

PHA Name : Houston

PHA Code : TX005

MTW Supplement for PHA Fiscal Year Beginning : (MM/DD/YYYY): 1/1/2024

PHA Program Type: Combined

MTW Cohort Number: Stepped and Tiered Rent

MTW Supplement Submission Type: Annual Submission

B. MTW Supplement Narrative.

The Houston Housing Authority (HHA) hereby submits this Fiscal Year (FY) 2024 Moving to Work (MTW) Supplement component of the Annual PHA Plan. HUD designated HHA as an MTW agency in July 2021 as part of MTW "Cohort #2" which involves a six-year evaluation of alternative rent policies designed to increase resident self-sufficiency and reduce administrative burdens. As described herein, HHA will also implement an array of other allowable MTW activities above and beyond the alternative rent policies evaluation program.

As an MTW agency, HHA is required to prepare and publish an MTW Supplement each year that describes how HHA intends to utilize MTW flexibility to further the three MTW statutory objectives and advance the agency mission. This document is the third MTW Supplement submitted by HHA.

Over the coming year, HHA will utilize MTW flexibility to benefit residents and program participants and to support the agency mission and strategic objectives. Overall, HHA plans to utilize MTW flexibility to: (1) Deliver housing programs and services in a more efficient, streamlined manner that is accessible and transparent to our clients, and that reduces unnecessary administrative burdens on both clients and staff; (2) Expand housing options and choices to serve the unique, diverse needs of low- income residents of Houston by preserving the existing affordable housing portfolio, acquiring and/or building new mixed-income housing, promoting mobility to high opportunity neighborhoods and strengthening partnerships to create innovative, supportive housing options that serve special needs populations; and (3) Support residents in achieving economic self-sufficiency through an innovative alternative rent policies initiative, enhanced FSS program incentives, targeted literacy, education and job initiatives, affordable homeownership and other partnership initiatives utilizing housing as a platform to stabilize and strengthen families.

For FY 2024, implementation of the alternative rent policies evaluation initiative, for which initial enrollment began in FY 2023, will continue to be a priority project for HHA, including educating residents on program benefits, completing the enrollment of residents in the evaluation through random assignment and enhancing partnerships to support the initiative. A series of other HUD-approved MTW flexibilities will also be implemented including triennial recertifications applicable to households excluded from the alternative rent policy evaluation; more flexible Small Area Fair Market Rent payment standards to support voucher participant mobility; Project Based Voucher program and HQS inspection policies; and, use of funds for local, non-traditional development activities. For FY 2024, HHA is also proposing new MTW waivers that will provide lease-up, vacancy and damage payment incentives to HCV landlords to participate in the program; extend the grace period for over-income public housing households to remain in a subsidized public housing unit; and a modify the Family Self-Sufficiency (FSS) program to allow for extending the term of the FSS Contract of Participation to seven years. Additional MTW components will evolve over time and be proposed annually in accordance with the MTW Operations Notice. The policies described in the MTW Supplement may be modified based on further guidance from HUD. An overview of initiatives HHA plans to implement in FY 2024, organized by the three MTW statutory objectives, includes:

Cost Effectiveness: Starting in May 2023, HHA began to randomly assign new admissions and existing residents in both the Public Housing and HCV programs into either a "treatment " group which will have rents calculated using the MTW flat tiered rent model and be recertified every three years, or a "control" group which will continue to have their rents calculated and recertifications scheduled primarily using existing program rules except where MTW modifications may be allowed by HUD. This initiative will continue in FY 2024. For households who are excluded from rent reform (including elderly/disabled households, special purpose voucher holders and others as more fully described in the MTW Supplement), HHA will also implement triennial reexamination schedules, income exclusions, asset self-certification and other rent simplification policies that are expected to reduce cost and improve client service and satisfaction.

Housing Choice: HHA will continue to utilize MTW flexibility to support three broad objectives related to increasing housing choice for low-income households including initiatives to: (1) Expand the number of households who are able to move into high opportunity areas; (2) Preserve and expand the HHA affordable housing portfolio; and (3) Promote and expand innovations in supportive housing through PBV and local, non-traditional programs. Regarding mobility, HHA will continue to establish more flexible payment standards utilizing Small Area Fair Market Rents, pre-qualify units for HQS compliance, modify the frequency of HQS inspections and other initiatives to enhance owner acceptance and willingness to lease to voucher holders. To promote preservation and expansion, HHA may also engage in other HUD-approved MTW initiatives including establishing alternative PBV selection processes. Also as noted above, HHA is proposing additional MTW waivers to provide incentives for landlord participation in the voucher program in support of the objectives described above.

Self-Sufficiency: Implementation of the HHA alternative tiered rent model, triennial reexaminations will continue to be a focal point. HHA is also proposing to extend the grace period for an over-income public housing household to remain in a subsidized public housing unit and modify the FSS program to extend the term of the Contract of Participation to seven years. Other self-sufficiency initiatives will be evaluated over the coming year that build on the existing Section 3, FSS, MyGoals and Jobs Plus framework.

As discussed herein and within the Annual PHA Plan document, HHA also plans to use Housing Assistance Payments (HAP)

funds flexibly to implement authorized MTW activities in accordance with the Operations Notice and allow for flexible use of funding across Section 8 and 9 programs and for MTW local, non-traditional programs. HHA intends for HAP funding to be utilized for authorized purposes as approved by the HHA Board of Commissioners to implement approved MTW activities including, but not limited to: local non-traditional project-based and tenant-based programs; sponsor-based leasing programs with housing and supportive services; landlord leasing incentives for the voucher program; affordable homeownership downpayment assistance; education, job training and placement and other supportive services for HHA clients; and affordable housing development and preservation.

With the exception of MTW Activities 4.a.-4.c. and 10.d., all MTW activities and waivers described herein were approved by HUD in previous MTW Supplements.

C. The policies that the MTW agency is using or has used (currently implement, plan to implement in the submission year, plan to discontinue, previously discontinued).

1. Tenant Rent Policies	
a. Tiered Rent (PH)	Currently Implementing
b. Tiered Rent (HCV)	Currently Implementing
r. Elimination of Deduction(s) (PH)	Currently Implementing
s. Elimination of Deduction(s) (HCV)	Currently Implementing
v. Alternative Income Inclusions/Exclusions (PH)	Currently Implementing
w. Alternative Income Inclusions/Exclusions (HCV)	Currently Implementing
2. Payment Standards and Rent Reasonableness	
a. Payment Standards- Small Area Fair Market Rents (HCV)	Currently Implementing
d. Rent Reasonableness – Third-Party Requirement (HCV)	Currently Implementing
3. Reexaminations	
a. Alternative Reexamination Schedule for Households (PH)	Currently Implementing
b. Alternative Reexamination Schedule for Households (HCV)	Currently Implementing
c. Self-Certification of Assets (PH)	Currently Implementing
d. Self-Certification of Assets (HCV)	Currently Implementing
4. Landlord Leasing Incentives	
a. Vacancy Loss (HCV-Tenant-based Assistance)	Plan to Implement in the Submission Year
b. Damage Claims (HCV-Tenant-based Assistance)	Plan to Implement in the Submission Year
c. Other Landlord Incentives (HCV- Tenant-based Assistance)	Plan to Implement in the Submission Year
5. Housing Quality Standards (HQS)	
a. Pre-Qualifying Unit Inspections (HCV)	Currently Implementing
c. Third-Party Requirement (HCV)	Currently Implementing
d. Alternative Inspection Schedule (HCV)	Currently Implementing
6. Short-Term Assistance	
7. Term-Limited Assistance	
8. Increase Elderly Age (PH & HCV)	
9. Project-Based Voucher Program Flexibilities	
b. Increase PBV Project Cap (HCV)	Currently Implementing
c. Elimination of PBV Selection Process for PHA-owned Projects Without Improvement, Development, or Replacement (HCV)	Currently Implementing
10. Family Self-Sufficiency Program with MTW Flexibility	
d.PH Modify or Eliminate the Contract of Participation (PH)	Plan to Implement in the Submission Year
11. MTW Self-Sufficiency Program	
12. Work Requirement	
13. Use of Public Housing as an Incentive for Economic Progress (PH)	
Use of Public Housing as an Incentive for Economic Progress (PH)	Plan to Implement in the Submission Year
14. Moving on Policy	
15. Acquisition without Prior HUD Approval (PH)	
16. Deconcentration of Poverty in Public Housing Policy (PH)	
17. Local, Non-Traditional Activities	
c. Housing Development Programs	Currently Implementing

C. MTW Activities Plan that Houston Plans to Implement in the Submission Year or Is Currently Implementing

1.a. - Tiered Rent (PH)
Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative
This activity was first approved as part of the FY 2022 MTW Supplement. HHA is part of MTW "Cohort #2" which involves

a six-year evaluation of alternative rent policies designed to increase resident self-sufficiency and reduce administrative burdens. Under this activity, HHA is implementing an income-based flat tiered rent model applicable to public housing households that are randomly selected to participate in the MTW alternative rent evaluation initiative and assigned to the "treatment" group.

The flat tiered rent model is based on gross household income with no deductions (except where hardship applies) that establishes a single rent for each \$2,000 income tier. At recertification, gross income is determined retrospectively. For new admissions, gross income is based on current income. Excepting the two lowest income tiers, the rent level for each tier is based on 28% of gross income as calculated at the lowest end of the tier. For the two lowest income tiers, a minimum rent of \$50 has been established. At the higher income end, rent for public housing is capped by the applicable flat rent or Low Income Housing Tax Credit rent. Utility allowances continue to apply, and households receive a utility reimbursement if applicable. Recertifications occur every 3 years. Income increases between regular recertifications do not result in rent increases. If household income decreases between regular recertifications, resulting in household income dropping to a lower tier, the household may request a hardship and have their rent be recalculated based on the lower tier, subject to the household meeting the requirements specified in the HHA Hardship Policy.

Beginning in early 2023, current and newly admitted non-elderly, non-disabled households who are not excluded from the evaluation are randomly assigned to either a treatment or control group. The treatment group has their rent calculated using the tiered rent method and are also subject to related policies including triennial examinations, elimination of deductions, asset self-certification and hardship policies. The control group continues to have their rent calculated in accordance with standard public housing regulations; however, subject to HUD approval, the control group will have MTW waivers applied related to asset self-certification as described in activity 3.c, Alternative Verification Hierarchy as described in the Agency-Specific Waiver and income exclusions described in activity 1.v. After a one-year enrollment period, all new admissions will have rents calculated in the same manner as the treatment group.

Random assignment under the alternative rent evaluation initiative applies only to non-elderly, non-disabled households. Other households excluded from the evaluation and, therefore, not subject to random assignment to either the treatment or control groups include the following, based on their status at the time of random assignment:

- Head, Co-Head, Spouse who are 56 years of age or older
- Households in the homeownership program
- Current FSS participants
- Current flat rent households
- Mixed eligibility families
- Households living in Jobs Plus developments
- Households receiving Earned Income Disregard (EID)
- Households who are not yet indicated as disabled according to HUD definition, but have been approved to receive SSI/SSDI but have not yet received first payment, or have a pending SSI/SSDI application in (applied recently and waiting to learn of approval status)

The tiered rent activity is part of the overall alternative rent policy initiative that also incorporates triennial reexaminations, elimination of deductions, certain income exclusions and asset self-certification. Overall, HHA has defined the following goals: (1) provide incentives for economic self-sufficiency; (2) simplify program administration and reduce administrative burdens; (3) be transparent and easy to understand; (4) minimize the number of households who will experience a rent increase at enrollment and beyond; (5) be revenue neutral to the greatest extent possible; and, 6) be supportive of the

HHA overall vision and plan for MTW.

Which of the MTW statutory objectives does this MTW activity serve?

Cost effectiveness; Self-sufficiency

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Neutral (no cost implications)

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies only to a subset or subsets of assisted households

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new

admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies only to selected family types

Please select the family types subject to this MTW activity.

Non-elderly, non-disabled families; Other – another specifically defined target population or populations.

If Other Selected in Previous Question: Please describe this target population in the text box.

Random assignment under the alternative rent evaluation initiative applies only to non-elderly, non-disabled households.

Other households excluded from the evaluation and, therefore, not subject to random assignment to either the treatment or control groups include the following, based on their status at the time of random assignment:

- Head, Co-Head, Spouse who are 56 years of age or older
- Households in the homeownership program
- Current FSS participants
- Current flat rent households
- Mixed eligibility families
- Households living in Jobs Plus developments
- Households receiving Earned Income Disregard (EID)
- Households who are not yet indicated as disabled according to HUD definition, but have been approved to receive SSI/SSDI but have not yet received first payment, or have a pending SSI/SSDI application in (applied recently and waiting to learn of approval status)

Does the MTW activity apply to all public housing developments?

The MTW activity applies to all developments

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

HHA conducted staff training, prepared resident notices and educational materials, and worked with its Information Technology vendor to prepare for the alternative rent policy initiative. Beginning in May 2023, HHA commenced the enrollment and random selection process in consultation with HUD and MDRC (program evaluator). Enrollments will continue on a rolling basis into FY 2024.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Please describe how the income bands are structured?

Income bands are based on \$2,000 increments, with rent calculated at 28% of the low-point of the band. Deductions are eliminated except where hardship applies. Exceptions are the two lowest tiers, for which a minimum rent of \$50 applies. In addition, the tiers are capped at either the applicable flat rent or Low Income Housing Tax Credit (LIHTC) rent.

Please upload the tiered rent policy table that shows the income bands.

This document is attached.

What is the income basis for assigning households to income bands?

This activity uses a different definition of income because we are using the following MTW waivers (check all that apply)

1.r. and/or 1.s. "elimination of deductions"; 1.v. and/or 1.w "alternative inclusions and exclusions"

1.b. - Tiered Rent (HCV)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2022 MTW Supplement. HHA is part of MTW "Cohort #2" which involves a six-year evaluation of alternative rent policies designed to increase resident self-sufficiency and reduce administrative burdens. Under this activity, HHA is implementing an income-based flat tiered rent model applicable to Housing Choice Voucher households that are randomly selected to participate in the MTW alternative rent evaluation initiative and assigned to the "treatment" group.

The flat tiered rent model is based on gross household income with no deductions (except where hardship applies) that establishes a single rent for each \$2,000 income tier. At recertification, gross income is determined retrospectively. For new admissions, gross income is based on current income. Excepting the two lowest income tiers, the rent level for each tier is based on 28% of gross income as calculated at the lowest end of the tier. For the two lowest income tiers, a minimum rent of \$50 has been established. Tiered rents for the Housing Choice Voucher program are capped when total tenant payment equals the gross rent. Utility allowances continue to apply, and households receive a utility reimbursement if applicable. Recertifications occur every 3 years. Income increases between regular recertifications will not result in rent increases. If household income decreases between regular recertifications, resulting in household income dropping to a lower tier, the household may request a hardship and have their rent be recalculated based on the lower tier, subject to the household meeting the requirements specified in the HHA Hardship Policy.

Beginning in early 2023, current and newly admitted non-elderly, non-disabled households who are not excluded from the evaluation are randomly assigned to either a treatment or control group. The treatment group has their rent calculated using the tiered rent method and are also subject to related policies including triennial examinations, elimination of deductions, asset self-certification and hardship policies. The control group continues to have their rent calculated in accordance with standard HCV regulations; however, subject to HUD approval, the control group will have MTW waivers applied related to asset self-certification as described in activity 3.d, Alternative Verification Hierarchy as described in the Agency-Specific Waiver and income exclusions described in activity 1.w. After a one-year enrollment period, all new admissions will have rents calculated in the same manner as the treatment group.

Random assignment under the alternative rent evaluation initiative applies only to non-elderly, non-disabled households. Other households excluded from the evaluation and, therefore, not subject to random assignment to either the treatment or control groups include the following, based on their status at the time of random assignment:

- Head, Co-Head, Spouse who are 56 years of age or older
- Households in the homeownership program
- Current FSS participants
- Mixed eligibility families
- Households receiving Earned Income Disregard (EID)
- Households who are not yet indicated as disabled according to HUD definition, but have been approved to receive SSI/SSDI but have not yet received first payment, or have a pending SSI/SSDI application in (applied recently and waiting to learn of approval status)

- HCV Zero HAP households
- Special purpose voucher households including: VASH, Mod Rehab (Certificate), Enhanced Voucher, Shelter Plus Care, Family Unification Program, Foster Youth, Emergency Housing Voucher, Mainstream, Tenant Protection Voucher
- Households in phase-in period under RAD protections
- Port-outs

The tiered rent activity is part of the alternative rent evaluation initiative that also incorporates triennial reexaminations, elimination of deductions, and asset self-certification. Overall, HHA has defined the following goals: (1) provide incentives for economic self-sufficiency; (2) simplify program administration and reduce administrative burdens; (3) be transparent and easy to understand; (4) minimize the number of households who will experience a rent increase at enrollment and beyond; (5) be revenue neutral to the greatest extent possible; and, 6) be supportive of the HHA overall vision and plan for MTW.

