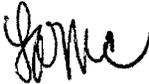


WORKSESSION

MEMORANDUM

April 28, 2011

TO: Planning, Housing, and Economic Development Committee

FROM: Linda McMillan, Senior Legislative Analyst 

SUBJECT: **Worksession: FY12 Operating Budget: Housing Opportunities Commission**
(Note: HOC's Rent Supplement Program will be discussed at the joint PHED/HHS session on Housing First)

Those expected to attend this worksession:

Jerry Robinson, Acting Executive Director, Housing Opportunities Commission (HOC)
Gail Willison, Chief Financial Officer, HOC
Terri Fowler, Budget Officer, HOC
Jennifer Bryant, Office of Management and Budget

Narrative from the FY12 Recommended Operating Budget is attached at ©1.

Overview

For FY12, the County Executive recommends that \$5,531,840 in county tax-supported funding be provided to the Housing Opportunities Commission in support of HOC activities. This is a decrease of \$290,200 from the FY11 original approved amount of \$5,804,040. These funds are appropriated to the HOC Non-Departmental Account (NDA) and then transferred to HOC by the Director of Finance.

Program Summary	Expenditures
FY12 Recommend	\$5,531,850
FY11 Approved (original)	\$5,804,040
FY10 Approved	\$6,136,340
FY09 Approved	\$6,140,640
FY08 Approved	\$5,731,290
FY07 Approved	\$5,486,710
Percentage change FY11-12	(4.7%)

In addition to these funds, HOC also receives County funding through the Capital Improvements Program, the Housing Initiative Fund, the Department of Health and Human Services and an abatement of taxes through the Payment In Lieu of Taxes (PILOT) program.

HOC Budget Process

HOC's budget process is inter-twined with the County Council's budget deadlines. While HOC provides the Executive with recommendations on how to reach any MARC he has assigned, it is not until April 1 that the full Commission begins worksessions on its overall budget of which the County main grant (NDA appropriation) is a piece. The Commissioners complete a proposed budget by May 1st. HOC's budget is not approved until the Commission completes its worksessions in June.

HOC uses the funds provided through the NDA appropriation primarily to support resident services. Some of the purposes the recommended funds may be allocated to include: resident services, rental license fees, public and affordable housing electricity costs, homeowners association fees, the Holy Cross Center at Elizabeth House, and a part of the rent and services at the Customer Service Centers.

FY12 HOC Proposed Budget

The budget message, highlights, and overview from HOC's April 3 proposed budget are attached at © 3-8. It notes:

- The April 3 recommended HOC operating budget expects the agency to have FY12 expenses of \$218,306,900 over all funds. The expenses are to be funded from \$173,465,630 of revenues from operating income and \$44,841,270 in non-operating income (such as interest income and transfers). About \$149 million of operating income comes from tenant income, non-dwelling rent income, and Federal grant funding.
- HOC is currently authorized to provide 6,072 Housing Choice Vouchers including 160 Non-Elderly Disabled Vouchers awarded in CY2011.
- HOC owns and manages 1,555 public housing units some in multi-family buildings and some in single family home neighborhoods.
- In addition to the public housing units, HOC oversees a portfolio of 5,295 rental units for families and individuals.
- HOC's FY12 proposed budget recommends expenditures of \$12.29 million on resident services. Information from the budget on this program area is attached at © 9-14. The proposed budget expects about \$6 million from the County grant to fund this program area.

FY11 Federal Reductions

Acting Executive Director Robinson has provided a memo at © 2 that highlights the expected reductions in Federal funding for the current fiscal year that are a part of the recently passed continuing

resolution. HOC expect to administrative fee funding reduced by between \$500,000 and \$1 million and a reduction of about another \$500,000 in operating and capital grant subsidies.

Council Staff Comment/Recommendations

Council staff recommends approval of the County grant to HOC as recommended by the County Executive for appropriation in the NDA. The 4.7% reduction is reasonable in the context of reductions recommended by the Executive for health and human services.

