkins Somerset and Oldtown.

Rental Assistance Demonstration Program (RAD) – Under RAD, public housing developments can be converted to Project Based Rental Assistance (PBRA) or to Project Based Voucher (PBV) assistance. As of the end of FY 2022, HABC closed on a total of 28 RAD developments, consisting of 4,046 units. HABC had anticipated that In FY 2022 additional developments would undergo RAD conversion; however, those developments did not convert in FY 2022 and are slated for conversion or disposition in FY 2023 and beyond.

Developments converted under RAD to either PBRA or PBV have a new ownership structure, including a new management and maintenance team. HABC continues to have an ownership role (through its affiliates) and ongoing roles related to admissions, transfers and compliance monitoring. Developments converted under RAD PBV will involve HABC as the contract administrator of the Housing Assistance Payment Contract with the project owner. Conversion under RAD generates new capital resources, preserves existing affordable housing resources, ensures long-term affordability and improves the quality of life for residents.

Resident Services – HABC continued to serve its public housing and HCVP residents through a wide array of self-sufficiency, personal development and supportive service program offerings, including adult education classes, support services for our senior population, educational and mentoring support for our youth and career development and workplace readiness training. In response to the increasing need for mental and emotional health supports, HABC developed a trauma response and community resiliency plan.

Proposed MTW Activities – HABC proposed two new MTW activities in FY 2022, the Student Housing Initiative (SHI) and the Leasing Incentive Program (LIP).

Under the SHI, HABC plans to utilize MTW Block Grant funding flexibility to support a housing stability program for matriculated, low-income college students who graduated from a Baltimore City high school and who meet HUD’s criteria of an independent student. HABC will work in partnership with colleges and universities in Baltimore City to launch the Student Housing Initiative (SHI) program, which will provide 10 time-limited housing subsidies to eligible low-income college students. In FY 2022 HABC completed an MOU which, at the end of FY 2022 was under review by Morgan State University. HABC anticipates that the MOU will be finalized in the first quarter of FY 2023 with vouchers being issued for the 2023-2024 school year.

Using its MTW flexibility, HABC established a Leasing Incentive Program (LIP) to promote utilization of vouchers and provide increased housing options and opportunities for voucher holders. Additionally, to further reduce the vacancy rates in underutilized/hard to house Public Housing units, the LIP provides incentives for applicants to lease Public Housing units in these underutilized/hard to house areas/developments or portions thereof. The HCV leasing incentive portion of this new activity was implemented in October of 2022 and resulted in leasing of 95

HCV units for which incentives were paid. Of the 96 units, 76 of the units were new units on the program. The incentives were provided for new units on the program, new owners on the program and new units in opportunity areas. The vacancy and damage loss payment portion of this activity will be implemented in FY 2023. The Public Housing incentives portion of this activity was not utilized in FY 2022. Instead, HABC implemented a mini-model unit marketing approach which proved effective in the leasing of hard to lease units. As needed, HABC may consider utilizing the leasing incentives for Public Housing in the upcoming year.

Office of Resident Services MTW Homeownership Programs – Under the MTW Homeownership Program, HABC works with public housing residents, HCV participants and other eligible low-income households to prepare for first time homeownership. HABC’s MTW homeownership activity reflects all available MTW homeownership options in one activity. In FY 2022, five families successfully purchased homes with one of those homes being a former scattered site unit. Issues related to depleted closing cost assistance grant funding and failure of families to find units, secure funding commitments or complete contract requirements impacted the number of units purchased under the MTW homeownership program in 2022. At the end of 2022 there were nine families under contract with settlements scheduled for Jan/Feb 2023. Additionally, at the end of FY 2022, six families were still searching for units.

Homelessness Prevention Initiatives – HABC provides up to 970 Housing Choice Vouchers to eligible chronically homeless households referred by the Mayor’s Office of Homeless Services (MOHS). The Homeless Prevention Initiative does not require MTW Authority. Participants use their vouchers to find affordable permanent housing while receiving supportive services through the MOHS and partner agencies.

- In FY 2022 774 vouchers were issued to the Homeless populations (including PB Homeless).
- In October 2022, the Board of Commissioners approved a Resolution to increase this set-aside by an additional 70 vouchers, making the total set-aside 970.

The Project-Based Homeless and Veterans Set Asides – Using its MTW authority, HABC has 230 PBV units designated to house the homeless and their families and 19 PBV units designated to house homeless veterans and their families. By the end of FY 2022, there were 249 units under contract. The PB Homeless vouchers are included in the 970 vouchers that have been set aside for the Homeless Prevention initiative. The PB Veterans designated vouchers are stand-alone vouchers. There are 19 PBV units under contract and 56 units pending an AHAP.

The Re-Entry Program – This program links permanent housing with supportive services to assist up to 250 ex-offender households. Referrals are made to HABC by the Mayor’s Office of Homeless Services (MOHS). MTW Authority is not required for this initiative. By the end of 2022, 205 of

these vouchers were issued and leased. Participants continued to experience challenges in finding units in light of their criminal background.

Approved MTW Activities – HABC continued to implement and modify an array of previously approved MTW activities that impact the Public Housing and Leased Housing programs, including those related to the Thompson and Bailey cases, as further described in this Annual Report.

Notes on Thompson and Bailey Settlements

There are two long-standing legal cases that have a significant impact on HABC's MTW activities and initiatives:

1. The class action suit *Thompson v. HUD*, filed against HABC, the City of Baltimore and HUD. A 2012 settlement agreement resulted in the following provisions:
 - 2,600 additional Housing Choice Vouchers from 2012 through 2018 (Thompson Remedial Vouchers);
 - Continuation of the 1,788 Housing Choice Vouchers already utilized under the Thompson Partial Consent Decree (Thompson PCD-Leased Vouchers); and,
 - The continuation of the Thompson Homeownership Voucher Program

MTW flexibility continues to be utilized to support Thompson activities and is referenced accordingly in the MTW Annual Plan.

2. The *Bailey Consent Decree* required the creation of the following:
 - 756 housing units that meet the Uniform Federal Accessibility Standards (UFAS); and,
 - 600 project-based voucher units for non-elderly persons with disabilities (100 of the 600 are long term affordable (LTA) units, which means that residents living in them have the rights, privileges and benefits that are provided to HABC's public housing residents).

Using its MTW flexibility, HABC continued to create additional LTA NED units and LTA UFAS units to complete its obligations under the Bailey Consent Decree.

II. General Operating Information

A. Housing Stock Information

HABC is among the largest PHAs in the United States and serves low-income households through its Public Housing and Housing Choice Voucher programs, both of which are supported with MTW Block Grant funds.

This section of the Annual Report provides information on HABC's current inventory, leasing activities and waiting lists for both the Public Housing and HCV programs. It includes details on actual public housing capital expenditures and changes to the housing stock as a result of new development, demolition and disposition efforts and conversion of public housing units to long-term project-based assistance under RAD.

i. Actual New Project-Based Vouchers

HABC had planned to enter into an Agreement to Enter into Housing Assistance Payment (AHAP) Contracts or HAP contracts for 164 new project-based units in FY 2022; however only 124 units were under contract at the end of 2022. Perkins 1 units were originally listed under existing contracts; however, a correction was needed as the AHAPs were delayed and were not effective until May 2022.

Table 1: Actual New Project-Based Vouchers

Property Name	Number of Vouchers Newly Project-Based		Status at End of FY 2022	RAD?	Description of Project
	Planned	Actual			
Perkins 1	0	28	Committed	No	28 PBV units at 1401 E. Pratt Street
Perkins 1	0	20	Committed	Yes	20 RAD PBV units at 1401 E. Pratt Street
Perkins 2A	52	50	Committed	No	52 LTA PBV units at PSO
Perkins 2B	16	26	Committed	No	8 LTA PBV units at PSO
Perkins 2	8	0	Committed	No	8 PBV units at PSO
Beacon House Square	56	0	N/A	No	56 units located at 3549-3601 Old Frederick Road with a designation for PB for Veterans
Eagle Park (Thompson)	12	0	N/A	No	Garden-style walk-up apartments
Red Maple Place (Thompson)	10	0	N/A	No	56 units complex in East Towson

Property Name	Number of Vouchers Newly Project-Based		Status at End of FY 2022	RAD?	Description of Project
	Planned	Actual			
Fort 700 Project 2 (Thompson)	5	0	N/A	No	Scattered site properties in opportunity areas throughout the region
Fort 700 Project 3 (Thompson)	5	0	N/A	No	Scattered site properties in opportunity areas throughout the region
Total Planned or Actual New Project-Based Vouchers	164	124			

Describe differences between the Planned and Actual Number of Vouchers Newly Project-Based:

- Perkins 1: 48 units were moved from the existing PBV voucher section to the new PBV section as the AHAP was not effective until May 2022.
- Perkins 2A and 2B were originally slated to be RAD PBV; however, the units are under AHAP as PBV and are not part of any RAD conversion.
- Perkins 2: Perkins was originally slated as a 3-phase project; however, it was completed as a 2 phase project (Perkins 2A and 2B). The originally planned Perkins units are part of Perkins 2B.
- Beacon House Square: Construction delays prevented the AHAP from being executed in 2022.
- Eagle Park: Delay in approvals from the local jurisdiction caused delay in AHAP. Construction closing will occur in late spring 2023, at which time the AHAP will be executed.
- Red Maple Place: Project has been stalled due to litigation. The litigation has reached the court of appeals and a decision should be made by that court later this year. If the court allows the project to move forward, closing and AHAP execution should occur in late 2023 or early 2024.
- Fort 700 Project 2: Market conditions have not been favorable for the acquisition and rehabilitation of scattered site units in high-opportunity neighborhoods.
- Fort 700 Project 3: Market conditions have not been favorable for the acquisition and rehabilitation of scattered site units in high-opportunity neighborhoods.

ii. Actual Existing Project-Based Vouchers

HABC continued to provide voucher-based operating support for a large portfolio of existing units under contract in the PBV program or units for which an Agreement to Enter into Housing Assistance Payments (AHAP) Contract was in place. Table 2 includes only the PBV units where at least an AHAP was in place by the beginning of FY 2022, including information on actual unit counts as of 12/31/2022. As noted, 2,652 units were planned, and 2,727 units were under AHAP or HAP by the close of 2022.

Table 2: Actual Existing Project-Based Vouchers

Property Name	Number of Project-Based Vouchers		Status at End of FY 2022	RAD?	Description of Project
	Planned	Actual			
18 W. Read St., Inc.	10	10	Leased	No	10 1bd NED units at 18 W. Read St.
1234 McElderry St	50	50	Leased	No	13 1bd, 24 2bd and 13 3bd units for PH replacement at 1234 McElderry St.
214 E. Biddle St.	5	5	Leased	No	5 1bd NED units at 214 E. Biddle St.
22 Light Street Apartments	2	2	Leased	No	New construction of 40 units in Downtown Baltimore of which 2 will be project-based units.
2301 N. Charles St., Inc.	7	7	Leased	No	1 efficiency and 5 1bd NED/UFAS units at 2301 N. Charles St.
Alcott Place	28	28	Leased	No	28 1bd units at 2702 Keyworth Ave.
Artaban Ashburton Apartments	14	14	Leased	No	14 1bd NED units at 5906 Park Heights Ave.
Ashland Commons	12	12	Leased	No	12 1bd (8-NED) units at 1715 E Eager St.
Barclay	19	19	Leased	No	1 1bd, 1 2bd, and 17 3bd (1-NED, 4-UFAS) units at 2106-2234 Barclay St.
Barclay II (North Barclay Green)	15	15	Leased	No	11 1bd NED and 4 2bd UFAS units at 341 E. 20 th St.
Barrister Court	7	8	Leased	No	2 efficiencies, 5 1bd, and 1 2bd UFAS unit at 1300 Washington Blvd.
Belvieu Gardens	10	10	Leased	No	10 1bd NED units at 3915-3921 Belvieu Ave.
Bellevieu Manchester	8	8	Leased	No	8 1bd units at 342 Bloom St.
Bennett House	25	25	Leased	No	24 SROs and 1 1bd unit at 14 E Franklin St. designated to provide supportive services to low-income residents

Property Name	Number of Project-Based Vouchers		Status at End of FY 2022	RAD?	Description of Project
	Planned	Actual			
Bon Secours – Gibbons	20	20	Leased	No	12 1bd NEDs, 4 2bd and 4 3bd UFAS units at 900 Desoto Rd.
Bon Secours – New Shiloh	19	19	Leased	No	16 1bd (11-NED), 2 2bd and 1 3bd units at 1930 Windsor Ave. (8-PB Homeless)
Brexton Chase	7	7	Leased	No	7 1bd NED units at 241 W. Chase St.
Brick by Brick	2	2	Leased	No	2 1bd NED units at 903 Gorsuch Ave.
Butchers Row	9	9	Leased	No	3 1bd, 2 2bd, and 4 3bd units at E. Baltimore St.
Calvert Street Properties	18	18	Leased	No	18 1bd NED units at 1625 N. Calvert St.
Calverton House	14	14	Leased	No	13 SROs and 1 efficiency at 119 E. 25 th St.
Chapel Green	20	20	Leased	No	8 1bd NED units and 12 3bd (4-UFAS) units at Chase, Wolfe, and Washington Streets
Cherry Hill Senior Housing	50	50	Leased	No	48 1bd NED units and 2 2bd UFAS units at 901 Cherry Hill Rd.
Cherrydale	32	32	Leased	No	32 1bd NED units at 1118 Cherry Hill Rd.
City Arts	11	11	Leased	No	11 1bd NED units at 440 E. Oliver St.
City Arts II	15	15	Leased	No	12 1bd NED and 3 2bd UFAS units at 1700 Greenmount Ave.
Clare Court Apartments	15	15	Leased	No	5 1bd, 7 2bd and 3 4bd (7-NED, and 3-UFAS) units at 3725 Ellerslie Ave.
Clarks Lane	6	6	Leased	No	6 1bd NED units at 3901 Clarks Ln.
Clarksview, LLC	8	8	Leased	No	8 1bd NED units at 3701-3711 Clarks Ln.
Coel-Grant Higgs	57	57	Leased	No	32 efficiencies and 25 1bd (6-UFAS) units at 1700 N Gay St.
Coleman Manor	49	49	Leased	No	49 1bd (8-NED, 5-UFAS) units at Walbrook Ave.

Property Name	Number of Project-Based Vouchers		Status at End of FY 2022	RAD?	Description of Project
	Planned	Actual			
Columbus School Apts.	8	8	Leased	No	8 1bd units at 2000 E North Ave
Community Housing	6	6	Leased	No	1 efficiency, 1 1bd, 1 2bd, and 3 3bd scattered site units
Dayspring	18	18	Leased	No	17 2bd and 1 3bd transitional units at 1125 Patterson Park
DiMaggio Scattered Sites	23	23	Leased	No	8 2bd, 10 3bd, 4 4bd, and 1 5bd units designated for chronically homeless households at scattered sites
Dominion Properties	7	7	Leased	No	3 1bd NED units and 4 3bd units at 1617 Dukeland Ave., 6 th St., Hilton and Monument Streets
Dorchester Apts.	10	10	Leased	No	10 1bd NED units at 4300 Liberty Heights Ave.
Druid Hill LTD	12	12	Leased	No	10 2 bd and 2 3bd units at 1621 Druid Hill Ave.
Druid House	19	19	Leased	No	8 2bd and 11 3bd units at McCulloh St.
Epiphany House	33	33	Leased	No	33 efficiencies at 5610 York Rd.
Fallstaff Apts.	4	4	Leased	No	2 1bd NED units, 1 2bd and 1 3bd (1-UFAS) units at 3800-3810 Fallstaff Rd.
Fells Point Station	14	14	Leased	No	11 1bd and 3 2bd (6-NED, 8-UFAS) units at 1621 Bank St.
Four Ten Loft Apts	20	20	Leased	No	20 - 1bd units at 410 N Eutaw St. designated for PB homeless.
Flamingo Apartments	1	1	Leased	No	1 3bd LTA UFAS unit located at 3900 Conduit Ave
Franklin Flats	7	7	Leased	No	7 1bd NED units at 20 E. Franklin St.

Property Name	Number of Project-Based Vouchers		Status at End of FY 2022	RAD?	Description of Project
	Planned	Actual			
Greenmount & Chase	19	19	Leased	No	11 1bd, 5 2bd and 3 3bd units (2 NEDs, 22 UFAS, 4 PB Homeless) located at 1107 Greenmount and 700 E Chase St.
Greens at Irvington Mews	20	20	Leased	No	20 - 1bd NED units at 4300 Frederick Ave.
Harry & Jeannette Weinberg Place	88	116	Leased	No	85 efficiencies and 3 1bd units at 2500 W. Belvedere Ave.
Holden Hall	14	14	Leased	No	14 SRO units at 761 W. Hamburg St.
Hollander Ridge	0	94	Leased	Yes	Converted from LIPH units to RAD PBV 12-29-2021
Indecco	9	9	Leased	No	2 efficiencies and 7 1bd units at 940 S. Lakewood Ave.
Independence Place	21	21	Leased	No	11 1bd and 10 2bd units designated for chronically homeless households at 4101½ Old York Rd.
Irvington Woods	57	57	Leased	No	11 1bd NED and 46 2bd units at 4102-4126 Potter St.
JByrd	3	3	Leased	No	3 1bd NED units at Windsor Mill Rd.
Jenkins House	22	22	Leased	No	20 SRO and 2 1bd units at 2226 Maryland Ave.
John Manley House	5	5	Leased	No	5 1bd NED units at 5304 Harford Rd.
Keys Pointe – Phase 1B	34	34	Leased	No	19 1bd, 8 2bd, 4 3bd and 3 4bd (11-NED, 4-UFAS) units at Cardiff, Jarmon, Hornell, Boston and Gallop Streets
L on Liberty	14	14	Leased	No	14 1bd (all NED) units at 216 N Liberty St.
Lillian Jones Apts.	22	22	Leased	No	14 1bd NED, 2-2bd and 6-3bd UFAS units at 1303 Greenmount Ave.

Property Name	Number of Project-Based Vouchers		Status at End of FY 2022	RAD?	Description of Project
	Planned	Actual			
M on Madison	23	23	Leased	No	23 1bd NED units at 301 W. Madison St.
Marian House	8	8	Leased	No	4 SRO and 4 3bd units at 949 Gorsuch Ave.
Marian House II	5	5	Leased	No	5 1bd (3-NED, 2-UFAS) units at 932 Gorsuch Ave.
Mary Harvin Center	8	8	Leased	No	8 1bd units at 1600 N. Chester St.
Metro Heights at Mondawmin	18	18	Leased	No	13 1 bd, 2 2bd and 3 3 bd (10-NED, 1-UFAS) units, some designated for chronically homeless households at 2700 Reisterstown Rd.
Milford Station	6	6	Leased	No	6 1bd NED units at 3900 W. Northern Pkwy.
Moravia	60	60	Leased	No	57 1bd and 3 2bd units (9-NED, 6-UFAS) at 6050 Moravia Park Dr.
Mount Royal Apts.	5	5	Leased	No	5 1bd units at 1512 W. Mt. Royal Ave.
Mulberry at Park Apts.	19	19	Leased	No	11 1bd NED units, 2 2bd and 6 3bd UFAS units at 211 W. Mulberry St.
North Barclay Green III	12	12	Leased	No	9 1bd units and 3 3bd UFAS units at E. 21 st St. and Greenmount Ave.
North Avenue Gateway	16	16	Leased	No	11 1bd NED units and 5 2bd units at 3001-3003 W. North Ave.
North Avenue Gateway II	16	16	Leased	No	10 1 bd NED units and 5 2bd units at 3001-3003 W. North Ave.
Oaks at Liberty	45	45	Leased	No	45 1bd units at 3501 Howard Park Ave.
O'Donnell Heights	42	42	Leased	No	16 1bd (12-NED) units, 12 2bd units, 13 3bd units, and 1 4bd unit (4-UFAS)

Property Name	Number of Project-Based Vouchers		Status at End of FY 2022	RAD?	Description of Project
	Planned	Actual			
Orchard Ridge I-V	197	197	Leased	No	119 1bd units, 42 2bd units, 32 3bd units, 3 4bd units and 1 5bd unit (52-NED, 27-UFAS) at Orchard Ridge Blvd., Green Rose and Maple Shade Dr.
Paca House	82	82	Leased	No	41 efficiencies and 41 1bd units at 116 N. Paca St. 63 units are designated for homeless and 19 units for veteran populations.
Parktown-Cason Arms	12	12	Leased	No	8 1bd NED units and 4 2bd UFAS units at 4637 Park Heights Ave.
Penn North	15	15	Leased	No	14 1bd NED units and 1 3bd UFAS unit at 2600 Pennsylvania Ave.
Penn Square II	15	15	Leased	No	12 1bd NED and 3 3bd UFAS units at 2600 Pennsylvania Ave.
Perkins 1	28	0	N/A	No	28 units at PSO
Perkins 1	20	0	N/A	Yes	20 RAD PBV units at PSO
Parkwood	3	3	Leased	No	3 1bd NED units at scattered sites
Poppleton II	15	15	Leased	No	11 1bd NED units and 4 3bd UFAS units at 838 W. Fairmount Ave.
Poppleton III	10	10	Leased	No	7 1bd NED units, 1 2bd UFAS and 2 3bd UFAS units at 866 W. Fayette St.
Pratt Street	35	35	Leased	No	27 2bd and 8 3bd units at 1700 W Pratt St. – transitional housing
Restoration Gardens	43	43	Leased	No	40 efficiencies and 3 1bd units designated for homeless youth at 3701 Cottage Ave.

Property Name	Number of Project-Based Vouchers		Status at End of FY 2022	RAD?	Description of Project
	Planned	Actual			
Restoration Gardens II	42	42	Leased	No	42 efficiencies (3-UFAS units) designated for homeless youth at 4201 York Rd.
Seminole Apartments	6	6	Leased	No	6 1bd NED units at 4300 Seminole Ct.
Sharon Towers	10	10	Leased	No	10 2bd units at 4-6 N. Carey St.
Sharp Leadenhall	4	4	Leased	No	4 1bd units (3-UFAS) at Race and West Streets
Sojourner at Argyle Apartments	12	12	Leased	No	12 1bd (2-UFAS) units designated for chronically homeless households at 1411 Argyle St.
Sojourner Place at Preston	35	35	Leased	No	25 1bd, 5 2bd and 5 3bd units located at 1208 E Preston St.
Somerset 2 (520 Somerset Apartments)	44	44	Committed	Yes	44 RAD PBV units at PSO 520 Somerset Street
Somerset 2 (525 Aisquith Apartments)	23	23	Committed	Yes	23 RAD PBV units at PSO 525 Aisquith Street
Somerset 2 (525 Aisquith)	33	33	Committed	No	33 PBV Blend Units at PSO
Somerset 3 (420 Aisquith)	15	15	Committed	Yes	15 RAD PBV units at PSO
Somerset 3 (420 Aisquith)	21	21	Committed	No	21 LTA PBV units at PSO
Somerset Extension	7	7	Leased	No	7 1bd NED units located at 1400 E Monument St.
St. Stephens	15	15	Leased	No	15 1bd NED units at 3900 Roland Ave.
St. Vincent DePaul	9	9	Leased	No	8 2bd and 1 3bd units at Ulman Ave.
St. Vincent DePaul	5	5	Leased	No	1 3bd and 4 4bd units designated for chronically homeless households at Bond St. and Cottage Ave.

Property Name	Number of Project-Based Vouchers		Status at End of FY 2022	RAD?	Description of Project
	Planned	Actual			
Symphony Home at Purdue	6	6	Leased	No	6 1bd units at 5683 Purdue Ave.
Union Ave. – Buena Vista Apartments	48	48	Leased	No	15 1 bd and 33 2 bd units converted through Rental Assistance Demonstration (RAD-2) at 1420-1436 Union Ave.
Uplands	62	62	Leased	No	24 1bd, 31 2bd, and 7 3bd units (16-NED, 6-UFAS) at 4520 Scarlet Oak Ln.
Walbrook Mills Apts	1	1	Leased	No	1 3bd (UFAS) unit at 2636 W North Ave.
Wayland Village	45	45	Leased	No	45 1bd (14-NED) units at 3020 Garrison Blvd.
Weinberg Family Center – 1209 Rose	8	8	Leased	No	5 2bd and 3 3bd units designated for chronically homeless households at 1209 N. Rose St.
Weinberg Family Center – Guadenzia at Park Heights	18	18	Leased	No	14 2bd and 4 3bd units designated for chronically homeless households at 4613 Park Heights Ave
Weinberg Manor East	75	75	Leased	No	10 SRO, 41 efficiencies, and 24 1bd units (10-NED, 5-UFAS) at 3601 Fords Ln.
Weinberg Manor South	14	14	Leased	No	14 1bd NED units at 3617 Fords Ln.
Westminster House	163	163	Leased	No	103 efficiencies, 55 1bd, and 5 2bd units at 524 N. Charles St.
Berger Square (Thompson)	10	10	Leased	No	A project located in Odenton in Anne Arundel County, near transit, employment centers near Fort Meade and Arundel Mills, and close to the MARC station.