Which of the MTW statutory objectives does this MTW activity serve?

Cost effectiveness; Self-sufficiency

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies only to a subset or subsets of assisted households

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies only to selected family types

Please select the family types subject to this MTW activity.

Non-elderly, non-disabled families; Other – another specifically defined target population or populations.

If Other Selected in Previous Question: Please describe this target population in the text box.

Random assignment under the alternative rent evaluation initiative applies only to non-elderly, non-disabled households.

Other households excluded from the evaluation and, therefore, not subject to random assignment to either the treatment or control groups include the following, based on their status at the time of random assignment:

- Head, Co-Head, Spouse who are 56 years of age or older
- Households in the homeownership program
- Current FSS participants
- Mixed eligibility families
- Households receiving Earned Income Disregard (EID)
- Households who are not yet indicated as disabled according to HUD definition, but have been approved to receive

SSI/SSDI but have not yet received first payment, or have a pending SSI/SSDI application in (applied recently and waiting to learn of approval status)

- HCV Zero HAP households
- Special purpose voucher households including: VASH, Mod Rehab (Certificate), Enhanced Voucher, Shelter Plus Care, Family Unification Program, Foster Youth, Emergency Housing Voucher, Mainstream, Tenant Protection Voucher
- Households in phase-in period under RAD protections
- Port-outs

Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?

The MTW activity applies to all tenant-based units

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

HHA conducted staff training, prepared resident notices and educational materials, and worked with its Information Technology vendor to prepare for the alternative rent policy initiative. Beginning in May 2023, HHA commenced the enrollment and random selection process in consultation with HUD and MDRC (program evaluator). Enrollments will continue on a rolling basis into FY 2024.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Please describe how the income bands are structured.

Income bands are based on \$2,000 increments, with rent calculated at 28% of the low-point of the band. Deductions are eliminated except where hardship applies. Exceptions are the two lowest tiers, for which a minimum rent of \$50 applies. In addition, the tiers are capped when total tenant payment equals the gross rent.

Please upload the tiered rent policy table that shows the income bands.

This document is attached.

What is the income basis for assigning households to income bands?

This activity uses a different definition of income because we are using the following MTW waivers (check all that apply) 1.r. and/or 1.s. "elimination of deductions"; 1.v. and/or 1.w "alternative inclusions and exclusions"

1.r. - Elimination of Deduction(s) (PH)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2022 MTW Supplement. Under this activity, HHA eliminates the dependent and unreimbursed child care deductions in conjunction with implementation of an income-based flat tiered rent model applicable to public housing households that are randomly selected to participate in the MTW alternative rent evaluation initiative and assigned to the "treatment" group. See Activity 1A.

The flat tiered rent model is based on gross household income with no deductions (except where hardship applies) that establishes a single rent for each \$2,000 income tier. Excepting the two lowest income tiers, the rent level for each tier is based on 28% of gross income as calculated at the lowest end of the tier. For the two lowest income tiers, a minimum rent of \$50 has been established. At the higher income end, rent for public housing is capped by the applicable flat rent or Low Income Housing Tax Credit rent. Utility allowances continue to apply, and households receive a utility reimbursement if applicable.

HHA has established a Hardship Policy through which HHA will grant a hardship for child care expenses to eligible households with child care expenses of \$2,000 or more. See Hardship Policy for additional details.

Beginning in early 2023, current and newly admitted non-elderly, non-disabled households who are not excluded from the evaluation are randomly assigned to either a treatment or control group. The treatment group has their rent calculated using the tiered rent method and are also subject to related policies including triennial examinations, elimination of deductions, and hardship policies. The control group continues to have their rent calculated in accordance with standard public housing regulations; however, subject to HUD approval, the control group will have MTW waivers applied related to asset self-certification as described in activity 3.c, Alternative Verification Hierarchy as described in the Agency-Specific Waiver and income exclusions described in activity 1.v. .

Random assignment under the alternative rent evaluation initiative applies only to non-elderly, non-disabled households. Other households excluded from the evaluation and, therefore, not subject to random assignment to either the treatment or control groups include the following, based on their status at the time of random assignment:

- Head, Co-Head, Spouse greater than 56 years of age
- Households in the homeownership program
- Current FSS participants
- Current flat rent households
- Mixed eligibility families
- Households living in Jobs Plus developments
- Households receiving Earned Income Disregard (EID)
- Households who are not yet indicated as disabled according to HUD definition, but have been approved to receive SSI/SSDI but have not yet received first payment, or have a pending SSI/SSDI application in (applied recently and waiting to learn of approval status)

The elimination of deductions activity is part of the overall alternative rent evaluation initiative that also incorporates tiered rents, triennial reexaminations, and asset self-certification. Overall, HHA has defined the following goals for this and related activities: (1) provide incentives for economic self-sufficiency; (2) simplify program administration and reduce administrative burdens; (3) be transparent and easy to understand; (4) minimize the number of households who will experience a rent increase at enrollment and beyond; (5) be revenue neutral to the greatest extent possible; and, (6) be supportive of the HHA overall vision and plan for MTW.

Which of the MTW statutory objectives does this MTW activity serve?

Cost effectiveness; Self-sufficiency

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies only to a subset or subsets of assisted households

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies only to selected family types

Please select the family types subject to this MTW activity.

Non-elderly, non-disabled families; Other – another specifically defined target population or populations.

If Other Selected in Previous Question: Please describe this target population in the text box.

Random assignment under the alternative rent evaluation initiative applies only to non-elderly, non-disabled households.

Other households excluded from the evaluation and, therefore, not subject to random assignment to either the treatment or control groups include the following, based on their status at the time of random assignment:

- Head, Co-Head, Spouse greater than 56 years of age
- Households in the homeownership program
- Current FSS participants
- Current flat rent households
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- Households living in Jobs Plus developments
- Households receiving Earned Income Disregard (EID)
- Households who are not yet indicated as disabled according to HUD definition, but have been approved to receive SSI/SSDI but have not yet received first payment, or have a pending SSI/SSDI application in (applied recently and waiting to learn of approval status).

Does the MTW activity apply to all public housing developments?

The MTW activity applies to all developments

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

HHA conducted staff training, prepared resident notices and educational materials, and worked with its Information Technology vendor to prepare for the alternative rent policy initiative. Beginning in May 2023, HHA commenced the enrollment and random selection process in consultation with HUD and MDRC (program evaluator). Enrollments will continue on a rolling basis into FY 2024.

Does this MTW activity require a hardship policy?

Provided Already

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Does the MTW activity require an impact analysis?

Provided Already

Which deduction(s) will be eliminated, modified, or added?

Dependent allowance; Unreimbursed childcare costs

1.s. - Elimination of Deduction(s) (HCV)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2022 MTW Supplement. Under this activity, HHA eliminates dependent and unreimbursed childcare deductions in conjunction with implementation of an income-based flat tiered rent model applicable to Housing Choice Voucher program households that are randomly selected to participate in the MTW alternative rent evaluation initiative and assigned to the "treatment" group. See Activity 1B.

The flat tiered rent model is based on gross household income with no deductions (except where hardship applies) that establishes a single rent for each \$2,000 income tier. Excepting the two lowest income tiers, the rent level for each tier is based on 28% of gross income as calculated at the lowest end of the tier. For the two lowest income tiers, a minimum rent of \$50 has been established. At the higher income end, rent is capped when total tenant payment equals the gross rent. Utility allowances continue to apply, and households receive a utility reimbursement if applicable.

HHA has established a Hardship Policy under which HHA will grant a hardship for child care expenses to eligible households with child care expenses of \$2,000 or more. See Hardship Policy for additional details.

Beginning in early 2023, current and newly admitted non-elderly, non-disabled households who are not excluded from the evaluation are randomly assigned to either a treatment or control group. The treatment group has their rent calculated using the tiered rent method and are also subject to related policies including triennial examinations, elimination of deductions, and hardship policies. The control group continues to have their rent calculated in accordance with standard Housing Choice Voucher program regulations; however, subject to HUD approval, the control group has MTW waivers applied related to asset self-certification as described in activity 3.d, Alternative Verification Hierarchy as described in the Agency-Specific Waiver and income exclusions described in activity 1.w.

Random assignment under the alternative rent evaluation initiative applies only to non-elderly, non-disabled households. Other households excluded from the evaluation and, therefore, not subject to random assignment to either the treatment or control groups include the following, based on their status at the time of random assignment:

- Head, Co-Head, Spouse who are 56 years of age or older
- Households in the homeownership program
- Current FSS participants
- Mixed eligibility families
- Households receiving Earned Income Disregard (EID)
- Households who are not yet indicated as disabled according to HUD definition, but have been approved to receive SSI/SSDI but have not yet received first payment, or have a pending SSI/SSDI application in (applied recently and waiting to learn of approval status)
- HCV Zero HAP households
- Special purpose voucher households including: VASH, Mod Rehab (Certificate), Enhanced Voucher, Shelter Plus Care, Family Unification Program, Foster Youth, Emergency Housing Voucher, Mainstream, Tenant Protection Voucher
- Households in phase-in period under RAD protections
- Port-outs

The elimination of deductions activity is part of the overall alternative rent evaluation initiative that also incorporates tiered rents, triennial reexaminations and asset self-certification. Overall, HHA has defined the following goals for this and related activities: (1) provide incentives for economic self-sufficiency; (2) simplify program administration and reduce administrative burdens; (3) be transparent and easy to understand; (4) minimize the number of households who will experience a rent increase at enrollment and beyond; (5) be revenue neutral to the greatest extent possible; and, (6) be supportive of the HHA overall vision and plan for MTW.

Which of the MTW statutory objectives does this MTW activity serve?

Cost effectiveness; Self-sufficiency

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies only to a subset or subsets of assisted households

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies only to selected family types

Please select the family types subject to this MTW activity.

Non-elderly, non-disabled families; Other – another specifically defined target population or populations.

If Other Selected in Previous Question: Please describe this target population in the text box.

Random assignment under the alternative rent evaluation initiative applies only to non-elderly, non-disabled households.

Other households excluded from the evaluation and, therefore, not subject to random assignment to either the treatment or control groups include the following, based on their status at the time of random assignment:

- Head, Co-Head, Spouse who are 56 years of age or older
- Households in the homeownership program
- Current FSS participants
- Mixed eligibility families
- Households receiving Earned Income Disregard (EID)
- Households who are not yet indicated as disabled according to HUD definition, but have been approved to receive SSI/SSDI but have not yet received first payment, or have a pending SSI/SSDI application in (applied recently and waiting to learn of approval status)
- HCV Zero HAP households
- Special purpose voucher households including: VASH, Mod Rehab (Certificate), Enhanced Voucher, Shelter Plus Care, Family Unification Program, Foster Youth, Emergency Housing Voucher, Mainstream, Tenant Protection Voucher
- Households in phase-in period under RAD protections
- Port-outs

Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?

The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers

Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.

The MTW activity applies to both tenant-based and project-based voucher participants that are randomly selected per the description above.

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

HHA conducted staff training, prepared resident notices and educational materials, and worked with its Information Technology vendor to prepare for the alternative rent policy initiative. Beginning in May 2023, HHA commenced the enrollment and random selection process in consultation with HUD and MDRC (program evaluator). Enrollments will continue on a rolling basis into FY 2024.

Does this MTW activity require a hardship policy?

Provided Already

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Does the MTW activity require an impact analysis?

Provided Already

Which deduction(s) will be eliminated, modified, or added?

Dependent allowance; Unreimbursed childcare costs

1.v. - Alternative Income Inclusions/Exclusions (PH)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2022 MTW Supplement. Under this activity, HHA excludes the following income when calculating tenant rent: 1) Earned income from full-time students; 2) Adoption assistance payments; and, 3) Asset income for up to \$50,000 in assets. This income exclusion applies to all public housing households. HHA goals for this activity include providing incentives for economic self-sufficiency, simplifying program administration and reducing administrative burdens.

Which of the MTW statutory objectives does this MTW activity serve?

Cost effectiveness; Self-sufficiency

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

This activity is related to the HHA tiered rent evaluation initiative discussed in MTW activity 1a; however, it will also be applied to all public housing households including those not part of the rent study. To date, HHA has focused on applying these exclusions as part of the rent study random assignment process for the alternative tiered rent study. In 2023, HHA conducted staff training, prepared resident notices and educational materials, and worked with its Information Technology vendor to prepare for the alternative rent policy initiative. Beginning in May 2023, HHA commenced the enrollment and

random selection process in consultation with HUD and MDRC (program evaluator). Enrollments will continue on a rolling basis into FY 2024. Roll out to households excluded from participation in the alternative rent policy study is also projected to begin in FY 2024.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

What inclusions or exclusions will be eliminated, modified, or added?

Income to be excluded includes: 1) Earned income from full-time students; 2)Adoption assistance payments; and, 3)Asset income for up to \$50,000 in assets.

1.w. - Alternative Income Inclusions/Exclusions (HCV)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2022 MTW Supplement. It is related to the HHA tiered rent evaluation initiative discussed in MTW activity 1b; however, it will also apply to all HCV households that are not part of the rent study. To date, HHA has focused on applying these exclusions as part of the rent study random assignment process for the alternative tiered rent study.

Under this activity, HHA excludes the following income when calculating tenant rent: 1) Earned income from full-time students; 2) Adoption assistance payments; and, 3) Asset income for up to \$50,000 in assets. This income exclusion will apply to all Housing Choice Voucher (HCV) program households. HHA goals for this activity include providing incentives for economic self-sufficiency, simplifying program administration and reducing administrative burdens.

Which of the MTW statutory objectives does this MTW activity serve?

Cost effectiveness; Self-sufficiency

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

This activity is related to the HHA tiered rent evaluation initiative discussed in MTW activity 1b; however, it will also be applied to all HCV households including those not part of the rent study. To date, HHA has focused on applying these exclusions as part of the rent study random assignment process for the alternative tiered rent study. In 2023, HHA conducted staff training, prepared resident notices and educational materials, and worked with its Information Technology vendor to prepare for the alternative rent policy initiative. Beginning in May 2023, HHA commenced the enrollment and random selection process in consultation with HUD and MDRC (program evaluator). Enrollments will continue on a rolling basis into FY 2024. Roll out to households excluded from participation in the alternative rent policy study is also projected to begin in FY 2024.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

What inclusions or exclusions will be eliminated, modified, or added?

Income to be excluded includes: 1) Earned income from full-time students; 2)Adoption assistance payments; and, 3)Asset income for up to \$50,000 in assets.

2.a. - Payment Standards- Small Area Fair Market Rents (HCV)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2022 MTW Supplement. Under this activity, HHA utilizes Small Area Fair Market Rents (SAFMR) to establish payment standards for the Housing Choice Voucher program. In lieu of establishing a unique payment standard for each zip code area, HHA may establish payment standards between 80-150% of the SAFMR for one or more groups of zip code areas. Current payment standards are applied when contract rent increases occur between regular triennial recertifications if the new gross rent exceeds the prior payment standard. HHA received HUD approval in 2021 to implement SAFMRs citywide. Thus, the primary effect of this MTW activity is to allow HHA to establish payment standards between 80-150% of SAFMR, compared to the standard 90-110%. In addition, it supports HHA efforts to reduce housing cost burdens by applying the then current payment standard if rent increases to owners approved by HHA between regular recertifications result in an increase in the gross rent above the payment standard that was applicable at the prior recertification. HHA currently utilizes SAFMRs to establish payment standards for the tenant-based program only. Citywide FMRs are currently utilized for the Project Based Voucher program. HHA goals for this MTW activity are to support housing choice and mobility and reduce housing cost burdens by establishing payment standards that effectively will expand housing options, particularly in higher opportunity areas. HHA has established a Hardship Policy to minimize the impact on participants when the payment standard decreases.

Which of the MTW statutory objectives does this MTW activity serve?

Housing choice

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

HHA utilized the flexibility under this waiver to establish higher 2023 HCV payment standards for the tenant-based voucher program. HHA anticipates that the higher payment standards will support increased utilization and a wider range of housing choices for voucher participants.