In previous year, the Committee would review a list of specific proposed reductions from HOC. Council staff understands that given the reduction in the County grant and the proposed reductions in Federal funding, HOC cannot provide specifics on how the County funds will be allocated until the Commission completes its work. **Council staff recommends that the Council request that once HOC settles on its budget, it provide the Council with a memo on how the County grant has been allocated by category.**

Background – Establishment and Purpose of HOC

HOC builds, finances, owns, and manages properties that provide affordable housing for individuals with limited incomes in the County. HOC also finances, builds, and manages income-integrated properties. The County provides funding for HOC to acquire Moderately Priced Dwelling Units (MPDUs) for rental to lower-income families; maintain community standards and relationships between homeowners' associations and public housing residents; provide counseling and support services to low-income individuals and families in assisted housing; and provide information on available housing programs.

In 1966, the Council established the Housing Authority of Montgomery County (HAMC), which was funded as a bureau of the County's Department of Economic and Community Development. As interest grew in expanding the public sector's ability to provide housing services to a wide range of income groups, the County began to explore innovative approaches to provide capital for development. To accomplish this goal, the County worked to create a new housing entity that could provide increased flexibility. In 1974, parallel State and County legislation was enacted to establish HOC.

HOC has received an annual grant from the County for more than 30 years. Originally, the grant provided tenant services for residents in HAMC's public housing programs. The tenant services were designed to assist residents in achieving self-sufficiency; help integrate assisted housing residents in the broader community; and protect the County's investment in affordable housing. Over time, the use of this grant has expanded to include funding for the Housing Information Center, the Scattered-Site Public Housing Program, and the development of affordable housing.

Housing Opportunities Commission

MISSION STATEMENT

The mission of the Housing Opportunities Commission (HOC) is to make housing available to eligible families of low and moderate income and to provide necessary support services to encourage resident self-sufficiency.

To achieve this mission, the County provides funding for the Commission to manage the following public service programs:

- Affordable Housing Development: acquires Moderately Priced Dwelling Units (MPDUs) for rental to lower-income families;
- Public Housing Management: maintains community norms and relationships between Homeowner Associations (HOA's) and public housing residents;
- Services to Residents in Assisted Housing: provides counseling and support services to low-income individuals and families in assisted housing;
- Housing Resource Service: provides customer service, Housing Choice Voucher Program client services, and information on affordable housing programs including home buying; and
- Community Relations: responds to community concerns through the Good Neighbor Program which conducts community surveys and meets with Homeowners Associations and other community groups to discuss affordable housing issues.

Reorganization

The County Executive recommends beginning the process of consolidating the non-federally supported function of the Housing Opportunities Commission (HOC) with corresponding or related functions of DHCA. This restructuring of the County's housing programs should produce more effective coordination and an enhanced impact on the County's efforts to provide and preserve affordable housing for the residents of the County and realize mid- to long-range savings and operational efficiencies. It is anticipated that the resulting organizational structure will be designed in a fashion to: 1) maintain administration of the federal programs (public housing and voucher program) within the corporate organization of HOC; 2) retain, without modification, the existing bond and other indebtedness of HOC; and 3) retain local housing finance agency functions.

BUDGET OVERVIEW

Complete information regarding the budget of the HOC is available by contacting the Public Affairs Office of the Commission at 240.773.9000. Copies of the budget are available online at www.hocmc.org.

The FY12 Recommended appropriation in the Non-Departmental Account for services to be provided by the HOC is \$5,513,840. The Department of Finance reflects the amount as a transfer in the County's financial statements. This amount represents a decrease of \$290,200 from the FY11 approved budget of \$5,804,040.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

PROGRAM CONTACTS

Contact Terri Fowler of the Housing Opportunities Commission at 240.773.9107 or Jennifer Bryant of the Office of Management and Budget at 240.777.2761 for more information regarding this agency's operating budget.

MEMORANDUM

April 26, 2011

TO: Nancy Floreen, Chair
PHED Committee

FROM: Jerry Robinson, Acting Executive Director
Housing Opportunities Commission

SUBJECT: Update on Federal Appropriations

In preparation for the PHED Committee's worksession on HOC's budget on April 29, we wanted to provide you with an update on the funding that the federal government provides to HOC.