Property Name	Number of Project-Based Vouchers		Status at End of FY 2022	RAD?	Description of Project
	Planned	Actual			
Burgess Mills (Thompson)	20	20	Leased	No	A 198 unit mixed-income project located in Ellicott City in Howard County.
Ellicott Gardens (Thompson)	14	14	Committed	No	A 70-unit project located in Ellicott City in Howard County, a second phase of an existing project. Ellicott Gardens will provide much needed affordable housing for families in this opportunity area.
Scattered Sites - Pilatus Opportunity Fund (Thompson)	30	30	Leased	No	Scattered site units in high-opportunity areas throughout the region.
Scattered Sites - Harford Home Rentals (Thompson)	10	10	Leased	No	Scattered site units in high-opportunity areas throughout the region.
Scattered Sites – Fort 700 (Thompson)	5	5	Leased	No	Scattered site units in high-opportunity areas throughout the region.
Homes at Fountain Green (Thompson)	10	10	Leased	No	New construction in Harford County, of which 10 units will be BRHP project-based units. Project is currently at 97% construction completion and leasing will begin in coming month
Total: Planned and Actual Existing Project-Based	2,652	2,727			

Describe differences between the Planned and Actual Existing Number of Vouchers Project-Based

- Barrister Court: Incorrect number of units in the planned column, which should have been 8.
- Harry & Jeanette Weinberg Place: HUD awarded 28 new vouchers for this site effective 5-1-2022.
- Perkins I: 48 PBV units were not under AHAP until 2022 and were moved up to the new PBV section of this report.
- Hollander Ridge: 94 units which were previously LIPH mixed finance units were converted to RAD PBV on December 29, 2021. Units were mistakenly not included in the Plan.

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

Public Housing

This section of the report includes information on changes to the public housing inventory in FY 2022, including capital expenditures and the status on development activities for sites where redevelopment, conversion, homeownership, demolition, disposition and management improvements took place in FY 2022. HABC’s asset review of its scattered sites inventory continues to provide a roadmap and framework for demolition and/or disposition of obsolete units.

Table 3 below provides a total of HABC’s actual public housing inventory as of the end of FY 2022. The public housing inventory varies from year to year as a result of public housing units being converted to long-term project-based assistance under the RAD and other factors.

Table 3: Public Housing Inventory

	Units as of 12/31/2022
MTW Public Housing Units	6,110 Available Units 7,288 ACC units

Actual New Public Housing Units

HABC acquired and completed three of the ten planned scattered site properties which are part of the Bailey Supplemental Consent Decree. A fourth unit was acquired at the end of 2022 and is slated for completion in 2023.

Actual Public Housing Units Removed

As shown on Table 4, HABC demolished/disposed of 199 units in FY 2022. The actual number varied from what was planned as a result of changes in timetables for HUD and City of Baltimore approvals, project financing, RAD closings and other factors.

Table 4: Public Housing Units Removed in FY 2022

PIC Dev.#/AMP and PIC Dev. Name	Number of Units Removed in FY 2022	Actual Outcome in FY 2022
MD002/000003 Perkins Phase 2	76	76 units at Perkins Homes Phase 2 were removed in 2022 as part of the Perkins Somerset Oldtown Transformation Plan and HUD Choice Neighborhoods

PIC Dev.#/AMP and PIC Dev. Name	Number of Units Removed in FY 2022	Actual Outcome in FY 2022
		(CN) Award. For those phases financed with 4% Low Income Housing Tax Credits and Multi-Family Tax-Exempt Housing Bonds, the CN replacement units will be subsidized with a combination of RAD Project-Based Vouchers (RAD-PBV) and Project-Based Vouchers (PBVs).
MD002/031 * Rosemont Low-Rise Townhomes	106	106 units were removed in 2022. RAD Conversion planned.
MD002/000201 Scattered Sites 201 2200 Greenmount Avenue	1	This unit has been deemed non-viable due to neighborhood conditions. Sold as a direct sale
MD002/000202 Scattered Sites 202 636 N Carrollton Ave 1FL- (21217)	1	Unit to be removed from inventory due to neighborhood conditions. Sold as a direct sale.
MD002/000202 Scattered Sites 202 636 N Carrollton Ave 2FL- (21217)	1	Unit to be removed from inventory due to neighborhood conditions. Sold as a direct sale.
MD002000200 Scattered Site 200 1044 N. Milton Av (21205)	1	Sold to the City
MD002000201 Scattered Site 201 2316 E. North Avenue (21213)	1	Sold to the City
MD002/0200 Scattered Site 200 1318 Homewood Avenue (21202)	1	Sold to the City
MD002000202 Scattered Site 202 1510 W. Lanvale St	1	Sold to the City
MD002000203 Scattered Site 203 3024 Woodland Avenue (21215)	1	Sold to the City
MD002000202 Scattered Site 202 510 N. Schroeder St (21223)	1	Sold to the City

PIC Dev.#/AMP and PIC Dev. Name	Number of Units Removed in FY 2022	Actual Outcome in FY 2022
MD002000201 Scattered Site 201 511 E. 27 th St (21218)	1	Sold to the City
MD002/000200 Scattered Site 202 1506 W. Lanvale St (21213)	1	Sold to the City
MD002/000200 Scattered Site 202 1628 N. Gilmor St (21217)	1	Auction
MD002/00201 Scattered Site 201 2034 Robb St (21218)	1	Auction
MD002/00203 Scattered Site 203 320 N. Gilmor St (21223)	1	Direct Sale
MD002/00203 Scattered Site 203 329 N. Gilmor St (21223)	1	Direct Sale
MD002/00203 Scattered Site 203 3914 Park Heights Ave (21215)	1	Homeownership Sale
MD002/00200 Scattered Site 200 702 Mura Street (21202)	1	Sold to the City
TOTAL NUMBER OF UNITS	199	

*Sites share the same MD number; however, they represent 2 different developments.

Rental Assistance Demonstration Program

Table 5 provides a list of public housing developments that have already undergone RAD conversions as of December 31, 2022. There were six additional developments which were projected to convert in 2022; however, the updated projection date for conversion has been moved to 2023 and beyond.

Table 5: Completed RAD Conversions by December 31, 2022

Property Name	No. of Units Converted	RAD Conversion Type	Dated Closed	Major Milestone/Status	RAD Significant Amendment Submission Date*	RAD Significant Amendment Approval Date
Allendale	164	PBRA	15-Nov	HUD approved certification of completion	5/12/2015	10/27/2015
BE Mason	223	PBRA	15-Nov	HUD approved certification of completion	5/12/2015	10/27/2015
Bel Park Tower	253	PBRA	15-Nov	HUD approved certification of completion	5/12/2015	10/27/2015
Brentwood	150	PBRA	15-Dec	HUD approved certification of completion	5/12/2015	10/27/2015
Broadway Overlook	84	PBRA	17-Aug	HUD approved certification of completion	10/26/2016	1/26/2017
Chase House	189	PBRA	16-Dec	HUD approved certification of completion	5/12/2015	10/27/2015
Ellerslie	117	PBRA	17-Feb	HUD approved certification of completion	10/26/2016	1/26/2017
Govans Manor	191	PBRA	16-Nov	HUD approved certification of completion	10/26/2016	1/26/2017
Hillside Park	30	PBRA	17-Dec	Under review by HUD for certification of completion	12/1/2017	6/29/2018
Hollins House	130	PBRA	15-Nov	HUD approved certification of completion	5/12/2015	10/27/2015
Hollander Ridge	94	PBV	21-Dec	Construction completed March 2021	7/1/2020	9/21/2020
Lakeview Tower	302	PBRA	15-Nov	HUD approved certification of completion	5/12/2015	10/27/2015
McCulloh Extension	347**	PBRA	16-Nov	HUD approved certification of completion	5/12/2015	10/27/2015
Perkins I	20	PBV	22-Jun	HUD approved certification of completion	9/17/2020	9/21/2020
Primrose Place	125	PBRA	16-Feb	HUD approved certification of completion	5/12/2015	10/27/2015

Property Name	No. of Units Converted	RAD Conversion Type	Dated Closed	Major Milestone/Status	RAD Significant Amendment Submission Date*	RAD Significant Amendment Approval Date
Pleasant View Gardens Senior	110	PBRA	16-Jul	HUD approved certification of completion	5/12/2015	10/27/2015
Pleasant View Gardens Townhomes	201	PBRA	16-Sep	HUD approved certification of completion	5/12/2015	10/27/2015
Senior Townes at the Terraces	47	PBRA	17-Nov	HUD approved certification of completion	10/26/2016	1/26/2017
The Rosemont Low Rise Townhomes	106	PBRA	22-Dec	HUD approved certification of completion	12/01/2017	12/27/2017
Wyman House	168	PBRA	15-Dec	HUD approved certification of completion	5/12/2015	10/27/2015
Heritage Crossing	75	PBRA	18-Nov	Construction completed September 2019; HUD approved certification of completion	12/1/2017	6/29/2018
J. Van Story Branch Apts	350** *	PBRA	18-Nov	Construction completed December 2020; HUD approved certification of completion	12/1/2017	6/29/2018
Monument East	170	PBRA	18-Oct	Construction completed February 2020; HUD approved certification of completion	12/1/2017	6/29/2018
Rosemont Tower	203	PBRA	19-Sep	Construction completed July 2021; HUD approved certification of completion	12/1/2017	6/29/2018
Scattered Sites (Thompson)	58	PBRA	19-May	Construction completed October 2020; HUD approved	4/12/2017	12/27/2017

Property Name	No. of Units Converted	RAD Conversion Type	Dated Closed	Major Milestone/Status	RAD Significant Amendment Submission Date*	RAD Significant Amendment Approval Date
58/Broadway Homes)				certification of completion		
Somerset Ph 2	67	PBV	21-Jun	Projected Completion August 2023	7/1/2020	9/21/2020
Somerset Ph 3	15	PBV	21-Nov	Projected Completion August 2023	7/1/2020	9/1/2020
Somerset Extension	57	PBRA	20-Dec	Construction completed in 2022	12/1/2017	6/29/2018
TOTAL	4,046					

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

HABC implemented a wide range of capital investments at existing public housing sites and continued its program of citywide housing development activities. Additional discussion of capital plan, energy, infrastructure and extraordinary maintenance issues and initiatives completed in FY 2022 is summarized below in Table 6. HABC spent \$13.2 million on capital-related activities in FY 2022. Pursuant to the MTW Agreement, HABC has combined all current and prior year Capital Funds, including RHF funds, into the MTW Block Grant that will be carried out in accordance with all HUD regulations, including 24 CFR Part 905, and other requirements applicable to the Capital Fund Program.

Table 6: Actual Capital Expenditures During the Plan Year

No.	Development Name	Description of Work	FY 2022 Actual Expenditures
1.	Latrobe Homes	Brick Work & Tuckpointing	1,731,117
2.	McCulloh Homes	Window Replacement, Site work	545,700
3.	Perkins Homes	Relocation Activities, Demolition	1,348,847
4.	Poe Homes	Steam Traps and Radiator Valves, Emergency Repairs, Relocation Activities	90,021
5.	Douglass Homes	Exterior Doors, Non-Dwelling Structures, Management and Maintenance Facilities, Security Cameras, Security Lighting	1,593,167

No.	Development Name	Description of Work	FY 2022 Actual Expenditures
6.	Gilmor Homes	Upgrade Steam Distribution System, Site Improvements, Replace all three-phase converter to single phase, Backflow Preventers, Lead Component Abatement	1,044,617
7.	O'Donnell Heights	Emergency Repairs	130,457
8.	Cherry Hill Homes	Sump Pumps, install filtration system for Heating, Site Work, Upgrade interior light in apt buildings, Replace apt building doors throughout site with metal doors, Install bird nets on apt buildings throughout site, Remove and replace mailboxes in apt buildings to the exterior of building, Waterproofing and Tuckpointing, HVAC System Replacement	1,792,481
9.	Brooklyn Homes	Electrical Distribution Replacement, Window Security Screens	180,142
10.	Westport Homes	Window Replacement	1,612,053
11.	Rosemont/Dukeland	Repair of gas main manifold & emergency repairs	36,995
12.	Somerset/Arbor Oaks	RAD Subsidy	(24,446)
13.	Scattered Sites	Roofing Replacement, Renovate Long Term Vacant Units in Stable Neighborhoods, Window Replacement, Electrical Panel Upgrades, Emergency Repairs	1,037,890
14.	Central Office	Non-Technical Salaries and Benefits	678,770
15.	Central Office	Technical Salaries and Benefits	826,981
16.	Central Office	Admin and Operating Costs, Overhead, Sundry and Audit Fees	433,674
17.	Authority-Wide	A & E and Environmental Consulting Fees	105,160
18.	Authority-Wide	Legal, Planning, Information Technology and Utility Consulting Fees, etc.	51,339
Total			\$13,214,965

504 Accessibility Improvements

As of December 2022, 401 units that meet the UFAS requirements for wheelchair accessibility were available through HABC's Public Housing program. HABC continues to: (i) maintain existing UFAS units, to the extent that they remain viable, common areas, and accessible routes to ensure continued compliance with UFAS and the 2010 ADA standards; and (ii) modify units to meet reasonable accommodation and immediate need requests.

HABC is creating additional UFAS units through the PSO redevelopment project. In addition to replacing the 67 UFAS units that were in Perkins Homes, an additional 102 UFAS units are being created throughout the redevelopment phases for a total of 169 UFAS units. The first eight UFAS units were created at 1234 McElderry (former Somerset Homes site) in June 2021 (1 one bedroom, 3 two-bedroom and 4 three-bedroom).

Thirty-one UFAS units are being created in Somerset Phase 2 and are expected to be ready for occupancy by the third quarter of 2023 (14 one-bedroom, 12 two-bedroom and 5 three-bedroom units). Nine UFAS units are being created in Somerset Phase 2 3rd quarter of 2023 (5 one-bedroom and 4 two-bedroom units)

All of HABC's mixed population properties have been converted to private ownership and management under the RAD Program. The new owners have renovated or are renovating the units and common areas. Several of the properties have added more UFAS units resulting in an increase of 62 certified UFAS units. All of the units in the RAD properties that are subsidized by Project Based Rental Assistance (PBRA) are occupied exclusively by residents on HABC's reasonable accommodation transfer waiting list and from HABC's public housing application waiting list.

Infrastructure and Extraordinary Maintenance

In FY 2022 HABC continued to (i) develop master plans that note physical areas of concern and a course of action to rectify them (landscaping, security, code upgrades, etc.); (ii) perform major renovations at various developments and a portion of the scattered site inventory to reduce vacancies; and (iii) conduct relocation activities in preparation for redevelopment of Perkins and Poe Homes. Outlined below is specific information by site related to extraordinary maintenance.

Latrobe

Major emergency heating system repairs were completed at Latrobe homes. Further repairs to the heating system and the installation of sump pumps have been contracted and are currently under construction. Tuckpointing work has just been contracted with work anticipated to start when the weather breaks in early Spring 2023.

McCulloh

Window replacement at McCulloh Homes is currently underway. This work experienced supply chain issues which delayed the start. Delivery of materials remains slow but is consistent. Installation of all the windows is anticipated for the 2nd quarter of 2023. Revision of the scope of needed sitework has just been completed and will be obligated for an early Spring start of the work.

Poe

An emergency gas main repair was completed at Poe Homes. Replacement of radiator steam traps and valves is being evaluated given the pending approval of demolition of the site. Emergency repairs will be made as necessary until relocation and demolition is complete.

Douglass

Repairs and modifications to the heating and hot water systems were made in preparation for the Combined Heat and Power (CHP) project scheduled for Douglass. Renovations as part of the project to make Douglass lead free were also made. Ongoing security measures such as added cameras and exterior lighting were undertaken. Replacement of the exterior doors is being procured and will take place in 2023.

Gilmor

Planned repairs to the steam distribution system were completed and improvements to the boiler plant are currently being undertaken. Installation of the backflow preventors and the elimination of the phase converters was completed. Revision of the scope of needed sitework has just been completed and will be obligated for an early Spring 2023 start of the work.

O'Donnell Heights

O'Donnell Heights is still being planned for demolition. Emergency repairs will be made as necessary until approval to demolish is received and relocation is completed.

Cherry Hill

Site improvements continue at Cherry Hill. Replacement of mailboxes at the apartment buildings was completed as was replacement of the entrance doors and common area/stairwell lighting. HVAC replacement at the community building is in the planning stages. (There are long lead times associated with HVAC equipment due to supply chain issues.) Planned sump pump work was completed but this item will be a continuing item. Tuckpointing has just been obligated for work to begin early Spring 2023. Bird netting and other incidental items are being scheduled for completion in 2023.

Brooklyn Homes

The next group of planned security screens are being installed and will be complete by the end of June 2023. The electrical distribution system will be maintained while being evaluated for replacement by BGE (ultimately eliminating HABC responsibility for system repair and maintenance).

Westport

Window replacement at Westport Homes was completed as was extensive exterior stair and railing repairs/replacement and paving throughout the site.

Rosemont/Dukeland

Repair of the gas main manifold at Rosemont was completed prior to RAD settlement as planned.

Rosemont has been converted to RAD. Dukeland remains in inventory and emergency repairs will be made until it closes as a RAD conversion.

Scattered Sites

Scattered site vacancy renovations continue as do annual roof and window replacements as planned and needed. Emergency issues are also addressed when they arise.

Authority-Wide

Authority-wide work continues as needed. Cost for completed work is reflected in expenditures for the appropriate sites. The identified items are open items and addressed as necessary, i.e., cameras, exterior lighting, emergency mechanical and electrical work, etc.

Salaries, benefits, operating costs, overhead, legal, and various consulting fees are expended as necessary and planned.

[Special Construction and Demolition/Disposition of Public Housing Units](#)

HABC received HUD approval in 2022 to demolish the long-term vacant daycare center at Westport Homes. The building is in poor condition and capital funding is inadequate to rehabilitate it for any productive use.

In preparing for the demolition of the building and conducting the planning surveys required for application of a demolition permit with the City of Baltimore, a major complication associated with the Westport Homes gas distribution system was discovered. The master gas meter and gas main supplying the entire Westport site is in very close proximity to the building. In order to demolish the daycare building the gas meter and main has to be relocated. HABC is working with Baltimore Gas and Electric (BGE) on the design of the relocation of the gas meter and main away from the building. Demolition cannot proceed until the gas service is safely relocated so as not to be impacted by the demolition and potential re-use of the site. This work by BGE is not anticipated to be completed until 2024.

[Energy Performance Contracting & Resident Billing / Metering](#)

HABC continued to monitor, measure and verify efforts for the Phase I Energy Performance Contracting (EPC) properties (Latrobe Homes, Cherry Hill Homes, Gilmor Homes, Westport Homes and Brooklyn Homes). A second EPC Program of approximately \$10.1 million began for the installation of conservation measures, including lighting, water conservation fixtures, utility metering and infrastructure and/or heating/hot water system upgrades at selected properties (Douglass Homes, Poe Homes, Dukeland Homes, Rosemont Homes, Oswego Mall, McCulloh Homes Low Rise, McCulloh Homes Townhomes, Laurens House, Mt Winans, Spencer Gardens, and Carey House). The second EPC was planned for a total of 15 years, inclusive of two years of construction and ECM installation. Due to unanticipated delays in executing the final loan documents, design, construction and ECM installation began in the first half of 2019. Rosemont Homes, Oswego Mall, Dukeland Homes, Laurens House, Carey House, Spencer Gardens and Poe Homes were removed from the Phase 2 EPC due to plans to convert those developments under RAD. Scattered site units were substituted in the EPC 2 to account for the removal of the intended RAD conversions. Due to this removal and substitution, the construction was initially extended to April 2021. The COVID 19 pandemic and lack of accessibility to units has hampered the construction schedule further and an additional extension has been requested to July 2023.

Currently approximately 90% of the original EPC 2 work is complete and installed. This includes the renegotiated steam tariff rates to incorporate savings for Douglass Homes; efficient water fixtures (toilets, faucets, aerators, shower heads) installations and/or replacements at all sites; exterior lighting at various sites; replacement of domestic hot water generator tanks and piping connections at McCulloh Homes; installation of gas fired furnaces at Rosemont Homes; installation of fixed set point thermostats at all sites; replacement of radiator control valves and steam traps at Douglass Homes. Work that was underway in 2022 and is due to be completed in 2023 includes various improvements at scattered site properties and construction of three cogenerations systems at Douglass Homes.

The Energy Department addresses and manages the Resident Billing & Metering Program while HABC utilizes third-party utility billing to handle resident excessive consumption charges for EPC sites. The company has increased efforts to support billing and reporting efforts for the first EPC sites. They are in the process of instituting the same process for the EPC 2 properties once the sub-metering infrastructure is installed and/or upgraded. HABC's Energy Department oversees this company in close collaboration with other agency departments. Additionally, the Energy Department ensures all Utility Allowances & Excessive Consumption Charges (ECC) updates are performed for the developments under the EPC program.

[Safety & Security Initiatives](#)

In 2022, HABC's Security Operations manager continued with regular site visits and completed a Safety and Security Assessment. A Summer Crime Plan was implemented which placed security guards at two of our sites where crime rates have been particularly high, Poe Homes and Douglass Homes. As a result, there was a significant reduction in violent incidents as compared to the previous year. The plan was extended through the end of the year and will continue in 2023 with site coverage expanding to Westport and Latrobe Homes. Additional CCTV cameras were installed at Douglass Homes, and as of the end of 2022, installation of more cameras was pending at McCulloh Homes. HABC was also awarded a HUD Safety and Security in the amount of \$250,000 which will be used to install 22 CCTV cameras at Westport Homes.

Facilities & Real Estate

HABC continuously assesses and as needed, renovates HABC facilities across the various developments and its Duncanwood Maintenance and Storage Facility. There is ongoing management of leased space at Benton Building and the West Pratt Street or Mount Clare Junction facilities. HABC leases the space at Duncanwood and will oversee any major changes or upgrades to the archive system as well as a disaster recovery/emergency response system at this location.

Work on the Recovery/Emergency Response Center (ERC) at Duncanwood is due to start the 3rd quarter of 2023. Other renovations to the Duncanwood facility will follow along with the ERC renovation with all work anticipated to be complete in early 2024.

HABC evaluated the conversion of the day care center at Heritage Crossing into an application and leasing facility and started the construction of the conversion in FY 2022 with completion anticipated in the 2nd quarter of 2023.

Development Initiatives

HABC utilized MTW Block Grant and other public and private leveraged funds to support the preservation and revitalization of existing public housing communities and the development of new affordable units. A summary of non-RAD activities and other major development initiatives follows.

In FY 2022, HABC purchased and rehabbed an additional three units as part of the Bailey Supplemental Decree. HABC continues to implement the Perkins Somerset Oldtown (PSO) Transformation Plan, which includes the demolition of 629 units at Perkins Homes that will be replaced with newly constructed public housing units that will be located throughout a new

mixed-income community. This initiative was made possible through a \$30 million Choice Neighborhoods grant from HUD and will leverage approximately \$1 billion of investment within the PSO footprint.

[O'Donnell Heights](#)

The O'Donnell Heights public housing development was constructed in 1942 and included 900 public housing units. Of the original unit count, 670 have been demolished and 230 public housing units remain. The redevelopment of O'Donnell Heights is proceeding in four main phases, some with sub-phases.

The developer has completed the first phase, consisting of two sub-phases, identified as Phase 1A and 1B. Renamed Key's Pointe, Phase 1 includes 144 affordable units.

Planning for Phase 2, consisting of 27 vacant acres, progressed in 2022 and incorporates recommendations from a neighborhood revitalization plan that was undertaken jointly by HABC and Baltimore City Planning Department for O'Donnell Heights and three adjacent communities.

This revitalization plan was approved by the Baltimore City Planning Commission in June of 2020. The completion of the revitalization plan will strengthen the developer's LIHTC application to the State should the Developer pursue 9% credits.

[Bailey Supplemental Decree Units](#)

Ten public housing units for non-elderly persons with a disability will be created through the acquisition and rehabilitation of units in neighborhoods identified in the Bailey Supplemental Decree. Acquisition of these units from the private market was previously delayed due to a combination of COVID-19 pandemic and higher home prices than anticipated, which meant the cost of renovation would have exceeded Total Development Cost (TDC) approved for this project. After HUD approved a higher TDC, under MTW, on September 21, 2020, HABC resumed screening properties for possible acquisition in November 2020. On April 6, 2021, 3990 Roland Avenue was acquired. The renovations for this property were completed on March 21, 2022. In addition, 718 W. 36th Street (a two-unit property) was acquired and completed on May 23, 2022. HABC acquired a fourth unit located at 3210 Northway on December 28, 2022, which is now being renovated. HABC is working on a scope of work for an additional property at Andre Street, which, if the property goes under contract will be an additional four units leaving only two more units to complete the Bailey 10 commitment.