Does this MTW activity require a hardship policy?

Provided Already

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Does the MTW activity require an impact analysis?

Provided Already

Please explain the payment standards by ZIP code or "grouped" ZIP codes:

HHA currently has established five groups of zip codes. Within each group, the payment standard for each individual zip code area must fall within the 80-150% basic range allowed under this MTW waiver. Payment standards and groupings may vary from year to year.

2.d. - Rent Reasonableness – Third-Party Requirement (HCV)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2023 MTW Supplement. It authorizes HHA to perform rent reasonableness determinations on Project Based Voucher (PBV) units that it owns, manages and/or controls, and waives certain provisions of the Housing Act of 1937 along with HUD regulations at 24 CFR 982.352(b) and 24 CFR 983.303. Essentially, it allows HHA to conduct rent reasonableness determinations on PBV units that it owns, manages and/or controls in accordance with other applicable HUD regulations and consistent with the way the agency conducts rent reasonableness for all other units leased under the HCV program, i.e. HHA will determine that rents charged for these

units are reasonable when compared to similar unassisted units in the market area. As required under the MTW Operations Notice, HHA has established a quality assurance method to ensure impartiality. This activity supports HHA efforts to ensure cost effective administration and to expand housing choices and opportunities for voucher program participants.

Which of the MTW statutory objectives does this MTW activity serve?

Cost effectiveness; Housing choice

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Neutral (no cost implications)

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies only to a subset or subsets of assisted households

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies to all family types

Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?

The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers

Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.

Applies to PBV units that HHA owns, manages or controls.

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

HHA has begun to plan for this initiative and projects that it will conduct rent reasonableness determinations for PBV units that it owns, manages or controls over the course of the next fiscal year.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Please explain or upload a description of the quality assurance method.

See attached description of the HHA Quality Assurance method. Note that this document was originally submitted as part of the FY 2022 MTW Supplement.

This document is attached.

Please explain or upload a description of the rent reasonableness determination method.

HHA has attached excerpts for the current HCV Administrative Plan related to the rent reasonableness determination method. See also attached Quality Assurance method description. Note that this document was originally submitted as part of the FY 2022 MTW Supplement.

This document is attached.

3.a. - Alternative Reexamination Schedule for Households (PH)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2022 MTW Supplement. It allows HHA to establish an alternative reexamination schedule wherein regular recertifications are conducted at least once every three years ("triennial" recertifications). This policy applies to all public housing households except for those households randomly selected and assigned to the "control" group pursuant to the MTW Cohort #2 evaluation described in MTW Activity 1.a. who continue to have annual recertifications and are eligible for interim recertifications according to standard HUD public housing regulations and existing HHA policies.

Households randomly selected and assigned to the "treatment" group pursuant to the MTW Cohort #2 evaluation are recertified on a triennial basis with no interim recertifications (unless caused by changes to household composition); however, these households may be eligible to apply for an income decrease or other hardship pursuant to the HHA Hardship Policy. HUD approved the Safe Harbor Waiver in conjunction with implementing triennial recertifications for this group.

All other public housing households, i.e. those households excluded from the random assignment process pursuant to the MTW Cohort #2 evaluation, will be recertified on a triennial basis and will also be able to apply for interim recertifications according to existing HHA interim policies which do not limit the number of recertifications. For this group of households, HHA will phase in triennial recertifications over a three year period beginning in 2023-24, i.e. approximately one-third of excluded households will be converted to triennial recertifications each year over a three-year period.

HHA goals for this activity include providing incentives for economic self-sufficiency, simplifying program administration and reducing administrative burdens.

Which of the MTW statutory objectives does this MTW activity serve?

Cost effectiveness; Self-sufficiency

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

This activity is related to the HHA tiered rent evaluation initiative discussed in MTW activity 1a; however, it will also be applied to all public housing households including those not part of the rent study. To date, HHA has focused on the rent study random assignment process for the alternative tiered rent study. However, HHA plans to begin roll-out of triennial recertifications for households excluded from the rent study in the 2023-24 timeframe. Also in 2023, HHA conducted staff training, prepared resident notices and educational materials, and worked with its Information Technology vendor to prepare for the alternative rent policy and triennial reexam initiatives. Beginning in May 2023, HHA commenced the enrollment and random selection process in consultation with HUD and MDRC (program evaluator). Enrollments will continue on a rolling basis into FY 2024

Does this MTW activity require a hardship policy?

Provided Already

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

Yes

What is the status of the Safe Harbor Waiver request?

The waiver was previously approved.

Please describe the extent to which the Safe Harbor Waiver is supporting the MTW agency's goal in implementing

this MTW activity.

The waiver was required to implement components of the alternative MTW rent evaluation initiative.

Does the MTW activity require an impact analysis?

Provided Already

What is the recertification schedule?

Once every three years

How many interim recertifications per year may a household request?

2 or more

Please describe briefly how the MTW agency plans to address changes in family/household circumstances under the alternative reexamination schedule.

Households randomly selected and assigned to the "treatment" group pursuant to the MTW Cohort #2 evaluation are recertified on a triennial basis with no interim recertifications (unless caused by changes to household composition); however, these households may be eligible to apply for an income decrease or other hardship pursuant to the HHA Hardship Policy. HUD approved the Safe Harbor Waiver in conjunction with implementing triennial recertifications for this group.

All other public housing households, i.e. those households excluded from the random assignment process pursuant to the MTW Cohort #2 evaluation, will be recertified on a triennial basis and will also be able to apply for interim recertifications according to existing HHA interim policies which do not limit the number of recertifications.

3.b. - Alternative Reexamination Schedule for Households (HCV)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2022 MTW Supplement. It allows HHA to establish an alternative reexamination schedule wherein regular recertifications are conducted at least once every three years ("triennial" recertifications). This policy applies to all HCV households except for those households randomly selected and assigned to the "control" group pursuant to the MTW Cohort #2 evaluation described in MTW Activity 1.b who continue to have annual recertifications and are eligible for interim recertifications according to standard HUD HCV regulations and existing HHA policies.

Households randomly selected and assigned to the "treatment" group pursuant to the MTW Cohort #2 evaluation are recertified on a triennial basis with no interim recertifications (unless caused by changes to household composition); however, these households may be eligible to apply for an income decrease or other hardship pursuant to HHA's Hardship Policy. HUD approved HHA's Safe Harbor Waiver in conjunction with implementing triennial recertifications for this group.

All other HCV households, i.e. those households excluded from the random assignment process pursuant to the MTW Cohort #2 evaluation, will be recertified on a triennial basis and will also be able to apply for interim recertifications according to existing HHA interim policies which do not limit the number of recertifications. For this group of households, HHA will phase in triennial recertifications over a three year period beginning in 2023, i.e. approximately one-third of excluded households will be converted to triennial recertifications each year over a three-year period.

HHA goals for this activity include providing incentives for economic self-sufficiency, simplifying program administration and reducing administrative burdens.

Which of the MTW statutory objectives does this MTW activity serve?

Cost effectiveness; Self-sufficiency

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Neutral (no cost implications)

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

This activity is related to the HHA tiered rent evaluation initiative discussed in MTW activity 1b; however, it will also be applied to all HCV households including those not part of the rent study. To date, HHA has focused on the rent study random assignment process for the alternative tiered rent study. However, HHA plans to begin roll-out of triennial recertifications for households excluded from the rent study in the 2023-24 time period. Also in 2023, HHA conducted staff training, prepared resident notices and educational materials, and worked with its Information Technology vendor to prepare for the alternative rent policy and triennial reexam initiatives. Beginning in May 2023, HHA commenced the enrollment and random selection process in consultation with HUD and MDRC (program evaluator). Enrollments will continue on a rolling basis into FY 2024

Does this MTW activity require a hardship policy?

Provided Already

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

Yes

What is the status of the Safe Harbor Waiver request?

The waiver was previously approved.

Please describe the extent to which the Safe Harbor Waiver is supporting the MTW agency's goal in implementing this MTW activity.

The waiver is required to implement components of the alternative MTW rent evaluation initiative.

Does the MTW activity require an impact analysis?

Provided Already

What is the recertification schedule?

Once every three years

How many interim recertifications per year may a household request?

2 or more

Please describe briefly how the MTW agency plans to address changes in family/household circumstances under the alternative reexamination schedule.

Households randomly selected and assigned to the "treatment" group pursuant to the MTW Cohort #2 evaluation will be recertified on a triennial basis with no interim recertifications (except for changes to household composition); however, these households will be eligible to apply for an income decrease or other hardship pursuant to the Hardship Policy described in the MTW Supplement. HUD approved the Safe Harbor Waiver request for this group of households.

All other HCV households, i.e. those households excluded from the random assignment process pursuant to the MTW Cohort #2 evaluation, will be recertified on a triennial basis and will also be able to apply for interim recertifications according to existing HUD regulations and HHA HCV policies which do not limit the number of interim recertifications. For this group of households, HHA will phase in triennial recertifications over a three year period beginning in 2023-24, i.e. approximately one-third of excluded households will be converted to triennial recertifications each year over a three-year period.

3.c. - Self-Certification of Assets (PH)
<p>Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative</p> <p>This activity was first approved as part of the FY 2022 MTW Supplement. Under this activity, all public housing households are able to self-certify assets at admission or recertification provided that the asset value does not exceed \$50,000. This activity aligns with the Cohort #2 alternative rent evaluation and other process simplification initiatives including triennial recertifications. The agency goal for this activity is to simplify administration and reduce administrative burden.</p>
<p>Which of the MTW statutory objectives does this MTW activity serve?</p> <p>Cost effectiveness</p>
<p>What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</p> <p>Neutral (no cost implications)</p>
<p>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</p> <p>The MTW activity applies to all assisted households</p>
<p>Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.</p> <p>This activity is related to the HHA tiered rent evaluation initiative discussed in MTW activity 1a; however, it will also be applied to all public housing households including those not part of the rent study. To date, HHA has focused on implementing asset self-certification as part of the rent study random assignment process for the alternative tiered rent study. However, HHA plans to begin roll-out of asset self-certification for households excluded from the rent study in the 2023-24 time frame.</p>
<p>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</p> <p>No</p>
<p>Please state the dollar threshold for the self-certification of assets.</p> <p>\$50,000.</p>

3.d. - Self-Certification of Assets (HCV)
<p>Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative</p> <p>This activity was first approved as part of the FY 2022 MTW Supplement. Under this activity, all HCV program households are able to self-certify assets at admission or recertification provided that the asset value does not exceed \$50,000. This activity aligns with the Cohort #2 alternative rent evaluation and other process simplification initiatives including triennial recertifications. The agency goal for this activity is to simplify administration and reduce administrative burden.</p>
<p>Which of the MTW statutory objectives does this MTW activity serve?</p> <p>Cost effectiveness</p>
<p>What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</p> <p>Neutral (no cost implications)</p>

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

This activity is related to the HHA tiered rent evaluation initiative discussed in MTW activity 1b; however, it will also be applied to all HCV households including those not part of the rent study. To date, HHA has focused on implementing asset self-certification as part of the random assignment and enrollment process for the alternative tiered rent study. HHA plans to begin roll-out of asset self-certification for households excluded from the rent study in the 2023-24 time period.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Please state the dollar threshold for the self-certification of assets.

\$50,000.

4.a. - Vacancy Loss (HCV-Tenant-based Assistance)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

Under this activity, HHA will provide vacancy loss payments to eligible landlords participating in the HCV tenant-based program in order to incentive continued participation in the HCV program. Landlords will be eligible for these payments if the unit is currently under a Housing Assistance Payments (HAP) contract, the current voucher participant has moved out, the owner has agreed to lease to a new voucher participant and the housing unit will be vacant for a brief period of time between tenancies. Payments to landlords will not exceed one month of the contract rent, and will be paid to the owner when the next HAP contract is executed between HHA and the landlord. HHA will update its Administrative Plan to reflect this activity.

Which of the MTW statutory objectives does this MTW activity serve?

Housing choice

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Increased expenditures

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies only to a subset or subsets of assisted households

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies to all family types

Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?

The MTW activity applies to all tenant-based units

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about

what has been accomplished or changed during the implementation.

Not applicable. This is a newly proposed activity.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Does this policy apply to certain types of units or to all units all HCV units or only certain types of units (for example, accessible units, units in a low-poverty neighborhood, or units/landlords new to the HCV program?)

To all units

What is the maximum payment that can be made to a landlord under this policy?

One month contract rent.

How many payments were issued under this policy in the most recently completed PHA fiscal year?

0

What is the total dollar value of payments issued under this policy in the most recently completed PHA fiscal year?

\$0

4.b. - Damage Claims (HCV-Tenant-based Assistance)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

Under this activity, HHA will provide damage claim payments to eligible landlords participating in the HCV tenant-based program in order to incentive continued participation in the HCV program. Landlords will be eligible for damage claim payments if the unit is currently under a Housing Assistance Payments (HAP) contract, the current voucher participant has moved out leaving tenant-caused damages to the housing unit, and the owner has agreed to lease to a new voucher participant. Damage claim payments for tenant-caused damages will not exceed the lesser of the cost of the repairs or two months of contract rent minus the participant security deposit if applicable. The voucher participant security deposit if applicable must first be used to cover damages. Damage claim payments to landlords will be paid to the owner when the next HAP contract is executed between HHA and the landlord. HHA will update its Administrative Plan to reflect this damage claim policy. This activity supports HHA's efforts to expand housing choice for voucher program participants.

Which of the MTW statutory objectives does this MTW activity serve?

Housing choice

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Increased expenditures

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies only to a subset or subsets of assisted households

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies to all family types
Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers? The MTW activity applies to all tenant-based units
Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation. Not applicable. This is a newly proposed activity.
Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described? No
Does this policy apply to certain types of units or to all units all HCV units or only certain types of units (for example, accessible units, units in a low-poverty neighborhood, or units/landlords new to the HCV program?) To all units
What is the maximum payment that can be made to a landlord under this policy? Two months contract rent less any HCV participant-paid security deposit. The amount of damage claims will not exceed the lesser of the cost of repairs necessitated to repair tenant-caused damages or two months contract rent (less any participant-paid security deposit).
How many payments were issued under this policy in the most recently completed PHA fiscal year? 0
What is the total dollar value of payments issued under this policy in the most recently completed PHA fiscal year? \$0

4.c. - Other Landlord Incentives (HCV- Tenant-based Assistance)
Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative Under this activity, HHA will provide leasing incentive payments to encourage landlords with housing units in high opportunity areas and other areas throughout the HHA jurisdiction where vouchers are difficult to use as identified in the HHA Administrative Plan to participate in the Housing Choice Voucher (HCV) tenant-based program. Payments to landlords will not exceed one month of the contract rent, and will be paid to the owner when the HAP contract is executed between HHA and the landlord. HHA will update its Administrative Plan to reflect this leasing incentive activity. Leasing incentives support HHA efforts to expand housing choices for tenant-based voucher holders.
Which of the MTW statutory objectives does this MTW activity serve? Housing choice
What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today. Increased expenditures
Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households? The MTW activity applies only to a subset or subsets of assisted households

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies to all family types

Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?

The MTW activity applies to all tenant-based units

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

Not applicable. This is a newly proposed activity.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Does this policy apply to certain types of units or to all units all HCV units or only certain types of units (for example, accessible units, units in a low-poverty neighborhood, or units/landlords new to the HCV program?)

Certain types of units only

What is the maximum payment that can be made to a landlord under this policy?

One month of the contract rent.

How many payments were issued under this policy in the most recently completed PHA fiscal year?

0

What is the total dollar value of payments issued under this policy in the most recently completed PHA fiscal year?

\$0

5.a. - Pre-Qualifying Unit Inspections (HCV)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2022 MTW Supplement. It allows HHA to conduct pre-qualifying unit inspections to determine if the unit meets HUD Housing Quality Standards in both the tenant-based and Project Based Voucher programs, provided that the pre-qualifying unit inspection must be done within 90 days of the participant occupying the unit. The program participant may request an interim inspection by contacting HHA at any time in accordance with current agency policies. HUD HQS standards at 24 CFR 982.401 apply to pre-qualifying inspections. This activity supports HHA goals to streamline program administration and increase housing choice for HCV program participants.

Which of the MTW statutory objectives does this MTW activity serve?

Cost effectiveness; Housing choice

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Neutral (no cost implications)

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

In FY 2023, HHA began planning for use of pre-qualifying inspections. Implementation is projected to take place over the 2023-24 time frame.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

How long is the pre-inspection valid for?