In early April, Congress passed and the President signed a Continuing Resolution (CR) which provided funding for the federal government through its 2011 fiscal year. The CR contains funding for HOC's two largest programs, Public Housing and the Housing Choice Voucher Program. In Public Housing, HUD provides an operating subsidy and funding in a grant for capital projects. In the voucher program, HOC receives administrative fees and Housing Assistance Payments (HAP). In three of the four categories, the CR reduces funding. The CR increases funding only for HAP.

The Public Housing operating subsidy is designed to bridge the gap between the tenant contribution of 30% of household income and the actual cost of operating the unit, while the purpose of the capital fund grant is to enable housing authorities to maintain the Public Housing. In the voucher program, the administrative fees provide housing authorities with funding to administer the program, and the funding for HAP goes directly to landlords of voucher clients. As you are well aware, the funding in all of these categories has historically been insufficient to meet the need.

HUD has not yet provided us with information about how the appropriations in the CR would be allocated to individual housing authorities. We estimate a reduction in Administrative Fees between \$500,000 and \$1 million. In Public Housing, we expect a reduction of approximately \$500,000 in the operating subsidy and in the capital fund grant as well.

The increased funding for HAP goes into the local economy. In the categories that support HOC's ability to operate the programs and maintain the housing infrastructure, the funding is reduced.

Terri Fowler, our Budget Officer, and I will attend the April 29th PHED Committee meeting and will be available to answer your questions.

HOC values the strong support that the County Council in general, and the PHED committee in particular, have provided to HOC for many years. We appreciate the partnership we have developed to provide affordable housing to the County's most economically challenged residents.

Budget Message

Recommended Budget
April 6, 2011

From Jerry Robinson, Acting Executive Director

Overview

HOC, Montgomery County, the State of Maryland and the nation continue to grapple with the ongoing effects of "The Great Recession". As HOC makes budget decisions for FY 2012, we are cognizant of forces in the larger environment that have direct effects on our financial health and ability to continue our work.

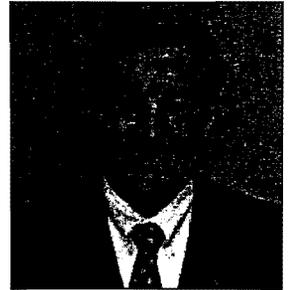
Despite the fact that Maryland and Montgomery County have suffered less than many areas of the country, both continue in fiscal distress. Both face significant budget shortfalls entering their FY 2012 budget processes, and both are expected to make significant cuts to funds that will affect HOC. The potential for funding reductions at the federal level, however, poses a greater threat to HOC's programs, as increased aid from the federal government has run its course.

The 2010 election sent a new majority to the House of Representatives. It changed the atmosphere, and the new majority has placed its primary emphasis on budget cutting. Deficit reduction is the watchword from both houses of Congress and both parties. They differ only in the severity of the cuts they propose. At this point, not even the federal FY 2011 appropriations are final. Nonetheless, every indication is that HOC's programs will suffer.

Interest rates continue at historic lows which has directly affected the earnings on our investments. In a normal financial market, low investment rates typically correlate with low bond yields and low borrowing costs to HOC; however, the municipal markets continue to respond to other headlines particularly the fiscal distress that is facing so many state and local jurisdictions. The municipal bond market continues to reflect some volatility and uncertainties which will continue to challenge our ability to obtain favorable financing in the traditional issuance of municipal housing bonds.

On the local level, the county's poverty rate has risen, resulting in more need at a time of fewer resources. Many of our voucher and Public Housing residents are earning less and are therefore able to contribute less to their portion of the rent. Tenants in our independent housing portfolio likewise face worsening economic circumstances.

The FY 2011 budget assumed continuing economic distress and constricted revenues from investment, bond, and development activity as well as from our local and state public sector partners. For HOC, another consequence of relatively high local unemployment is the reduced occupancy in our units and increased distress of our tenants and program participants.



Special points of interest:

"We remain unwavering in our commitment to our mission of preserving and growing affordable housing in Montgomery County."