[Thompson Settlement Agreement](#)

Pursuant to the Thompson Settlement Agreement, the Baltimore Regional Housing Partnership (BRHP) continued the project-based development program that was started under the Thompson

partial consent decree. BRHP 's project-based development program was designed to create project-based units in Communities of Opportunity. Subject to funding availability, BRHP makes pre-development funding and, if needed, subordinate secondary financing using the Urban Revitalization Demonstration Grant funds awarded for the Homeownership Demonstration Program (MD-06-URD-002-I294), available to pre-qualified developers and property owners who develop housing units and agree to enter into long term project-based voucher contracts.

BRHP continues to work with its development partners to create long-term affordable units in opportunity areas. While BRHP anticipated that in FY 2022, 32 project-based units would either be created or placed under AHAP, none of those units were under contract in FY 2022. Delays were as a result of local jurisdiction issues, litigation, late closing and market conditions. Detail on the related issues can be found in the section of the report on Housing Stock.

[Hollander Ridge HOPE VI Project](#)

HABC has acquired 94 scattered site units in Baltimore City as identified in the Thompson Settlement Agreement and completed rehabilitation of these units in FY 2021. HUD approved the Hollander Ridge project as a mixed finance development in April 2020. In December 2021, the Hollander Ridge public housing units were converted under RAD to Project Based Units. The permanent financial closing was completed in April 2022.

[Perkins Somerset and Oldtown Transformation Plan](#)

HABC and the City of Baltimore were awarded a \$30 million Choice Neighborhoods (CN) grant in July 2018 to support the Perkins Somerset Oldtown (PSO) Transformation Plan. The PSO Transformation Plan includes the demolition of the existing 629 Perkins Homes public housing units and the creation of 1,360 units of mixed income housing on the Somerset Homes and Perkins Homes public housing footprint and one adjacent property owned by the Mayor and City Council of Baltimore to be completed in phases. The units mentioned above include 629 replacements units; 307 market rate units and 424 Low-Income Housing Tax Credit (LIHTC) units plus the two additional proposed 80/20 buildings and Oldtown that are comprised of 584 total market rate units and 135 LIHTC serving average of 60% AMI or less.

Demolition of the first 100 units began in June 2021. The demolition application for the next 78 units was submitted and approved in 2022. HABC received approval for the remaining units in 2022. HABC received HUD approval to convert all 629 public housing units at Perkins Homes under RAD in connection with a multi-phased replacement housing project.

HABC intends to replace all of the existing Perkins UFAS units certified under the Bailey Consent Decree. In addition, the developer will provide a minimum of 7% additional mobility UFAS units pursuant to the Bailey Consent Decree and 2% hearing/vision UFAS units as per the PSO Choice

award, as required by law. As of December 2022, 8 UFAS units were completed in Somerset Phase 1.

The Somerset Homes public housing site is being redeveloped in three phases and includes an additional phase (Somerset 3) to be completed off-site on an adjacent parcel that was owned by the Mayor and City Council of Baltimore and was conveyed to HABC prior to its November 2021 financing closing of this phase. HABC will convey the Somerset Homes site in phases to a single purpose entity controlled by Somerset Redevelopment, LLC. A total of 486 rental units will be constructed on the Somerset Homes site (Somerset Phases 1, 2 & 4), consisting of 216 deeply affordable units (PBV and RAD PBV), 179 LIHTC units at 80% or less of Area Median Income and 91 market rate units. Somerset Phase 3 will include an additional 72 mixed-income units, of which 20 are market rate units, 16 are LIHTC units and 36 are a combination of RAD PBV and PBV units. The redevelopment of Somerset Homes also includes the construction of a new community park, to be known as the Nathaniel McFadden Learn and Play Park, and a network of new public streets resulting in a more pedestrian friendly, walkable community. Somerset Phase I construction is complete which includes a total of 104 units, of which 20 are market rate units, 34 are LIHTC units and 50 are PBV units. In 2023, construction for Somerset Phase II will be completed with a total of 192 units, which includes 32 market rate units, 60 LIHTC units and 100 are a combination of PBV and RAD PBV units.

The replacement units on the Perkins Homes public housing site will be redeveloped in five phases. It will include a total of 802 units, comprised of 377 replacement units which will be a combination of RAD PBV and PBV, 196 market rate units and 229 LIHTC units as part of the CNI Housing Plan. Demolition of the first 100 units at Perkins Homes began on June 24, 2021. Perkins Phase I construction began in the 3rd quarter 2022 and includes a total of 103 units which includes 10 market rate units, 45 LIHTC units and 48 RAD PBV units. Completion for Perkins 1 is planned for the first quarter of 2024. Perkins Phase 2 closed in 2022 with Phase 2A and Phase 2B completion anticipated for the 3rd quarter of 2024. Somerset Phases 2 and 3 were under construction in 2022 and will be completed in 2023 representing 264 units.

For those phases in Somerset Homes, Phase 4 and Perkins Homes Phases 2-5 that will be financed with multifamily housing bonds and 4% Low Income Tax Credits, the CN replacement units will be subsidized with PBV.

[Poe Homes](#)

HABC received a \$1.3 million HUD Choice Neighborhoods Planning & Action Activities Grants in September 2018 to support the planning of a financially feasible mixed-income redevelopment strategy for Poe Homes. Poe Homes consists of 288 public housing units that will likely convert to PBV under the RAD platform. On January 27, 2023, HABC submitted a disposition/demo

application. Future plans for Poe Homes Phase I, will be completed off-site on an adjacent parcel acquired by HABC. Closing on the 1st phase is anticipated in the 4th quarter of 2023 or the 1st quarter of 2024.

The other component of the Choice Neighborhoods grant was for “Action Activities” i.e., capital improvement funds for projects in the Poppleton and Hollins Market neighborhoods near the Poe Homes property. The Action Activities grants are intended to sustain momentum during and after the 2-year planning process. They are as follows:

- Action Activity 1: Greater Model Park – new Splash Pad;
- Action Activity 2: Residential Façade/Aging in Place Grant Program for existing low-income homeowners in the Poppleton/Hollins Market neighborhoods;
- Action Activity 3: Hollins Market – Phase 3 of the planned redevelopment;
- Action Activity 4: New Grocery Store Technical Assistance; and,
- Action Activity 5: Lighting.

B. Leasing Information

i. Actual Number of Households Served

Table 7 provides information on the MTW households served by HABC as of the end of FY 2022.

Table 7: Actual Number of Households Served at the End of FY 2022

Number of Households Served Through:	Number of Unit Months Occupied/Leased		Number of Households Served	
	Planned	Actual	Planned	Actual
MTW Public Housing Units Leased	71,184	69,408	5,932	5,784
MTW Housing Choice Vouchers (HCV) Utilized*	171,420	149,616	14,285	12,468
MTW Thompson Housing Choice Vouchers**	51,854	50,437	4,321	4,203
Local, Non-Traditional: Tenant-Based	0	0	0	0

Number of Households Served Through:	Number of Unit Months Occupied/Leased		Number of Households Served	
	Planned	Actual	Planned	Actual
Local, Non-Traditional: Property-Based	0	0	0	0
Local, Non-Traditional: Homeownership	0	0	0	0
Planned and Actual Totals	294,458	269,461	24,538	22,455

**Includes MTW TBVs (Non-Consent Decree), MTW PBVs (Non-Consent Decree), MTW TBVs Bailey and MTW PBVs Bailey*

***Includes MTW PCD Thompson Vouchers, MTW Remedial Thompson Vouchers and MTW Homeownership Thompson Vouchers*

Describe any differences between the planned and actual households served:

Public Housing: There are RAD conversions which were planned; however, the determination of when the units would become vacant and not re-leased to public housing participants was not known. Accordingly, HABC planned for full utilization of these units for FY 2022; however, the units were not fully utilized for the entire plan year. Additionally, HABC’s planned utilization of its public housing portfolio exceeded expectations through efforts and success in leasing units at hard to lease developments.

- Rosemont 106 units
- Albert Spencer: 10 units
- Carey House: 11 units
- Laurens House: 14 units
- Dukeland: 7 units

MTW Housing Choice Vouchers: HCVP finalized the MTW Plan 2022 leasing projections in July 2021 with the anticipation of meeting 2021 goals. In September/October 2021, HCVP was notified by another PHA that they would be absorbing more than 1,100 vouchers effective immediately. Those transactions were processed starting October 2021 and continued through September 2022. As a result, HCVP started 2022 with lower utilization than anticipated. In addition, HCVP also had 900 terminations in 2022 (300 more than anticipated). Overall, HCVP’s leased household count was reduced by at least 2,000 (1,100 absorbed + 900 terminations) vouchers. It is important to note that in 2021 and 2022 HCVP was still experiencing leasing challenges due to the residual impacts of the pandemic. Accordingly, HCVP was unable to reach the planned UML goal due to the initiation of the absorbed vouchers and the fact that the leasing goals were based on an inflated projection in July 2021. In 2022, HCVP met its voucher issuance goal, and HABC anticipates that it will successfully lease projected vouchers in 2023.

Thompson Vouchers: Leasing in 2022 for both new admission and mover households was challenging, with a tightening rental market and increasing rents leading to longer search times. BRHP ended the year with more vouchers on the street than planned, and with payment standard changes taking effect in January 2023, we anticipate leasing will improve in 2023.

Table 8: Local, Non-Traditional Housing Programs

Local, Non-Traditional Category	MTW Activity Name/Number	Number of Units Months Occupied/Leased		Number of Households Served	
		Planned	Actual	Planned	Actual
Tenant-Based	N/A	0	0	0	0
Property-Based	N/A	0	0	0	0
Homeownership	N/A	0	0	0	0
Planned and Actual Totals		0	0	0	0

Table 9: Households Receiving Local, Non-Traditional Services Only

Program Name/Services Provided	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

Table 10 provides a summary of issues that could impact HABC’s projected leasing activity, along with potential solutions.

Table 10: Actual Issues and Solutions Related to Leasing

Housing Program	Description of Actual Leasing Issues and Solutions
MTW Public Housing	HABC set up mini-model units which proved to be an effective marketing technique in leasing units. While the leasing incentives were not utilized in 2022, HABC will still consider the incentives to better market hard to lease units.
MTW Housing Choice Voucher	Please note Baltimore County absorbed approximately 1,100 of HABC’s vouchers over the course of 2021 and 2022, where previously these vouchers were being administered. This impacted HABC’s ability to meet utilization goals. HABC planned for an early 2022 launch of a series of landlord incentives which were designed to increase landlord participation in the program. HABC initially anticipated launching the Leasing Incentives in early 2022; however, the Incentives did not get implemented until October 2022 which impacted leasing numbers. The full impact of these incentives should be realized in 2023.
BRHP	No leasing issues were experienced
Local, Non-Traditional	N/A

C. Waiting List Information

i. Actual Waiting List Information

HABC maintains its waiting list in conformance with the policies described in the Public Housing Admissions and Continued Occupancy Policy (ACOP) and the Housing Choice Voucher Program (HCVP) Administrative Plan. Table 11 provides a summary of required waiting list information. See Appendix B for a report on the demographics of HABC’s Public Housing and Housing Choice Voucher Program waiting lists.

Table 11: Actual Waiting List Information

Waiting List Name	Description	Number of Households on Waiting List	Waiting List Status (Open, Partially Open or Closed)	Was the Waiting List Open During the Plan Year?
Federal MTW Public Housing	Community Wide	2,512	Closed	No
Federal Public Housing-Mixed Population	RAD Waiting List	10,200	Closed	No
Federal MTW Housing Choice Voucher Units: Tenant-Based	Community Wide	7,615	Closed	No
Federal MTW Housing Choice Voucher Units: Project-Based	Site-Based	8,738	Partially open for NEDs and Seniors	Yes
RAD Choice Mobility	Program Specific	381	Open	Remains open year-round
Thompson Vouchers *	Program Specific	13,627	Closed	No

**The waiting list for Thompson PCD and Remedial Vouchers is maintained by BRHP and is separate from any other HABC waiting list. Application for, receipt of, or termination of a Thompson Voucher will not affect a family’s standing on any other HABC waiting list.*

Describe any duplication of applicants across waiting lists:

Applicants may apply to more than one waiting list, i.e., public housing and HCV; therefore, there may be duplication across waiting lists.

ii. Actual Changes to the Waiting List in the Plan Year

Waiting List Name	Description of Actual Changes to the Waiting List
MTW Housing Choice Voucher Waiting List	HABC had planned to open the waiting list in 2022; however, delays resulted in the opening postponed until mid-year 2023. HCVP opened the Project-Based Senior Waiting List on October 5, 2020, accepting online preliminary applications only. HABC closed this waiting list on 12/31/2022
MTW Public Housing Waiting List	HABC did not open the Public Housing waiting list in FY 2022 as planned due to delays in required updates to the waiting list software.

Waiting List Name	Description of Actual Changes to the Waiting List
	HABC did not implement the Centrally Administered Location Based Waiting lists in 2022. HABC's is currently working with its software (Emphasys) to modify the modules within the system and create required automated features and reports to capture all LBWL response for all preliminary applicants. Once this modification has been designed and tested, HABC will perform a Waiting List Update for all preliminary applicants (except Bailey units) to make their Location Based selections.
RAD Choice Mobility Waiting List	The RAD Choice Mobility Waiting List remained open through the year. HABC issued 144 vouchers to applicants on the Choice Mobility Waiting List with a total of 180 Choice Mobility applicants under lease, 55 which were added in 2022.
Thompson Vouchers	BRHP approved policies for the FY 22 Administrative Plan enabling us to undertake an update of the waiting list, as well policies for removal from the waiting list for non-respondents to update requests.

D. Information on Statutory Objectives and Requirements

Under the MTW Agreement between HABC and HUD, HABC is required to meet certain statutory objectives and other requirements, and to report on them in the MTW Annual Report. The tables below provide the required information.

i. 75% of Families Assisted Are Very Low Income

In FY 2022, within the Public Housing and HCV programs, approximately 98% of households served were very low income, i.e., households with incomes at or below 50% of Area Median Income. HUD verifies this data through HABC’s electronic submissions under HUD’s PIC system. Table 12 is required by HUD; however, as noted, HABC did not operate any local, non-traditional programs in FY 2022.

Table 12: Local Non-Traditional Households and Income Levels

Income Level	Number of Local, Non-Traditional Households Admitted in the Plan Year
80% - 50% Area Median Income	0
49% - 30% Area Median Income	0
Below 30% Area Median Income	0
Total Local, Non-Traditional Households Admitted	0

ii. Maintain Comparable Mix

Table 13: Baseline Mix of Family Sizes Served

BASELINE MIX OF FAMILIES SERVED UPON ENTRY TO MTW					
Family Size	Occupied Number of Public Housing units	Utilized HCVs	Non-MTW Adjustments	Baseline Mix Number	Baseline Mix Percentage
1 Person	5,371	5,764	0	11,135	50%
2 Person	1,908	2,295	0	4,203	19%
3 Person	1,350	1,849	0	3,199	14%
4 Person	826	1,275	0	2,101	9%
5 Person	413	629	0	1,042	5%
6+ Person	288	490	0	778	3%
TOTAL	10,156	12,302	0	22,458	

Describe the justification for any “Non-MTW Adjustments” given above:

N/A

Table 14: Mix of MTW Family Sizes Served in FY 2022

Family Size	Baseline Mix Percentage	Number of MTW Households Served in Plan Year*	Percentage of MTW Households Served in Plan Year*	Percentage Change from Baseline Year to Current Plan Year*
1 Person	50%	9,820	48%	-2%
2 Person	19%	4,349	21%	2%
3 Person	14%	3,107	15%	1%
4 Person	9%	1,788	9%	0%
5 Person	5%	880	4%	-1%

Family Size	Baseline Mix Percentage	Number of MTW Households Served in Plan Year*	Percentage of MTW Households Served in Plan Year*	Percentage Change from Baseline Year to Current Plan Year*
6+ Person	3%	569	3%	0%
TOTAL		20,513		

*Percentages were rounded

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

There are no variances which are greater than 5% between the Plan Year and the Baseline Year.

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

HUD requires information on households transitioned to self-sufficiency for any MTW activities that report on HUD’s standard metric SS #8. The table below provides the HUD-required information.

Table 15: Number of Households Transitioned to Self Sufficiency

MTW Activity Name/Number	Number of Households Transitioned to Self-Sufficiency	MTW PHA Local Definition of Self Sufficiency
Activity 2006-04 Family Self Sufficiency Program Enhancements	23	Self-sufficiency is defined at graduation from the FSS program.
	0	Household duplicated across MTW Activities
	23	Total Households Transitioned to Self Sufficiency

III. Proposed MTW Activities

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

IV. Approved MTW Activities

This section of the MTW Annual Report summarizes and provides a status update on MTW activities that have been previously approved by HUD and implemented by HABC. As required, this section also includes summary information on MTW activities that have not been implemented, have been closed out, or activities placed on hold by HABC.

A. Implemented Activities

Activity #2006-01: Streamlined Recertification Process (Formerly Multi-Year Recertifications)

Plan Year Approved, Implemented, Amended

- HCV Program: Two-year recertifications approved FY 2006 and implemented FY 2007. Three-year recertifications implemented FY 2014.
- Public Housing: Approved FY 2006 and implemented FY 2011. Placed on hold FY 2014 and reactivated FY 2016.

Description/Update

HABC is responsible for reexamination and verification of household income, household composition and other eligibility data. HABC will conduct a reexamination of household income and composition for all Public Housing and HCV families once every 24 months except under the circumstances outlined below:

Triennial Recertification

- PH Families on Flat Rent (with annual updates to verify family composition).
- PH and HCV Families with 100% Fixed Income.

Annual Recertification

- PH families reporting zero income or minimal income. Minimal income is defined as less than \$2,400 in household gross income annually.
- Residents living in Mod Rehab and Mod Rehab SRO units.
- Residents with other vouchers that do not qualify based on HUD funding restrictions.
- Residents with Homeownership vouchers.

- Residents with HUD Awarded Special vouchers (Veterans Affairs Supportive Housing (VASH)).

In FY 2020, HABC limited the number of voluntary interim recertifications between regular recertifications as outlined below for the HCV program only. Required interim recertifications will not count against the limit on voluntary interim recertifications, i.e. interim recertifications required for changes in family composition. Elderly/disabled families and families in the FSS program are exempt from the limit on interim recertifications.

- One voluntary interim recertification between annual recertifications for families with an annual recertification frequency.
- Two voluntary interim recertifications between biennial recertifications for families on a biennial recertification frequency.
- Three voluntary interim recertifications between triennial recertifications for families on a triennial recertification frequency.

HABC has implemented a hardship policy whereby families whose loss of income represents a reduction in gross annual income and where the loss of income is beyond the family's control, can request an exemption to the limit on interim recertifications to allow for an additional interim recertification.

Additionally, HABC conducts annual recertifications for PH families reporting minimal income. Minimal income is defined as less than \$2,400 in household gross income annually.

Under the streamlined recertification activity, HABC will extend the threshold for the age of documents when received by HABC from 60 days to 120 days for the Public Housing Program only.

During periods of declared emergencies, HCVP will waive the limit on voluntary interim recertifications.

Impact

During the fiscal year, HABC Public Housing implemented the change to minimal income from \$2,000 to \$2,400 and also began to use the 120-day threshold for the age of verification documents, both of which resulted in streamlining the recertification process. The Public Housing error rate for timely recertifications in 2022 was 3% which is 1% lower than in 2021. As the QC software for HCV was not fully implemented until 2022, comparisons cannot be made between 2021 and 2022; however, in 2022, HCV staff continued to address the backlog of recertifications caused by the COVID 19 pandemic. It is anticipated that recertifications will largely be timely by the end of 2023. HABC did not reinstate the limit on interim recertifications in 2022 due to

pandemic and economic related hardships which were still being experienced by HABC households.

The option to conduct regular and interim recertifications on-line was in place in 2022 for HCV participants. While there continued to be follow-up requests related to missing documentation and verification, the process of requesting and conducting interim and regular recertifications was streamlined. HABC continued to assist participants to complete certifications on-line and to provide guidance on direction on the process.

Hardship

HABC has a hardship policy whereby families, whose loss of income represents a reduction in gross annual income and where the loss of income is beyond the family's control, can request an exemption to the limit on interim recertifications to allow for an additional interim recertification.

HABC continued its temporarily lift on the limit for voluntary interim recertifications and as such, there were no hardship requests.

Actual Non-Significant Changes

HABC revised the minimal income amount from \$2,000 to \$2,400 annually for the Public Housing program.

Actual Changes to Metrics/Data Collection

The following changes were made in FY 2022.

- Existing metrics were updated in the Plan to reflect the anticipated outcomes in FY 2022.
- CE #1: Agency Cost Savings: HABC removed the metric on agency cost savings as this is not an intended outcome of this activity. While there are time saving features inherent in the Streamlined Recertification activity, there are no actual staffing reductions; only repurposing of existing staff.
- CE #2: HABC modified the assumption used to calculate the number of voluntary interim certifications to more accurately reflect the outcomes for this activity. Software data is used to determine the total interim transactions and the number of processed rent increases is removed from that total to yield the estimate of voluntary interim certifications.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

In PH, the number of regular recertifications was higher than anticipated due the delay in planned RAD conversions from PH to PBV and due to the completion of the backlog of overdue recertifications.

Metrics

CE #2: Staff Time Savings				
Unit of Measurement	Baseline*	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease)	Biennial and Triennial			
	PH: 23,920 hours	PH: 7,715 hours	PH: 8,463 hours	Yes
	HCV: 27,715 hours	3,086 biennial and triennial recertifications X 2.5 hours/recert = 7,715 hours	3,385 biennial and triennial recertification x 2.5 hours/recert= 8,463 hours	
		HCV: 18,268 hours	HCV: 14,228 hours	Yes
		7,307 biennial and triennial recertifications X 2.5 hours/recert = 18,268 hours	5,691 biennial and triennial recertifications x 2.5 hours/recert= 14,228 hours	
	Limit on Interims*			
	HCV interims: 3,231 Time per interim: 45 min. HCV time on interims: 2,423 hours	HCV time spent on interims: 727 hours HCV: interims: 969 Time per interim: 45 min.	HCV time spent on interims: 465 hours HCV: Interims 620 45 min/interim	Yes
*Uses the total number of interim transactions processed minus the number of approved rent increases to yield the estimate for voluntary interim certifications.				

Activity #2006-02 Enhanced Project Based Voucher Program
(Includes former activity: #2019-03, Project-Based Voucher Amendments to the HAP Contract)

Plan Year Approved, Implemented, Amended

- Percentage of Voucher Allocation: Approved and implemented FY 2006.
- Floating Units and Per-Building and Per-Project Cap Waiver: Approved and implemented FY 2010.
- Amendments to PB HAP Contracts (waiver of three-year restriction): Approved FY 2015 and implemented FY 2019.
- Amount and Distribution of HCV Homeownership Assistance: Approved and implemented FY 2006.
- Amendments to PB HAP Contracts for Target Populations: Approved FY 2019.
- Waiver of the Independent Entity requirement: Approved in FY 2020 and implemented in FY 2020.
- Definition of a PBV Project: Approved and implemented in FY 2022

Description/Update

HABC operates a PB component under its Housing Choice Voucher Program. Through its PB voucher program, HABC partners with for-profit and nonprofit housing providers to expand the supply of affordable housing to low-income families. To meet the evolving needs of the agency and the participants served, HABC has enhanced and expanded its existing PB program to include the components outlined below. The Enhanced PB Program components apply to all PB units, including, but not limited to the Thompson PB units, Bailey LTA and PB units, the non-Bailey LTA PB units and PB units owned directly or indirectly by HABC.

- **Percentage of Voucher Allocation:** HABC reserves the right to allocate up to 30% of its Tenant Based HCV funding for PB vouchers.
- **Project Cap:** HABC may enter into PB Voucher HAP contracts for greater than 25% of the units in a project/development regardless of the family or household type that will occupy the units provided that the household is eligible. Units subsidized with PB vouchers under this MTW initiative are placed under a HAP contract upon turnover.
- **Floating Units:** HABC will allow for floating units instead of identifying specific units in the HAP contract in the PB program.