The pre-inspection is valid for 90 days.

5.c. - Third-Party Requirement (HCV)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2022 MTW Supplement. It allows HHA to conduct HQS inspections of Project Based Voucher (PBV) units that it owns, manages and/or controls as an alternative to having inspections conducted by a third party. All such inspections are conducted using HQS standards found at 24 CFR 982.401. To ensure the consistent and uniform application of HQS standards, HHA supervisory staff will conduct quality control inspections on a random sample of units in accordance with the Inspection Quality Assurance Method developed by HHA. Program participants may request an interim inspection by contacting HHA in accordance with the policies described in the Administrative Plan. If requested by HUD, HHA will obtain the services of a third-party entity to determine if HHA-owned units pass HQS. This activity helps support the HHA goal to streamline program administration and promote timely lease-up of PBV units.

Which of the MTW statutory objectives does this MTW activity serve?

Cost effectiveness

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Neutral (no cost implications)

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies only to a subset or subsets of assisted households

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies to all family types

Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?

The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers

Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.

Applies to PBV units that HHA owns, manages or controls.

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

HHA has begun to plan for this initiative and projects that it will conduct HQS inspections for PBV units that it owns, manages or controls over the course of the next fiscal year.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Please explain or upload the description of the quality assurance method:

Following will explain the quality assurance method

See attached HHA Quality Assurance method which was originally submitted as part of the prior year MTW Supplement.

This document is attached.

5.d. - Alternative Inspection Schedule (HCV)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2022 MTW Supplement. It allows HHA to implement an alternative inspection schedule for HCV units based on agency assessment of the age, property/unit condition, quality of property management and/or other relevant factors for individual units or buildings under a Housing Assistance Payments contract. All units must be inspected and pass HQS at initial occupancy. The alternative inspection will require that all units meet HUD Housing Quality Standards (HQS) and be inspected at least once every three years. All program participants will be able to request an interim inspection in accordance with HHA Administrative Plan policies. HUD shall be able to conduct or direct HHA to conduct inspections at any time for health, safety and/or accessibility purposes. This activity supports the goals of reducing administrative burden and streamlining program administration.

Which of the MTW statutory objectives does this MTW activity serve?

Cost effectiveness

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Neutral (no cost implications)

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

HHA began to plan for implementation of this waiver in FY 2023 with a projected roll out over the 2023-24 time frame.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

9.b. - Increase PBV Project Cap (HCV)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2022 MTW Supplement. It allows HHA to eliminate or raise the existing cap on the number of units within a project and allow up to 100% of units in a project to be placed under a PBV Housing Assistance Payments contract. HHA may eliminate or raise the project cap for those PBV projects that the agency determines to be consistent with the goal of increasing housing choice for Housing Choice Voucher program participants. HHA may eliminate or raise the project cap for projects located in high opportunity areas, City-designated revitalization areas, in conjunction with HHA-sponsored development activities and for other factors as determined by HHA. HHA will continue to be subject to the applicable provisions of PIH Notice 2013-28 or successor notices. This activity supports the goal of increasing housing choice.

Which of the MTW statutory objectives does this MTW activity serve?

Housing choice

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Neutral (no cost implications)

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies only to a subset or subsets of assisted households

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies to all family types

Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?

The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers

Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.

HHA may eliminate or raise the project cap for PBV projects located in high opportunity areas, City-designated revitalization areas, in conjunction with HHA-sponsored development activities and for other factors as determined by HHA.

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

HHA will implement this waiver as needed in response to future PBV proposals.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

9.c. - Elimination of PBV Selection Process for PHA-owned Projects Without Improvement, Development, or Replacement (HCV)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2022 MTW Supplement. It allows HHA to eliminate the selection process in the award of Project Based Vouchers to properties owned by HHA that are not public housing without engaging in an initiative to improve, develop or replace a public housing property or site. HHA may award PBVs to projects meeting this criteria based on approval by the HHA Board of Commissioners and provided that: 1) A subsidy layering review is performed where required by regulation; 2) HHA completed site selection requirements; 3) HQS inspections shall be performed by an independent entity (unless waived pursuant to an MTW waiver); and, 4) The property is owned by a single-asset entity of HHA in conformance with HUD PIH Notice 2017-21 or successor notice. HHA shall continue to be subject where applicable to HUD PIH Notice 2013-27 or successor notice. The HHA goals for this activity are to increase housing choice and to streamline and make operations more cost effective.

Which of the MTW statutory objectives does this MTW activity serve?

Cost effectiveness; Housing choice

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Neutral (no cost implications)

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies only to a subset or subsets of assisted households

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies to all family types

Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?

The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers

Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.

Applies to PBV awards for properties owned by HHA that are not public housing.

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

HHA plans to implement this waiver for qualified projects in the future.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

10.d.PH - Modify or Eliminate the Contract of Participation (PH)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

Under this activity, HHA will modify its Family Self-Sufficiency (FSS) program to allow for the participant Contract of Participation (COP) to have a term of up to seven (7) years. Based on FSS program experience, this extended term of participation will help facilitate the accomplishment of participant self-sufficiency goals. HHA will conform to all applicable safe harbor guidelines in the MTW Operations Notice including reviewing FSS program guidance; executing a COP with

each FSS participant; not making FSS participation mandatory for any participant; and, all other safe harbor requirements. This activity will support HHA efforts to promote economic self-sufficiency initiatives among residents and HCV program participants.

Which of the MTW statutory objectives does this MTW activity serve?

Self-sufficiency

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

Not applicable. This is a newly proposed activity.

Does this MTW activity require a hardship policy?

No

No document is attached.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Does the MTW activity require an impact analysis?

No

No document is attached.

13. - How many months will households be able to remain in a unit while over income? (PH)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

Under this newly proposed activity, HHA will extend the grace period for which a public housing household can be over-income while remaining in a subsidized public housing unit to three years (36 months). This extension of the grace period will provide incentives for HHA residents to make economic progress and move towards economic self-sufficiency. HHA will comply with all required safe harbor standards as defined in the Operations Notice including: 1) The over-income limit defined by HUD is set at 120% of Area Median Income; 2) the grace period for an over-income household to remain in a subsidized public housing unit is three years; 3) HHA will inform households of their over-income status no less than one year prior to the end of the grace period; and, 4) At the end of the grace period, HHA will charge the household an alternative monthly rent applicable to over-income households in conformance with applicable HUD HOTMA requirements and the HHA Administrative Plan. This activity contributes to HHA initiatives to promote economic self-sufficiency of public housing residents and also supports Section 3-related resident business goals.

Which of the MTW statutory objectives does this MTW activity serve?

Self-sufficiency

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Neutral (no cost implications)

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of

assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

Not applicable. This is a newly proposed activity for FY 2024.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

How many months will households be able to remain in a unit while over income?

36

17.c. - Housing Development Programs

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative

This activity was first approved as part of the FY 2022 MTW Supplement. It allows HHA to utilize MTW funding to acquire, renovate and/or build affordable housing units that are not public housing for low-income families and that meet HUD requirements for MTW "local, non-traditional housing" as defined in HUD PIH Notice 2011-45 or successor notices. HHA may utilize this activity to provide gap financing (grants or loans) to affordable housing developments including, but not limited to, PBV developments, Low Income Housing Tax Credit developments and/or other eligible development activities, subject to approval by the HHA Board of Commissioners. HHA shall not expend more than 10% of its Housing Assistance Payments budget on local, non-traditional activities including this housing development activity. In implementing this activity, HHA shall: 1) Ensure that families assisted meet the HUD definition of "low-income"; 2) Comply with PIH Notice 2011-45 as applicable; 3) Comply with Section 30 of the US Housing Act of 1937; and, 4) Competitively bid any MTW funding awarded through this activity to a third-party provider. HHA has provided summary information on potential projects for funding under this activity; however, other projects may also be considered subject to approval of the HHA Board of Commissioners. This activity supports the goals to increase housing choices for low-income households and to leverage additional funds for affordable housing development.

Which of the MTW statutory objectives does this MTW activity serve?

Housing choice

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.

Increased expenditures

Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

HHA identified potential sites for use of this waiver in both the FY 2023 and 2024 MTW Supplements and may proceed to provide funding based on approval by the HHA Board of Commissioners.

Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

Table 17.c.1 - Housing Development Programs that the MTW Agency plans to commit Funds to in Fiscal Year

Name of Development and Address	MTW Role: Acquisition, Rehabilitation, New Construction?	Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other	Number of Affordable Units	Total Number of Units	Number of Units by Affordability - 80% of AMI	Number of Units by Affordability - 50% of AMI	Number of Units by Affordability - 30% of AMI	Number of Units by Affordability - Other
Fountain View TBD	New construction - Development approach including financing and unit counts are preliminary and subject to change	TBD	250.00	250.00	0.00	0.00	0.00	0.00
Sweetwater Apartments	Rehabilitation/preservation of existing 260 unit LIHTC development that includes 26 public housing units	TBD	260.00	0.00	0.00	0.00	0.00	0.00
Mansions at Turkey Creek	Rehabilitation/preservation of existing 252 unit LIHTC development	TBD	252.00	0.00	0.00	0.00	0.00	0.00
HRI		TBD	0.00	0.00	0.00	0.00	0.00	0.00

Housing Development Programs that the MTW Agency plans to spend funds on in the Fiscal Year

Name of Development and Address	MTW Role: Acquisition, Rehabilitation, New Construction?	Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other	Number of Affordable Units	Total Number of Units	Number of Units by Affordability - 80% of AMI	Number of Units by Affordability - 50% of AMI	Number of Units by Affordability - 30% of AMI	Number of Units by Affordability - Other
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Table 17.c.2 - Housing Development Programs that the MTW Agency committed funds to in prior Fiscal Year

Name of Development and Address	MTW Role: Acquisition, Rehabilitation, New Construction?	Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other	Number of Affordable Units	Total Number of Units	Number of Units by Affordability - 80% of AMI	Number of Units by Affordability - 50% of AMI	Number of Units by Affordability - 30% of AMI	Number of Units by Affordability - Other
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Housing Development Programs that the MTW Agency spent funds on in prior Fiscal Year

Name of Development and Address	MTW Role: Acquisition, Rehabilitation, New Construction?	Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other	Number of Affordable Units	Total Number of Units	Number of Units by Affordability - 80% of AMI	Number of Units by Affordability - 50% of AMI	Number of Units by Affordability - 30% of AMI	Number of Units by Affordability - Other
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D.	Safe Harbor Waivers.
D.1	<p>Will the MTW agency submit request for approval of a Safe Harbor Waiver this year?</p> <p>No Safe Harbor Waivers are being requested.</p>

E.	Agency-Specific Waiver(s).
E.1	<p>Agency-Specific Waiver(s) for HUD Approval:</p> <p>The MTW demonstration program is intended to foster innovation and HUD encourages MTW agencies, in consultation with their residents and stakeholders, to be creative in their approach to solving affordable housing issues facing their local communities. For this reason, flexibilities beyond those provided for in Appendix I may be needed. Agency-Specific Waivers may be requested if an MTW agency wishes to implement additional activities, or waive a statutory and/or regulatory requirement not included in Appendix I.</p> <p>In order to pursue an Agency-Specific Waiver, an MTW agency must include an Agency-Specific Waiver request, an impact analysis, and a hardship policy (as applicable), and respond to all of the mandatory core questions as applicable.</p> <p>For each Agency-Specific Waiver(s) request, please upload supporting documentation, that includes: a) a full description of the activity, including what the agency is proposing to waive (i.e., statute, regulation, and/or Operations Notice), b) how the initiative achieves one or more of the 3 MTW statutory objectives, c) a description of which population groups and household types that will be impacted by this activity, d) any cost implications associated with the activity, e) an implementation timeline for the initiative, f) an impact analysis, g) a description of the hardship policy for the initiative, and h) a copy of all comments received at the public hearing along with the MTW agency's description of how the comments were considered, as a required attachment to the MTW Supplement.</p> <p>Will the MTW agency submit a request for approval of an Agency-Specific Waiver this year?</p> <p>No Agency-Specific Waivers are being requested.</p>
E.2	<p>Agency-Specific Waiver(s) for which HUD Approval has been Received:</p> <p>Does the MTW agency have any approved Agency-Specific Waivers?</p> <p>Yes</p> <p>Has there been a change in how the waiver is being implemented from when it was originally approved?</p> <p>No</p>

F.	Public Housing Operating Subsidy Grant Reporting.
F.1	Total Public Housing Operating subsidy amount authorized, disbursed by 9/30, remaining, and deadline for disbursement, by Federal Fiscal Year for each year the PHA is designated an MTW agency.

Federal Fiscal Year (FFY)	Total Operating Subsidy Authorized Amount	How Much PHA Disbursed by the 9/30 Reporting Period	Remaining Not Yet Disbursed	Deadline
2021	\$16,089,982	\$16,089,982	\$0	2029-09-30
2022	\$16,946,888	\$16,946,888	\$0	2030-09-30
2023	\$14,423,032	\$14,423,032	\$0	2031-09-30

G.	MTW Statutory Requirements.	
G.1	75% Very Low Income – Local, Non-Traditional. HUD will verify compliance with the statutory requirement that at least 75% of the households assisted by the MTW agency are very low-income for MTW public housing units and MTW HCVs through HUD systems. The MTW PHA must provide data for the actual families housed upon admission during the PHA's most recently completed Fiscal Year for its Local, Non-Traditional program households.	
	Income Level	Number of Local, Non-Traditional Households Admitted in the Fiscal Year*
	80%-50% Area Median Income	0
	49%-30% Area Median Income	0
	Below 30% Area Median Income	0
	Total Local, Non-Traditional Households	0

*Local, non-traditional income data must be provided in the MTW Supplement form until such time that it can be submitted in IMS-PIC or other HUD system.

G.2	Establishing Reasonable Rent Policy.
Has the MTW agency established a rent reform policy to encourage employment and self-sufficiency? Yes	

G.3	Substantially the Same (STS) – Local, Non-Traditional.
The total number of unit months that families were housed in a local, non-traditional rental subsidy for the prior full calendar year.	0 # of unit months
The total number of unit months that families were housed in a local, non-traditional housing development program for the prior full calendar year.	0 # of unit months

Number of units developed under the local, non-traditional housing development activity that were available for occupancy during the prior full calendar year:

PROPERTY NAME/ ADDRESS	0/1 BR	2 BR	3 BR	4 BR	5 BR	6+ BR	TOTAL UNITS	POPULATION TYPE*	if 'Population Type' is Other	# of Section 504 Accessible (Mobility)**	# of Section 504 Accessible (Hearing/ Vision)	Was this Property Made Available for Initial Occupancy during the Prior Full Calendar Year?	What was the Total Amount of MTW Funds Invested into the Property?
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G.4	Comparable Mix (by Family Size) – Local, Non-Traditional.
To demonstrate compliance with the statutory requirement to continue serving a 'comparable mix' of families by family size to that which would have been served without MTW, the MTW agency will provide the number of families occupying local, non-traditional units by household size for the most recently completed Fiscal Year in the provided table.	

Family Size:	Occupied Number of Local, Non-Traditional units by Household Size
1 Person	0
2 Person	0
3 Person	0
4 Person	0
5 Person	0
6+ Person	0
Totals	0

H.	Public Comment
Attached you will find a copy of all of the comments received and a description of how the agency analyzed the comments, as well as any decisions made based on those comments.	