HOC has seen revenue shortfalls in its properties as county residents find alternative housing solutions. Revenue from properties is one of HOC's primary income sources.

On the expenditure side, HOC faced increased costs in health insurance and retirement benefits.

Despite the ongoing gloomy economy, HOC persists in our work. We continue to invest in the future of our properties. FY 2011 saw the completion of renovations at Pooks Hill and Magruder's Discovery. The extensive and ambitious rehabilitation of Paddington Square continues at an accelerated pace and will see completion in FY 2012. Hampden Lane Apartments, which is comprised of 12 units that will serve formerly homeless persons in downtown Bethesda, is expected to be substantially complete and ready for occupancy by Fall 2011. We are well into the detailed planning for the renovations at our three buildings on Aspen Court, and that renovation will also be completed in FY 2012.

We have contemplated for some time the best future courses for our Tanglewood/Sligo Hills properties and for The Ambassador Apartments. FY 2011 saw the planning begin in earnest. By FY 2012, we will have determined the future directions of these properties and begun the work.

Over the course of the last 20 years, HOC purchased MPDUs using Tax Credit financing. The time has come to rehabilitate the homes and to restructure the partnerships. That work is well along and by FY 2012, the Commission will have decided on the plan and begun the work.

In addition to investing in the future of our properties, we are also actively pursuing other ways to assist those in need of our programs. In FY 2011, we requested and received 25 new VASH (Veterans Administration Supportive Housing) vouchers and also 160 vouchers for non-elderly disabled members of our community.

Prominent economists report that the recession is over and the recovery is underway, although it is likely to take several years to return to prosperity. We take heart in what these experts tell us but, around us, we continue to see our residents struggling

resulting in increased demand for our programs.

While the uncertain changes in our economy have made times challenging, the FY 2012 Recommended Budget provides for the continuation of a fiscally conservative and responsible plan. The Recommended Budget includes \$218 million for operations and \$16 million for capital improvements and development projects.

We remain unwavering in our commitment to our mission of preserving and growing affordable housing in Montgomery County.



Budget Highlights

Recommended Budget
April 6, 2011

FY 2012 Budget Highlights

Housing Choice Voucher Program

As Montgomery County's Public Housing Authority, HOC administers the Housing Choice Voucher Program (HCV). Currently, HOC is authorized to provide 6,072 vouchers. This number includes all vouchers allocated to the Housing Opportunities Commission, including the Mainstream, Disabled, Moderate Rehabilitation, and Veterans Affairs Supportive Housing (VASH) vouchers. The FY 2012 Adopted Budget was developed based on the current utilization projections for FY 2012 using the average per unit cost for a funding level \$74.6 million. Staff will update the projections once the CY 2011 funding levels are released. In 2011, HOC was awarded 160 Non-Elderly Disabled Vouchers. HOC will continue to respond to funding opportunities as they are presented.

Public Housing

In its role as Montgomery County's Public Housing Authority, HOC owns and manages 1,555 units of Public Housing. Some of the units are in clustered family communities, some are in mid- and high-rise buildings which house seniors, and some apartments, townhouses and single family homes are scattered throughout the County.

Each year HUD provides an operating subsidy to bridge the gap between what residents pay in rent, which equals 30% of their gross income, and the cost of operating the units. The amount of HUD funding falls short of what is required. HUD is currently projecting a 92% appropriation of eligibility. The FY 2012 Budget anticipates HOC will receive approximately \$6.1 million in operating subsidy. The FY 2012 Recommended Budget also includes funding from Montgomery County via the County Main Grant to help offset rising utility and Housing Association (HOA) Fees.

HUD also provides funding for capital improvements of the units. The FY 2012 budget anticipates HOC will receive an award of approximately \$1.9 million from the Capital Fund Program to address these needs.

In addition, Montgomery County has provided funding for capital improvements for the past several years. In addition to \$1,125,000 for general rehabilitation work, the County Executive's Recommended Capital Improvements Program (CIP) for FY 2012 also includes \$2.7 million in funding for HOC to install a sprinkler system at Arcola Towers.