- **Amendments to PB HAP Contracts:** Using its MTW authority, HABC has waived the three-year restriction on amending HAP contracts. HABC may amend the HAP contract at any time during the initial term of the HAP contract and during any renewal term of the HAP contract. HABC may exercise this option for all PBV units, including, but not limited to the Bailey LTA and PB units and the non-Bailey LTA PB units.
- **Independent Entity Requirement:** HABC has waived the requirement for Independent Entities to approve AHAP/HAP Contracts, renewal terms, rent determinations and inspections of HABC owned properties.
- **Definition of a PBV Project:** HABC will define a PBV project as a single building, multiple contiguous or non-contiguous (scattered sites) buildings, or multiple buildings on contiguous or non-contiguous parcels of land all with a single owner. A single-family building is a building with no more than four dwelling units. Additionally, HABC may elect to combine units that cumulatively meet the definition of a PBV project, but that are covered under more than one Housing Assistance Payments (HAP) Contract, into a single HAP Contract. For such scattered site projects, HABC implements an alternative method to determine rent reasonableness whereby HABC bases the rent reasonableness determination for all units in the project that are within the same submarket area on the rent reasonableness determination made for a single unit of each bedroom size. For example, the rent reasonableness determination for all one-bedroom units in the project will be based on the rent reasonableness determination made for a single one-bedroom unit in the project provided that the units are in the same submarket area.
- **Modified Rent Reasonableness and Rent Cap Policy:** As referenced in Activity 2020-04: HABC will utilize the flexibility in this activity to determine rent reasonableness for PBV units and will also apply the flexibility to utilize payment standards up to 135% of FMR when determining initial and re-determined rents for PBV units located in opportunity areas. Finally, the flexibility in Activity 2020-04 regarding rent caps will also apply to rent increases for PBV units.

Where HABC may amend PBV HAP contracts executed as a result of awarding vouchers for target populations. The amendment sets forth the following provisions as part of the PBV HAP Contract:

1. Subject to funding availability, owners may obtain applicants directly from the Mayor's Office of Homeless Services (MOHS) or other designated service providers for the chronically homeless and veterans or other such targeted population and refer such applicants to HABC to determine eligibility for receiving a voucher subsidy. All referrals will be placed on a waiting list maintained by HABC.
2. Owners are required to maintain the designated unit for the term of the PBV HAP contract. In the event the owner fails to lease a designated unit to an approved applicant,

such failure will be considered a default under the PBV HAP Contract. If the default is not cured within 60 calendar days, HABC can remove the unit from the HAP contract, or recapture the amount of HAP paid for the period of time the tenant was occupying such unit in violation of the terms of the PBV HAP contract.

In hardship cases, the tenant, if otherwise eligible, can be relocated to another unit of the appropriate size when one becomes available. The owner will be responsible for relocation costs.

Impact

In FY 2022 there were 28 total referrals from the MOHS which resulted in 6 successful PBV lease-ups. By the end of FY 2022, 211 PBV units were leased through MOHS referrals which continues to provide much needed housing for this vulnerable population.

Where other PBV units were concerned, in FY 2022, 35 PBV units were leased for homeless individuals at the Sojourner @ Preston development. There were 4 new PBV AHAP/HAP contracts representing 124 new PBV units. All of the 124 new PBV units in FY 2022 are under AHAP. Leasing will take place when construction/rehab is completed and HAP contracts are signed.

Where HABC had planned on 56 PBV units at Beacon House Square, delays due to financing prevented the project's AHAP execution in FY 2022.

Under the Baltimore Regional Housing Partnership, no new PBV contracts were executed in FY 2022, as a result of legal issues, market conditions and financing issues; however, the 32 planned PBVs for 2022 are still anticipated to occur in 2023.

Additionally in FY 2022, HABC used the MTW flexibility which waives the independent entity requirements for units owned by HABC. HABC also used MTW flexibility related to the streamlined rent determination and rent increase processes for PBV units. There were no new PBV units under HAP in 2022 in opportunity areas.

Hardship

Where PBV units are targeted for homeless individuals or veterans, in place tenants, if otherwise eligible, can be relocated to another unit of the appropriate size when one becomes available. The owner will be responsible for relocation costs. There were no instances of relocation in FY 2022.

Actual Non-Significant Changes

The following non-significant changes were made in FY 2022:

- HABC defines a PBV project as a single building, multiple contiguous or non-contiguous (scattered sites) buildings, or multiple buildings on contiguous or non-contiguous parcels of land all with a single owner. A single-family building is a building with no more than four dwelling units. Additionally, HABC may elect to combine units that cumulatively meet the definition of a PBV project, but that are covered under more than one Housing Assistance Payments (HAP) Contract, into a single HAP Contract. For such scattered site projects, HABC implemented an alternative method to determine rent reasonableness whereby HABC bases the rent reasonableness determination for all units in the project that are within the same submarket area on the rent reasonableness determination made for a single unit of each bedroom size. For example, the rent reasonableness determination for all one-bedroom units in the project will be based on the rent reasonableness determination made for a single one-bedroom unit in the project provided that the units are in the same submarket area.
- Modified Rent Reasonableness and Rent Cap Policy, As referenced in Activity 2020-04: HABC utilized the flexibility in this activity to determine rent reasonableness for PBV units and also may apply the flexibility to utilize payment standards up to 135% of FMR when determining initial and re-determined rents for PBV units located in opportunity areas. Finally, the flexibility in Activity 2020-04 regarding rent caps was also applied to rent increases for PBV units.

Actual Changes to Metrics/Data Collection

- HC #4: Displacement Prevention and HC #5: Increase in Resident Mobility: HABC has redefined these metrics to reflect the total number of HABC and BRHP managed PBV units as this data more accurately reflects the effectiveness of this activity.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

The following are the units which were planned for 2022; however, due to market conditions, financing and legal issues, all planned units were not under contract in 2022. HABC anticipates that these units will eventually be placed under contract in 2023.

- Perkins 1: 48 units were moved from the existing PBV voucher section to the new PBV section as the AHAP was effective in FY 2022 and not in FY 2021.
- Perkins 2A and 2B were originally slated to be RAD PBV; however, the units are under AHAP as PBV and are not part of any RAD conversion.

- Perkins 2: Perkins was originally slated as a 3-phase project; however, it was completed as a 2-phase project (Perkins 2A and 2B). The originally planned Perkins units are part of Perkins 2B.
- Beacon House Square: Construction delays prevented the AHAP from being executed in 2022.
- Eagle Park: Delay in approvals from local jurisdiction caused delay in AHAP. Construction closing will occur in late spring 2023, at which time the AHAP will be executed.
- Red Maple Place: Project has been stalled due to litigation. The litigation has reached the court of appeals and a decision should be made by that court later this year. If the court allows the project to move forward, closing and AHAP execution should occur in late 2023 or early 2024.
- Fort 700 Project 2: Market conditions have not been favorable for the acquisition and rehabilitation of scattered site units in high-opportunity neighborhoods.
- Fort 700 Project 3: Market conditions have not been favorable for the acquisition and rehabilitation of scattered site units in high-opportunity neighborhoods.

Metrics

HC #1: Additional Units of Housing Made Available *				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of this activity (increase)	Implemented in FY 2019	164 units	124	No
<i>*Represents the number of new PBV planned in each fiscal year.</i>				
HC #4: Displacement Prevention *				
Unit of Measurement	Baseline **	Benchmark	Outcome	Benchmark Achieved?
Number of households at or below 80% AMI that would lose assistance or need to move	2,652 households	2,816 households	2,851	Yes
<i>*Metric reflects the total number of HABC and BRHP managed and new PBV units. ** Baseline reflects the existing number of HABC and BRHP managed PBV units as referenced in the FY 2022 Plan.</i>				
HC #5: Increase in Resident Mobility*				
Unit of Measurement	Baseline **	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit	2,652 households	2,816 households	2,851	Yes

and/or neighborhood of opportunity as a result of the activity (increase).				
<p><i>*Metric reflects the total number of HABC and BRHP managed and new PBV units.</i></p> <p><i>**Baseline reflects the existing number of HABC and BRHP managed PBV units as referenced in the FY 2022 Plan.</i></p>				

Activity #2006-03: Thompson Biennial Recertifications

Plan Year Approved, Implemented, Amended

Approved FY 2006 and implemented FY 2007.

Description/Update

Pursuant to HABC's MTW authority, families participating in the Baltimore Housing Mobility Program as administered by the Baltimore Regional Housing Partnership (BRHP) will have their household composition and income re-determined at least once every 25 months. BRHP's current policy allows residents to request an interim change at any point during the recertification cycle for loss of income and HABC has no plans to change the policy. Additionally, the threshold for the age of documents received by BRHP has been extended from 60 days to 120 days.

Impact

In FY 2022 BRHP maintained its biennial recertification frequency with roughly half of the participants recertifying each year. This activity continues to streamline the recertification process which allows staff to be repurposed to other customer service functions.

Hardship Policy

BRHP's maintained its current policy which allows residents to request an interim change at any point during the recertification cycle for loss of income. There were no hardship requests in FY 2022.

Actual Non-Significant Changes

No non-significant changes were made in FY 2022.

Actual Changes to Metrics/Data Collection

Metrics for CE #1 and CE #2 were updated to reflect planned activity in FY 2022.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

Where BRHP recertifies approximately half of the participants each year, in some years there may be slightly more than half of the participants recertifying due to their admission date. BRHP still maintains the streamlining impact of this activity.

Metrics

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease)	\$23,350	\$85,530 2,000 Recerts 3,000 hrs \$28.51/hr.	\$93,826 2,194 Recerts 3,291 hours \$28.51 /hr	Yes
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease)	934 hours	3,000 hours 2,000 recerts 1.5 hrs./recert	3,291 hours 2,194 recerts 1.5 hrs/recert	No
<i>CE #3: Decrease in Error Rate of Task Execution</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average error rate in completing a task as a percentage (decrease)	5% *This activity was implemented in 2007; however, the data was not tracked until 2015.	5%	1.6%	Yes

Activity #2006-04: Family Self-Sufficiency Program Enhancements

Plan Year Approved, Implemented, Amended

Approved FY 2006, placed on hold in 2014, reactivated and amended in FY 2020.

Description/Update

HABC has established a combined Public Housing and HCV Family Self Sufficiency (FSS) Program. The FSS Program currently provides services to over 400 Public Housing and Housing Choice Voucher Program families. This MTW FSS program activity provides HABC with greater flexibility in designing an FSS Program that is responsive to the needs of its participating families. Specifically, HABC encourages families to enroll and maintain participation in FSS through the use of goal incentives. These goal incentives award families for reaching interim goals such as completing education and training programs, opening bank accounts and participating in budget and financial management workshops. Other features of the MTW FSS Program include:

- Elimination of mandated thresholds for the number of participants in the HCVP FSS program and expansion of the program to include public housing residents;
- Enhanced program design to target the populations in need;
- A focus on outcomes that includes homeownership and unsubsidized economic independence; and,
- Revised procedures/regulations regarding the release of the escrow funds.

The FSS program also includes a system of financial incentives for completion of interim goals. Incentive payments will be paid at the completion of the FSS contract of participation and are contingent on the same requirements related to eligibility for release of escrow funds. HABC will retain authority to make interim disbursements in the event that enrollment in the specified activity is contingent upon receipt of the FSS incentive payment. Incentives include the following:

- Obtain an education or vocational certification: \$500 (max of \$1,000).
- Open a bank account with an accredited financial institution within the first year of program participation: \$50.
- Complete the budgeting series “Your Money, Your Goals” within the first year of program participation: \$50.
- Complete an interim contract goal (other than education/vocation): \$100 (max \$200).

- Complete Career Development Boot Camp within the first year of program participation: \$100.

HABC will review the impact of the financial incentives and may modify, add or remove incentives to support the goals of the program and/or to address financial constraints.

Impact

In FY 2022, 31 new families joined the FSS program bringing the total participating families in 2022 to 273. Twenty-three (23) participants graduated in FY 2022 with five of the twenty-three being eligible for homeownership. The average escrow among graduates with escrow in FY 2022 was \$8,734 and the average escrow among all FSS participants with escrow in FY 2022 was \$4,034. HABC noted that in FY 2022, there was a record for the number of families who initiated escrow. Regarding training and education, in FY 2022 seven participants enrolled in education programs and five participants enrolled in job training.

Included below are a few of the significant milestones achieved by HABC FSS families in 2022.

- A 2018 enrollee who was an injured veteran, joined FSS in hopes of finding a way to a more secure lifestyle. His priorities were raising a child to become a scholar and searching for employment that provided flexibility and benefits. After several job applications and working closely with his Service Coordinator, who provided glowing recommendations on his reliability, conscientiousness, professionalism, and attention to detail, he gained a position that pays far more than expected, provided a comprehensive benefits package and the flexibility he needed. He got his first vehicle in September 2022 and has already generated a substantial escrow, which he plans to invest in Homeownership when he graduates.
- One former FSS client enrolled in the FSS program in March 2022 and successfully graduated seven months later in October 2022. She quickly accumulated escrow and became a first-time homeowner all within a year. She is a full-time employee with the public school system, and she was able to complete her goals within such a short time frame including repairing her credit so that she would be able to accomplish her ultimate goal of owning her very own home for her and her two daughters.
- As a fairly new FSS program participant, this FSS participant managed to get an interim disbursement to get a car which gave her the opportunity to get a better job. She has worked on her credit and attended homeownership class through NHS. Thus far, she has managed to save over \$18,000 in her escrow account. She has maintained employment

and attended the homeownership education counseling class. Last year she was accepted into HABC’s Homeownership Program.

- This former client joined the FSS program in November 2016 and is an upcoming graduate. While she was in school working towards her Nursing degree, she worked a part time job as a Security Guard and is now a full time Registered Nurse at one of Baltimore's renowned hospitals. During her time in the FSS program, she was able to repair her credit, obtain her degree in Nursing and attend the Home Ownership workshop where she gained the knowledge needed to achieve her next goal of becoming a homeowner in the very near future.

HABC implemented a program of financial incentives for completion of interim goals as well as a requirement for all FSS participants to open a bank account. The following table includes the data on incentives paid in FY 2022.

Incentive Description	Number of Incentives Provided in FY 2022
• Obtain an education or vocational certification: \$500 (max of \$1,000)	1
• Open a bank account with an accredited financial institution within the first year of program participation: \$50	6
• Complete the budgeting series “Your Money, Your Goals” within the first year of program participation: \$50	0
• Complete an interim contract goal (other than education/vocation): \$100 (max \$200)	3
• Complete Career Development Boot Camp within the first year of program participation: \$100	0

Hardship Policy

Not applicable. This activity has no adverse impact on participants.

Actual Non-Significant Changes

There are no non-significant changes were made in FY 2022.

Actual Changes to Metrics/Data Collection

HABC has updated the benchmarks for SS #3, SS #4 and SS #5 to reflect FY 2022 activity. HABC has also removed SS #6 as it only reflects the HCV portion of the FSS participants in the program and is not a comprehensive metric to show participant progress/achievement. Escrow earned income and tenant rent to owner provide a snapshot of economic progress for all participants.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

The outcome for average escrow was 96% of the benchmark, which HABC does not consider to be a substantial difference. A record number of families initiated escrow in 2022, which may have reduced the average slightly. While HABC felt that a higher percentage of FSS families would enroll in education and job training, the goal choices are made by the family. The rapid growth in the job market in 2022 provided FSS families with more options which may have had a negative impact on the impetus to enroll in job training and education. Recruitment and enrollment efforts were hampered when enrollment ceased due to the roll out of the FSS Final Rule. During the fourth quarter, when enrollment re-opened, there was a larger than normal enrollment response which HABC anticipates will continue through 2023. HABC continues to look for new ways to conduct outreach and provide case management to increase the participation in this important program.

Metrics

<i>SS #1: Increase in Household Income*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average earned income of households affected by this policy in dollars (increase)	\$13,908	\$14,227	\$28,009	Yes
<i>*Baseline represents average earned income for households with earned income in FY 2019. Benchmark indicates an increase of 2.3% growth.</i>				

SS #2: Increase in Household Savings*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Average amount of escrow of households affected by this policy in dollars (increase)	\$4,099	\$4,193	\$4,034	No
<i>*Baseline reflects average escrow for households with escrow at the end of FY 2019.</i>				
SS #3: Increase in Positive Outcomes in Employment Status*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Unemployed	202	202 56%	154 56%	Yes
Employed PT or FT	164	158 44%	119 44%	Yes
Enrolled in Education	10	11 3%	7 3%	Yes
Enrolled in Job Training	30	29 8%	5 2%	No
<i>*Baseline reflects households enrolled in FSS during FY 2019.</i>				
SS #4: Households Removed from Temporary Assistance for Needy Families (TANF)*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving TANF assistance (decrease)	34	32 9%	30 11%	No
<i>*Baseline represents FSS households receiving TANF benefits at the end of FY 2019.</i>				
SS #5: Households Assisted by Services that Increase Self-Sufficiency				
Unit of Measurement	Baseline*	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase self-sufficiency (increase)	0	360	273	No
<i>*Baselines were established in FY 2020 report.</i>				
SS #7: Increase in Agency Rental Revenue*				
Unit of Measurement	Baseline **	Benchmark	Outcome	Benchmark Achieved?
Total Household contributions towards housing assistance (increase)	\$280	\$280	\$326	Yes
<i>*Represents Tenant Rent to Owner.</i>				
<i>**Baselines were established in FY 2020 report.</i>				
SS #8: Households Transitioned to Self Sufficiency*				

Unit of Measurement	Baseline**	Benchmark	Outcome	Benchmark Achieved?
Number of households transitioned to self-sufficiency (increase)	0	17	23	Yes
<i>*Self-sufficiency is defined as graduation from the FSS program.</i>				

Activity #2007-01: Mobility Program Enhancements/Thompson *(Formerly Exception Payment Standards and Security Deposit Assistance)*

Plan Year Approved, Implemented, Amended

- Exception Payment Standards: Approved and implemented FY 2007.
- Security Deposit Assistance: Approved and implemented FY 2017.
- Incentive Payments to Landlords: Approved FY 2019.

Description/Update

Payment Standards for the Thompson Mobility Program are set between 90 and 135 percent of the HUD published Fair Market Rent. The payment standards are set using a consistent methodology that compares the ratio of area median rent to the actual rent of the census tract. Implementation of exception payment standards is subject to funding availability.

Additionally, as authorized in Section IV.B.5 of the Thompson Settlement Agreement, BRHP uses HAP funds for payment to landlords to cover a security deposit for Baltimore Housing Mobility Program participants leasing in a census tract designated “opportunity” by BRHP. Subject to funding availability, BRHP offers each participant this Security Deposit Assistance on a one-time basis, and only if that participant has repaid the entire balance of any previously grant-funded Security Deposit Assistance Loan and is otherwise in good standing with BRHP. The Security Deposit Assistance will not exceed the equivalent of one-month’s rent, and BRHP will require a participant contribution towards the security deposit of between \$200 and \$500 dollars, which will be adjusted seasonally to encourage leasing in summer months.

As part of this activity, BRHP developed and implemented a database tool for use in analyzing applicable housing market trends and together with the updated Fair Market Rents, determine the appropriate payment standard. Additionally, staff are able to enter a unit address and the software tool will auto-populate with the applicable payment standard. Implementation of these automation tools has resulted in substantial time savings.

Further, BRHP expanded the assistance to Mobility Program participants to include one-time incentive payments to landlords’ one-time apartment application fees and/or moving costs for families with a Thompson voucher, and ongoing counseling fees associated with the pre- and post-move counseling programs for the Mobility Program.

Impact

The mobility program enhancements continued to be beneficial as they assist participants in finding units and achieving success in areas of opportunity. In FY 2022, 488 families moved to opportunity areas with an exception payment standard and 143 families received security deposit assistance. Security deposit assistance paid in FY 2022 totaled \$230,292.

The owner incentive program which provides one-time incentives to owners to cover application fees or payments to families to cover moving costs was announced in the fourth quarter of 2022. No incentive payments were made in 2022; however, BRHP anticipates that incentive payments will be made in 2023 as owners and families are more aware of the availability of the incentive and benefits of the program. BRHP did cover costs related to pre- and post-move counseling to better ensure the success of families in their new units in opportunity neighborhoods.

Hardship Policy

There is no adverse impact to households by applying a higher payment standard for moves to an opportunity area and/or providing security deposit assistance.

Actual Non-Significant Changes

No non-significant changes were made in FY 2022.

Actual Changes to Metrics/Data Collection

- CE #1 Agency Cost Savings – Payment Standards: BRHP removed this metric as it does not relate to the activity goals and savings are not anticipated when setting payment standards which are consistent with area median and actual rents.
- CE #2 Staff Time Savings – Payment Standards: BRHP removed this metric as it does not relate to the activity goals. Time savings are not anticipated when using the alternate method for setting payment standards.
- CE #5 Increase in Agency Rental Revenue – Payment Standards: BRHP removed this metric as it does not relate to the activity goals. Using an alternate method to set payment standards was not put into place to increase agency rental revenue and does not have bearing on the outcomes of this activity.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

The number of moves to opportunity areas was not as high as planned due to the economic conditions which plagued the real estate market in 2022. Additionally, fewer families were

eligible for the one-time security deposit assistance payment due to the fact that they had received this benefit payment previously. Increasingly, landlords are offering alternative products for security deposits which also reduced the need for this assistance benefit in FY 2022.

Metrics

<i>HC #5: Increase in Resident Mobility – Payment Standards & Security Deposit</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	Payment Standards: 0	Payment Standards: 525 families who move to exception PS areas	Payment Standards: 488 families who move to exception PS areas	No
<i>HC #7: Households Assisted by Services that Increase Housing Choice – Security Deposit</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase)	300 Security Deposit Assistance	325 Security Deposit Assistance	143 Security Deposit Assistance	No

Activity #2009-01: MTW Homeownership Program Combined with 2021-02 Special Homeownership Vouchers

Plan Year Approved, Implemented, Amended

HABC combined approved MTW Activities #2009-01 (MTW Homeownership Program) and #2021-02 (Special Homeownership Vouchers) into a single activity as they are interrelated components of HABC's MTW Homeownership Program.

- Activity #2009-01 which established the MTW Scattered Site Homeownership Program was approved in FY 2009, placed on hold in FY 2014, and reactivated and amended in FY 2020 and FY 2021. Original implementation was 2009.
- Activity #2021-02 was approved and implemented in FY 2021.

Description/Update

Under the MTW Homeownership Program, HABC works with public housing residents, HCV participants and other eligible low-income households to prepare for first time homeownership. The goals of the MTW Homeownership Program include increasing affordable first-time homeownership by eligible low-income families; repurposing, rehabilitating HABC's vacant scattered site public housing units; and supporting and leveraging the revitalization of Baltimore's neighborhoods. The MTW Homeownership Program has evolved since initial approval and includes the following key program features:

Eligible Purchasers – Eligible purchasers include public housing residents, HCV Program voucher holders, and applicants on the public housing and/or HCV waiting lists. HABC will establish priority tiers that identify the priority order of selection and may establish a waiting list including selection criteria if needed based on demand.

Eligible Properties – HABC scattered site properties are eligible for purchase under this program. The determination of which properties are eligible for homeownership will be made solely by HABC based on its assessment of the best interests of the community and the agency. It should be noted that in the FY 2023 Annual Plan, HABC modified the eligible properties to include units developed in partnership with a developer where certain numbers of units are set aside for families in HABC's Homeownership program.

Property Feasibility – HABC limits the scope of repairs and renovations of units disposed of directly by HABC to eligible purchasers to \$75,000 per unit, which may be increased by HABC to accommodate renovations related to disability accessibility or rehabilitation of properties within historic districts. Notwithstanding this limit, the rehabilitation costs cannot be more than one-third of the appraised value after rehab.

Second Mortgages – Subject to funding availability, HABC may offer non-cash, non-interest bearing second mortgages to eligible homebuyers up to 25% of the after-rehab appraised value of the property, which may be increased to up to 50% on a case-by-case basis or in extenuating circumstances. HABC second mortgage assistance may be made only after eligible homebuyers have obtained a first mortgage commitment to the fullest extent that their incomes allow. HABC requires that second mortgages be paid back in full during or after the first mortgage has been paid in full, if the property or any part of the land thereof is refinanced, or if ownership is transferred or sold.

Closing Costs – HABC may match closing costs up to \$5,000 to be applied at closing. All closing costs will be based on need and only apply after required personal contribution, government and/or lender assistance have been applied.

Recapture Provisions and Deed Restrictions – HABC requires recapture of portions of the appreciation during the first 10 years after sale as follows: 1) First 5 years – 50% of appreciation; 2) Years 6-10 – 25% of appreciation; 3) Year 11 and beyond – no recapture of appreciation.

Purchase and Resale Entities (PRE) – HABC allows for disposition of vacant scattered sites to PREs, subject to HUD disposition approval, in accordance with 24 CFR 906. PREs are community partners with the legal and administrative capacity to carry out homeownership and resale activities. HABC enters into a written agreement with each designated PRE including the following requirements: 1) Resales must be to residents of conventional public housing; 2) HABC will market the program and refer eligible residents to the PRE, in accordance with mutually agreed upon selection criteria including, but not limited to, residents must be in good standing with HABC and have the financial capacity needed to support homeownership costs; 3) and, eligible residents will pay a non-refundable property reservation fee of up to \$1,000 to the PRE, which shall be applied towards buyer's out-of-pocket expenses associated with the purchase.