I.	Evaluations.
Yes - This table lists evaluations of Houston's MTW activities, including the names of evaluators and available reports	

Table I.1 - Evaluations of MTW Policies

Title and short description	Evaluator name and contact information	Time period	Reports available
As part of MTW Cohort #2, MDRC is providing technical assistance and conducting an evaluation of the alternative rent structures to be implemented by HHA and other Cohort #2 agencies.	MDRC Contact: Keith Olejniczak, Research Associate Email: keith.olejniczak@mdrc.org Phone: 510-844-2306	Evaluation will be conducted over a six-year period beginning at study enrollment.	N/A

MTW CERTIFICATIONS OF COMPLIANCE**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF PUBLIC AND INDIAN HOUSING****Certifications of Compliance with Regulations:
Board Resolution to Accompany the MTW Supplement to the Annual PHA Plan**

Acting on behalf of the Board of Commissioners of the Moving to Work Public Housing Agency (MTW PHA) listed below, as its Chairperson or other authorized MTW PHA official if there is no Board of Commissioners, I approve the submission of the MTW Supplement to the Annual PHA Plan for the MTW PHA Fiscal Year beginning (01/01/2024), hereinafter referred to as "the MTW Supplement", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the MTW Supplement and implementation thereof:

- (1) The PHA made the proposed MTW Supplement and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the MTW Supplement and invited public comment.
- (2) The MTW PHA took into consideration public and resident comments (including those of its Resident Advisory Board(s) or tenant associations, as applicable) before approval of the MTW Supplement by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the annual MTW Supplement.
- (3) The MTW PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1 (or successor form as required by HUD).
- (4) The MTW PHA will carry out the MTW Supplement in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4), the Fair Housing Act (42 U.S.C. 3601-19), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and title II of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) all regulations implementing these authorities; and other applicable Federal, State, and local civil rights laws.
- (5) The MTW Supplement is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
- (6) The MTW Supplement contains a certification by the appropriate state or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the MTW PHA's jurisdiction and a description of the manner in which the MTW Supplement is consistent with the applicable Consolidated Plan.
- (7) The MTW PHA will affirmatively further fair housing, which means that it will: (i) take meaningful actions to further the goals identified by the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR 5.150-5.180 and 903.15; (ii) take no action that is materially inconsistent with its obligation to affirmatively further fair housing; and (iii) address fair housing issues and contributing factors in its programs, in accordance with 24 CFR 903.7(o)(3) and 903.15(d). Note: Until the PHA is required to submit an AFH, and that AFH has been accepted by HUD, the PHA must follow the certification requirements of 24 CFR 903.7(o) in effect prior to August 17, 2015. Under these requirements, the PHA will be considered in compliance with the certification requirements of 24 CFR 903.7(o)(1)-(3) and 903.15(d) if it: (i) examines its programs or proposed programs; (ii) identifies any impediments to fair housing choice within those programs; (iii) addresses those impediments in a reasonable fashion in view of the resources available; (iv) works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and (v) maintains records reflecting these analyses and actions.
- (8) The MTW PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975 and HUD's implementing regulations at 24 C.F.R. Part 146.
- (9) In accordance with 24 CFR 5.105(a)(2), HUD's Equal Access Rule, the MTW PHA will not make a determination of eligibility for housing based on sexual orientation, gender identity, or marital status and will make no inquiries concerning the gender identification or sexual orientation of an applicant for or occupant of HUD-assisted housing.
- (10) The MTW PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
- (11) The MTW PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low- or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
- (12) The MTW PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.
- (13) The MTW PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment.
- (14) The MTW PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

- (15) The MTW PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
- (16) The MTW PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the MTW PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
- (17) With respect to public housing and applicable local, non-traditional development the MTW PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
- (18) The MTW PHA will keep records in accordance with 2 CFR 200.333-200.337 and facilitate an effective audit to determine compliance with program requirements.
- (19) The MTW PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
- (20) The MTW PHA will comply with the policies, guidelines, and requirements of 2 CFR Part 200.
- (21) The MTW PHA must fulfill its responsibilities to comply with and ensure enforcement of housing quality standards as required in PIH Notice 2011-45, or successor notice, for any local, non-traditional program units. The MTW PHA must fulfill its responsibilities to comply with and ensure enforcement of Housing Quality Standards, as defined in 24 CFR Part 982, for any Housing Choice Voucher units under administration.
- (22) The MTW PHA will undertake only activities and programs covered by the Moving to Work Operations Notice in a manner consistent with its MTW Supplement and will utilize covered grant funds only for activities that are approvable under the Moving to Work Operations Notice and included in its MTW Supplement. MTW Waivers activities being implemented by the agency must fall within the safe harbors outlined in Appendix I of the Moving to Work Operations Notice and/or HUD approved Agency-Specific or Safe Harbor Waivers.
- (23) All attachments to the MTW Supplement have been and will continue to be available at all times and all locations that the MTW Supplement is available for public inspection. All required supporting documents have been made available for public inspection along with the MTW Supplement and additional requirements at the primary business office of the PHA and at all other times and locations identified by the MTW PHA in its MTW Supplement and will continue to be made available at least at the primary business office of the MTW PHA.

Houston Housing Authority

TX005

MTW PHA NAME

MTW PHA NUMBER/HA CODE

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

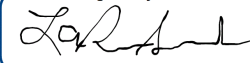
LaRence Snowden

Chair, Board of Commissioners

NAME OF AUTHORIZED OFFICIAL

TITLE

DocuSigned by:



9/20/2023

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SIGNATURE

DATE

* *Must be signed by either the Chairperson or Secretary of the Board of the MTW PHA's legislative body. This certification cannot be signed by an employee unless authorized by the MTW PHA Board to do so. If this document is not signed by the Chairperson or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.*

HOUSTON HOUSING AUTHORITY
FY 2024 ANNUAL PHA PLAN AND MTW SUPPLEMENT
PUBLIC COMMENT AND HHA RESPONSES

The Houston Housing Authority (HHA) requested public review and comments and conducted public meetings and a hearing on HHA's Fiscal Year 2024 PHA Annual Plan including the Moving to Work (MTW) Supplement in accordance with HUD requirements:

- The public comment period extended from July 17 through August 31, 2023.
- During the public comment period, HHA conducted three public meetings (two in-person and one virtual) for the Resident Advisory Board, tenant associations and the general public. The meetings were held on July 19, August 2 and August 9, 2023.
- Following the public comment period, HHA conducted a public hearing before the HHA Board of Commissioners on September 12, 2023.

Public Comments and HHA Responses

At the public meetings, HHA staff presented an overview of the FY 2024 Annual PHA Plan, the MTW Supplement and the 5-Year Capital Plan, as well as a discussion of proposed revisions to the Public Housing Admissions and Continued Occupancy Policy and Housing Choice Voucher Program Administrative Plan.

HHA reviewed the Annual PHA Plan elements including plans for: a Choice Neighborhoods Implementation grant submission for Cuney Homes; converting public housing under the Rental Assistance Demonstration (RAD) program; modernization and development initiatives; Project-Based Vouchers; and, various other management initiatives.

HHA discussed a series of new initiatives for FY 2024 including Housing Choice Voucher (HCV) program landlord incentives (leasing incentives, vacancy loss payments, damage payments) and first-time homebuyer assistance. HHA reviewed planned revisions to the Public Housing Admissions and Continued Occupancy Policy and the HCV Administrative Plan including revised and updated preferences.

HHA noted that all MTW activities included in the prior year MTW Supplement were approved by HUD. For FY 2024, HHA proposed additional MTW waivers to implement the above-referenced HCV landlord incentives, modify the Family Self Sufficiency (FSS) Program Contract of Participation and extend the grace period for over-income public housing households.

For FY 2024, implementation of the MTW alternative rent policies evaluation initiative and other approved MTW flexibilities will continue to be an agency priority. It was noted that additional MTW components will evolve over time based on agency priorities and feedback from residents and other community stakeholders.

During the public meetings and hearing, HHA provided a forum for open discussion among HHA residents and members of the public. Over the course of the discussions, participants raised several questions and issues. The questions/issues and HHA's responses and decisions are summarized below:

How do I convert from Public Housing to getting a voucher?

HHA reviewed current and proposed voucher program waiting list and preference policies, indicating that HHA's revised HCV Administrative Plan for FY 2024 incorporates a limited preference for eligible public housing residents who are interested in pursuing first time homeownership.

How do I qualify for a Homeownership voucher for Public Housing?

HHA explained that the revised HCV Administrative Plan for FY 2024 provides a preference to up to 20 HHA-assisted public housing residents who have successfully completed their Contract of Participation under HHA's FSS program, are interested in the HCV Homeownership Program, and meet all applicable requirements.

Please explain the three-year recertification process.

HHA reviewed the three-year recertification process under the MTW program. Residents were reminded that HHA will notify residents of their next recertification dates and that they may request interim recertifications in between regular recertifications.

In closing, HHA thanked all participants and welcomed the ongoing involvement of residents and community stakeholders in shaping agency plans, priorities and policies through the Annual PHA Plan and MTW Supplement process.

**Houston Housing Authority
Public Housing Program – Tiered Rent Schedule**

The tiered rent schedule for public housing is shown below. As applicable, public housing tiered rents are capped at the flat rent and/or Low Income Housing Tax Credit rent for the unit.

Tier #	Income Tier Based on Gross Household Income	Rent (Total Tenant Payment)
1.	\$0 to \$1,999	\$50
2.	\$2,000 to \$3,999	\$50
3.	\$4,000 to \$5,999	\$93
4.	\$6,000 to \$7,999	\$140
5.	\$8,000 to \$9,999	\$187
6.	\$10,000 to \$11,999	\$233
7.	\$12,000 to \$13,999	\$280
8.	\$14,000 to \$15,999	\$327
9.	\$16,000 to \$17,999	\$373
10.	\$18,000 to \$19,999	\$420
11.	\$20,000 to \$21,999	\$467
12.	\$22,000 to \$23,999	\$513
13.	\$24,000 to \$25,999	\$560
14.	\$26,000 to \$27,999	\$607
15.	\$28,000 to \$29,999	\$653
16.	\$30,000 to \$31,999	\$700
17.	\$32,000 to \$33,999	\$747
18.	\$34,000 to \$35,999	\$793
19.	\$36,000 to \$37,999	\$840
20.	\$38,000 to \$39,999	\$887
21.	\$40,000 to \$41,999	\$933
22.	\$42,000 to \$43,999	\$980
23.	\$44,000 to \$45,999	\$1,027
24.	\$46,000 to \$47,999	\$1,073
25.	\$48,000 to \$49,999	\$1,120
26.	\$50,000 to \$51,999	\$1,167
27.	\$52,000 to \$53,999	\$1,213
28.	\$54,000 to \$55,999	\$1,260
29.	\$56,000 to \$57,999	\$1,307
30.	\$58,000 to \$59,999	\$1,353
31.	\$60,000 to \$61,999	\$1,400
32.	\$62,000 to \$63,999	\$1,447
33.	\$64,000 to \$65,999	\$1,493

Tier #	Income Tier Based on Gross Household Income	Rent (Total Tenant Payment)
34.	\$66,000 to \$67,999	\$1,540
35.	\$68,000 to \$69,999	\$1,587
36.	\$70,000 to \$71,999	\$1,633
37.	\$72,000 to \$73,999	\$1,680
38.	\$74,000 to \$75,999	\$1,727
39.	\$76,000 to \$77,999	\$1,773
40.	\$78,000 to \$79,999	\$1,820
41.	\$80,000 to \$81,999	\$1,867
42.	\$82,000 to \$83,999	\$1,913
43.	\$84,000 to \$85,999	\$1,960
44.	\$86,000 to \$87,999	\$2,007
45.	\$88,000 to \$89,999	\$2,053
46.	\$90,000 to \$91,999	\$2,100
47.	\$92,000 to \$93,999	\$2,147
48.	\$94,000 to \$95,999	\$2,193
49.	\$96,000 to \$97,999	\$2,240
50.	\$98,000 to \$99,999	\$2,287
51.	\$100,000 to \$101,999	\$2,333
52.	\$102,000 to \$103,999	\$2,380
53.	\$104,000 to \$105,999	\$2,427
54.	\$106,000 to \$107,999	\$2,473
55.	\$108,000 to \$109,999	\$2,520
56.	\$110,000 to \$111,999	\$2,567
57.	\$112,000 to \$113,999	\$2,613
58.	\$114,000 to \$115,999	\$2,660

**Houston Housing Authority
Housing Choice Voucher Program – Tiered Rent Schedule**

The tiered rent schedule for the Housing Choice Voucher program is shown below. As applicable, Housing Choice Voucher program tiered rents are capped at the point when the Housing Assistance Payment equals zero.

Tier #	Income Tier Based on Gross Household Income	Rent (Total Tenant Payment)
1.	\$0 to \$1,999	\$50
2.	\$2,000 to \$3,999	\$50
3.	\$4,000 to \$5,999	\$93
4.	\$6,000 to \$7,999	\$140
5.	\$8,000 to \$9,999	\$187
6.	\$10,000 to \$11,999	\$233
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24.	\$46,000 to \$47,999	\$1,073
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34.	\$66,000 to \$67,999	\$1,540

Tier #	Income Tier Based on Gross Household Income	Rent (Total Tenant Payment)
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41.	\$80,000 to \$81,999	\$1,867
42.	\$82,000 to \$83,999	\$1,913
43.	\$84,000 to \$85,999	\$1,960
44.	\$86,000 to \$87,999	\$2,007
45.	\$88,000 to \$89,999	\$2,053
46.	\$90,000 to \$91,999	\$2,100
47.	\$92,000 to \$93,999	\$2,147
48.	\$94,000 to \$95,999	\$2,193
49.	\$96,000 to \$97,999	\$2,240
50.	\$98,000 to \$99,999	\$2,287
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52.	\$102,000 to \$103,999	\$2,380
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54.	\$106,000 to \$107,999	\$2,473
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57.	\$112,000 to \$113,999	\$2,613
58.	\$114,000 to \$115,999	\$2,660

HOUSTON HOUSING AUTHORITY
RENT REASONABLENESS THIRD PARTY REQUIREMENT QUALITY ASSURANCE METHODS
MTW ACTIVITY 2.D.

HHA is authorized pursuant to Moving to Work (MTW) Activity 2.D as defined in the MTW Operations Notice to perform rent reasonableness determinations on Project Based Voucher (PBV) units that it owns, manages and/or controls. This activity waives certain provisions of the Housing Act of 1937 along with HUD regulations at 24 CFR 982.352(b) and 24 CFR 983.303. Essentially, HHA will conduct rent reasonableness determinations on PBV units that it owns, manages and/or controls in accordance with other applicable HUD regulations and consistent with the way the agency conducts rent reasonableness for all other units leased under the Housing Choice Voucher (HCV) program including both tenant-based and project-based programs, i.e. HHA will determine that rents charged by owners to voucher participants are reasonable when compared to similar unassisted units in the market area. The MTW Operations Notice requires that HHA establish and make available this quality assurance method.

Quality Assurance Standards

HHA conducts rent reasonableness determinations in accordance with applicable HUD regulations, unless waived pursuant to a HUD-approved MTW Supplement, and in accordance with HHA's HCV Administrative Plan. Before HHA can enter into a HAP contract with an owner, HHA must verify that the rent the owner proposes to charge is reasonable in relation to comparable units in the private unassisted market. HHA takes into consideration the location, size, type, quality and age of the units, and the amenities, housing services, and maintenance and utilities when determining comparability and the reasonable rent.

HHA makes a determination that the proposed rent is reasonable in relation to comparable units in the private unassisted market. The market area for rent reasonableness comparability is the City of Houston, Texas, that area five miles beyond the City of Houston, or the nearest and most appropriate comps considering the factors detailed in the HCV Administrative Plan.

Rent reasonableness determinations are conducted prior to entering into a Housing Assistance Payments (HAP) contract. HHA must also redetermine the reasonable rent:

- Whenever there is a 10 percent decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR in effect 1 year before the contract anniversary.
- (Whenever HHA approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- (Whenever the HAP contract is amended to substitute a different contract unit in the same building or project; and
- Whenever there is any other change that may substantially affect the reasonable rent.

Quality Assurance Method

On at least an annual basis, HHA supervisory staff shall conduct a quality assurance review of units covered under this MTW waiver utilizing the following information:

- Administrative Plan sections on Rent Reasonableness
- The number of families assisted in PBV units owned, managed and/or controlled by HHA.

The quality assurance review shall include the following action steps:

1. Determine the proper sample size based on the number of families assisted in PBV units owned, managed and/or controlled by HHA.
2. Select a random sample using the universe and table below.
3. Review Administrative Plan policies governing rent reasonableness.
4. Review each file for adherence to rent reasonableness policies and procedures.
5. Complete data collection form.
6. Determine what percent of families in the sample had reasonable rent determinations completed correctly.
7. Take action to address any material deficiencies in HHA's rent reasonableness process including, but not limited to, providing follow-up training to staff and/or adjusting the rent.

Universe Size	Minimum Number of files to be Sampled
50 or less	5
51 – 600	5 + 1 for each 50 (or part of 50) over 50
601 – 2000	16 plus 1 for each 100 (or part of 100) over 600
Over 2000	30 plus 1 for each 200 (or part of 200) over 2000

HOUSTON HOUSING AUTHORITY
RENT REASONABLENESS EXCERPTS FROM HCV ADMINISTRATIVE PLAN

H. Rent Reasonableness

Before HHA can enter into a HAP contract with an owner, HHA must verify that the rent the owner proposes to charge is reasonable.