County Budget

Montgomery County remains an important partner in the work of the Commission. The County provides both ongoing operating and capital support to the Commission. Most of the County's operating funds support social services and programs to clients and residents. Not only does the funding create the fundamental infrastructure of that work, it is also the foundation for HOC to apply for grants to expand the reach of its supportive services. HOC's Resident Services Division leverages the County's operating support at a 3:1 ratio. The County's appropriation also supports HOC's properties, Housing Resource Service and Customer Service Centers.

As described above in the Public Housing section, the County has been generous in providing capital support to HOC. This year, the County Executive's Capital Improvement Program includes \$1,125,000 for capital maintenance in HOC's public housing units as well as funding for retrofitting Arcola Towers with a sprinkler system to enhance the safety of the residents.

Rental Market Activity

The national and regional economies continue to be weakened by a number of market forces

that have affected the overall rental apartment market. However, the Metropolitan Washington, DC area continues to report modest job growth, an essential ingredient for apartment demand. During FY 2011, vacancy rates in the region increased more than anticipated due to alternative living arrangements and a weak housing market. Many of the vacant units have been absorbed and, with the economy starting to show positive signs of improvement, we expect vacancy rates in FY 2012 to improve over FY 2011. The FY 2012 property budgets have been developed in conjunction with the County Executive's Rental Guideline of 2.0%.

In addition to its 1,555 Public Housing units, HOC oversees a portfolio of 5,295 rental units for families and individuals. Rental income from our properties is a primary source of funding for HOC's operations. We look to the properties to generate sufficient revenue to be self-supporting. At the same time, HOC's market rate units also contribute to the support of the units which are affordable to lower income households. For FY 2012, HOC is projecting a slight increase over FY 2011.

Real Estate Development

Real Estate is completing construction of the 12-unit Hampden Lane Apartments, which will serve formerly homeless persons in downtown Bethesda. The property is expected to be substantially complete and ready for occupancy by Fall 2011. The renovation of the 166-unit Paddington Square Apartments will continue through FY 2012.

Renovation has begun at three apartment buildings totaling 39 units on Aspen Court, a cul-de-sac in Takoma Park. The buildings are in deteriorated condition in an otherwise stable neighborhood of single family homes. With funding from the Montgomery County Department of Housing and Community Affairs, HOC expects to complete rehabilitation of the buildings in FY 2012. Staff intends to acquire up to two single family homes that can be renovated to house adults with developmental disabilities under a partnership with Jubilee Association of Maryland. Real Estate expects to finalize redevelopment and refinancing plans for 267 scattered site units within the Montgomery Housing Limited Partnership (MHLP) syndications, as well as for the Ambassador Apartments, Tanglewood Apartments, and Sligo Hills Apartments. Staff

will continue to seek new development opportunities to increase the number of affordable apartments in Montgomery County.

In the past year, Real Estate oversaw construction completion of the 134-unit Magruder's Discovery Apartments. HOC also completed acquisition and renovation of 23 single family and town homes that had been foreclosed and vacant using federal CDBG and stimulus funds through the federal Neighborhood Stabilization Program.

Mortgage Finance

The Mortgage Finance Division continues to operate in an environment that has experienced significant turbulence over the past three years and, despite bold actions by the federal Government to stave off complete collapse, the financial system is still very fragile. A significant effort by the government to assist housing finance agencies was the October 2009 Housing Finance Agency Initiative, which was implemented by the U.S. Treasury Department in conjunction with Fannie Mae and Freddie Mac. The two components of the program were: 1) Temporary Credit and Liquidity Facility (TCLP), and 2) New Issue Bond Program (NIBP). The TCLP enabled the Commission to access liquidity for approximately \$110 million its outstanding floating rate debt in 2009 for a three-year term. The NIBP allowed the Commission to provide financing 2010 totaling \$63.75 million for 291 multifamily rental units. This program also enabled the issuance of \$15 million of single family bond to fund mortgages for eligible first time home buyers. The overall impact of the two programs has been reduced borrowing and liquidity costs for existing and new financing programs which enables lower and moderate income households to be provided with viable housing options.