Decelerated Assistance: To ease the transition from subsidized homeownership assistance, HABC has a schedule of decelerated assistance for an additional five years at the end of the family's applicable HCV Homeownership assistance term. Decelerated assistance is available to participants with HCV Homeownership Vouchers as well as participants with Special Homeownership Vouchers. The decelerated assistance schedule is as follows:

- Participant pays 30% of their monthly household income plus:
- Year 1: 50% of the balance of the mortgage payment;
- Year 2: 60% of the balance of the mortgage payment;
- Year 3: 70% of the balance of the mortgage payment; and,
- Year 4: 80% of the balance of the mortgage payment.

Special Homeownership Vouchers

As part of the MTW Homeownership Program, HABC utilizes MTW flexibility to create and fund a limited number of Special Homeownership Vouchers (SHV) for use by eligible low-income households who purchase a scattered site unit. SHVs differ from regular Housing Choice Voucher (HCV) Program vouchers in the following respects:

Eligibility – Eligibility for SHVs is limited to low-income households participating in and meeting the income and other criteria of HABC’s MTW Homeownership Program who purchase a scattered site unit from HABC or its authorized Purchase and Resale Entities. Households receiving an SHV are not eligible for a second mortgage through the MTW Homeownership Program.

Eligible Units – SHVs may only be used in conjunction with the purchase of an HABC scattered site unit offered through HABC’s MTW Homeownership Program.

Portability and Moves – SHVs are not portable and cannot be used to move to another homeownership or rental unit. The SHV assistance will end if the originally purchased scattered site unit or any related parcel of land is sold, or if changes are made to the deed that includes a third party not listed as a family member on the voucher. Subject to continued eligibility, SHV participants whose homeownership assistance has terminated may be eligible to transfer to an available public housing unit.

Utility Allowances – SHV participants are not eligible for utility allowances.

Housing Assistance Payments – SHV participants are required to pay at least 30% of adjusted household income as family share (total tenant payment) towards monthly homeownership costs. SHV assistance is applied to the first mortgage payment balance after factoring in the family share. To promote affordability of first time buying among very low-income households, HABC may pay the higher of the applicable HCV voucher payment standard or total monthly homeownership expenses, less the family share.

Impact

In FY 2022, 26 families applied for and were qualified for the MTW Homeownership program. This represents an increase from the prior year; however, homeownership program participants are still dealing with the COVID-19 aftermath which translates to high interest rates, higher sales prices and affordability issues. To address these obstacles, HABC provided 90-day extensions to the voucher term to allow families more time to find a home. In spite of the additional search time, homeownership participants grappled with owner refusal to make repairs identified in failed home and HQS inspection reports. Not only did these potential homeowners not have approved units, but they incurred appraisal and inspection fees which were not refundable and further impacted their affordability status.

Five families successfully purchased homes in FY 2022. One family purchased a former scattered site unit and the remaining four families purchased homes using their homeownership vouchers.

At the end of 2022, there were 15 families in the homeownership program. Nine of the fifteen families had units under contract (6 HCVP and 3 SSHP) with settlements scheduled for Jan/Feb 2023. These closings were originally scheduled for 2022; however, due to the depletion of the closing cost assistance grants, participants were unable to secure loan commitments without the closing cost assistance. The remaining six homeownership participants were still searching for a home at the end of 2022. The MTW Homeownership program continues to provide affordable homeownership opportunities and enable families to fulfill their goals of homeownership; however, it is still a seller's market as there are more buyers than there are affordable units.

Hardship Policy

Not applicable. This activity has no adverse impact on participants.

Actual Non-Significant Changes

While there were no Special Homeownership Vouchers issued in FY 2022, HABC did update the program design to provide decelerated assistance to families with Special Homeownership Vouchers.

Actual Changes to Metrics/Data Collection

Metrics were updated in the Plan to reflect the anticipated volume of homeownership transactions in FY 2022.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

There were six (5 HCVHP, 1 SSHP) homeownership vouchers terminated in FY 2022. The reasons for the terminations included denied loans, contract termination due inability to obtain a loan commitment, contract termination due to failure to settle on the property as agreed in the Contract of Sale and inability to secure a contract within the program participation term in spite of having an additional 90-day extension to continue their housing search.

Homeowners had an additional challenge in that Baltimore City’s closing cost assistance grant funding was depleted in December 2022 resulting in nine settlements (6 HCVHP and 3 SSHP) being pushed back to 2023.

To address the issues related to inspections and owner cost considerations for repairs, HABC may consider modification of the inspection/HQS requirements for homeownership in a future MTW plan.

Among the other strategies that HABC is considering, some of which were proposed in HABC’s 2023 MTW Plan, are expanding eligibility of eligible properties under the program, considering allowing Public Housing families the opportunity to purchase units in the general market, continuation of work with developers and continued review of HABC’s vacant inventory of units and review of communities which would be best served with Special Homeownership vouchers.

Metrics

<i>HC #1: Additional Units of Housing Made Available</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% of AMI as a result of the activity (increase)	0	21	5	No
<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	0	21	5	No
<i>HC #6: Increase in Homeownership Opportunities</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Number of households that purchased a home as a result of the activity (increase)	0	21	5	No
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Activity #2010-01: Unit Sizes

Plan Year Approved, Implemented, Amended

Approved and implemented FY 2010.

Description/Update

Under this initiative, HABC requires participating HCVP families to select a unit size consistent with and not greater than the unit size listed on their voucher. This policy applies to all new admissions and moves. HABC does not require households who are in an existing unit and experience a decrease in family size to move. However, the payment standard will be adjusted to reflect (1) the lower of the actual unit size or (2) authorized voucher size for families who are over-housed at their next recertification.

HABC will grant reasonable accommodations and may waive the requirement in cases where a household has exhausted all housing search efforts and is unable to locate a unit not greater than the unit size listed on their voucher. Exceptions to this rule may be granted as a reasonable accommodation.

Impact

In FY 2022 HABC continued to implement this activity and require that households lease units that are consistent with their voucher size. HABC received 14 requests for larger units as a result of reasonable accommodations and approved 13 of those requests. There were no requests for larger units outside of reasonable accommodations.

Hardship Policy

Exceptions to this rule may be granted at the discretion of HABC where the voucher holder can demonstrate that a good faith and exhaustive effort has been made to find an appropriately sized unit or based on a reasonable accommodation request. In FY 2022 no requests were received outside of Reasonable Accommodation requests for larger unit size exceptions.

Actual Non-Significant Changes

No non-significant changes were made in FY 2022.

Actual Changes to Metrics/Data Collection

- HABC removed the following metrics. These metrics had been required by HUD; however, HABC does not consider these metrics applicable to this activity. HABC intended for this activity to save the Agency money and it has no influence on staff time, error rates or additional housing units made available. Finally, these metrics do not reflect on the effectiveness of the activity and were removed.
 - CE #2: Staff Time Savings
 - CE #3: Decrease in Error Rate of Task Execution
 - HC #1: Additional Units of Housing Made Available

Actual Significant Changes

No significant changes were made in FY 2022

Challenges in Achieving Benchmarks and Possible Strategies

The per unit cost was higher than anticipated due to increases in market rents in HABC’s jurisdiction. To respond to these economic changes, HABC increased the rent increase cap which resulted in HAP costs which were higher than planned. HABC will adjust budgets accordingly to respond to the changing rental market conditions.

Metrics

<i>CE #1: Agency Cost Savings*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease)	\$142,007,010	\$139,982,010	\$159,042,324	No
<i>*Represents total HAP expenditures</i>				

Activity #2010-02: Bailey Long-Term Affordable Project-Based Voucher Contract

Plan Year Approved, Implemented, Amended

Approved and implemented FY 2010.

Description/Update

As part of its MTW program, HABC established an initiative in 2010, referred to as the Bailey Long-Term Affordable Project Based Voucher (Bailey LTA PBV) Program, to create long-term affordable units for persons with disabilities in compliance with the Bailey Consent Decree.

The Bailey LTA PBV Program combines features of the Project Based Voucher program, such as the ability of owners to obtain long-term financing from banks and other private equity sources, with the resident protections and long-term affordability features of the Public Housing Program.

LTA units are subsidized through Bailey LTA PBV contracts with minimum 40-year terms entered into between HABC and eligible property owners. LTA property owners are required to adopt the LTA Admissions & Continued Occupancy Criteria (LTA Criteria). Residents of Bailey LTA PBV Program units will have rights and protections as set forth in the LTA Criteria and will enter into a lease with the project owner that is developed by HABC for the Bailey LTA PBV Program units, which incorporates the regulatory requirements for a public housing lease and grievance procedures. Bailey LTA PBV Program NED units are occupied by NEDs on HABC's public housing waiting list. The Bailey LTA PBV Program UFAS units are occupied by families on HABC's reasonable accommodation transfer waiting list and HABC's public housing waiting list who need the features of the UFAS units.

HABC created an amendment to the HAP contract that sets forth requirements for the Bailey LTA PB units. The amendment increased the term of the contract to 40 years, consistent with the long-term affordability period and set forth what public housing rights, privileges and benefits must be afforded the residents in Bailey LTA PBV Program units.

Impact

Eight new Bailey LTA PBV units went under lease in FY 2022, one at Flamingo Place and seven units at Somerset Extension. Additionally, by the end of FY 2022, there were 280 Bailey LTA PBV units under contract. Each of these Bailey units, provides much needed affordable units for persons with disabilities.

Hardship Policy

Not applicable. This activity has no adverse impact on participants.

Actual Non-Significant Changes

No non-significant changes were made in FY 2022.

Actual Changes to Metrics/Data Collection

The benchmark was updated to reflect corrections to the number of Bailey LTA units under contract. Reservoir Hill was included as a Bailey LTA PBV; however, those units are not under an AHAP/HAP contract.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

The Benchmark for this activity was met in FY 2022

Metrics

<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit as a result of the activity (increase)	0 units	280	280	Yes

Activity #2010-03: Thompson Risk Based Inspections

Plan Year Approved, Implemented, Amended

Approved and implemented FY 2010.

Description/Update

Pursuant to HABC's MTW authority, units in the BRHP Program are re-inspected at least once every 25 months. Owners and families are allowed to self-certify that non-emergency items identified as "fail" during an HQS inspection have been repaired. Only units located in the allowable (non-impacted) areas are eligible for this option. The fail items must be minor and determined to be non-emergency to be eligible for self-certification. The self-certification process requires the owner and tenant family to certify that the repairs have been made. A random sample of units that have been approved under the self-certification option will receive a quality control inspection.

Impact

In FY 2022, BRHP completed 2,587 inspections which resulted in staff time savings and greater inspection efficiencies.

Hardship Policy

There are no adverse impacts to households by having inspections completed every 25 months. Households can request complaint inspections at any time.

Actual Non-Significant Changes

No non-significant changes were made in FY 2022.

Actual Changes to Metrics/Data Collection

Metrics have been updated to reflect anticipated inspection volumes in FY 2022.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

The outcomes in FY 2022 were higher than anticipated due to the due to the completion of backlogged inspections triggered by an internal review of the inspection process.

Metrics

<i>CE #1: Agency Cost Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease)	\$70,031	\$104,135 Inspections completed: 2,150 Staff time per inspection: 1.5 Average staff hourly salary: \$32.29	\$125,318 Inspections completed: 2,587 Staff time per inspection: 1.5 Average staff hourly salary: \$32.29	No
<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease)	1,869 hours	Total Hours: 3,225 Inspections completed: 2,150 Staff time per inspection: 1.5	Total Hours: 3,881 Inspections completed: 2,587 Staff time per inspection: 1.5	No

Activity #2012-01: Rent Simplification – Thompson *(Formerly Asset Income, Adjusted Income and FT Student Adoption Assistance Exclusion for Thompson Participants)*

Plan Year Approved, Implemented, Amended

- Adjusted Income and Asset Income: Approved and implemented FY 2012.
- FT Student and Adoption Assistance Exclusion: Approved and implemented FY 2014.
- Asset & Seasonal Income Calculation: Approved and implemented in FY 2020.

Description/Update

Pursuant to HABC's MTW authority, for participants in the BRHP mobility program, HABC has implemented several rent simplification activities that support economic self-sufficiency and cost effectiveness in Federal expenditures. Rent simplification includes the following:

- **Modified Deductions:** The gross annual income is reduced using the standard deductions outlined below. There will be a standard deduction for working families, elderly families, disabled families and non-disabled families without wages. The deductions below replace all other regulatory deductions. The deductions are:
 - \$3,200 for households with wages
 - \$1,200 for households without wages
 - \$400 for any elderly or disabled family (to be combined with either of the above deductions)
- **Exclusion of FT Student & Adoption Assistance Payments:** The definition of annual income is modified to exclude all earned income from full-time adult students, other than the head of household, co-head and spouse as well as exclude all adoption assistance payments.
- **Asset Income Exclusion and Self-Certification:** HABC excludes all income from assets when the cash value of the asset is less than \$50,000. Additionally, for households where the cash value of the assets is less than \$50,000, BRHP allows self-certification of asset value and income.
- **Asset Income Calculation:** BRHP calculates asset income by taking the market/face value of the family's assets and multiplying that value by the established passbook savings rate when the market/face value of the family's assets is in excess of \$50,000.

- BRHP calculates seasonal income using the past four quarters of income as reported by Enterprise Income Verification's (EIV) Income Report, tax returns or other applicable third-party methods of verification. Income may also include off-season employment and/or unemployment.
- BRHP excludes 100% of income received from BRHP reviewed and approved guaranteed income programs which is paid to support financial stability and economic equality.

Impact

This activity continued to provide cost savings benefits to both tenants and staff by excluding certain sources of income, streamlining deductions and simplifying the calculation of income and deductions. In FY 2022, 5,087, 50058 actions were calculated for adjusted income. The average TTP increased from \$461 in FY 2021 to \$522 in FY 2022 representing a 13% increase which is a positive sign regarding the rebound of the economy.

Hardship Policy

Families may request the use of regulatory deductions and exclusions if adjusted income would be lower than adjusted income calculated using BRHP standard deductions. HABC applies its financial hardship policies to households who demonstrate hardship due to application of these policies. In FY 2022 there were no requests for hardship.

Actual Non-Significant Changes

In FY 2022, BRHP implemented the income exclusion whereby 100% of income received from BRHP reviewed and approved guaranteed income programs which is paid to support financial stability and economic equality is excluded. This income is temporary and thus excluded.

Actual Changes to Metrics/Data Collection

- CE #1: Agency Cost Savings: BRHP removed the metric on agency cost savings as this is not an intended outcome of this activity. While there are time saving features inherent in the Rent Simplification activity, there are no actual staffing reductions; only repurposing of existing staff.
- CE #3: Decrease in Error Rate of Task Execution: HABC removed this metric as BRHP does not track error rates on assets, medical expenses and/or FT student income. As such, any error rate provided would not speak to the effectiveness of the simplification methods used in BRHP's Rent Simplification activity.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

All benchmarks were met in FY 2022.

Metrics

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease)	Asset Income: 935 hours	Asset Income: 0 hours	Asset Income: 0 hours	Yes
	Adjusted Income: 935 hours	Adjusted Income: 1,125 hours	Adjusted income: 1,271 hours	Yes, per transaction the time savings were realized.
	FT Student and Adoption Assistance Exclusion: 21 hours	FT Student and Adoption Assistance Exclusion: 0 hours	FT Student and Adoption Assistance Exclusion: 0 hours	Yes
<i>CE #5: Increase in Agency Rental Revenue*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total household contributions towards housing assistance (increase)	\$470	\$470	\$522	Yes
<i>* Baseline and Benchmark first established in FY 2019. HABC uses average TTP for this metric.</i>				

Activity #2014-01: HABC Long-Term Affordable Project-Based Voucher Contract

Plan Year Approved, Implemented, Amended

Approved and implemented FY 2014.

Description/Update

In FY 2014, HABC established the Long-Term Affordable Project Based Program (LTA-PB Program). Under this Program, HABC created long-term affordable project-based units at newly constructed or redeveloped sites where the source of funding for housing assistance is project-based vouchers.

The LTA-PB Units shall be managed and operated primarily in accordance with the HUD regulations governing public housing units (e.g., 24 CFR Parts 5, 960, 966, and the like) (the Public Housing Regulations), even though the LTA-PB Units will be subsidized with project-based voucher funds. The LTA-PB Units shall remain affordable for a minimum of 40 years. The LTA-PB Program will provide to applicants for, and residents of, the LTA-PB Units, most of the rights, privileges and benefits that are provided under the public housing regulations. LTA Project-Based units are occupied by families on the public housing waiting list.

LTA-PB property owners are required to adopt the criteria for leasing and continued occupancy of the LTA- PB Units (LTA Criteria). HABC requires developers/owners of certain redeveloped public housing sites and/or certain project-based voucher sites to comply with the LTA Criteria.

HABC will continue to use the flexibility under this activity when entering into LTA-PB contracts.

Impact

There were no new PBV contracts/LTA units in FY 2022. At the end of FY 2022, there were 63 LTA PBV units representing two different developments. There were no changes to the number of existing PBV LTA units in 2022. All LIHTC deadlines for leasing at 1234 McElderry were met by 12/31/2021.

Hardship Policy

Not applicable. This activity has no adverse impact on participants.

Actual Non-Significant Changes

No non-significant changes were made in FY 2022.

Actual Changes to Metrics/Data Collection

Metrics were updated to reflect the anticipated volume of activity in FY 2022.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

As there were no planned LTA units for FY 2022, the benchmark for this activity was met.

Metrics

<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	0 households	0	0	Yes

Activity #2019-01: Rent Simplification

Plan Year Approved, Implemented, Amended

Approved and implemented in FY 2019; Amended FY 2020.

Description/Update

The Rent Simplification activity is implemented in both the Public Housing and Housing Choice Voucher programs and includes the following:

- *Exclusion of all FT Student Earned Income* – Under Rent Simplification, HABC excludes all full-time student earned income for adult full-time students, other than the head of household, co-head and spouse. HABC will continue to apply a dependent deduction to adult full-time students. Additionally, as HABC is excluding 100% of earned income for adult full-time students, HABC will only verify full-time student status; however, HABC will not conduct verification of full-time student earned income.
- *Self-Certification of Asset Value and Income and Exclusion of Asset Income* – HABC established \$50,000 as the threshold for self-certification of asset value and income. When the market/face value of assets is over \$50,000, HABC will apply regulatory verification requirements. Additionally, HABC excludes income from assets where the market/face value of the asset is up to \$50,000. When the market/face value of a family's assets is in excess of \$50,000, HABC will calculate asset income by taking the market/face value of the family's assets and multiplying that value by the established passbook savings.
- *Medical Expense Calculation Method* – HABC calculates medical expenses for eligible participants using past paid, unreimbursed expenses in addition to prospective medical insurance premiums. Over the counter medications will not qualify for a deduction unless accompanied by a prescription and paid receipts. This change will alleviate the need to try to determine anticipated medical procedures and expenses, which cannot be accurately forecasted; however, there is no change to the amount and type of medical expenses which can be deducted.

- *Seasonal Income Calculation Method* – HABC calculates seasonal income using the past four quarters of income as reported by the Enterprise Income Verification’s (EIV) Income Report, tax returns or other applicable third-party methods of verification. Income may also include off-season employment and/or unemployment.
- *Payment Standards:* HABC’s payment standards policy allows HABC to apply payment standards outside of the regulatory range to support leasing in revitalized areas and opportunity neighborhoods. As such, HABC applies the payment standard in effect on the effective date of the regular recertification regardless of fluctuations in payment standards from year to year. This change greatly reduces the administrative burden and error rates in the application of payment standards when and if there is a decrease in payment standards. HABC will review hardships on a case-by-case basis when and if the application of the current payment standard results in a rent increase of more than 6%.
- *Guaranteed Income Exclusion:* HABC excludes 100% of income received from HABC reviewed and approved guaranteed income programs which is paid to support financial stability and economic equality. This income is temporary and thus excluded.

Impact

HABC continued to benefit from the simplification of income and rent inherent in this activity. Also in FY 2022, HABC implemented the guaranteed income exclusion. Twenty-one families benefitted from this income exclusion in FY 2022.

HABC continued to apply the existing payment standard in effect at recertification regardless of fluctuations from 2021 to 2022. As the payment standards increased in FY 2022, this policy did not result in harm to any HCV households.

Where the asset income and full-time student exclusion are concerned, in FY 2022, 742 families had assets of \$50,000 or less, 8 families had assets valued at more \$50,000 and 62 families received the full-time student income exclusion. Both HABC and participants continued to derive benefits from the MTW asset income policy.

Hardship Policy

HABC reviews hardships related to decreases in payment standard on a case-by-case basis when and if the application of the current payment standard results in a rent increase of more than 6%. The payment standards increased in FY 2022 and as such, there were no hardship requests.

Actual Non-Significant Changes

In FY 2022, HABC added an income exclusion whereby 100% of income received from HABC reviewed and approved guaranteed income programs which is paid to support financial stability and economic equality is excluded.

Actual Changes to Metrics/Data Collection

- CE #1: Agency Cost Savings: HABC removed the metric on agency cost savings as this was not an intended outcome of this activity. While there are time saving features inherent in the Rent Simplification activity, there are no actual staffing reductions; only repurposing of existing staff.
- CE #2: Staff Time Savings: HABC simplified this metric by determining the number of adult FT students and households with assets at \$50,000 or less and applying the updated time metric after implementation.
- CE #3: Decrease in Error Rate of Task Execution: HABC removed this metric as HABC does not track error rates on assets, medical expenses and/or FT student income. As such, any error rate provided does not speak to the effectiveness of the simplification methods used in HABC’s Rent Simplification activity.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

All benchmarks were met in FY 2022.

Metrics

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total amount of staff time dedicated to the task prior to implementation of the activity (in hours)	Number of Adult FT Students with Earned Income & Households with Assets: 1,563 Time per FT Student and Household with Assets – Verification & Calculation: .5 hours	Total Time Spent on Activity after implementation 0 hours Number of Adult FT Students with Earned Income & Households with Assets \$50,000 or less: 1,563	Total Time Spent on Activity after implementation 0 hours Number of Adult FT Students with Earned Income & Households with Assets \$50,000 or less: 808	Yes

CE #2: Staff Time Savings

Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
	Total Time Spent on Activity Prior to Implementation 781.5 hours	Time per FT Student and Household with Assets \$50,000 or less – Verification & Calculation: 0 hours	Time per FT Student and Household with Assets \$50,000 or less – Verification & Calculation: 0 hours	

Activity #2019-02: Local Fair Market Rent

Plan Year Approved, Implemented, Amended

Approved FY 2019; implemented FY 2020.

Description/Update

This activity was implemented for both HABC's Leased Housing Program and the Baltimore Housing Mobility Program operated by the BRHP and remains subject to funding availability. BRHP administers the vouchers for the Thompson Remedial and Partial Consent Decree vouchers. MTW flexibility continues to be utilized to support Thompson activities and Attachment C, section B.2 of the MTW Agreement authorizes HABC to partner with non-profit entities such as BRHP to implement some or all MTW activities.

HABC and BRHP establish payment standards based on the 50th percentile FMRs. In combination with BRHP's ongoing housing mobility and HCVP's housing search efforts, continuation of the existing policy will promote expansion of housing choice for voucher holders and minimize any negative impacts to existing voucher holders and property owners. Annually, HABC and BRHP will adjust the Fair Market Rent and associated payment standards based on the most recently published 50th Percentile Rent Estimates.

HUD previously approved this activity as part of the FY 2009 MTW Annual Plan. Subsequently, HUD approved 50th percentile FMRs for the metropolitan Baltimore area at which time HABC removed this activity. With the advent of SAFMRs, the 50th percentile FMR for Baltimore was removed and the activity was re-proposed.

Impact

HABC used this MTW flexibility to identify and assist participants in leasing units in opportunity areas and to promote expansion of housing choice. In FY 2022, 488 BRHP families and 174 HCV families moved to opportunity areas, including new admissions and moves. BRHP provided exception payment standards to 349 families and provided move counseling services to support 699 moves in FY 2022. In the HCV program, by the end of FY 2022, 3,047 families were leased in opportunity areas. With this flexibility, HABC and BRHP remove barriers to housing choice and provide families with more opportunities to lease units in areas of opportunity.

Hardship Policy

HABC has assessed the impact of the proposed activity and determined that it will have no adverse impact on voucher holders. As noted above, HABC and BRHP have utilized the 50th percentile FMRs to establish payment standards since FY 2009. Therefore, continuation of this policy will not change existing rent policies and will not result in hardships to voucher holders.

Actual Non-Significant Changes

No non-significant changes were made in FY 2022.

Actual Changes to Metrics/Data Collection

Metrics were updated to reflect the anticipated outcomes for FY 2022.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

All benchmarks were achieved.

