

Part I – MTW Plan

(I) Vision for PHA’s Local MTW Program

The Housing Authority of the County of Kern’s (Kern) overall vision for the Moving to Work Program (MTW) is to streamline administration of the HCV and LIPH programs, incentivize residents/participants to increase their income and discover new ways to help them secure housing in higher opportunity neighborhoods. We believe MTW will help Kern reduce costs to administer the HCV and LIPH programs through a simplified rent restructure and recertification process for the test group. This improved cost effectiveness will enable us to direct additional resources to fully utilize available HCV vouchers and to help fund housing navigators and service coordinators focused on improving housing choice and self-sufficiency for participants. Reduced administrative costs will also allow us to increase payment standards to make additional higher opportunity neighborhoods available to HCV participants. Finally, the stepped rent structure will incentivize participants and residents to increase their income by removing a barrier often stated – an increase in income will directly lead to an increase in rent.

Kern expects a few challenges related to our participation in MTW. They include ensuring residents/participants are well-informed about the program and the changes that will be made, engaging people with a concept that is based on increasing wages at a time when the economy is declining, unemployment is high, and wage increases may be difficult to secure, and ensuring staff understand the program and are prepared for the transition. We believe clear and effective communication of the stepped rent structure – both for those exempt from it as well as those in the test group – is the key to the success of the MTW demonstration. Kern is one of the largest counties in geographic size in the nation (8,161 square miles) with both urban and rural areas and affords the MTW program a great testing ground for the program.

The opportunities that participation in the MTW Demonstration Program will bring Kern include expanded ability to operate more responsively to the unique nature of our County and our resident/participants, increased operational efficiencies, enhanced working relationships with partner service providers, an income-incentivizing rent structure for residents/participants and motivation for staff to encourage residents/participants to increase their household income. We know that many residents, participants, and employees understand the current LIPH and HCV systems are inefficient and do not offer strong incentives for increases in income. MTW will offer the opportunity to change this for the betterment of residents and participants.

Affirmatively furthering fair housing is a priority for Kern. To that end, we are committed to treating all applicants and participants equally, providing the same quality of service, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. To affirmatively further fair housing, Kern will comply fully with all federal, state, and local non-discrimination laws, and with rules and regulations governing fair housing and equal opportunity housing and employment.

Kern is one of the most innovative housing authorities in the nation, with a diverse portfolio of housing units and programs that go well beyond the HCV and LIPH programs. It is led by an experienced Board and highly qualified team of professionals. The personnel with primary responsibility for the administration of the local MTW program include Stephen M. Pelz, Heather Kimmel, Mardi Sharples, and Isabel Moreno. For a description of their respective experience, please see Part II, Appendix 4 for these staff member's resumes.

(II) Plan for Future Community/Resident Engagement

Kern plans to continue to engage assisted households in our low-income and affordable housing programs, as well as the broader community and stakeholders, in the development and

implementation of its local MTW program in a variety of ways. For assisted households in our low-income and affordable housing programs, we will provide regular updates through our website and email communications leading up to the submission of our application. With these vehicles we will be able to present programmatic information and process updates as well as invite questions, comments and concerns. As we implement the Program, we will continue to utilize these communication vehicles as well as an annual program evaluation to gage the success of the program year over year.

Similar to the assisted households, the broader community will be engaged during the application process primarily through our website and our Facebook page. We will also run a Notice in the local newspaper to expose the program to a broad audience.

Stakeholders will be engaged during the application process in a variety of ways. Internal stakeholders include Kern's Family Self-Sufficiency, ROSS program staff, LIPH, and Voucher staff members. These stakeholders will receive email communications informing them about the programmatic highlights and mini-trainings will be made available to employees. After Kern is selected, staff will receive occasional updates reporting feedback from staff and participants.

External stakeholders include Kern Behavioral Health and Recovery Services, Kern County Department of Human Services, the City Council of the City of Bakersfield (Kern's largest City), the Board of Supervisors of the County of Kern, America's Job Center, Leadership Counsel for Justice and Accountability, the Bakersfield-Kern Regional Homeless Collaborative, Chamber of Commerce, Kern County Network for Children, and United Way. The primary form of engagement with these stakeholders will be through one-on-one interactions. We want to be able to take our time to explain the program, answer their specific questions thoroughly, and obtain input. When we are awarded, we will provide periodic updates via email.