The Mortgage Finance Program typically completes two to four bond issuances each year. In the past fiscal year, the multifamily program completed the two new financings mentioned in the preceding paragraph and remarketed \$66 million of existing bonds that were issued as a two-year transaction with Wells Fargo Bank, N.A. following the 2008 collapse of the financial markets. All but approximately \$5 million of these bonds were remarketed into a fixed rate mode, eliminating

the need for additional liquidity support. In the single family program, two bond issuances were completed through the conversion of escrowed NIBP funds, yielding \$41 million of proceeds.

In FY 2012, Mortgage Finance will continue to contribute Commitment Fees, Loan Management Fees and other overhead revenue to the Agency's Operating Budget. The next fiscal year will continue to present challenges as the programs navigate a changed financial and real estate market landscape. In the Multifamily program, it will be increasingly difficult to finance affordable rental housing due to the continued high price to purchase existing and to develop new rental housing in Montgomery County, pressures on tax exempt yields and competition from conventional financing, and the ability to access soft debt to support affordable housing, given the state and local budgets. In the

Single Family space, the housing market continues to decline in hopes of finding a bottom, while delinquencies and foreclosures continue to reflect the underlying weak economic and employment conditions. Nevertheless, at least two bond issuances are expected to be completed in FY 2012 that should yield approximately \$40 million of new mortgage proceeds for the Single Family Mortgage Purchase Program. The Multifamily program is also expected to complete two bond issuances in FY 2012 that will generate approximately \$48 million in new mortgages to create and preserve affordable housing in Montgomery County.

Budget Overview

Recommended Budget
April 6, 2011

Overview—Revenue and Expense Summary

Fund Summary Overview	FY 2012 Recommended Budget		
	Revenues	Expenses	Net
General Fund	17,675,430	18,402,180	(726,750)
Multifamily Bond Funds	24,123,120	24,123,120	0
Single Family Bond Funds	16,077,590	16,077,590	0
Opportunity Housing Fund			
Opportunity Housing Reserve Fund (OHRF)	824,090	756,250	67,840
Restricted to OHRF	0	67,840	(67,840)
Opportunity Housing & Development Corporation Properties	51,784,360	50,034,800	1,749,560
Public Fund			
Public Housing Fund	12,495,920	12,653,750	(157,830)
Housing Choice Voucher Program	80,850,650	81,715,630	(864,980)
Federal, State and County Grants	14,475,740	14,475,740	0
TOTAL - ALL FUNDS	\$218,306,900	\$218,306,900	\$0

* Revenues and Expenses include inter-company Transfers Between Funds.

Resident Services Division

Recommended Budget
April 6, 2011

Mission Statement

The Resident Services Division provides and coordinates a wide range of services to HOC residents which promote housing stability,

self-sufficiency, independence, and assimilation into the broader community.

Special points of interest:

Description

The Resident Services Division is responsible for providing services to residents and participants in HOC's programs. *Core services* include the following housing and community stabilization related services:

- Eviction prevention.
- Crisis resolution.
- Services to the elderly and families in HOC owned/operated multifamily properties.
- Information and referral to community resources.
- Counseling regarding lease violations.
- Operation of Family Resource Centers (FRCs).

Other services include:

- Employment related services, job training, and skill building training opportunities.
- Financial Literacy services: budgeting, credit repair, and money management assistance.
- Emergency Financial Assistance for rent and utility delinquencies to avoid homelessness.
- Administration of Federal and State Housing Programs for homeless/disabled single adults and families.

- Administration of County funded Housing Assistance Program to eliminate homelessness.
- Academic enrichment, employment, and recreation for youth.
- Housing counseling and housing location services for hard-to-place homeless households referred by the County.
- Services to residents of Preservation Properties such as Stewartown, Forest Oak Towers, Georgian Court, The Barclay, Shady Grove Apartments, The Willows, and MetroPointe.
- Volunteer Services to complement and supplement services to residents.
- Facilitation of the non-profit Housing Opportunities Community Partners, Inc. and the Resident Advisory Board to garner resident input on HOC operations.
- Parent Resource Centers providing parent education and early identification of disabilities among toddlers in preparation for school.
- Assistance to HOC owned third party managed programs.