Metrics

HC #7: Households Assisted by Services that Increase Housing Choice*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households receiving services aimed to increase housing choice (increase)	478	525	699	Yes
<i>*Represents Thompson units only. Leased Housing families are not part of Mobility program services but are able to access the 50% percentile FMR.</i>				
HC #5: Increase in Resident Mobility*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	664	460	488	Yes
<i>*Represents Thompson units only. Leased Housing families are not part of Mobility program services, but are able to access the 50% percentile FMR</i>				

Activity #2020-01: Housing Quality Standards (HQS) Modifications & Enhancements

Plan Year Approved, Implemented, Amended

Approved FY 2020 and implemented FY 2021.

Description/Update

HABC uses its MTW authority to modify the provision set forth in PIH Notice 2016-05 Streamlining Administrative Regulations for Programs Administered by Public Housing Agencies as it relates to HQS reinspection fees. It is burdensome and costly for HABC to inspect units multiple times. Additionally, HABC wishes to be mindful that program features do not serve to deter owner participation in its Voucher program. Accordingly, HABC will establish a \$75 fee to owners for reinspection. From time to time, HABC may review and modify the reinspection fee to reflect changes in the cost of re-inspections. Outlined below are the circumstances under which reinspection fees will be charged. This activity applies to the tenant-based and project-based programs.

1. An owner notifies HABC that a deficiency cited in previous re-inspection has been repaired or the allotted time for repairs has elapsed and under either circumstance the previously cited deficiency(ies) has/have not been corrected. Under this circumstance, HABC will require the owner to pay a reinspection fee prior to conducting a second reinspection. An example of this provisions is as follows:
 - A unit fails its regular inspection on March 5: No inspection fee.
 - A reinspection on April 4 reveals that the previously cited deficiencies have not been corrected: No inspection fee; however, HAP is abated.
 - On April 30, the owner notifies HABC that the previously cited deficiencies have been corrected. Prior to HABC conducting a second reinspection, HABC will charge, and the owner must pay, a reinspection fee.
 - Reinspection fees will be charged for each additional reinspection until the unit receives a pass rating.
2. For a unit not currently under HAP contract and where an HQS inspection has been scheduled, HABC will charge the owner for a reinspection if the unit is not ready for

inspection, e.g., plumbing fixtures or appliances are not connected, the unit is under construction, disconnected or illegal utilities, excessive violations or the owner fails to provide access to the unit.

3. For a unit not currently under HAP contract, HABC will provide owners with a self-inspection checklist as part of the Request for Tenancy Approval (RFTA). The checklist will include guidance that upon inspection by HABC, if the unit fails inspection, HABC will schedule a reinspection. There will be no fee for the first reinspection. If the unit fails at the first reinspection, HABC will charge the owner a reinspection fee for the second reinspection if the family wishes to continue the process of leasing that unit. The reinspection fee must be paid in full prior to HABC conducting a second reinspection of the unit. An example of this provision is as follows:

- Completed RFTA and inspection checklist are submitted by an owner on April 4.
- HABC inspects the unit on April 10, and the unit fails inspection.
- HABC will give the owner 15 days to correct the deficiency and conduct the first reinspection without charge to the owner.
- If at that first reinspection, the unit fails for deficiencies found on the initial inspection that have not been corrected, HABC will issue the tenant a new RFTA.
- On April 30, the owner notifies HABC that the family is still interested in the unit and requests a second reinspection, advising that the deficiency has been corrected. HABC will confirm with the family that they are still interested.
- HABC will not reschedule the reinspection until the owner pays the reinspection fee.
- Upon receipt of payment for the reinspection fee, HABC reschedules the second reinspection for May 3.

It is important to note that owners will be charged a fee for repeated RFTA submissions for the same unit if that unit has failed an inspection within the prior 60 days. If there have been no inspections within the last 60 days, the RFTA will be treated as new, and the inspection process will start over as an initial inspection.

The reinspection fee will not apply to:

- Deficiencies caused by the participant family;
- An instance in which an inspector was unable to gain access to a unit currently under HAP contract; or,

- New deficiencies identified during a reinspection. If new deficiencies are uncovered during reinspection, HABC will follow established procedures to address these newly identified deficiencies.

Impact

HABC has experienced a reduction in the percentage of initial fails and regular re-inspection fails since the activity was implemented midway through 2021. In FY 2022, 2,416 inspection fee invoices were generated, which resulted in \$181,200 in fees. The number of inspection fees increased between 2021 and 2022; however, this increase was largely due to the increase in leasing, HABC continues to work with owners to provide education and guidance on housing quality standards in an effort to reduce the number of failed initial inspections and regular re-inspections.

Hardship Policy

Not applicable. This activity has no adverse impact on participants.

Actual Non-Significant Changes

No non-significant changes were made in FY 2022.

Actual Changes to Metrics/Data Collection

- CE #1 & Ce #2: Agency Cost Savings & Agency Time Savings: Descriptions for metric calculations were updated for greater clarity in methodology used.
- CE #3: Decrease in Error Rate of Task Execution: HABC removed this metric. This metric was required by HUD; however, a reduction in error rates was never an intended outcome and does not speak to the effectiveness of this activity.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

All benchmarks were met.

Metrics

CE #1: Agency Cost Savings				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total cost of task in dollars (decrease)	<p>Total inspection costs: $10,014 * \\$19.70 =$ $\\$197,276$</p> <p>Number of first initial inspection + second annual fails: 6,069</p> <p>Total time: $6,069 * 1.65$ hours per inspection = 10,014 hours</p>	<p>Total inspection costs: 9,012 * $\\$19.70 = \\$177,536$</p> <p>Number of first initial inspection and second annual fails: 5,462</p> <p>Total time: $5,462 * 1.65$ hours per inspection = 9,012 hours</p>	<p>Total inspection costs: $7,907 * \\$19.70 =$ $\\$155,768$</p> <p>Number of first initial inspection + second annual fails: 4,792</p> <p>Total time: $4,792 * 1.65$ hours per inspection = 7,907 hours</p>	Yes
CE #2: Staff Time Savings				
Unit of Measurement	Baseline	Benchmark*	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease)	<p>Number of first initial inspection fails + second annual fails: 6,069</p> <p>Total inspection time: $6,069 * 1.65$ hours per inspection = 10,014 hours</p>	<p>9,012 hours</p> <p>Number of first initial + second annual fails: 5,462</p> <p>Total first initial + second annual fails inspection time: $5,462 * 1.65$ hours</p>	<p>7,907 hours</p> <p>Total first initial + second annual inspection fails time: $4,792 * 1.65$ hours per inspection = 7,907 hours</p>	Yes
<i>*HABC anticipates that implementation of a reinspection fee may result in a reduction in the number of re-inspections.</i>				

Activity #2020-02: The Healthy Opportunities Program

Plan Year Approved, Implemented, Amended

Approved FY 2020; Implemented FY 2022.

Description/Update

HABC partners with the Baltimore City Health Department and other local organizations to implement the Healthy Opportunities Program (HOP). The initiative is a mobility program designed around the collaboration between housing and health-care providers, who work together to provide stable, affordable and healthy housing in opportunity areas to ultimately improve participants' health outcomes and overall quality of life. HABC works with its partners to identify existing HCV families with children in which one or more family members has a medical condition, such as asthma, that is exacerbated by environmental factors.

Participating families are provided mobility counseling, which includes assistance in identifying a healthy environment based on participant needs. Participants may also be provided incentives to move within opportunity areas, such as higher payment standards and security deposit/first month's rent assistance. HOP will assist no more than 150 families at any given time. Support and counseling are provided to families during the housing search and up to 12 months after the effective date of the move. Upon successful completion of the program, HOP families will maintain their HCV, as long as they remain in compliance with program rules and regulations. HABC will evaluate the results of the program and may select new HOP participants upon turnover.

Only participants who complete mobility counseling and move to an opportunity area will be eligible for the higher payment standard and/or security deposit/first month's rent assistance. Standard MTW policies and applicable regulatory requirements will apply to participants of the program. Finally, HABC may identify additional partner agencies as program needs dictate.

Impact

HABC, in concert with its program partners, implemented the HOP program in November 2022, including providing mobility counseling and supportive services. HABC received three referrals

resulting in the issuance of two vouchers; however, since the vouchers were issued in late November, lease-up did not occur until FY 2023.

Hardship Policy

Not applicable. This activity has no adverse impact on participants.

Actual Non-Significant Changes

No non-significant changes were made in FY 2022.

Actual Changes to Metrics/Data Collection

- HC #1: Additional Units of Housing Made Available: HABC removed this metric. HABC does not believe it is applicable in the context of this MTW activity, as the program does not include developing new affordable housing.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

As this activity was not implemented until November 2022, the number of referrals and subsequent lease-ups were below what was planned. HABC is working with its partners to identify families and provide assistance to support families with children, who have existing medical conditions, in leasing units in opportunity areas.

Metrics

<i>HC #5: Increase in Resident Mobility</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	0	50	0	No
<i>HC #7: Households Assisted by Services that Increase Housing Choice</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Number of households receiving services aimed to increase housing choice (increase)	0	50	3	No
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Activity #2020-03: Local Forms

Plan Year Approved, Implemented, Amended

Approved FY 2020; implemented FY 2021

Description/Update

Under this initiative, HABC creates local versions of forms, as needed, to streamline processing, utilize “plain language”, address MTW policies and address local housing market features. HABC plans to develop or has developed local versions of the Project-Based Voucher (PBV) Housing Assistance Payment (HAP) contract, the Family Self-Sufficiency (FSS) Contract of Participation and Individual Training and Services Plan, the Request for Tenancy Addendum, the Tenant Based HAP Contract, and the Privacy Act Notice. Where the Privacy Act Notice is concerned, HABC will extend the expiration from 15 months to 36 months to accommodate the biennial and triennial recertification cycles. Any changes to the HAP form will be submitted to HUD for review and will include language noting that funding for the contract is subject to the availability of appropriations and other required provisions identified by HUD. Development of any local form must meet all applicable HUD requirements.

Impact

To date, HABC has prepared local versions of the FSS Contract of Participation, Individual Training and Services Plan and a RAD PBV lease each of which reflect HABC’s applicable MTW policies. As MTW activities change and evolve, HABC reviews standard forms to determine if development of local versions would result in streamlining and greater applicability to the dictates of the MTW activity.

Hardship Policy

Not applicable. This activity has no adverse impact on participants.

Actual Non-Significant Changes

No non-significant changes were made in FY 2022.

Actual Changes to Metrics/Data Collection

- CE #1: Agency Cost Savings: HABC removed the metric on agency cost savings as this was not an intended outcome of this activity. While there are time saving features inherent in the development of local forms, there are no actual staffing reductions; only repurposing of existing staff, where applicable.
- CE #2: Staff Time Savings: It is difficult to determine time savings from development of different local forms. HABC now uses the number of participants in the program and an average savings of .25 hours per participant to provide a general impact on development of local forms.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

HABC is required to report on these metrics; however, outcomes for time savings related to a new form are difficult to track and do not accurately reflect the administrative efficiencies gained. The outcome in FY 2022 was less than the benchmark only as a result of lower utilization and not as a result of the lack of benefits gained in using the local version of the form.

Metrics

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease)	7,307 hours .5 hours per form x 14,613 HCV participants	3,653 hours .25 hours per form x 14,613 participants	3,117 hours .25 hours per form x 12,468 participants	Yes

Activity #2020-04: Modified Rent Reasonableness & Rent Cap Policy (Formerly Modified Rent Reasonableness Policy)

Plan Year Approved, Implemented, Amended

Approved FY 2020; implemented FY 2021; amended FY 2021.

Description/Update

HABC utilizes a modified rent reasonableness policy to reflect market conditions and streamline the process for determining reasonable rent. HABC engaged an independent consultant to conduct a housing market analysis which reflected the following:

- Identified submarkets within the City of Baltimore using factors such as poverty and crime rates, school quality, employment opportunities, access to transportation and income statistics. In establishing submarkets, areas of poverty and opportunity were also identified based on the factors above;
- Included collection of data on verified rents for unassisted units, by bedroom size, for each identified submarket; and,
- Established rent ranges based on data collected, which include a low rent, high rent and average rent by bedroom size by the identified submarket.

HABC utilizes the rent ranges, by submarket and by bedroom size, to determine rent reasonableness and adjusts the rent ranges to reflect market conditions in its jurisdiction. Additionally, when market conditions reflect a change of 10% or more from the existing rent ranges, HABC will determine if an updated market analysis is needed.

HABC conducts QC reasonable rent (RR) determinations on a random sample of new units and units with rent increases. HABC conducts these RR determinations using the regulatory reasonable rent methodology; however, HABC will use the SEMAP sample size requirements to dictate the number of RR determinations to be completed using a universe of new units and rent increases to dictate the sample size. If the approved rent on more than 20% of sampled units, because of application of the MTW rent range policy, is not reasonable when compared with the QC RR determination, HABC will conduct QC RR determinations on double the initially established sample size. HABC will monitor outcomes and may modify this policy to ensure rents are reasonable.

Additionally, depending on the applicable rent ranges in opportunity submarkets, HABC may increase the payment standards for opportunity submarkets to an amount no greater than 135% of FMR; however, this ceiling may be adjusted from time to time to reflect market rents in the opportunity areas.

The rent range by sub-market and payment standards up to 135% of FMR applies to units leased in the Tenant-Based and Project-Based programs. HABC may also apply payment standard caps when and if funding restrictions arise.

Under this activity HABC has the discretion to place a cap on contract rent increases for assisted Tenant-Based and Project-Based units. The application of the rent cap will be dependent on market conditions and will be subject to a reasonable rent determination.

Impact

In early 2022, HABC placed a 2.5% cap on annual contract rent increases for units where the tenant is already receiving HCV rental assistance; however, in July of 2022, HABC increased that cap to 4% in response to rental market conditions. Additionally, in determining rents in FY 2022, HABC approved rents up to 135% of the FMR in submarkets identified as strong or sound neighborhoods; thus, providing HCV participants with more opportunities to move to areas of opportunity. All approved rents were determined to be reasonable.

HABC used the rent ranges provided in the market study to determine reasonable rent for rent increases on existing units in a pilot study which began in July 2022. Use of the market study to determine reasonable rent on all units, both for initial rents and re-determined rents will be fully implemented in FY 2023. To ensure that the use of rent ranges was yielding reasonable rents, HABC conducted quality control reviews using its reasonable rent software and compared the outcomes to the rent range determined rents. Less than 20% of the quality control reviews yielded results which warranted further reasonable rent analyses. This streamlined, yet effective approach to determining reasonable rents has resulted in a reduction in processing time for new units and more efficient lease-up.

Hardship Policy

Not applicable. This activity has no adverse impact on participants.

Actual Non-Significant Changes

In July 2022, HABC began to use the rent ranges by sub-market area, in a pilot program to determine rents on existing units. Use of the rent ranges for reasonable rent re-determinations

will be fully implemented in FY 2023. Use of the rent range by sub-market method for determining RR applies to Tenant-Based and Project-Based units.

Actual Changes to Metrics/Data Collection

- CE #1: Agency Cost Savings: HABC removed this metric. While conducting RR will take less staff time, it does not result in cost savings as staff time is re-purposed. Positions are not eliminated. Cost savings do not accurately reflect the intended outcome of this activity.
- CE #3: Decrease in Error Rate of Task Execution: HABC removed this metric. The overall objective of this activity was to streamline the process for reasonable rent determinations. Decreasing error rates is not an intended outcome of this activity and does not reflect on the effectiveness of the activity goals.

Actual Significant Changes

No significant changes were made in FY 2022

Challenges in Achieving Benchmarks and Possible Strategies

All benchmarks were met in FY 2022. Leasing was greater than planned; however, the time savings from the modified rent reasonableness policy were still realized.

Metrics

<i>CE #2: Staff Time Savings</i>				
Unit of Measurement	Baseline*	Benchmark*	Outcome	Benchmark Achieved?
Total time to complete the task in staff hours (decrease)	Total Time: 1,875 Time to determine rent reasonableness: .5 Number of rent requests, new admissions and moves: 3,749*	Total Time: 937 Time to determine rent reasonableness: .25 Number of rent requests, new admissions and moves: 3,749*	Total Time: 1,729 Time to determine rent reasonableness: .25 Number of rent requests, new admissions and moves: 6,915	Yes
<i>*FY 2018 data was used to establish the baseline and benchmark.</i>				

Activity #2020-05: The Bailey 10 Total Development Cost Limit Policy

Plan Year Approved, Implemented, Amended

Approved FY 2020 and implemented FY 2020.

Description/Update

The Bailey Consent Decree as amended by the Bailey Supplemental Consent Decree in 2015, requires that HABC produce ten, one-bedroom units (Bailey 10) for non-elderly persons with disabilities through the acquisition of units in designated areas of opportunity in Baltimore City that meet certain required neighborhood characteristics. Many of these requirements are consistent with the criteria for the acquisition and rehabilitation of units for the Hollander Ridge scattered site project.

HABC submitted its development proposal for the Bailey 10 to HUD by letter dated April 2, 2018, which was approved by HUD in a letter dated April 23, 2018. The development budget submitted to HUD included an average acquisition and rehab cost estimate of \$157,000 per unit. Associated soft costs added another \$23,000 per unit resulting in a total per unit TDC of \$180,043.

Subsequent to HUD approval of the development proposal, HABC discovered that the acquisition and rehabilitation costs will likely exceed the proposed costs set forth in the initial budget and, in some cases, will likely exceed the HUD TDC.

In 2019 the 1 BR TDC in Baltimore was approximately 33% higher than HUD's 1 BR TDC limit and depending on real estate trends, construction materials and other rehab costs the gap between HUD's TDC limit and HABC's TDC may increase.

In 2022, in response to the current market conditions, and to enable HABC to place in service the units required to meet HABC's Bailey Consent Decree, HABC received HUD approval on the changes outlined below.

1. HABC may pay over the appraised amount by up to 10% in order to compete with buyers who are able to meet seller's contractual term requirements at lower amounts.
2. HABC Increased the TDC limit for the Bailey units up to 50% over HUD's current approved TDC limit of \$247,035.

Through 2022, HABC has acquired four of the ten Bailey units. The current real estate market continues to make successful acquisitions more difficult as the demand for units exceeds the availability of the units on the market. Additionally, increased competition from other purchasers also impacts HABC's ability to purchase units on behalf of this activity.

Impact

HUD approval to allow HABC to purchase units up to 10% over their appraised value and the increase in approved total development cost has greatly increased HABC's ability to purchase units to meet the commitment of the Bailey Supplemental Consent Decree.

Through 2022, four of the Bailey units were purchased, and three of the four units are now occupied having been leased in April, June and August of 2022. The fourth unit is anticipated for lease in 2023. As of the writing of this report, HABC is anticipating a contract of sale for a four-unit property. Once acquired, there will be two remaining units left to satisfy the Bailey commitment.

Hardship Policy

Not applicable. This activity has no adverse impact on participants.

Actual Non-Significant Changes

HABC may pay over the appraised amount by up to 10% in order to compete with buyers who are able to meet seller's contractual term requirements at lower amounts.

HABC increased the TDC limit for the Bailey units up to 50% over HUD's current approved TDC limit of \$247,035.

Actual Changes to Metrics/Data Collection

HABC updated the total number of new housing units made available under this activity to reflect anticipated total outcomes through FY 2022.

Actual Significant Changes

No significant changes are planned.

Challenges in Achieving Benchmarks and Possible Strategies

Benchmarks for this activity were met in 2022.

Metrics

<i>HC #1: Additional Units of Housing Made Available</i>				
<i>Unit of Measurement</i>	<i>Baseline</i>	<i>Benchmark</i>	<i>Outcome</i>	<i>Benchmark Achieved?</i>
Number of new housing units made available for households at or below 80% AMI as a result of this activity (increase)	0	3	3	Yes
<i>HC #5: Increase in Resident Mobility</i>				
<i>Unit of Measurement</i>	<i>Baseline</i>	<i>Benchmark</i>	<i>Outcome</i>	<i>Benchmark Achieved?</i>
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	0	3	3	Yes

Activity #2021-01: Emergency Waivers

Plan Year Approved, Implemented, Amended

Approved FY 2021 and implemented FY 2021.

Description/Update

The COVID-19 outbreak threatens the lives of many Americans and the livelihoods of many more. It is an urgent health crisis of unprecedented scale, and one that is disproportionately impacting low-income families. The outbreak of COVID-19 also places additional burdens on housing authorities who are working tirelessly to respond to the needs of their participants while also maintaining compliance with program requirements. The Coronavirus Aid, Relief and Economic Security (CARES) Act provides the U.S. Department of Housing and Urban Development (HUD) with broad authority to waive or establish alternative requirements for numerous statutory and regulatory requirements for the Public Housing program and Housing Choice Voucher (HCV) program. During these emergency declarations, the backlog of transactions, inspections and delayed reporting requirements grows. Accordingly, HABC will use its MTW authority to establish an emergency waivers activity which addresses the burdens placed on all stakeholders. HABC may establish the following emergency waivers in response to economic and health related emergencies and natural disasters as declared by the Mayor or his/her designee, including the authority to determine when to place and lift the waivers. HABC may revise, add and/or remove waivers as needed to address emergency related conditions.

- 1. Delayed Reexaminations:** HABC will waive the requirement to conduct a reexamination of family income and composition at least annually. Currently HABC completes reexaminations on a biennial basis for Public Housing (PH) and Housing Choice Voucher (HCV) program households and on a triennial basis for PH households on ceiling rents and PH and HCV elderly/disabled households on fixed incomes. Where reexaminations have been delayed, HABC will complete the reexamination no later than the anniversary month of the following year. The next reexamination will be scheduled on the same anniversary month using the applicable reexam frequency for the family. For example, if a biennial reexam was due on July 2020, HABC would complete the reexam by July 2021. The next scheduled biennial reexam would take place in July 2023. This waiver applies to the PH and HCV programs.

- 2. Verification of Income:** During periods of declared emergencies, HABC will waive the requirements of the verification hierarchy, but continue to use EIV to confirm income at interim and regular recertification.
- 3. Increase in Payment Standard:** HABC will waive the requirement to apply the increased payment standard back to the regular effective date for delayed regular reexaminations. Instead, during periods of declared emergencies, HABC will apply the increased payment standard at the next interim reexamination after the effective date of the increased payment standard. If HABC completes a reexam late, HABC will apply the payment standard in effect on the effective date of the delayed regular reexamination. This waiver applies to the HCV program.
- 4. Delayed Regular HQS Inspections:** HABC will waive the requirement for completion of regular HQS inspections at least biennially. Where a regular HQS inspection has been delayed, HABC will complete the HQS inspection no later than the anniversary month of the following year. The next HQS inspection will be scheduled on the same anniversary month using the applicable inspection frequency for the unit. For example, if an HQS inspection was due on July 2020, HABC would complete the inspection by July 2021. The next scheduled annual HQS inspection would take place in July 2022. HABC will continue to request a self-certification from the owner that no life-threatening conditions exist in the unit. Additionally, HABC will continue to conduct complaint inspections. This waiver applies to the HCV program.
- 5. Interim HQS Inspections:** HABC will waive the requirement to conduct re-inspections to confirm repair; however, HABC will require that the owner self-certify and provide documentation that a life-threatening deficiency has been corrected within 24 hours of notification or HABC will conduct a remote video conference within 24 hours to confirm repair. HABC will accept an owner self-certification that non-life-threatening deficiencies have been corrected within 30 days of HABC notification. This waiver applies to the HCV program.
- 6. HQS QC Inspections:** HABC will waive the requirement to conduct HQS quality control inspections and instead will suspend HQS quality control inspections until the emergency waiver has been lifted. This waiver applies to the HCV program.

7. **Homeownership HQS:** HABC will waive the requirement for the initial HQS inspection for homeownership units; however, an independent professional inspection will still be required. This waiver applies to the HCV Homeownership Program.

8. **Delayed PH Annual Self-Inspection:** HABC will waive the requirement to complete annual self-inspections of PH units. HABC will continue to respond to and address serious conditions that could jeopardize life or property. When the waiver is lifted, HABC will resume self-inspections beginning with the units which were inspected on the oldest date. This waiver applies to the PH program.

9. **FSS Contract of Participation:** HABC will waive the requirement regarding the maximum extension of an FSS Contract of Participation (COP). During periods of declared emergency, HABC may extend a family's COP, using the declared emergency as good cause of the need for extension. For households who were already in the two-year extension period when the emergency was declared, HABC may extend their COP beyond the two-year extension threshold. This waiver applies to the PH and HCV FSS program.

Impact

HABC did not utilize the Emergency Waivers during FY 2022. Emergency status for the COVID-19 emergency ended at the end of the FY 2021.

Hardship Policy

Not applicable. This activity has no adverse impact on participants.

Actual Non-Significant Changes

No non-significant changes were made in FY 2022.