Kern is a diverse County, with a majority Hispanic population and large LEP population. Our planned affirmative outreach and engagement efforts with racial and ethnic minorities, persons with limited English proficiency, persons with disabilities, families with children and groups representing such persons will be performed primarily through connecting with organizations that specifically serve these populations. In addition to the organizations listed in the previous paragraph, we will also connect with Independent Living Center of Kern County, Greater Bakersfield Legal Assistance, and California Rural Legal Assistance. Outreach materials and notices are provided both in English and Spanish.

(III) PHA Operating and Inventory Information

Kern's current public housing and HCV program units and the households that they serve can be described through a number of key data points:

- Total LIPH Properties Managed: Properties 15; units 865
- Total HCV: 3,698
- Portfolio Average Occupancy: 98%
- Portfolio Average DSCR: 1.40
- FSS Participants: 311
- Total disbursed in FSS Escrow in FY 2019/20: \$253,211
- Number FSS graduates in FY 2019/20: 22
- Residents/participants receiving/participating in Supportive Services: 2,045
- Housing Authority families who became first time homebuyers: 19
- LIPH waiting list: 18,615
- HCV waiting list: 3,441 (closed to the general public since 2012)
- Demographics:

Black	23.0%
White	75.1%
Hispanic	62.1%
Other	2.0%

We do not anticipate significant changes to the demographics of those served as a result of Kern's participation in the MTW program.

Kern has major plans for our housing stock related to its participation in MTW. We intend to utilize the fungibility available through MTW to facilitate improvements to our public housing stock. Within the first 36 months of MTW approval, we plan to complete the modernization of all units over 20 years old, leveraging HUD funds with other resources.

Currently, Kern does not face any challenges related to occupying public housing units as for the last five years units have remained at, or just below, 100% occupancy. The challenge Kern faces leasing HCV units is that, due to a very tight and high-cost market, it typically takes 90 – 120 days for a voucher holder to lease a unit. This has also been exacerbated by the COVID-19 pandemic. Most voucher holders are requesting extensions beyond the 120-day mark at this time. To address this challenge, Kern has thoughtfully pursued private property owners through annual events, the local rental property owner's association, etc., with a variety of incentives to make it appealing to them to rent to voucher holders. The special needs of specific populations are being served, primarily, through Kern's robust network of partner organizations, for example: homeless – partnerships with agencies that provide Housing Navigation, Case Management, Housing Stability Planning, Basic Life skills, Referrals to Medical and Mental Health services; elderly – partnership with Aging and Adult Services to link elderly persons in need of higher levels of care; veteran – partnerships with the Veterans Administration and non-profit organizations serving veterans locally providing them access to veteran specific resources

in our community; youth – partnership with Foster youth agencies in our community to provide mentorship, Housing Navigation, Case Management, Basic Life Skills, Employment services.

The challenges we face with special needs populations is ensuring the partner organizations also have the funding necessary to handle the increasing case load.

Kern has a long and successful track record of innovation, creativity, and success in obtaining grants and created successful programs, including:

- FSS program (both HUD and local funding)
- ROSS program (HUD grant)
- Capital Fund Financing program
- Energy Performance Contract
- RAD conversion of LIPH property
- Mainstream Voucher program (three competitive grants)
- FUP program
- Emergency Health & Safety (two grants)
- Established three successful affiliated non-profit organizations to facilitate housing development and help fund resident/participant services
- Developed 1,722 affordable housing units since 2000
- Successful Continuum of Care and State funded permanent supportive housing programs
- Created risk mitigation fund to attract more landlords to voucher programs

(IV) Plan for Local MTW Program

The types of initiatives Kern seeks to implement in our local MTW Program, and the reasons we want to implement these initiatives, can best be viewed through the three statutory objectives: cost effectiveness, self-sufficiency, and housing choice.

Streamlined administration of the HCV and LIPH programs for those participating in the stepped rent group will improve cost effectiveness. With the reduction in work related to income recertifications, resources can be allocated to serve additional participants in the HCV program as the Housing Authority currently does not have sufficient HAP funding to utilize all available vouchers.