Rent reasonableness determinations must be determined:

1. At initial lease up,
2. Owner-requested rent increase, or
3. If the published FMR is decreased by 10% or more to take effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect 1 year before the contract anniversary (24 CFR § 982.507).

As required by HUD regulations, before executing a HAP contract, HHA makes a determination that the proposed rent is reasonable in relation to comparable units in the private unassisted market. The market area for rent reasonableness comparability is the City of Houston, Texas, that area five miles beyond the City of Houston, or the nearest and most appropriate comps considering the factors listed in 4, below.

Rent must be reasonable in relation to rents charged by other owners for comparable unassisted units in the private market. The owner must not change the rent during the initial lease term. Subsequent requests for rent adjustments must be consistent with the lease between the owner and the family. Rent increases will not be approved unless any failed items identified by the most recent HQS inspection have been corrected.

4. HHA will consider some or all of the following factors in making a determination of reasonable rent:
 - a. Size
 - b. Location
 - c. Type
 - d. Quality
 - e. Amenities
 - f. Age
 - g. Maintenance Services
 - h. Housing Services
 - i. Non-housing Services (if any)
 - j. Utilities
5. If the owner does not agree on a contract rent that is reasonable, after the Authority has tried and failed to negotiate a revised rent, the Authority will inform the tenant that the lease cannot be approved. The tenant should continue to locate eligible housing if his/her Voucher has not expired.
6. If the unit's rent is determined to be reasonable or if the owner accepts the offer of a revised rent that is reasonable, the Authority will continue processing the Request for Tenancy Approval and Lease.

7. By accepting each monthly HAP payment from the Authority, the owner certifies that the rent to owner is not more than the rent charged by the owner for comparable unassisted units on the premises.
8. The owner must give the Authority information (if requested by the Authority) on rents charged by the owner for other units on the premises or elsewhere. The Authority will maintain records that include comparable data on unassisted units in the market.

I. Rent Increases to Owners

On or after the anniversary of the first year or term of the lease and HAP contract, owners may request a rent adjustment. All adjustment requests submitted to the Authority must be requested in writing in the format prescribed by the Authority. The owner must provide a 90-day advance notice to the family and supply a copy to the Authority. ***Owner rent adjustments, if determined reasonable by the Authority, are effective the first day of the first month commencing on or after the contract anniversary date or 60 days from the first of the month following receipt of the owner request, whichever is later.*** In order for the tenant to remain on the Housing Choice Voucher program in the unit, the new rent must meet rent reasonableness. If it does not, the Authority will attempt to negotiate the rent with the owner to an amount acceptable. If the Authority is unsuccessful and the owner proceeds with the rent increase, the tenant will be issued a voucher to move to a program acceptable unit.

The Authority reserves the right to suspend processing of owner requests for rent adjustments for no more than six months, whenever funds are not sufficient to cover the cost of such adjustments.

HOUSTON HOUSING AUTHORITY

HQS INSPECTION QUALITY ASSURANCE METHODS – ACTIVITY 5.C.

HHA will perform HUD Housing Quality Standards (HQS) inspections on Project Based Voucher units that are owned, managed and/or controlled by HHA. To ensure the consistency and uniformity of these HQS inspections, HHA shall perform quality control inspections on a random sample of HQS inspections completed on HHA owned units in accordance with the policies described in the Administrative Plan. The following information describes HHA's quality control inspection policies and HHA's HQS QC audit protocol.

A. Program Integrity and Ethics

General Principles:

1. HHA anticipates that the vast majority of families, owners, and HHA employees intend to and will comply with program requirements and make reasonable efforts to avoid errors.
2. To ensure that the HHA's HCV program is administered effectively and according to the highest ethical and legal standards, HHA will employ a variety of techniques to ensure that both errors and intentional program abuse are rare.
3. In addition to taking steps to prevent errors and program abuse, HHA will use a variety of activities to detect errors and program abuse.

Quality Control and Analysis of Data

1. Under the Section 8 Management Assessment Program (SEMAP), HUD requires completion of quality control HQS inspections to provide feedback on inspectors' work, which can be used to determine if individual performance or general HQS training issues need to be addressed.
2. HHA will also conduct HQS QC reviews on a random sample of HQS inspections completed on HHA owned units consistent with the SEMAP HQS QC protocol. The universe is the number of HHA owned units under HAP contract
3. HHA will use the results reported in any IPA or HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of the HHA's error detection and abuse prevention efforts.
4. HHA will review all referrals, specific allegations, complaints, and tips from any source including, other agencies, companies, and individuals, to determine if they warrant investigation. In order for the HHA to investigate, the allegation must contain at least one independently-verifiable item of information, such as the name of an employer or the name of an unauthorized household member.
5. HHA will investigate inconsistent information related to the family that is identified through file reviews and the verification process.

B. Management Assessment Objectives

The Authority operates its housing assistance program with efficiency and uses resources in a manner that reflects commitment to quality and service. The Authority's policies and practices are consistent with SEMAP goals and objectives.

In order to demonstrate compliance with HUD and other pertinent regulations, the Authority will maintain records, reports and other documentation for a time that is in accordance with HUD

requirements and in a manner that will allow an auditor, housing professional or other interested party to monitor the Authority's operational procedures and practices objectively and accurately.

In addition to SEMAP monitoring, to ensure quality control, supervisory staff performs random audits of all Housing Choice Voucher actions.

HQS QUALITY CONTROL INSPECTIONS AUDIT PROTOCOL - HHA OWNED UNITS

Universe	Minimum Number of Reinspections to be Conducted
50 or less	5
51 – 600	5 + 1 for each 50 (or part of 50) over 50
601 – 2000	16 plus 1 for each 100 (or part of 100) over 600
Over 2000	30 plus 1 for each 200 (or part of 200) over 2000

Quarter 1:

Period of review: _____

Universe: For HHA owned units, the number units under HAP contract where the last HQS Inspection was completed within the past three months:

Number of files to sample: _____

Quarter 2:

Period of review: _____

Universe: For HHA owned units, the number units under HAP contract where the last HQS Inspection was completed within the past three months

Number of files to sample: _____

Quarter 3:

Period of review: _____

Universe: For HHA owned units, the number units under HAP contract where the last HQS Inspection was completed within the past three months:

Number of files to sample: _____

Quarter 4:

Period of review: _____

Universe: For HHA owned units, the number units under HAP contract where the last HQS Inspection was completed within the past three months

Number of files to sample: _____

**HOUSTON HOUSING AUTHORITY
HQS QUALITY CONTROL INSPECTIONS - HHA OWNED UNITS**

Period of Review: _____

Family	Initial Inspector	Original Inspection Date	QC Inspection Date	QC Inspector	Within 3 months? Y/N	QC Inspection Results; Consistent w/ Initial Inspection? Y/N	Comments

Analysis: (include issues identified and related recommendations and follow-up actions): _____

HOUSTON HOUSING AUTHORITY
AGENCY-SPECIFIC WAIVER REQUEST: ALTERNATIVE VERIFICATION METHODS

Under the Moving to Work (MTW) Operations Notice, MTW agencies are allowed to request Agency-Specific Waivers for activities that are not specially included in Appendix I of the Operations Notice. The Houston Housing Authority (HHA) is proposing to implement the following activity in both the Public Housing and Housing Choice Voucher (HCV) programs pursuant to an Agency-Specific Waiver.

A. Description Of Activity

This activity will waive provisions of certain HUD regulations and provisions of the HUD PIH Notice 2018-18 and successor notices as further described below to allow HHA to utilize an alternative, streamlined method to verify household member income for all Public Housing and HCV program applicants and participants (including both Tenant-Based and Project-Based programs). HHA intends to implement these alternative verification methods to streamline program administration and reduce administrative burdens to benefit both clients and the agency. While HHA intends to apply the alternative verification methods across the board to its Public Housing and HCV programs, this waiver will also support implementation of the Cohort #2 alternative rent policy evaluation initiative described in the MTW Supplement by facilitating the determination of income. Outlined below are the proposed verification changes. Each change will be applied to both applicants and participants in the Treatment, Control and Excluded groups.

- Extend the time that verification documents are valid. Under existing HCV and Public Housing program requirements, verification documents are acceptable only if they are dated within 60 days from the date of request. A waiver of 24 CFR 982.516(a)(2) and 24 CFR 960.259(c)(1) as interpreted by PIH Notice 2018-18 is requested to implement these changes. The following changes are proposed.
 - Applicants- HCV and Public Housing: Verifications may not be dated more than 180 days from the date of voucher issuance or the public housing lease effective date.
 - Participants - HCV and Public Housing: Verifications for reexaminations may not be dated more than 180 days from the effective date of the transaction.
 - Fixed Sources of Income: Verification documents for fixed income sources will be valid for the full calendar year in which the income is effective. For example, if a SS benefit letter is dated February 1, 2022, that benefit letter will be valid for any certification with an effective date in 2022.
- Increase the discrepancy threshold to \$5,000. HHA will continue to identify income discrepancies and take action to process discrepancies which may result in interim or annual correction actions; however, the threshold for the discrepancy will be set at \$5,000. A waiver of 24 CFR 5.233 and 24 CFR 5.236 is requested to implement this change.
- Revise the HUD Verification Hierarchy: Under the existing HUD Income Verification Hierarchy, HHA is required to request and document attempts to obtain written third party verification forms and oral verification prior to relying on a tenant declaration. HHA's modified Income Verification Hierarchy will allow HHA to rely on any of the third-party verification methods before accepting self-certification. This process will streamline the verification process and allow HHA to repurpose staff

time on tasks outside of verification. HHA will continue to utilize Enterprise Income Verification (EIV) as the highest level of verification during the reexamination process. A waiver of PIH Notice 2018-18 is requested to implement this change.

Level	Verification Technique	Ranking
4	Upfront Income Verification using HUD's EIV and IVT	Highest (Mandatory)
3	Upfront Income Verification using non-HUD system	Highest (Optional)
2	Written Third Party Verification; Written Third Party Verification Form; or Oral Third Party Verification	High (Mandatory) <ul style="list-style-type: none"> • Supplements EIV and UIV • Also used for: <ul style="list-style-type: none"> ○ Non-EIV/UIV reported income sources ○ Disputes of EIV reported information
1	Self-Certification	High (Optional) <ul style="list-style-type: none"> • To supplement EIV when EIV reported sources do not contain verification of the full retrospective period where applicable; or • When tenant cannot produce written third party verification documents.

B. Relationship to MTW Statutory Objectives

This activity supports the MTW objective of cost effectiveness by simplifying and streamlining the verification of income while also providing for accurate calculations.

C. Population Groups and Household Types Impacted by Activity

The alternative verification hierarchy will apply to all public housing and HCV program applicants and participants (including tenant-based and project-based). As the new verification methods will simplify and streamline the income verification process, it is not projected to create any hardships for applicants or participants. Public housing and HCV program applicants and participants may request a grievance/informal/review/hearing to dispute the calculations used to determine income and rent. HHA will follow its applicable policies on grievances/reviews/hearings.

D. Cost Implications

This is a cost/revenue neutral activity.

E. Implementation Timetable

HHA projects that the alternative verification methods will begin to be used starting with admissions and recertifications processed on or after August 2022 in parallel with initial implementation of the Cohort #2 alternative rent policy evaluation initiative.

F. Impact Analysis

See attached.

G. Hardship Policy

Public housing and HCV program applicants and participants may request a grievance/informal review/hearing to dispute the calculations used to determine income and rent. HHA will follow its applicable policies on grievances/hearings.

H. Public Comments

No written or verbal public comments were received on this agency specific waiver request.

**HOUSTON HOUSING AUTHORITY
MTW HARDSHIP POLICY: HOUSING CHOICE VOUCHER PROGRAM**

A. GENERAL HARDSHIP POLICIES

HHA has developed conditions-based hardship policies as described below to address and mitigate financial hardships which may occur at enrollment or at any time during the tenancy or program participation. HHA’s general hardship policies are outlined below:

- HHA will review its hardship policies with families during its intake and recertification process and will consider if a household qualifies for a hardship exemption at the time of a potential termination of assistance that is due to an MTW activity.
- There is no limit to the number of hardships that a household may receive.
- If a household is approved for a hardship, and subsequently experiences another adverse event while still in hardship status, they may request an additional hardship that might further reduce their TTP.
- If a household is approved for a hardship, they are not required to report subsequent income increases during the period of their approved hardship.
- If a household is approved for a temporary hardship, when that hardship is scheduled to expire the household will be notified and may request an extension. When a hardship expires, the household will return to paying the tiered rent assigned according to their prior/retrospective gross income at their last triennial income examination.
- If the head of household, spouse, or co-head of household becomes elderly or disabled, the household is eligible to be excluded from the tiered rent and return to the traditional income-based rent policy.
- This hardship policy presents eligibility criteria and remedies for different types of hardships. The different types of hardships below are not mutually exclusive. If a household’s circumstances correspond to more than one type of hardship, they will receive the hardship most beneficial to them.

The table below identifies the hardship policy and the related Operations Notice waiver which requires establishment of a hardship policy.

Hardship Policy Applicability Table

No	Hardship Policy	Treatment *	Control **	Excluded ***	Waivers
1.	Hardship Process	X	X	X	
2.	Hardship at Enrollment: Decrease in Income	X			1b

No	Hardship Policy	Treatment *	Control **	Excluded ***	Waivers
3.	Hardship at Enrollment: Increase in TTP due to Loss of Childcare Expense Deduction				1s
4.	Reduction in Income Hardship	X			3b
5.	Childcare Expense Hardship	X			1s
6.	Full-Time Student Hardship	X			1w
7.	SAFMR Hardship	X	X	X	2a
8.	Alternative Verification Hierarchy	X	X	X	Agency Specific
9.	Other Hardship	X		X	N/A

* Treatment Group: Non-elderly, non-disabled households who were not excluded and who were *randomly selected to have their rent calculated using the Tiered Rent method. This includes randomly selected existing participants as well as randomly selected new admissions during the initial enrollment and all new admissions after the initial enrollment period.*

** **Control Group:** *Non-elderly, non-disabled households who were not excluded and who were randomly selected to have their rent calculated in accordance with standard Housing Choice Voucher program regulations*

*** **Excluded Group:** *All elderly, disabled, FSS, homeownership households, households with special purpose vouchers and households who become or will become elderly or disabled during the 6-year demonstration, mixed eligibility families, families on and EID at the time of random assignment. Where special purpose vouchers are concerned, HHA will apply MTW policies to the extent that such policies are not in conflict with the applicable NOFA. In the event of a conflict, the NOFA will govern.*

B. HARDSHIP PROCESS

Households who request a hardship will be subject to the hardship process outlined below.

- When a household makes a written request for a hardship exemption , HHA will suspend the MTW activity on the first day of the next month after the hardship request is received.
- HHA will approve a provisional hardship TTP beginning the first day of the next month after the receipt of a valid hardship request indicating qualifying circumstances.
- The provisional hardship TTP will be based on the tier corresponding to the household’s current gross income, reported by the household in their hardship request.
- The household will be required to provide the required documentation within 14 days, to enable HHA to verify the hardship.
- HHA will decide whether to grant the hardship within 14 days of receiving required documentation. If the hardship request is denied, the household may be required to enter into a repayment agreement.

- HHA will retain records of all hardship requests received and the results of these requests and supply them at HUD's request. HHA will retain this information for the duration of the Agency's participation in the MTW demonstration program and make such information available for public review and inspection at HHA's principal office during normal business hours.
- If a financial hardship request is denied, HHA will provide the household with an opportunity to request an informal review/hearing for a second level review of the denied hardship request.
- Generally, approved hardship rents will remain in place for a twelve-month period at which time the household must reapply for hardship. If the household does not reapply or is not approved for a continued hardship, the rent will revert back to the pre-hardship tiered rent. Where a hardship request is granted and the triennial recertification occurs prior to the end of the 12-month hardship period, the hardship will automatically end at the triennial recertification. The household may reapply for hardship at the triennial recertification.

C. HARDSHIP AT ENROLLMENT: DECREASE IN INCOME

For households already receiving assistance, HHA conducts an income examination at the time of enrollment in the tiered rent treatment group. HHA will compare the household's current/anticipated gross income with their prior /retrospective gross income. If the household's current/anticipated gross income puts them in a lower income tier than their prior/retrospective gross income, HHA will automatically determine whether the household is eligible for a hardship exemption.

Request:

- Hardship requests do not need to be made at enrollment. HHA will automatically determine if a hardship, due to a decrease in income exists.