Actual Changes to Metrics/Data Collection

- HABC removed the two metrics below as they are not intended outcomes of this activity. During periods of emergency, HABC does not seek out nor focus on cost and time savings; even though certain agency functions may be delayed, or regulations waived.
 - CE #1: Agency Cost Savings
 - CE #2: Agency Time Saving

- HC #4: Displacement Prevention: HABC added this metric as the changes which are inherent in the Emergency Waivers activity are designed to streamline operations and reduce administrative burdens on participants and applicants, thus reducing the number who may have been displaced/terminated due to their failure to comply with regular operating requirements.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

As the emergency waivers were not needed in FY 2022, this metric is not applicable.

Metrics

<i>HC #4 Displacement Prevention</i>				
Unit of Measurement	Baseline*	Benchmark*	Outcome	Benchmark Achieved?
Number of households at or below 80% of AMI that would lose assistance or need to move (decrease)	0	24,538	N/A	N/A
<i>*The benchmark represents the number of assisted households during the period of declared emergencies who are effectively protected from displacement</i>				

Activity #2022-02: Leasing Incentive Program

Plan Year Approved, Implemented, Amended

Approved FY 2022 and implemented FY 2022

Description/Update

Using its MTW flexibility, HABC has established a Leasing Incentive Program (LIP) to promote utilization of vouchers and provide increased housing options and opportunities for voucher holders. The HCV portion of this activity applies to owners of units in the tenant-based voucher program and does not apply to owner/units in the Project-Based program. Additionally, to further reduce the vacancy rates in underutilized/hard to house Public Housing (PH), the LIP provides incentives to lease PH units in these areas/developments or portions thereof.

HCV Leasing Incentive: HABC provides leasing incentives to owners to increase the number of units in Opportunity Neighborhoods, increase the number of new construction and substantially rehabilitated units, new leased units, accessible units and new owners on the program. HABC's Opportunity Neighborhoods are those sub-markets which have been identified in an HABC commissioned study and which reflect key indicators of neighborhood opportunity including, poverty rate, school quality index, crime, diversity, transportation access and labor market conditions.

To support and encourage owner participation in the HCV program, the LIP will also provide vacancy and damage payments to owners payable under defined circumstances. HABC has capped the spending for this activity at \$1,000,000 (\$500,000 for leasing incentives and \$500,000 for damage/vacancy loss). Pending the response to this activity; HABC may revise the program caps in future years.

HABC will provide the following under the LIP for the HCV program:

- A \$750 one-time incentive for a new unit in an "Opportunity Area". "Opportunity Areas" are those zip codes which have been identified by HABC as Opportunity Areas.

- A \$500 one-time incentive for a new HCV program unit. “New Unit” refers to a unit which has never been leased under the HCV program or was last leased under the HCV program five or more years ago.
- A \$500 one-time incentive to a new owner who leases an HCV unit. “New Owner” refers to an owner who has never previously leased a unit under the HCV program or who had last leased a unit under the HCV program five or more years ago. The new owner must enter into a new HAP contract.
- A \$500 one-time incentive for a new accessible dwelling unit. An accessible dwelling unit is a unit that is located on an accessible route and can be approached, entered, and used by individuals with physical disabilities.
- A \$500 one-time incentive for a newly constructed unit. “Newly constructed” refers to a unit in which construction was completed within the past twenty-four months. Where a new unit to the program is new construction, the owner will receive only the new construction incentive.
- A \$500 one-time incentive for a substantially rehabilitated unit. “Substantially rehabilitated” refers to units that meet the one of the following criteria:
 - The required repairs, replacements, and improvements involve the replacement of two or more major building components; or,
 - The costs of the rehabilitation exceed the greater of 15 percent (exclusive of any soft costs) of the property's replacement cost (fair market value) after completion of all required repairs, replacements, and improvements; or \$6,500 per dwelling unit (adjusted by HUD's authorized high-cost percentage); or 20% of the mortgage proceeds applied to rehabilitation expenses.
- The maximum incentive payment for any given unit is \$1,500.
- Incentive payments are payable upon execution of the HAP contract.
- Where a unit had previously been leased by an HCV participant and there is a gap in leasing with the HCV, program, HABC will not provide an incentive when and if the unit gets leased by a new HCV participant unless the gap is five or more years.

Vacancy and Damage Loss Payments: Where vacancy and damage loss payments are concerned, HABC provides payments to both new and existing owners.

- Vacancy loss payments will be made available to owners whose tenants vacate the unit without notice or HABC authorization, prior to the end of their lease term. To qualify for the vacancy loss payment, the unit owner must re-rent the unit to another HCV family within 60 days from the date that the owner notifies HABC of move-out. Owners will be paid only for the length of time the unit was vacant, with a maximum payment equivalent to the lowest of two months of HAP or \$3,000. In addition, HABC

will only reimburse owners to the extent that the lost rent is not covered by the security deposit (after being applied to any damages). Finally, owners must demonstrate a good faith effort to re-rent the unit to another HCV family during the period of vacancy. Requests for vacancy claims must be submitted within 30 days of re-leasing of the unit.

- Damage loss payments: HABC will provide damage loss payments equivalent to the lowest of two months of HAP or \$3,000 for owners to cover costs, beyond normal wear and tear, which are not covered by the security deposit, provided that the owner agrees to lease the unit to another HCV client within 60 days from the date that the owner notifies HABC of the damages. HABC will not reimburse for tools needed to repair damages, landlord’s personal time to repair damages or other activities related to the claim, items allegedly stolen, or damages not represented in a move-in/out condition report. Requests for damage claims must be submitted within 30 days of the tenant vacating the unit or owner re-taking possession. HABC will inspect the unit to validate the owner’s damage claim.

PH Leasing Incentive: HABC provides leasing incentives to applicants who agree to accept hard to lease units. A unit is considered hard to lease when the unit has been vacant for more than 45 days after being placed in a “ready to lease” status and there have been three prior unit refusals for the current vacancy. Where an applicant accepts a unit offer and signs the lease for a hard to lease unit, HABC will offer a rent credit equivalent to the calculated TTP or a gift card to a store/website that offers home goods and/or home improvement products with a value of \$100. Applicants may select which incentive they would like to receive.

Impact

HABC implemented the leasing incentive portion of this activity in October 2022. The damage and vacancy loss payments portion of this activity was delayed until FY 2023. The table below provides the outcomes for the different HCVP incentives offered under this activity in FY 2022. Based on the initial interest in the leasing incentives for the two-month period in FY 2022, HABC anticipates that this incentive program will positively impact the number of units available for lease for HCV participants.

Incentive Type	Number of Incentive Payments
Opportunity Area Incentive Payment	2

Incentive Type	Number of Incentive Payments
New HCV Program Units	76
New HCV Program Owners	17
New Accessible Units	0
New Newly Constructed HCV Units	0
New Substantially Rehabbed Units	0
Total	95

In FY 2022, HABC created mini-model units in hard to lease properties as a marketing tool to lease the units. This approach proved effective, and as such, the Public Housing leasing incentives were not used in 2022. HABC will continue to consider using these incentives as an additional marketing tool for hard to lease units.

Hardship

Not Applicable

Actual Non-Significant Changes

The HCV cap on spending was revised to reflect 1,000,000 (\$500,000 for leasing incentives and \$500,000 for damage/vacancy loss).

- HCV added a \$500 one-time incentive for a substantially rehabilitated unit. “Substantially rehabilitated” refers to units that meet the one of the following criteria:
 - The required repairs, replacements, and improvements involve the replacement of two or more major building components; or,
 - The costs of the rehabilitation exceed the greater of 15% (exclusive of any soft costs) of the property's replacement cost (fair market value) after completion of all required repairs, replacements, and improvements; or \$6,500 per dwelling unit (adjusted by HUD's authorized high-cost percentage); or 20% of the mortgage proceeds applied to rehabilitation expenses.

- Where vacancy and damage loss payments are concerned, HABC provides payments to both new and existing owners.

Actual Changes to Metrics/Data Collection

No changes were made to metrics/data collection in FY 2022.

Actual Significant Changes

No significant changes were made in FY 2022.

Challenges in Achieving Benchmarks and Possible Strategies

The HCV leasing incentive portion of this activity was not implemented until October of 2022. Owner response and interest resulted in 95 lease ups which, when translated to a full year’s deployment of this activity, will result in close to 600 leased HCV units. Where the vacancy and damage loss payments are concerned, it is not yet known what impact they will have on utilization until this portion of the activity is fully implemented.

HABC also anticipates that there will be a significant increase in the number of incentives for units in opportunity areas. All totaled in 2022, 174 families moved to opportunity areas; however, these moves took place prior to the implementation of the leasing incentives and were not counted under this activity.

The average time on the Public Housing waiting list did not meet the benchmark as the Public Housing leasing incentive portion of this activity was not yet implemented and hard to house units remained vacant. HABC did employ a mini-model unit marketing approach in hard to lease developments which proved to be effective in leasing these units; however, HABC will continue to consider the use of the Public Housing leasing incentives as an option to increase leasing and reduce time on the waiting list.

Metrics

<i>HC #1: Additional Units of Housing Made Available*</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of new housing units made available for households at or below 80% AMI as a result of this activity (increase)	0 units	HCV: 667 units PH: 75 units	HCV: 95 units PH: 0	No
<i>*Metric is calculated using the planned total incentive payments of \$500,000 at an average of \$750 per incentive for the HCV incentive.</i>				
<i>HC #3: Decrease in Wait List Time</i>				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?

Average applicant time on wait list in months (decrease)	HCV: 8 years PH: 7 years	HCV: 7 years PH: 6.5 years	HCV: 4 years PH: 7.7 years	Yes No
HC #5: Increase in Resident Mobility*				
Unit of Measurement	Baseline	Benchmark	Outcome	Benchmark Achieved?
Number of households able to move to a better unit and/or neighborhood of opportunity as a result of the activity (increase)	0 households	222 households	2	No
<i>*Metric reflects incentives for households who leased new units in opportunity areas and/or units of new construction. This metric applies only to HCV.</i>				

B. Not Yet Implemented Activities

Activity #2021-03: Growing Assets & Income Program: Thompson Settlement Agreement (Formerly the Economic Stability, Growth and Transition Program for the Thompson Settlement Agreement)

Plan Year Approved, Implemented, Amended

Approved FY 2021

Description/Update

BRHP has developed a Growing Assets and Income program (GAIN) for the Thompson Settlement Agreement which modifies and builds on the FSS model. The program is structured using a multi-track incentive model. In this model, milestones are categorized into four tracks: education, career, financial health, and homeownership. Each track has specific eligibility criteria and participants are able to choose which track(s) to participate in, depending on eligibility and funding availability.

Participating families commit to a three-to-five-year contract of participation in which achievement of individual family goals are incentivized through one-time payments disbursed contemporaneous with completion of the goal, and/or on-going payments deposited into an escrow or similar account that may be accessed through interim disbursements, or upon the successful completion of the contract. Payments to escrow accounts occur when individual goals are achieved and verified by the program, incentive payment amounts are listed in the table below. Contracts of participation require a recertification or interim recertification to have occurred within the prior 60 days and require an individual training plan to document goals and participant action items. This multi-track approach builds flexibility to meet varying needs of the families served and is intended to both promote financial stability and growth, and to provide a smooth transition to homeownership for families who have attained the means to successfully end their subsidy. Through greater numbers of families successfully exiting the program, new families from the waitlist may be served, in greater numbers.

BRHP has developed program documents and the Action Plan for the GAIN program and has secured private funding from a local foundation to launch the program and support some of the escrow payments. Additionally, BRHP is working with Compass Working Capital, a leader in the FSS space to provide technical support and/or training prior to program launch. The first program participants will be enrolled in 2023.

The general parameters for incentive payments are as follows:

Track	Incentive*	Goal
Education	\$300-500	Completion of GED, post-secondary degree, or career certification
Education	\$300	Completed semester or quarter for completion of full-time post-secondary or career training
Education	\$500	Establishment of college savings plan (529)
Education	\$300	School continuity credit for children completing all grade levels at a single school (e.g., k-5,6-8,9-12)
Career	\$300	Completion of first month of full-time employment, 4 months of full-time employment, or after an increase in wage income greater than 20%
Career	\$200	Monthly escrow contribution after month 4 of full-time employment with ongoing full-time employment
Financial Health	\$200	On-time tenant rent payments for a year
Financial Health	\$50	Attendance at Financial Health workshop
Financial Health	\$500	Achieving credit score milestone
Financial Health	\$250-1,000	Reaching savings milestones from \$,2500-\$10,000
Homeownership	\$1,000	Completion of accredited homebuyer education course and savings of at least \$2,000
Homeownership	\$5,000	Closing cost or down payment assistance provided at closing

**Final incentive payment amounts will be dependent on HAP fund availability, outside funding leveraged, and enrollment in program.*

Actions Taken Toward Implementation

BRHP submitted its FSS Action Plan to HUD in April 2022 prior to the submission period for Action Plan updates per the FSS Final Rule. BRHP and HABC staff met with HUD representatives in September 2022 to provide clarity around the confusion about the two Action Plans HUD received for MD002. A determination was made that BRHP will, in the future, submit its Action Plan as an attachment to HABC's FSS Action Plan and that HUD staff would still review BRHP's current Action Plan for adherence to the new rules. BRHP's updated FSS Action Plan was submitted again to HUD in Q4 of 2022; however, approval is still pending. BRHP is poised to launch the program in 2023 as soon as HUD approval is obtained.

Activity #2022-01: Student Housing Initiative

Plan Year Approved, Implemented, Amended

Approved FY 2022, Implementation Planned for FY 2023

Description/Update

The Housing Authority of Baltimore City plans to utilize MTW Block Grant funding flexibility to support the Student Housing Initiative (SHI), which is a housing stability program for eligible low-income college students.

Initial eligibility for the SHI includes:

- Graduation from a Baltimore City high school;
- Qualification as an independent student using HUD's independent student criteria;
- Matriculation in a four- or five-year college program located within HABC's jurisdiction;
- Full-time student enrollment; and,
- Maintenance of a grade point average of at least 2.5.

HABC will work in partnership with colleges/universities in HABC's jurisdiction to provide 10 time-limited, tenant-based vouchers for eligible SHI participants. Additionally, HABC will execute an MOU with the participating colleges/universities detailing roles and responsibilities for determining initial and continued eligibility and reporting requirements.

The participating Baltimore City colleges/universities will be responsible for identifying and referring eligible participants and for providing verification that the student meets HUD's criteria of an independent student. Participating colleges/universities will also be responsible for providing HABC with regular academic progress reports to ensure participants continue to be in compliance with continued occupancy and SHI program requirements, including maintaining a 2.5 grade point average. HABC will verify and calculate income to determine income eligibility.

The SHI subsidy will operate as follows:

- SHI participants will pay the highest of 10% of gross monthly income, 30% of adjusted monthly income or a \$25 minimum rent and will have recertifications completed on a biennial basis during their participation in the program.

- In the event the gross rent exceeds the applicable 1- or 2-bedroom payment standard, the SHI participant will pay the difference; however, HABC will not approve a unit where the family share is greater than 40% of the family's adjusted monthly income.
- Generally, the voucher will be provided for up to four years for eligible, matriculated, full-time students in an accredited 4-year college program and up to five years for eligible, matriculated, full-time students in an accredited 5-year college program. Students enrolled in 4-year community colleges within HABC's jurisdiction are also eligible under this activity.
- An additional post-graduation year may be provided if the student remains income eligible and has not yet secured permanent full-time employment. HABC will terminate the subsidy during the fifth year within sixty (60) days of securing full-time employment. Participants will be required to notify HABC within 30 days of securing full-time employment.
- Where a student becomes part of the SHI program after they have already completed course work at a Baltimore City college/university, HABC will adjust the participation period in the program to reflect the remaining portion of the applicable year cap.
- The family size must be consistent with the occupancy standards for a 1- to 2-bedroom unit without being over-crowded.
- HABC will conduct reasonable rent determinations prior to unit approval.
- HABC will provide utility allowances to students where the cost of utilities is not included in the rent.
- The subsidy will be limited to housing assistance, in the form of rent in privately owned housing and will be paid directly to the housing provider; however, where applicable, the subsidy may cover security deposit assistance up to one month's subsidy.
- HABC will conduct the HQS inspections.
- If the student is at \$0 HAP for 6 months, the subsidy will be terminated, and assistance will no longer be provided.

- Prior to terminating a participant’s voucher, HABC will provide the participant with sixty day’s written notice and offer the participant an opportunity for an informal hearing where applicable.

Participants must continue to remain enrolled full-time and maintain a 2.5 Grade Point Average (GPA) in order to be eligible for subsidy renewal each year; however, this requirement is waived when an additional post-graduation year is authorized. Additionally, HABC will make available to SHI participants, self-sufficiency related services offered by HABC. Every student will be required to utilize academic support services and counseling services available at the college. If the student does not remain compliant with program terms, the subsidy may be terminated. The individuals issued SHI vouchers and served under this activity will become participants in the Housing Choice Voucher Program; however, their vouchers will have term limits.

Once the activity is implemented, HABC and the participating educational institutions will review program outcomes and financial considerations to determine continued program viability and make any necessary changes to the program. Any such changes will be included in future MTW Plans as required under the Form 50900.

Actions Taken Toward Implementation

In FY 2022, HABC developed an MOU between HABC and Morgan State University. At the end of FY 2022, Morgan State was still reviewing the MOU and it is anticipated to be finalized in the first quarter of FY 2023. Selection of eligible recipients is anticipated for the 2023-24 school year. HABC will no longer accept referrals once the SHI program cap has been met.

C. MTW Activities on Hold

There are no approved activities on hold.

D. Closed-Out MTW Activities

The following table summarizes previously approved MTW activities that HABC has completed, discontinued or determined that MTW authority is no longer required.

Table 16: Closed-Out MTW Activities

Activity	Plan Year Approved and Implemented	Close Out Year	Reason for Close Out
Risk-Based Inspections (Activity #2006-05)	Approved: FY 2006 Implemented: FY 2014	FY 2019	HABC implemented a Risk-Based inspection process in order to ensure that the highest housing quality standards are maintained and that HABC resources are utilized in an efficient and effective manner. Units that have consistently met annual inspection standards, will be inspected every two years. Units which do not have such a track record are inspected annually. HABC closed out this activity due to the 2014 Appropriations Act that allows HABC to transition to a biennial inspection schedule without MTW authority.
Project-Based for Transitional Housing (Activity #2007-02)	FY 2007/2008	FY 2014	HABC provided PB vouchers to the Collington House facility that is a transitional housing program. In 2014, the Collington House facility lost its eligibility to retain project-based vouchers and this program was closed out.
Section 811 Supportive Housing (Activity 2009-02)	Never Implemented	2019	HABC proposed combining MTW funds with 811 funds to create units for non-elderly persons with disabilities pursuant to the Bailey Consent Decree. HABC intended to make these funds available through a competitive process under which developers would be required to demonstrate through specified documentation that the project had a gap that could not otherwise be addressed. HABC was not able to implement this activity due to a lack of interest from developers. As such, there are no final outcomes. Gauging developer interest and including developers in the planning stages of such an activity may have yielded better outcomes.
Payment Standards at the 50 th Percentile (Activity #2009-03)	FY 2009	FY 2011	HUD had adjusted the area Fair Market Rent (FMR) to the 50 th percentile for HABC; therefore, MTW authority was no longer required and this activity was closed out in FY 2011. Please note that this activity was re-proposed in the FY 2019 Plan as the 50 th percentile FMR was being phased out. At the time the activity was closed, use of the 50 th percentile FMR was provided by HUD, and MTW authority was not needed.

Activity	Plan Year Approved and Implemented	Close Out Year	Reason for Close Out
HAP Contract Modifications (Activity #2009-05)	Approved: FY 2009 Implemented: FY 2010	FY 2019	Using MTW authority, HABC will allow for floating units instead of identifying specific units in the HAP contract in the Project-Based Voucher program. This previously HUD approved activity was closed out and combined with other previously HUD approved Project- Based Program activities. The combined activity is now called the Enhanced Project-Based Voucher Program (Activity #2006-02).
Utility Allowance for Families Living in Larger Units than Voucher Size (Activity #2010-04)	Approved: FY 2010 Implemented: FY 2012	FY 2014	Under the 2014 Appropriations Act, the rule on utility allowances changed to require that PHAs match the utility allowance payment to the actual unit size and not the voucher size. This MTW activity, approved in FY 2010, was incorporated into the Unit Size activity and implemented in FY 2012. Based upon the 2014 Appropriations Act language, HABC no longer needs to designate this activity as MTW.
Gilmor Self Sufficiency Initiative (Activity #2010-05)	FY 2010	FY 2017	This activity simplified the rent policy for staff and residents, and encouraged employment, job retention and wage progression. A shortage of funds to provide employment counseling forced the closure of this program in FY 2015, and the activity was closed out in FY 2017 when HABC became the recipient of a \$2.5 million Jobs Plus grant that provides employment counseling to public housing residents that otherwise could not be provided under MTW.
Rent Increase Determinations (Activity #2011-01)	FY 2011	FY 2016	This activity increased cost effectiveness in Federal expenditures by keeping program spending within budgetary limits. Suspending rent increase adjustments helped keep HCV Program spending within budgetary limits. Exceeding available funding had the potential to force HABC to withdraw assistance from a number of families causing a hardship for those families and property owners. This MTW activity was intended to keep spending within budgetary limits. It was closed out in FY 2016 since HABC was able to maintain budgetary limits without imposing suspension of rent increases to owners.
Asset Self-Certification (Activity #2011-02)	FY 2011	FY 2019	To streamline operations, HABC allowed residents to self-certify income from assets with total asset values per household of less than \$5,000. The Asset Self- Certification activity was approved by HUD in FY 2011. HABC closed out this activity and re-proposed it in FY 2019 as part of the Rent Simplification activity. This action allows HABC to report on all Rent Simplification activity features under one activity.
Direct Homeownership Program (Activity 2012-02)	2012	2019	The direct purchase second mortgage program was intended for applicants with incomes of no less than \$18,000 per year. Participants in this initiative would not receive a Section 8 homeownership voucher. A soft second mortgage of HOME VI funds would also be available. The direct purchase second

Activity	Plan Year Approved and Implemented	Close Out Year	Reason for Close Out
			mortgage program was targeted to applicants with incomes of no less than \$18,000 per year. Participants in this initiative would not receive a Section 8 homeownership voucher. A soft second mortgage of HOME VI funds was to be made available through this program. The activity was closed out due to lack of participation.
Rent Policy (Activity #2012-03)	FY 2012	FY 2015	HABC received HUD approval in FY 2012 to implement an Agency-wide rent policy adopted for Gilmor Homes; however, due to lack of funding and the on-going revisions of the Gilmor Homes rent policies, this activity was placed on hold in FY 2014. This activity was identical to the Gilmor Homes Demonstration Program and was implemented at the remaining HABC sites. A shortage of funds to provide employment counseling forced the closure of this program in FY 2015.
Adjusted Income for Thompson Participants (Activity #2012-04)	FY 2012	FY 2019	<p>Pursuant to HABC’s MTW authority, for participants in the Baltimore Housing Mobility Program, gross annual income was reduced using standard deductions. This activity was approved and implemented in FY 2012.</p> <p>There is a standard deduction for working families, disabled families and non-disabled families without wages. The deductions replace all other regulatory deductions. The deductions are:</p> <ul style="list-style-type: none"> • \$3,200 for households with wages • \$1,200 for households without wages • \$400 for any elderly or disabled family (to be combined with either of the above deductions) <p>This activity was closed out in FY 2019 and combined with other previously HUD approved rent simplification activities for the Thompson units. The combined activity is now called Rent Simplification – Thompson (Activity #2012-01).</p>
Adoption of New Investment Policies for HABC (Activity #2013-01)	Approved: FY 2013 Not Implemented	FY 2015	In FY 2013, HABC proposed adopting new investment policies, thereby increasing investment revenue and decreasing the federal expenditures necessary to carry out the federal program. For example, if the investment revenue is increased by \$100,000 due to a more favorable investment rate of return, this increased revenue can be used to offset the OPEB liability. HABC decided not to implement this activity due to the terms of a General Depository Agreement with the State. This activity was never implemented.
Journey Home (Activity #2013-02)	FY 2013	FY 2017	Under this activity, HABC exercised its MTW fund flexibility in order to use MTW Block Grant Funds as housing subsidy for participants in the Journey Home Program. The Journey Home Program was closed in FY 2016 and the activity was closed out in FY 2017.