The stepped rent policy will create an incentive for increasing income. To complement this, through MTW flexibility, we plan to create a dedicated source of funding outside of the FSS program to help ensure all non-elderly, non-disabled participants, whether in the stepped rent group or not, have access to employment, training, and work experience resources to facilitate self-sufficiency.

To facilitate housing choice, with the additional flexibility in funding available through MTW, we plan to increase payment standards and create Housing Navigator positions dedicated to both recruiting landlords and helping participants find housing in higher opportunity neighborhoods.

(V) Proposed Use of MTW Funds

Kern would like to request to use public housing and HCV funds fungibly. Proposed flexible uses of the Section 8 and 9 funds include:

- Utilizing LIPH operating funds for capital improvements to LIPH sites to address deferred maintenance of LIPH units
- Utilizing HCV funds, if available, to help meet capital needs in the LIPH program
- Utilizing HCV admin funds to support full utilization of all HCV vouchers
- Utilizing funds to meet short term staffing needs. For example, short term increases in staffing to HCV to update the waiting list.

- Utilizing LIPH funds, if available, to help fully utilize all HCV vouchers during funding years when there is insufficient HAP funding for vouchers.
- Utilizing HCV funds to fund housing navigators and service coordinators to help participants access higher opportunity areas and access services to increase income.

(VI) Evidence of Significant Partnerships

Kern has many significant partnerships with other public agencies, city/state local governments, private nonprofits and/or for-profit entities. These entities include Kern Behavioral and Recovery Services, the City of Bakersfield, the County of Kern, Kern County Human Services, America’s Job Center, California Veterans Assistance Foundation, Independent Living Center of Kern, Clinica Sierra Vista, Community Action Partnership of Kern, Stay Focused Ministries, Kern County Network for Children, and the Housing and Opportunity Foundation of Kern.

These partnerships will help us achieve our vision for the MTW program, contribute to the success of the alternate rent policy, and provide funding and/or other in-kind resources in the implementation of Kern’s MTW program in these ways:

1. Kern Behavioral and Recovery Services will assist us in engaging eligible residents/participants experiencing mental health concerns.
2. The City of Bakersfield and the County of Kern will help us advocate for both strong affordable housing programs in the community as well employment training opportunities for residents/participants. City and County funds leverage LIPH funds to help expand the enhance the affordable housing stock in Kern.
3. Kern County Human Services keep residents/participants informed about important resources like CalFresh, CalWORKs, Medi-Cal, General Assistance, transportation,

- etc. In addition, Human Services helps fund the FSS program for CalWORKs participants, leveraging HUD funding for FSS, and partners with Kern on the FUP program.
4. America's Job Center will work closely with Kern's staff to ensure that residents/participants have on-going access to employment training opportunities and jobs.
 5. California Veterans Assistance Foundation will help us assist our veteran population by ensuring they are linked to VA medical and mental health services, the Veterans Service Department for financial benefits, and the Kern Patriot Partnership for employment assistance.
 6. Independent Living Center of Kern will help us address the needs of residents/participants who are not on disability but who may be struggling with a less severe disability that is, none-the-less, still keeping them from reaching their fullest potential.
 7. Clinica Sierra Vista will provide direct healthcare to many of Kern's residents/participants but they will also provide health-related information that will encourage strong, healthy households.
 8. Community Action Partnership of Kern will provide residents/participants with a wide variety of valuable services like Head Start, CalFresh, WIC services, VITA, and more and will provide child care at designated locations.
 9. Stay Focused Ministries will make a variety of services available to residents/participants like food, holiday gifts, youth activities, etc. to our LIPH residents, leveraging private sector funding to match HUD funding for LIPH residents.

10. Kern County Network for Children provides Neighborhood Partnership Centers in locations near LIPH residents and HCV participants to coordinate a diverse array of services targeted to households with children, including child abuse prevention, family support, and direct assistance.

11. Housing and Opportunity Foundation of Kern provides funding to Kern to support after school programs for LIPH youth, activities and support for LIPH seniors, self-sufficiency programs for families, and homeownership programs for both LIPH residents and HCV participants, leveraging HUD funding available for these services.

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