Eligibility:

- A household will be eligible for this hardship exemption if the household's current/anticipated gross income puts them in a lower income tier than their prior/retrospective gross income.

Remedy:

- If a hardship exists, the hardship TTP will be the TTP in the income tier for the current/anticipated gross income.

Time Frame:

- The hardship will remain in place for a twelve-month period.
- At the end of that twelve-month period, the household may reapply for an extended hardship TTP.
- If the household does not reapply for the hardship or is not approved for an extended hardship, the tiered rent will revert back to the pre-hardship tiered rent TTP.

Applicability:

- The Hardship at Enrollment: Decrease in Income applies to families in the Treatment group.

Example:

- Prior Year Retrospective Gross Income: \$25,000
 - Tiered Rent TTP based on prior/retrospective gross income: \$560
- Current/Anticipated Gross Income: \$18,000
 - Tiered Rent TTP based on current/anticipated gross income: \$420
 - Household is eligible for hardship since the tiered rent TTP using current/anticipated gross income is at least one tier lower than the tiered rent TTP using the prior/retrospective gross income.
 - Hardship TTP: \$420

D. HARDSHIP AT ENROLLMENT: INCREASE IN TTP DUE TO LOSS OF CHILDCARE EXPENSE DEDUCTION

Some families may face a hardship due to the tiered rent policy’s reliance on gross income (with no deductions) instead of adjusted income. The childcare deduction requires special attention because childcare can be very expensive and because paid childcare is often essential for enabling parents to work.

For households already receiving assistance, HHA conducts an income examination at the time of enrollment into the tiered rent treatment group. Where a household’s total unreimbursed childcare expenses is at least \$2,000/year, HHA will allow the full deduction of reasonable unreimbursed childcare expenses and apply the tiered TTP that corresponds to their current/anticipated adjusted annual income.

Request:

- Hardship requests do not need to be made at enrollment. HHA will automatically determine if a hardship, due to an increase in TTP as a result of the loss of childcare deductions, exists.

Eligibility:

- A household will be eligible for this hardship exemption if the household’s total unreimbursed childcare expenses are at least \$2,000/year.

Remedy:

- If a hardship exists, the hardship TTP will be set using the income band that applies to the household’s current/anticipated adjusted annual income, taking into account the full allowable childcare expense deduction.

Time Frame:

- The hardship will remain in place for a twelve-month period.
- At the end of that twelve-month period, the household may reapply for an extended hardship TTP. For continued childcare hardship eligibility, during the twelve-month hardship period, the household must apply for childcare assistance provided by local private/public partners. In the event childcare assistance is denied for reasons beyond failure to apply or lack of participation and the household remains eligible to deduct childcare expenses, HHA will extend the hardship for an additional twelve-month period. Written evidence of the household application and related written response is required for HHA to make a determination on extending the childcare hardship.
- If the household does not reapply for the hardship or is not approved for an extended hardship, the tiered rent will revert back to the pre-hardship tiered rent TTP.

Applicability:

- The Hardship at Enrollment: Increase in TTP Due to Loss Of Childcare Expense Deduction applies to families in the Treatment group.

Example:

- Prior/Retrospective Gross Income: \$30,000
- TTP using Prior/Retrospective Gross Income: \$700
- Childcare expenses: \$9,500
- Current/anticipated gross income: \$35,000
- Current/anticipated adjusted income: $\$35,000 - \$9,500 = \$25,500/\text{year}$
- Childcare expense deduction of \$9,500 exceeds the threshold of \$2,000/year
- Household qualifies for the childcare hardship
- Hardship TTP for the current/anticipated adjusted income is: \$560

E. REDUCTION IN INCOME HARDSHIP

To qualify for a hardship rent, a household's current/anticipated income must result in a tiered rent TTP which is at least one income tier lower from the pre-hardship tiered rent TTP.

Request:

- A hardship due to a decrease in income must be requested, in writing, by the household.

Eligibility:

- A household will be eligible for this hardship exemption if the household's current/anticipated income results in a tiered rent TTP which is at least one income tier lower than the pre-hardship tiered rent TTP.

Remedy:

- If a hardship exists, the hardship TTP will be the TTP in the income tier for the current/anticipated gross income.

Time Frame:

- The hardship will remain in place for a twelve-month period.
- At the end of that twelve-month period, the household may reapply for an extended hardship TTP.
- If the household does not reapply for the hardship or is not approved for an extended hardship, the tiered rent will revert back to the pre-hardship tiered rent TTP.

Applicability:

- The Reduction in Income Hardship Rent applies to families in the Treatment group.

Example:

- Prior/retrospective gross income: \$23,990
- Tiered Rent TTP based on prior/retrospective gross income: \$513

- Current/Anticipated Gross Income: \$22,005
 - Tiered Rent TTP based on current/anticipated gross income: \$513
 - Household is not eligible for hardship since the tiered rent TTP using current/anticipated gross income is in the same tier at the tiered rent TTP using the prior/retrospective gross income.
 - There is no hardship

F. CHILDCARE EXPENSE HARDSHIP:

HHA will grant a childcare expense hardship rent to households with verified, unreimbursed childcare expenses. Where a household’s total unreimbursed childcare expenses are \$2,000 or more, HHA will allow the full deduction of reasonable unreimbursed childcare expenses and apply the tiered TTP that corresponds to their current/anticipated adjusted annual income.

Request:

- A hardship due to an increase in TTP as a result of the loss of childcare deductions must be requested, in writing, by the household.

Eligibility:

- A household will be eligible for this hardship exemption if the household’s total unreimbursed childcare expenses are at least \$2,000/year.

Remedy:

- If a hardship exists, the hardship TTP will be set using the income band that applies to the household’s current/anticipated adjusted annual income, taking into account the full allowable childcare expense deduction.

Time Frame:

- The hardship will remain in place for a twelve-month period.
- At the end of that twelve-month period, the household may reapply for an extended hardship TTP. For continued childcare hardship eligibility, during the twelve-month hardship period, the household must apply for childcare assistance provided by local private/public partners. In the event childcare assistance is denied for reasons beyond failure to apply or lack of participation and the household remains eligible to deduct childcare expenses, HHA will extend the hardship for an additional twelve-month period. Written evidence of the household application and related written response is required for HHA to make a determination on extending the childcare hardship.
- If the household does not reapply for the hardship or is not approved for an extended hardship, the tiered rent will revert back to the pre-hardship tiered rent TTP.

Applicability:

- The Childcare Expense Hardship applies to families in the Treatment group.

Example:

- Prior/Retrospective Gross Income: \$30,000

- TTP using Prior/Retrospective Gross Income: \$700
- Childcare expenses: \$2,000
- Current/anticipated gross income: \$30,000
- Current/anticipated adjusted income: $\$30,000 - \$2,000 = \$28,000/\text{year}$
- Childcare expense deduction of \$2,000 meets the threshold of \$2,000/year
- Household qualifies for the childcare hardship
- Hardship TTP for the current/anticipated adjusted income is: \$653

G. FULL-TIME STUDENT HARDSHIP

HHA will grant a full-time student status hardship rent, to a household, if a family member, other than the head of household, co-head or spouse, has earned income and, subsequent to enrollment, becomes a full-time student and would experience a decrease in income as a result of the full-time student income exclusion. Upon verification of full-time student status, HHA will allow the entire exclusion of full-time student earned income and apply the tiered rent which is consistent with the household's current/anticipated income.

Request:

- A hardship due to full-time student status, must be requested, in writing, by the household.

Eligibility:

- A household will be eligible for this hardship exemption if the household's TTP is reduced by at least one income band as a result of the removal of the full-time student's earned income.

Remedy:

- If a hardship exists, the hardship TTP will be set using the income band that applies to the household's current/anticipated gross annual income, taking into account the full-time student income exclusion.

Time Frame:

- The hardship will remain in place for a twelve-month period after which the family must reapply for the hardship and provide verification of full-time student status.
- If the family does not reapply and provide verification of full-time student status, the tiered rent TTP will revert to the pre-hardship tiered rent TTP.

Applicability:

- The Full-Time Student Hardship applies to families in the Treatment group.

Example:

- Prior/Retrospective gross Income: \$27,000
 - Tiered Rent TTP based on the prior/retrospective gross income: = \$607
- At Hardship Request:
 - Current/anticipated gross Income: \$27,000
 - FT Student Earned Income: \$8,000
 - Current/anticipated gross income: \$19,000

- Hardship TTP: \$420

H. SMALL AREA FAIR MARKET RENT HARDSHIP

If the payment standard amount has decreased, during the term of a HAP contract, HHA will not reduce the payment standard as long as the HAP contract remains in effect. If the household moves to a new unit, HHA will apply the payment standard in effect at the time of the move.

The Small Area Fair Market Rent Hardship policy applies to the families in the Treatment, Excluded and Control groups.

I. ALTERNATIVE VERIFICATION HIERARCHY HARDSHIP

If a household does not agree with an income and rent determination which may be predicated upon the use of third party documents and tenant declarations outside of the HUD standard Verification Hierarchy, the household may request an informal hearing as a second level of review of HHA's determinations. HHA will follow its existing policies upon receipt of the household's request for an informal hearing.

The Alternative Verification Hierarchy Hardship policy applies to families in the Treatment and Excluded groups.

J. OTHER HARDSHIP

A household may request a hardship exemption for other circumstances not outlined above, such as the death of a family member, a significant increase in reasonable and necessary out-of-pocket expenses because of changed circumstances (for example, a large medical bill), or if the household is facing eviction due to inability to pay the rent. HHA will consider these requests on a case-by-case basis and decisions will be made by the Department Director level or above.

Eligibility:

- The Department Head or his/her designee will determine that circumstances beyond the household's control make it difficult for the household to pay the tiered rent TTP, and a temporary rent reprieve is necessary.

Remedy:

- HHA will review the household's current/anticipated income and determine whether to set the TTP at a lower income tier or apply the \$50 minimum rent based on the individual hardship.

Time Frame:

- The duration of the hardship rent will be determined on a case-by-case basis which will reflect the anticipated duration of the presented hardship.

**HOUSTON HOUSING AUTHORITY
MTW HARDSHIP POLICY: PUBLIC HOUSING PROGRAM**

A. GENERAL HARDSHIP POLICIES

HHA has developed conditions-based hardship policies as described below to address and mitigate financial hardships which may occur at enrollment or at any time during the tenancy or program participation. HHA’s general hardship policies are outlined below:

- HHA will review its hardship policies with families during its intake and recertification process and will consider if a household qualifies for a hardship exemption at the time of a potential termination of assistance that is due to an MTW activity.
- There is no limit to the number of hardships that a household may receive.
- If a household is approved for a hardship, and subsequently experiences another adverse event while still in hardship status, they may request an additional hardship that might further reduce their TTP.
- If a household is approved for a hardship, they are not required to report subsequent income increases during the period of their approved hardship.
- If a household is approved for a temporary hardship, when that hardship is scheduled to expire the household will be notified and may request an extension. When a hardship expires, the household will return to paying the tiered rent assigned according to their prior/retrospective gross income at their last triennial income examination.
- If the head of household, spouse, or co-head of household becomes elderly or disabled, the household is eligible to be excluded from the tiered rent and return to the traditional income-based rent policy.
- This hardship policy presents eligibility criteria and remedies for different types of hardships. The different types of hardships below are not mutually exclusive. If a household’s circumstances correspond to more than one type of hardship, they will receive the hardship most beneficial to them.

The table below identifies the hardship policy and the related Operations Notice waiver which requires establishment of a hardship policy.

Hardship Policy Applicability Table

No	Hardship Policy	Treatment *	Control **	Excluded ***	Waivers
1.	Hardship Process	X	X	X	
2.	Hardship at Enrollment: Decrease in Income	X			1a

No	Hardship Policy	Treatment *	Control **	Excluded ***	Waivers
3.	Hardship at Enrollment: Increase in TTP due to Loss of Childcare Expense Deduction				1r
4.	Reduction in Income Hardship	X			3a
5.	Childcare Expense Hardship	X			1r
6.	Full-Time Student Hardship	X			1v
7.	Alternative Verification Hierarchy	X	X	X	Agency Specific
8.	Other Hardship	X		X	N/A

*** Treatment Group:** *Non-elderly, non-disabled households who were not excluded and who were randomly selected to have their rent calculated using the Tiered Rent method. This includes randomly selected existing participants as well as randomly selected new admissions during the initial enrollment and all new admissions after the initial enrollment period.*

**** Control Group:** *Non-elderly, non-disabled households who were not excluded and who were randomly selected to have their rent calculated in accordance with standard Public Housing program regulations*

***** Excluded Group:** *All elderly, disabled, FSS, households in the homeownership program, households who become or will become elderly or disabled during the 6-year demonstration, households on public housing flat rent, mixed eligibility families, families on and EID at the time of random assignment,*

B. HARDSHIP PROCESS

Households who request a hardship will be subject to the hardship process outlined below.

- When a household makes a written request for a hardship exemption , HHA will suspend the MTW activity on the first day of the next month after the hardship request is received.
- HHA will approve a provisional hardship TTP beginning the first day of the next month after the receipt of a valid hardship request indicating qualifying circumstances.
- The provisional hardship TTP will be based on the tier corresponding to the household’s current gross income, reported by the household in their hardship request.
- The household will be required to provide the required documentation within 14 days, to enable HHA to verify the hardship.
- HHA will decide whether to grant the hardship within 14 days of receiving required documentation. If the hardship request is denied, the household may be required to enter into a repayment agreement.
- HHA will retain records of all hardship requests received and the results of these requests and supply them at HUD’s request. HHA will retain this information for the duration of the Agency’s

participation in the MTW demonstration program and make such information available for public review and inspection at HHA's principal office during normal business hours.

- If a financial hardship request is denied, HHA will provide the household with an opportunity to request a grievance hearing for a second level review of the denied hardship request.
- Generally, approved hardship rents will remain in place for a twelve-month period at which time the household must reapply for hardship. If the household does not reapply or is not approved for a continued hardship, the rent will revert back to the pre-hardship tiered rent. Where a hardship request is granted and the triennial recertification occurs prior to the end of the 12-month hardship period, the hardship will automatically end at the triennial recertification. The household may reapply for hardship at the triennial recertification.

C. HARDSHIP AT ENROLLMENT: DECREASE IN INCOME

For households already receiving assistance, HHA conducts an income examination at the time of enrollment in the tiered rent treatment group. HHA will compare the household's current/anticipated gross income with their prior /retrospective gross income. If the household's current/anticipated gross income puts them in a lower income tier than their prior/retrospective gross income, HHA will automatically determine whether the household is eligible for a hardship exemption.

Request:

- Hardship requests do not need to be made at enrollment. HHA will automatically determine if a hardship, due to a decrease in income exists.

Eligibility:

- A household will be eligible for this hardship exemption if the household's current/anticipated gross income puts them in a lower income tier than their prior/retrospective gross income.

Remedy:

- If a hardship exists, the hardship TTP will be the TTP in the income tier for the current/anticipated gross income.

Time Frame:

- The hardship will remain in place for a twelve-month period.
- At the end of that twelve-month period, the household may reapply for an extended hardship TTP.
- If the household does not reapply for the hardship or is not approved for an extended hardship, the tiered rent will revert back to the pre-hardship tiered rent TTP.

Applicability:

- The Hardship at Enrollment: Decrease in Income applies to families in the Treatment group.

Example:

- Prior Year Retrospective Gross Income: \$25,000
 - Tiered Rent TTP based on prior/retrospective gross income: \$560

- Current/Anticipated Gross Income: \$18,000
 - Tiered Rent TTP based on current/anticipated gross income: \$420
 - Household is eligible for hardship since the tiered rent TTP using current/anticipated gross income is at least one tier lower than the tiered rent TTP using the prior/retrospective gross income.
 - Hardship TTP: \$420

D. HARDSHIP AT ENROLLMENT: INCREASE IN TTP DUE TO LOSS OF CHILDCARE EXPENSE DEDUCTION

Some families may face a hardship due to the tiered rent policy’s reliance on gross income (with no deductions) instead of adjusted income. The childcare deduction requires special attention because childcare can be very expensive and because paid childcare is often essential for enabling parents to work.

For households already receiving assistance, HHA conducts an income examination at the time of enrollment into the tiered rent treatment group. Where a household’s total unreimbursed childcare expenses is at least \$2,000/year, HHA will allow the full deduction of reasonable unreimbursed childcare expenses and apply the tiered TTP that corresponds to their current/anticipated adjusted annual income.