Activity	Plan Year Approved and Implemented	Close Out Year	Reason for Close Out
Exclude Income from Full-Time Students and Adopted Household Members (Activity #2014-02)	FY 2014	FY 2019	Using MTW authority, HABC modified the definition of annual income by excluding FT student earned income and adoption assistance income for families living in Thompson units. These exclusions were part of an effort to support economic self-sufficiency as well as to streamline program administration. As 100% of the income from these two sources is excluded, third party verification of income is not required. This activity was approved and implemented in FY 2014. This activity was closed out in FY 2019 and combined with other previously HUD approved rent simplification activities for the Thompson units. The combined activity is now called Rent Simplification – Thompson (Activity #2012- 01).
Encouraging Leasing in Higher Opportunity Neighborhoods (Activity #2015-01)	Approved: FY 2015 Not Implemented	FY 2016	Using its MTW authority, the Baltimore Regional Mobility Program required families to select units that are consistent with and not larger than the dwelling unit size listed on their voucher. This policy applied to new admissions as well as to participating households who requested program moves. HABC, on a case-by-case basis, made exceptions to this policy as a reasonable accommodation. This MTW activity was planned for implementation in FY 2015. However, upon further consideration, BRHP decided not to implement this activity and it was closed out in FY 2016.
Energy Conservation Utility Allowance (Activity #2015-02)	FY 2015	FY 2016	HABC provides a Utility Allowance to households responsible for payment of utilities for water, electricity, gas, other heating, cooking fuels and sewage services. In an effort to reinforce energy conservation activities and reduce the cost of water/sewage utility allowances, HABC will encourage the completion of a water audit and use of low-flow toilets by HCV tenants and landlords/owners. This MTW activity was placed on hold due to comments from the public and closed out in FY 2016.
The Front Door Program (Activity #2015-03)	FY 2015	FY 2017	HABC partnered with The Mayor’s Office of Human Services/Homeless Services Program, Sarah’s Hope (a shelter for the homeless) and St. Vincent De Paul to provide MTW Block Grant funds to the Front Door Program to rapidly house 36 homeless families for up to one year using two distinct strategies. The contract ended December 31, 2014, six months into HABC’s FY 2015, and was not renewed, which resulted in closure of the activity.
Project Based Voucher Amendments to the HAP Contract (Leased Housing) (Activity #2015-04)	FY 2015	FY 2019	Using its MTW authority, HABC waived the three-year contract amendment restriction, which will allow HABC to amend the HAP contract at any time during the initial term of the HAP contract and during any renewal term of the HAP contract. Under this activity, HABC may exercise this option for all PBV

Activity	Plan Year Approved and Implemented	Close Out Year	Reason for Close Out
			units, including, but not limited to the Bailey LTA and PBV units and the non- Bailey LTA PB units. This activity was previously on hold and was approved in FY 2015. HABC closed out this activity and combined it with other previously HUD approved Project Based program activities. The combined activity is now called the Enhanced Project-Based Voucher Program (Activity #2006-02).
Security Deposit Assistance (Activity #2017-02)	FY 2017	FY 2019	Under this activity, BRHP will use HAP funds for payment to landlords to cover a security deposit for Baltimore Housing Mobility Program participants leasing in a census tract designated “opportunity” by BRHP. Subject to funding availability, BRHP will offer each participant this Security Deposit Assistance on a one-time basis, and only if that participant has repaid the entire balance of any previously grant-funded Security Deposit Assistance Loan and is otherwise in good standing with BRHP. The Security Deposit Assistance will not exceed the equivalent of one-month’s rent and BRHP will require a participant contribution towards the security deposit of between \$200 and \$500 dollars, which will be adjusted seasonally to encourage leasing in summer months. This activity was approved and implemented in FY 2017. HABC closed out this activity and combined it with other previously HUD approved Mobility Program Enhancement activities. HABC also modified this activity in FY 2019 under the previously approved Mobility Enhancement activity.
Sponsor-Based Project-Based Transitional Housing (Activity # #2017-01)	FY 2017	FY 2021	HABC partnered with the Women’s Housing Coalition to provide permanent housing for up to 25 homeless, hard-to-house families. A HAP Contract has been signed for up to 15 years with the option to renew; all families are housed and receiving supportive services allowing this activity to be closed out.
Landlord Payment Methods and Electronic Communication (Activity #2018-01)	FY 2018	FY 2020	HABC has moved to 100% online communication; this activity was originally developed to encourage enrollment in online communications or be charged a fee for paper communications. Almost 100% of owners are enrolled in direct deposit and receiving electronic communications; therefore, this activity is not cost effective and can be closed out.

V. Application of MTW Funds

A. Financial Reporting

i. Available MTW Funds in the Plan Year

HABC will submit all required FY 2022 unaudited and audited information in the prescribed Financial Data Schedule (FDS) format through the Financial Assessment System – PHA (FASPHA), or its successor system within the required time frame.

ii. Expenditures of MTW Funds in the Plan Year

HABC will submit all required FY 2022 unaudited and audited information in the prescribed Financial Data Schedule (FDS) format through the Financial Assessment System – PHA (FASPHA), or its successor system within the required time frame. The tables below reflect the unaudited sources and used for FY 2022.

Actual Sources of MTW Funding for FY 2022

FDS Line-Item Number	FDS Line-Item Name	Actual 2022 Expenditure
70500 (70300+70400)	Total Tenant Revenue	\$19,241,324
70600	HUD PHA Operating Grants	\$326,564,915
70610	Capital Grants	\$14,913,623
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	
71100+72000	Interest Income	\$49,378
71600	Gain or Loss on Sale of Capital Assets	
71200+71300+71310+71400+71500	Other Income	\$1,839,808
70000	Total Revenue	\$362,609,048

Actual Uses of MTW Funding for FY 2022

FDS Line-Item Number	FDS Line-Item Name	Actual Amount for 2022
91000 (91100+91200+91400+91500+91600+91700+ 91800+91900)	Total Operating – Administrative	\$40,384,920
91300+91310+92000	Management Fee Expense	\$13,625

FDS Line-Item Number	FDS Line-Item Name	Actual Amount for 2022
91810	Allocated Overhead	(\$236,020)
92500 (92100+92200+92300+92400)	Total Tenant Services	\$2,027,705
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$18,632,159
93500+93700	Labor	
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$43,659,645
95000 (95100+95200+95300+95500)	Total Protective Services	\$788,701
96100 (96110+96120+96130+96140)	Total Insurance Premiums	\$2,504,076
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$5,745,780
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$2,018,251
97100+97200	Total Extraordinary Maintenance	\$1,245,626
97300+97350	Housing Assistance Payments + HAP Portability-In	\$216,794,276
97400	Depreciation Expense	\$18,498,647
97500+97600+97700+97800	All Other Expenses	\$3,903,937
90000	Total Expenses	\$355,981,328

Total Expenses	355,981,328
Less: Depreciation Expense	(18,498,647)
Capital Hard Cost	11,921,792
MTW Uses of Funds	349,404,473

iii. Describe Application of MTW Funding Flexibility

The MTW Agreement allows HABC to combine public housing operating and capital funds including DDT provided under Section 9, and HCV's tenant-based voucher program funds provided under Section 8 of the 1937 Act into a single, authority-wide block grant funding source. HABC uses this combined funding source to carry out MTW program activities in support of MTW statutory objectives to achieve greater costs effectiveness and to increase housing choices for low-income families.

The following activities will take place in FY 2022 using the single fund flexibility concept:

- HABC utilized \$13,669,990 in prior year HCV HAP reserves for renovation and rehabilitation of vacant units and repairs to public housing units.

B. Local Asset Management Plan (LAMP)

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

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

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

iv. If the MTW PHA has provided a LAMP in the appendix, please describe 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.

HUD has approved HABC’s Local Asset Management Program as part of the Annual Plan submission since FY 2010. The proposed updated cost allocation calculations are included in Appendix C. The indirect cost rate for 2022 will be 14.30% for MTW and 10.77% for non-MTW.

VI. Administrative

A. Reviews, Audits and Inspections

HABC did not have any HUD reviews, audits or physical inspection issues that required the agency to take action during FY 2022.

B. Evaluation Results

Not applicable. HABC utilizes internal resources to measure and evaluate MTW activities.

C. MTW Statutory Requirement Certification

HABC certifies that, in Fiscal Year 2022, it continued to meet the three statutory objectives of the MTW program. The certification required by HUD is included in Appendix A.

D. MTW Energy Performance Contract (EPC) Flexibility Data

See Appendix D.

VII. Exhibits

Appendix A: Certification of MTW Statutory Requirements

Appendix B: Waiting List Demographics

Appendix C: LAMP

Appendix D: Energy Performance Contracting Data

Appendix A: Certification of MTW Statutory Requirements

FY 2022 Annual Report

Robin Carter
Chair | Board of Commissioners
Janet Abrahams
President | Chief Executive Officer



Appendix A: Certification of MTW Statutory Requirements FY 2022 Annual Report

The Housing Authority of Baltimore City (HABC) hereby certifies that between the period of January 1, 2022 and December 31, 2022, HABC met the following three statutory requirements of:

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

Housing Authority of Baltimore City
PHA Name

MD002
PHA Number/HA Code

I hereby certify that all the information stated herein is true and accurate:

Janet Abrahams
Name of Authorized Official

Chief Executive Officer
Title


Signature

3/27/2023
Date

Appendix B: Waiting List Demographics

Where families are on both the Public Housing and HCV waiting lists, they are counted in both LIPH and S8 statistics. Accordingly, the tables below include double counted families which could not be accurately reflected in each column as families may be listed in one category on the LIPH waiting list and another on the S8 waiting list. Please note that percentages were rounded.

Bedroom	LIPH		S8		Total	Percent
	Total	Percent	Total	Percent		
0	4	0%	8354	49%	8358	27%
1	10223	72%	4557	27%	14780	47%
2	2084	15%	3007	18%	5091	16%
3	1460	10%	1137	6%	2597	8%
4	399	3%	47	0%	446	2%
5	44	0%	9	0%	53	0%
6	11	0%	1	0%	12	0%
Total	14,225	100%	17,112	100%	28,117	100%

RACE	LIPH		S8		Total	Percent
	Total	Percent	Total	Percent		
American Indian/Alaska Native	58	0%	132	1%	190	1%
Asian	31	0%	59	0%	90	0%
Black/African American	12951	92%	15310	91%	28261	91%
Native Hawaiian/Other Pacific Islander	101	1%	72	0%	173	1%
Other	176	1%	263	2%	439	1%
White	801	6%	1040	6%	1841	6%
Total	14118	100%	16876	100%	30994	100%

HH Type	LIPH		S8		Total	Percent
	Total	Percent	Total	Percent		
Elderly	1032	7%	1700	10%	2732	9%
Non-Elderly Disabled	5462	39%	4220	25%	9682	31%
Other	7627	54%	10960	65%	18587	60%
Total	14121	100%	16880	100%	31001	100%

Ethnicity	LIPH		S8		Total	Percent
	Total	Percent	Total	Percent		
Hispanic or Latino	190	1%	320	2%	510	2%
Not Hispanic or Latino	13780	98%	16349	97%	30129	97%
Other	149	1%	207	1%	356	1%
Total	14119	100%	16876	100%	30995	100%

Income	LIPH	S8	Total	Percent
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	Total	Percent	Total	Percent		
Below 30%	13595	96%	16250	96%	29845	96%
30% to 50%	458	3%	537	3%	995	3%
50% to 80%	52	<1%	74	<1%	126	<1%
Over 80%	12	<1%	14	<1%	26	<1%
Total	14117	100%	16875	100%	30992	100%

Appendix C: LAMP

HABC CY22 Indirect Cost Rate Explanation,

A component of HABC's Local Asset Management Plan

This cost allocation plan and process for Calendar Year 2021 represents 12 years of HABC's local asset management plan allowed and approved as a component of its MTW participation.

Cost Allocation Approach

This cost allocation plan and process for Calendar Year 2022 represents 12 years of HABC's local asset management plan allowed and approved as a component of its MTW participation.

Cost Allocation Approach

This indirect rate calculation is modeled directly on the past few years' methodology. Consistent with the HUD cost principles, HABC has identified and segregated all its costs into a direct cost pool and an indirect cost pool. The basic principle to determine whether costs should be treated as direct or indirect is whether the cost can be directly attributed to one program or to multiple programs. Those costs that can generally be attributed to supporting one program are included as direct. Included in the direct pool are:

- All public housing development (or AMP) site direct costs;
- All central frontline costs (both operating and capital), including Resident Services, Work Orders, Leasing, Legal, and the like;
- All Central Maintenance crews, whose work will be direct costed to the maximum extent;
- All HCVP department expenses;
- All Modernization and Development expenses;
- All City direct expenses;
- All partnership housing program direct expenses.

The above direct cost services have been carefully reviewed and found to support specific unique programs, whether it be public housing, Section 8, or direct City programs.

Those costs that cannot be easily attributed to supporting one program are treated as indirect costs under the indirect cost pool. Indirect costs include:

- Most central office departments, including Executive, Finance, Human Resources, Information Technology, and the like;

The above indirect cost services have been carefully reviewed and found to support multiple programs, and as such must be treated as indirect, and allocated out in proportion to the direct services they support.

The worksheet used to identify direct and indirect costs and to develop the anticipated indirect rate is attached to this narrative as **Attachment A**.

The specific approach is as follows:

- Identify the direct cost base (D) and our indirect cost pool (I);
 - Separate them out MTW and non-MTW;
- Develop two indirect cost rates (I/D), one for MTW and one for non-MTW, which are used to allocate indirect costs to the direct programs;
- Excluded from the direct cost base are all hard costs (capital), and HAP payments to landlords.

All costs used in this analysis are from the HABC Fiscal Year 2022 Approved Consolidated Budget. Based on this budget and the attached schedule, **the indirect cost rate for CY 2022 will be 14.30% for MTW and 10.77% for non-MTW (see Attachment A for detail).**

Local Asset Management Plan (Attachment A)

MTW PLAN - ATTACHMENT A										
HABC Cost Allocation Methodology - FY22										
Calculation of Indirect Cost Rate										
	OFR									
<i>Direct</i>	<i>Treatment</i>	FY20	FY21		Change	Share	MTW	Non-MTW	OH Limit	OH shortfall
Sites (LIPH)	Dir	53,232,430	53,462,088	✓	0%	14%	53,462,088			
Sites PVT	Dir	7,625,326	3,210,418	✓	-58%	1%	3,210,418			
Sites (CFP hard-includes ECI)	Dir	24,543,446	17,464,019	✓	-29%	5%	17,464,019			
Sites (CFP soft - includes ECI)	Dir	1,609,030	2,933,085	✓	82%	1%	2,933,085			
Sites - Spec/Non-routine	Dir	-	-			0%				
EPC Costs (Hard) (Loan)	Dir	2,708,177	4,887,146		80%	1%		4,887,146		
EPC Soft (Loan)	Frontline	197,702	384,047		94%	0%	-	384,047		
Crews	COCC	2,694,587	2,835,484		5%	1%	2,835,484			
HCVP HAP	Dir	233,920,312	231,754,975		-1%	60%	224,642,689	7,112,286		
HCVP Admin	Dir	10,412,164	13,828,617		33%	4%	13,238,350	590,267		
BRHP Admin		5,765,771	5,723,699	✓	-1%	1%	5,723,699			
Development Hard/HOPE VI	Dir	10,195,794	7,657,800	✓	-25%	2%		7,657,800		
Development Soft	Mixed	775,180	1,091,786	✓	41%	0%		1,091,786		
DHCD Hard	Dir	-	4,860,000	✓		1%		4,860,000		
DHCD Soft	Mixed	4,082,381	3,016,000	✓	-26%	1%		3,016,000		
RAB	Dir	191,469	184,572	✓	-4%	0%	184,572	-		
Res Serv - LIPH	Frontline	1,619,185	1,837,722	✓	13%	0%	1,837,722			
Res Serv - Grants	Frontline	4,158,797	3,882,331	✓	-7%	1%		3,882,331	-	303,210
Facilities Non ACC Properties			400,000	✓	#DIV/0!	0%		400,000		
Energy	Frontline	683,633	690,909	✓		0%	690,909			
F&A Frontline		74,872	72,871	✓	-3%	0%	72,871			
FHEO Front Line		123,509	91,021	✓	-26%	0%	91,021			
HABCO Hard	Dir	-	-			0%	-			
HABCO Soft	Frontline	1,447,559	1,449,597	✓	0%	0%		1,449,597		
Hsg. Applic.	Frontline	1,121,082	1,172,988	✓	5%	0%	1,172,988			
Hsg. Ops. (dir)	Frontline	3,157,470	3,377,743	✓	7%	1%	3,377,743			
Homnrshp	Frontline	42,830	-	✓	-100%	0%				
Legal, Lease enforcement	Frontline	-	-	✓		0%				
MPA	Frontline	928,270	1,018,101	✓	10%	0%	1,018,101			
Relocation	Frontline	-	-	✓		0%				
Work Order Ctr.	Frontline	-	-	✓		0%	-			
Fund 113	Dir	1,936,821	1,723,668	✓	-11%	0%	-	1,723,668	-	134,618
Undesignated/Legacy	Frontline	4,100,000	5,966,013		46%	2%	5,966,013			
Legal FL	Frontline	-	-			0%				
Less AMP/FL planned cuts	FL/Dir	-	(1,796,554)			0%	(1,796,554)			
Subtotal Direct		377,347,797	373,180,146		-1%	96%	336,125,218	37,054,928	-	

<u>Less: Non-Relevant Expenses</u>										
Hard Cost (Devel, HABCO)		37,645,119	30,008,965	-20%		17,464,019	12,544,946			
HAP		233,920,312	231,754,975	-1%		224,642,689	7,112,286			
BRHP		5,765,771	5,723,699	-1%		5,723,699				
Debt Service						-				
DHCD Hard cost		4,082,381	7,876,000	93%		-	7,876,000			
<u>RAD Deduct (out in 20) *</u>		<u>-</u>	<u>-</u>				<u>-</u>			
Subtotal Direct		95,934,214	97,816,507	2%		88,294,811	9,521,696	97,816,507		
						90%	10%			Total Program Cost
				<u>Change</u>		<u>MTW Direct</u>	<u>Non-MTW Dir</u>	<u>MTW Indir</u>	<u>Non-MTW Ind</u>	<u>(Direct + Indirect)</u>
Low Rent		74,911,030	72,123,376	-4%		72,123,376	-	10,365,844	-	82,489,220
CFP/RHF		1,609,030	2,933,085	82%		2,933,085	-	409,223	-	3,342,308
HCVP		10,412,164	13,828,617	33%		13,238,350	590,267	1,847,011	82,354	15,757,982
						-				
Devel		775,180	1,091,786	41%		-	1,091,786	-	152,326	1,244,112
HABCO		1,447,559	1,449,597	0%			1,449,597		202,247	1,651,844
DHCD								-	-	-
Grants		4,158,797	3,882,331	-7%			3,882,331	-	-	3,882,331
EPC		683,633	384,047	-44%		-	384,047	-	53,582	437,629
Biz Activities		1,936,821	2,123,668	10%			2,123,668	-	296,294	2,419,962
		95,934,214	97,816,507	2%		88,294,811	9,521,696	12,622,078	786,803	111,225,387
<i>Indirect</i>						-	-			
Admin Services	COCC	338,212	349,279	3%	0%					
Audits	COCC				0%					
Budgets	COCC	596,458	607,272	2%	0%					
CAO	COCC	331,460	334,710	1%	0%					
CFO	COCC	430,264	448,867	4%	0%					
Agency Wide	COCC				0%					
Communications	COCC	754,924	740,345	-2%	0%					
COO	COCC	493,856	479,258	-3%	0%					
CEO	COCC	799,331	905,538	13%	0%					
Facilities/Bldg. Support	COCC	1,073,906	1,102,710	3%	0%					
FHEO	COCC	479,060	520,328	9%	0%					
Finance & Accounting	COCC	1,774,998	1,790,592	1%	0%					
HousingStat	COCC				0%					
Human Resources	COCC	1,512,333	1,255,108	-17%	0%					
IT	COCC	1,893,658	2,377,280	26%	1%					
Inspector General	COCC	538,682	468,167	-13%	0%					
Legal - attorneys	COCC	1,503,685	1,510,649	0%	0%					
MPA	Frontline				0%					
P&D	COCC				0%					
Procurement	COCC	766,978	686,208	-11%	0%					
Legacy costs	COCC	75,217	71,021	-6%	0%					
5% Salary Addback	COCC									
Anticipated cuts	COCC									
Subtotal Indirect		13,363,022	13,647,332	2%	4%	12,318,868	1,328,464	13,647,332		
Indirect Rate		13.93%	13.95%							
Program totals (Dir + Ind)		109,297,236	111,463,839	2%						
						90%	10%			
Indirect Cost Rate (I/D) - blended						13.95%	13.95%	13.95%		

TOTAL		390,710,819	386,827,478			-1%	100%	348,444,086	38,383,392
								90%	10%
<i>Reallocation of non-allocable overhead</i>								303,210	(303,210)
Total Indirect Charges		13,363,022	13,647,332			2%	3.53%	12,622,078	1,025,254
Total Program Indirect Rate								14.30%	10.77%
Tot Exp. per Sources and Uses File		390,710,819	388,646,200						
Overall Proof		390,710,819	386,827,478						
Anticipated cuts		-	(1,796,554)						
Variance		-	22,168						
Final Variance						0.00%			

Appendix D: Energy Performance Contracting Data

PERIOD ENDING July 1, 2020-June 30, 2021

The FY 2022 numbers are gathered and analyzed after the submission date of this report. Accordingly, FY 2022 data will be reported in the FY 2023 report.

	Brooklyn AMP 21 485	Latrobe AMP 001 672	Westport AMP 022 200	Cherry Hill AMP 011 1281	Gilmor AMP 006 545	Subtotal 3183	Notes
Is the project ESCo or Self - developed?	Self-Developed	Self-Developed	Self-Developed	Self-Developed	Self-Developed		
What are the number of rehabilitated units in the energy project?	485	672	200	1281	(savings adjusted for 75% occupancy due to demolition project for six low rise apartment buildings)	3183	
What are the number of rehabilitated AMPS in the energy project?	1	1	1	1	1	5	
What is Total Investment? (\$MM)	\$4.68	\$26.0	\$2.57	\$34.6	\$6.6	\$74.75	
What is Total financed? (\$MM)	\$2.08	\$20.5	\$1.37	\$24.1	\$2.96	\$51.15	
What is Debt Service? (Annual)	\$214,693	\$1,482,224	\$66,379	\$1,902,902	\$304,002	\$3,970,200	

	Brooklyn AMP 21 485	Latrobe AMP 001 672	Westport AMP 022 200	Cherry Hill AMP 011 1281	Gilmor AMP 006 545	Subtotal 3183	Notes
Projected savings for FYE-21 (Source: Independent Utility Analyst Consultant & IGEA)	\$483,598	\$1,132,688	\$182,121	\$1,801,350	\$448,715	\$4,048,472	
Actual savings for FYE-21 (Source: Independent Utility Analyst Consultant & IGEA)	\$412,144	\$1,113,422	\$190,825	\$1,805,972	\$276,166	\$3,798,529	
What are Actual Savings? (Source: 3rd party Annual Measurement and Verification report- FYE 19)	\$397,759	\$1,083,258	\$182,660	\$1,729,497	\$262,503	\$3,655,677	
What is the Investment per unit? (\$MM)	\$9,649	\$38,690	\$12,850	\$27,010	\$12,110	\$23,484	Average
What is the Finance per unit?	\$4,289	\$30,506	\$6,850	\$18,813	\$5,431	\$16,070	Average

	Brooklyn AMP 21 485	Latrobe AMP 001 672	Westport AMP 022 200	Cherry Hill AMP 011 1281	Gilmor AMP 006 545	Subtotal 3183	Notes
What is the Savings per unit?	\$820	\$1,612	\$913	\$1,351	\$482	\$1,149	
What is the Savings per project (AMP)?	\$397,759	\$1,083,258	\$182,660	\$1,729,497	\$262,503	\$3,655,677	
What is the Term of the contract?	20 years	20 years	20 years	20 years	20 years		
What date was the Request for Proposal issued?	12/22/2003	12/22/2003	12/22/2003	12/22/2003	12/22/2003		
What was Date audit executed?	5/12/2006	5/12/2006	5/12/2006	5/12/2006	5/12/2006		
What was Date Energy Services agreement executed?	N/A	N/A	N/A	N/A	N/A		HABC is acting as the ESCO. Thus there is no ESA.
What was Date Repayment starts?	4/15/2010	4/15/2010	4/15/2010	4/15/2010	4/15/2010		
What Types of Energy Conservation Measures were installed at each AMP site?	Energy efficient lighting; water conservation; new thermostats;	Energy efficient lighting; water conservation; decentralized & updated heating	Energy efficient lighting, water conservation; new thermostats;	Energy efficient lighting; water conservation; new heating system distribution piping;	Energy efficient lighting; water conservation; new thermostats; new boiler burners;		

	Brooklyn AMP 21 485	Latrobe AMP 001 672	Westport AMP 022 200	Cherry Hill AMP 011 1281	Gilmor AMP 006 545	Subtotal 3183	Notes
	tenant metering	system; new radiator controls; tenant metering	tenant metering	new radiators & controls; tenant metering	tenant access to metering information		