Resident Services provides care and supportive services to families and households served by HOC.

Program Objectives

Core Services to Families, Elderly, and Disabled

- Provide counseling, crisis intervention, information and referral on a drop-in, short term or ongoing basis.
- Provide orientation to new elderly/disabled residents within 30 days of move-in to assess needs and explain HOC policies and lease provisions.
- Provide quality control and improved coordination of services implemented through external service providers in elderly buildings.
- Provide nutritious meals and social interaction to avoid isolation during weekdays for 2,400 elderly residents annually at Waverly House, Elizabeth House, Forest Oak Towers, and Arcola Towers through operation of the Senior Nutrition Program.
- Respond to community complaints regarding Public Housing multifamily developments, Elderly buildings, and Preservation Property sites within 48 hours of receipt and initiate appropriate investigation and resolution.
- Coordinate with the Housing Resources Division on lease enforcement cases and Housing Choice Voucher compliance issues.
- Operate Family Resource Centers to serve as community focal points for services and programs which stabilize communities and offer activities which motivate and improve personal wellbeing.
- Offer a variety of customized classes, workshops, peer support groups, and other activities designed to promote community stability, foster family cohesion and upward mobility, and integrate community resources with community needs.
- Ensure that residents who require critical social services gain access to such services through partnerships and brokering of services with other agencies.
- Provide assistance to disabled individuals/families to ensure adequate housing placements and opportunity to live independently and to make self-

determined choices that promote responsibility and community inclusion.

- Maximize resident involvement in HOC programs by facilitating Resident Advisory Board activities, community based associations, and other resident-initiated activities.

Self-Sufficiency Programs

- Provide opportunities for career development, enhanced job training, skills development, pre-employment preparation, education and support to residents through operation of the Family Self-Sufficiency (FSS) Program, the Employment Initiative Program and the HUD funded Aiming for Careers and Youth Aiming for Careers Programs serving Public Housing residents only.
- Assist Public Housing and Housing Choice Voucher families achieving economic self-sufficiency within five to seven years through the FSS Program's case management support, assessment, goal planning, and use of community resources.
- Ensure that FSS participants who have completed their goals within five to seven years of FSS enrollment meet HUD requirements for graduation, including independence from welfare cash assistance.
- Encourage establishment of escrow accounts based on increases in earned income and ultimately homeownership.
- Eliminate barriers to job placement by providing necessary education and training resources for child care, language proficiency, transportation, books/tuition, etc.
- Assist a minimum of 200 residents annually in obtaining the skills and experiences necessary for successful employment in viable careers with livable wages and upward mobility.
- Track and provide services/resources to eligible residents and approved contractors seeking to hire low-income individuals to fulfill HUD Section 3 requirements.

Supportive Housing Programs for Homeless Households

- Effectively operate programs designed to prevent homelessness including: (1) the HUD-funded Supportive Housing Program, (2) the Shelter Plus Care and New Neighbor Programs, (3) the State-funded Rent Allowance Program providing housing for a 12 month period, and (4) the County funded Rent Supplemental Program which provides a flat subsidy for eligible households in multifamily buildings.
- Provide ongoing case management and supportive resources including furnishings, transportation, medication assistance, child care and other critical needs to allow program participants to stabilize, live independently, and move toward self-sufficiency.
- Ensure therapeutic services are made available to program participants.
- Continue collaboration with the Department of Health & Human Services (DHHS) under the Housing First Initiative to eliminate homelessness in the County by: (1) administering State and County grants providing emergency financial assistance to HOC residents for rent delinquencies and/or utility disconnections, (2) providing Housing Counseling services for hard-to-place homeless individuals and families, and (3) providing service coordination and ongoing case management to homeless households placed in housing to ensure retention of housing.

Services to Children and Youth

- Enroll approximately 100 HOC youth in summer day camps and provide enrichment activities at the Family Resource Centers to the maximum extent feasible during the summer months.
- Assist youth with college scholarship assistance, SAT preparation, summer jobs and educational programs for teens, and year-round recreational activities.
- Enroll at least 200-250 youth in after-school tutorial or homework assistance programs.