Request:

- Hardship requests do not need to be made at enrollment. HHA will automatically determine if a hardship, due to an increase in TTP as a result of the loss of childcare deductions, exists.

Eligibility:

- A household will be eligible for this hardship exemption if the household’s total unreimbursed childcare expenses are at least \$2,000/year.

Remedy:

- If a hardship exists, the hardship TTP will be set using the income band that applies to the household’s current/anticipated adjusted annual income, taking into account the full allowable childcare expense deduction.

Time Frame:

- The hardship will remain in place for a twelve-month period.
- At the end of that twelve-month period, the household may reapply for an extended hardship TTP. For continued childcare hardship eligibility, during the twelve-month hardship period, the household must apply for childcare assistance provided by local private/public partners. In the event childcare assistance is denied for reasons beyond failure to apply or lack of participation and the household remains eligible to deduct childcare expenses, HHA will extend the hardship for an additional twelve-month period. Written evidence of the household application and related written response is required for HHA to make a determination on extending the childcare hardship.
- If the household does not reapply for the hardship or is not approved for an extended hardship, the tiered rent will revert back to the pre-hardship tiered rent TTP.

Applicability:

- The Hardship at Enrollment: Increase in TTP Due to Loss Of Childcare Expense Deduction applies to families in the Treatment group.

Example:

- Prior/Retrospective Gross Income: \$30,000
- TTP using Prior/Retrospective Gross Income: \$700
- Childcare expenses: \$9,500
- Current/anticipated gross income: \$35,000
- Current/anticipated adjusted income: $\$35,000 - \$9,500 = \$25,500/\text{year}$
- Childcare expense deduction of \$9,500 exceeds the threshold of \$2,000/year
- Household qualifies for the childcare hardship
- Hardship TTP for the current/anticipated adjusted income is: \$560

E. REDUCTION IN INCOME HARDSHIP

To qualify for a hardship rent, a household's current/anticipated income must result in a tiered rent TTP which is at least one income tier lower from the pre-hardship tiered rent TTP.

Request:

- A hardship due to a decrease in income must be requested, in writing, by the household.

Eligibility:

- A household will be eligible for this hardship exemption if the household's current/anticipated income results in a tiered rent TTP which is at least one income tier lower than the pre-hardship tiered rent TTP.

Remedy:

- If a hardship exists, the hardship TTP will be the TTP in the income tier for the current/anticipated gross income.

Time Frame:

- The hardship will remain in place for a twelve-month period.
- At the end of that twelve-month period, the household may reapply for an extended hardship TTP.
- If the household does not reapply for the hardship or is not approved for an extended hardship, the tiered rent will revert back to the pre-hardship tiered rent TTP.

Applicability:

- The Reduction in Income Hardship Rent applies to families in the Treatment group.

Example:

- Prior/retrospective gross income: \$23,990
- Tiered Rent TTP based on prior/retrospective gross income: \$513
- Current/Anticipated Gross Income: \$22,005
 - Tiered Rent TTP based on current/anticipated gross income: \$513

- Household is not eligible for hardship since the tiered rent TTP using current/anticipated gross income is in the same tier at the tiered rent TTP using the prior/retrospective gross income.
- There is no hardship

F. CHILDCARE EXPENSE HARDSHIP

HHA will grant a childcare expense hardship rent to households with verified, unreimbursed childcare expenses. Where a household's total unreimbursed childcare expenses are \$2,000 or more, HHA will allow the full deduction of reasonable unreimbursed childcare expenses and apply the tiered TTP that corresponds to their current/anticipated adjusted annual income.

Request:

- A hardship due to an increase in TTP as a result of the loss of childcare deductions must be requested, in writing, by the household.

Eligibility:

- A household will be eligible for this hardship exemption if the household's total unreimbursed childcare expenses are at least \$2,000/year.

Remedy:

- If a hardship exists, the hardship TTP will be set using the income band that applies to the household's current/anticipated adjusted annual income, taking into account the full allowable childcare expense deduction.

Time Frame:

- The hardship will remain in place for a twelve-month period.
- At the end of that twelve-month period, the household may reapply for an extended hardship TTP. For continued childcare hardship eligibility, during the twelve-month hardship period, the household must apply for childcare assistance provided by local private/public partners. In the event childcare assistance is denied for reasons beyond failure to apply or lack of participation and the household remains eligible to deduct childcare expenses, HHA will extend the hardship for an additional twelve-month period. Written evidence of the household application and related written response is required for HHA to make a determination on extending the childcare hardship.
- If the household does not reapply for the hardship or is not approved for an extended hardship, the tiered rent will revert back to the pre-hardship tiered rent TTP.

Applicability:

- The Childcare Expense Hardship applies to families in the Treatment group.

Example:

- Prior/Retrospective Gross Income: \$30,000
- TTP using Prior/Retrospective Gross Income: \$700
- Childcare expenses: \$2,000

- Current/anticipated gross income: \$30,000
- Current/anticipated adjusted income: \$30,000 - \$2,000 = \$28,000/year
- Childcare expense deduction of \$2,000 meets the threshold of \$2,000/year
- Household qualifies for the childcare hardship
- Hardship TTP for the current/anticipated adjusted income is: \$653

G. FULL-TIME STUDENT HARDSHIP

HHA will grant a full-time student status hardship rent, to a household, if a family member, other than the head of household, co-head or spouse, has earned income and, subsequent to enrollment, becomes a full-time student and would experience a decrease in income as a result of the full-time student income exclusion. Upon verification of full-time student status, HHA will allow the entire exclusion of full-time student earned income and apply the tiered rent which is consistent with the household's current/anticipated income.

Request:

- A hardship due to full-time student status, must be requested, in writing, by the household.

Eligibility:

- A household will be eligible for this hardship exemption if the household's TTP is reduced by at least one income band as a result of the removal of the full-time student's earned income.

Remedy:

- If a hardship exists, the hardship TTP will be set using the income band that applies to the household's current/anticipated gross annual income, taking into account the full-time student income exclusion.

Time Frame:

- The hardship will remain in place for a twelve-month period after which the family must reapply for the hardship and provide verification of full-time student status.
- If the family does not reapply and provide verification of full-time student status, the tiered rent TTP will revert to the pre-hardship tiered rent TTP.

Applicability:

- The Full-Time Student Hardship applies to families in the Treatment group.

Example:

- Prior/Retrospective gross Income: \$27,000
 - Tiered Rent TTP based on the prior/retrospective gross income: = \$607
- At Hardship Request:
 - Current/anticipated gross Income: \$27,000
 - FT Student Earned Income: \$8,000
 - Current/anticipated gross income: \$19,000
 - Hardship TTP: \$420

H. ALTERNATIVE VERIFICATION HIERARCHY HARDSHIP

If a household does not agree with an income and rent determination which may be predicated upon the use of third party documents and tenant declarations outside of the HUD standard Verification Hierarchy, the household may request an informal hearing as a second level of review of HHA's determinations. HHA will follow its existing policies upon receipt of the household's request for an informal hearing.

The Alternative Verification Hierarchy Hardship policy applies to families in the Treatment and Excluded groups.

I. OTHER HARDSHIP

A household may request a hardship exemption for other circumstances not outlined above, such as the death of a family member, a significant increase in reasonable and necessary out-of-pocket expenses because of changed circumstances (for example, a large medical bill), or if the household is facing eviction due to inability to pay the rent. HHA will consider these requests on a case-by-case basis and decisions will be made by the Department Director level or above.

Eligibility:

- The Department Head or his/her designee will determine that circumstances beyond the household's control make it difficult for the household to pay the tiered rent TTP, and a temporary rent reprieve is necessary.

Remedy:

- HHA will review the household's current/anticipated income and determine whether to set the TTP at a lower income tier or apply the \$50 minimum rent based on the individual hardship.

Time Frame:

- The duration of the hardship rent will be determined on a case-by-case basis which will reflect the anticipated duration of the presented hardship.

**Houston Housing Authority
Safe Harbor Waiver: Multiple MTW Activities
Impact Analysis**

Under the Moving to Work (MTW) Operations Notice, MTW agencies, including the Houston Housing Authority (HHA), are required to prepare an impact analysis as a “safe harbor” for certain activities proposed in the annual MTW Supplement. MTW agencies must prepare the impact analysis:

- Prior to implementation of the MTW activity, if required as a safe harbor;
- For certain activities as defined in the MTW Operations Notice on an annual basis during the implementation of the MTW activity;
- Prior to any Safe Harbor Waiver or Agency-Specific Waiver requests; and,
- At the time the MTW activity is closed out, if an impact analysis was previously required.

HHA has prepared this impact analysis in conjunction with its first MTW Supplement for the fiscal year beginning on January 1, 2022. This analysis describes the projected impacts of the following proposed MTW waiver activities which include activities needed to implement the MTW alternative rent evaluation program described in the MTW supplement:

Activity No.	Description
1r	Elimination of deductions – Public Housing
1s	Elimination of deductions – HCV
2a	Payment Standards – Small Area Fair Market Rents
3a	Alternative Reexamination Schedule for Households – Public Housing
3b	Alternative Reexamination Schedule for Households – HCV
Safe Harbor	Alternative Reexamination Schedules (Public Housing and HCV)

Overall, HHA projects that the cumulative impact of the above-listed MTW activities will be:

- Revenue neutral to HHA
- Beneficial to residents and program participants by providing either no change or a small decrease in rent to the majority of residents, while increasing opportunities to retain increases in earned income through less frequent recertifications
- Supportive of HHA’s efforts to streamline program operations; reduce administrative burdens on both staff and clients; enhance resident economic self-sufficiency; and, expand housing choices

A. Impact on the agency’s finances (e.g., how much will the activity cost, any change in the agency’s per family contribution)

The chart below summarizes HHA’s preliminary projections of the impacts of each waiver activity on agency finances. Note that the results of the rent reform random assignment process (and the incomes of residents/participants at initial enrollment) are unknown at this time which limits HHA’s ability to forecast financial impacts. Similarly, the leasing and locational preferences of HCV participants may change based on changes to SAFMR payment standards and cannot be accurately forecast at this time.

Activity No.	Description	Projected Impacts
1r	Elimination of deductions – Public Housing	<ul style="list-style-type: none"> Applying the tiered rent and related policies including elimination of deductions and alternative reexamination scheduled to 50% of the eligible non-excluded public housing population is estimated to decrease the public housing rent roll by approximately \$35,000 annually, or approximately 1%. This is a preliminary estimate given that treatment group residents will be randomly assigned during the enrollment period. A relatively small reduction in the public housing rent roll revenue is projected to be substantially offset by staff time savings accrued as a result of more streamlined rent determination processes.
1s	Elimination of deductions – HCV	<ul style="list-style-type: none"> Applying the tiered rent and related policies including elimination of deductions and alternative reexamination scheduled to 50% of the eligible non-excluded HCV population is estimated to increase HAP expenses by approximately \$363,000 annually, or less than 0.5% of the HAP budget. This is a preliminary estimate given that treatment group residents will be randomly assigned during the enrollment period. A relatively small increase in HAP expenditures is projected to be substantially offset by staff time savings accrued as a result of more streamlined rent determination processes
2a	Payment Standards – Small Area Fair Market Rents	<ul style="list-style-type: none"> HHA does not anticipate that this activity will significantly impact agency finances. HHA assumes that increased HAP payments associated with housing leased in high opportunity/high cost zip code areas will likely be offset and balanced off by decreased HAP payments for housing leased in lower cost zip code areas.
3a	Alternative Reexamination Schedule for Households – Public Housing	<ul style="list-style-type: none"> HHA intends to apply triennial reexam schedules to both public housing treatment group households and those households excluded from the rent reform study. Overall, HHA estimates that this will be revenue neutral and that the potential changes to public housing rent roll revenue will be balanced off by modest staff time savings.
3b	Alternative Reexamination Schedule for Households – HCV	<ul style="list-style-type: none"> HHA intends to apply triennial reexam schedules to both HCV treatment group households and those HCV households excluded from the rent reform study. Overall, HHA estimates that this will be revenue neutral and that the potential changes to HAP expenditures will be balanced off by modest staff time savings.
Safe Harbor	Alternative Reexamination Schedules (Public Housing and HCV)	<ul style="list-style-type: none"> In conjunction with activities 3a and 3b, HHA has submitted a Safe Harbor Waiver as need to eliminate interim reexams for the rent reform treatment group. In lieu of interim reexams, HHA has developed a Hardship

Activity No.	Description	Projected Impacts
		Policy to mitigate any negative impacts on these households. HHA does not project any financial impact as a result of this activity.

B. Impact on affordability of housing costs for affected families (e.g., any change in how much affected families will pay towards their housing costs)

Compared to standard HUD public housing and HCV program rent calculation methods, calculation of rents using HHA’s MTW flat tiered rent methodology are projected to result in either no change or small decreases for the majority of families. While deductions are eliminated, tiered rents for the study treatment group are based on 28% of retrospective gross household income established at the lowest end of \$2,000 income bands (compared to 30% of actual adjusted income under standard program rules). Effectively, this means that families with incomes that are above the lowest end of each band pay even less than 28% of income. Further, treatment group and excluded households will have additional income exclusions (full-time student income, asset income for assets under \$50,000 and adoption assistance payments) and will be recertified every three years, allowing for household income to increase without a corresponding increase in tenant rent. Based on preliminary projections, HHA estimates that applying the tiered rent and related policies will result in an average decrease in tenant monthly rent of \$5 for public housing residents and \$9 for HCV participants.

Activity 2a is expected to improve the affordability of housing for some HCV families who currently choose to pay more than 30% of adjusted household income towards rent, as allowed under HCV program rules. This waiver will allow HHA to increase payment standards up to 150% of the applicable SAFMR, which will likely reduce housing cost burdens and have a positive impact for families who lease units in higher cost areas.

C. Impact on the agency’s waitlist(s) (e.g., any change in the amount of time families are on the waitlist)

HHA does not expect that the proposed activities will have any impact on the agency’s waitlist including on the amount of time families are on the waitlist

D. Impact on the agency’s termination rate of families (e.g., any change in the rate at which families non-voluntarily lose assistance from the agency)

HHA has developed a Hardship Policy to address potential areas of hardship for participating families. HHA does not expect that the proposed MTW activities will have an impact on HHA’s termination rates for either the public housing or HCV programs.

E. Impact on the agency’s current occupancy level in public housing and utilization rate in the HCV program

HHA does not project that the proposed MTW activities will have an impact on current public housing occupancy rates or HCV utilization rates.

F. Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency, and/or housing choice

HHA projects that the tiered flat rent system will have a positive impact on resident self-sufficiency (i.e. increases to household earned income) by allowing treatment group participants a three-year window between regular recertifications during which the household can increase income without a corresponding increase in rent. As HHA is also proposing to implement triennial recertifications for elderly/disabled and other households who are excluded from the rent reform evaluation, a similar positive impact is projected for these households. Over the longer term, HHA projects that the tiered rent and triennial reexamination activities will result in a more streamlined process for determining initial eligibility and conducting regular recertifications. Thus, the activities are expected to support the MTW goal of improving cost effectiveness.

With respect to activity 2a, HHA believes that providing more flexible payment standards will allow HHA to increase payment standards in some higher cost/higher opportunity areas, thus allowing HCV participants to expand their housing choices while reducing housing cost burdens.

G. Impact on the agency's ability to meet the MTW statutory requirements

Implementation of the proposed MTW activities are projected to have no impact on HHA's ability to meet the five MTW statutory requirements. HHA intends to fully comply with the MTW statutory requirements throughout its participation in the MTW Demonstration.

H. Impact on the rate of hardship requests and the number granted and denied as a result of this activity

While not possible to quantify, HHA projects that hardship requests by households randomly selected for the treatment group are likely to increase as a result of the proposed MTW activities. This is because interims are only allowed for this group based on changes to household composition. If treatment group households experience a decrease in income that meets the thresholds defined in the Hardship Policy, they will need to apply for a hardship in order to have their rent reduced. Given that this is a new initiative, HHA expects that the denial rates for hardship requests may be somewhat higher during initial implementation of the tiered rent policy; however, this may change over time as residents become more aware of how the Hardship Policy works.

I. Across the other factors above, the impact on protected classes (and any associated disparate impact).

As HHA's tiered rent policy eliminates deductions, families with children under 13 may be impacted by the loss of the childcare expense deduction. To alleviate the financial impact on families with children, HHA has developed a hardship policy whereby families can apply for hardship and have their rent based on their adjusted income, taking into account their unreimbursed, reasonable childcare expenses.