- Establish and maintain partnerships so as to involve youth in a variety of constructive activities including, but not limited to, scouting, bicycle clubs, nutrition, and exercise programs, and ensure acquisition and distribution of school supplies.

Volunteer Program

- Recruit and place a minimum of 350 volunteers from the general community, corporate, university, and resident sectors to supplement program staff and service Agency-wide.
- Enhance resident service initiatives through special projects and donations to facilitate the Lasko School Supply Drive for a minimum of 1,000 HOC youth; the Annual Holiday Giving Program to serve 1,200 needy HOC families; the Food For Thought Program to honor academic achievements of HOC youth; and the Tony Davis Scholarship Program providing scholarships to selected HOC graduating seniors entering college.
- Solicit a minimum of \$65,000 of cash and in-kind donations per year through Community Partners, Inc. to benefit HOC families and programs through advocacy for new and sustained support from local businesses and for-profit organizations.

Performance Measurement Results

The charts below depict several ongoing performance measurement results that are currently tracked in the Resident Services

Division. Staff continues to develop additional measurements as programs are added.

Family Self-Sufficiency Program (FSS)								
Measurement	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Mandated Participants	441	441	441	441	441	441	441	441
Enrolled Participants	417	415	407	397	400	395	370	372
In Process of Enrolling	96	73	76	79	80	80	74	70
Graduates	34	57	52	60	40	45	42	55
% Graduating	8	14	13	15	10	11	14	15
% Employed at Graduation	100	100	100	100	100	100	100	100
% of Graduates who completed College, Tech, GED or other training while in FSS	82	84	95	88	85	96	85	90
Participants who Withdrew, were Terminated, or Unsuccessful in FSS	51	54	50	51	50	52	55	53
Homebuyers	6	11	14	11	6	4	3	2
% of Participants Employed	82	78	75	68	70	74	70	68
% of Participants with Escrow Accounts	56	52	58	48	50	58	75	70
Other Family Members currently Enrolled	33	26	23	27	25	31	30	25

Family Self-Sufficiency (FSS) Program

FSS is a federally mandated voluntary program to assist Public Housing (PH) and Housing Choice Voucher (HCV) families achieve economic self-sufficiency within five to seven years. A unique feature of FSS is the establishment of escrow savings accounts (averaging \$9,000 per graduate) resulting

from higher earned incomes yielding higher rent payments. Intensive goal-oriented case management service, and the escrow funds coupled with job training, education, child care and transportation underlie the program's extraordinary success. HOC's FSS has been repeatedly cited by HUD as one of the best in the country.

Employment Initiative Program (EIP)

	Employment Initiative Program	Aiming for Careers	Youth Aiming for Careers
Number of residents successfully completing training/classes	30	35	25
Number of residents participating in support groups or activities	100	100	25
Number of residents employed	75	75	25
Number of eligible Section 3 residents hired annually	75		

Family Resource Centers (FRC)

Measurement	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Units in target neighborhood	220	220	285	285	285
Afterschool Programs, Transportation, Tutoring, Recreational Activities, Parent-Child Education Program*	1,325	1,450	1,450	1,450	1,450
Employment Training, Computer Skills, Reading Initiatives, Education, Transportation*	350	375	400	400	400
Health Education, Parenting Support, Sewing, Girl Scouts, Cultural and Other (Leadership Skills, etc.) *	600	600	650	650	650

* May be individuals participating in more than one activity.

Housing Programs for Homeless / Disabled Single Adults and Families

	Shelter Plus Care	New Neighbors I and II	State RAP	Rent Supplemental	Supportive Housing
Maintain enrollment of eligible participants	47	17	50	350	170
% of residents who remain stable & retain housing for one year	95%	95%	95%	100%	95%
Provide case management, referrals for therapeutic services, and other support resources	Yes	Yes	Yes	No	Yes

Housing Counseling, Service Coordination, and Housing Search and Placement

	Housing Counseling	Service Coordination	Housing Location
Number of referred homeless households to be placed in housing annually	70	100	150
Provide resources for application fees and security deposits	Yes	N/A	Yes