

# PHA Name : Salt Lake County (Housing Connect)

**PHA Code :** UT003

**MTW Supplement for PHA Fiscal Year Beginning :** (MM/DD/YYYY): 7/1/2023

**PHA Program Type:** Combined

**MTW Cohort Number:** Stepped and Tiered Rent

**MTW Supplement Submission Type:** Annual Submission

## **B. MTW Supplement Narrative.**

The Housing Authority of the County of Salt Lake dba Housing Connect (HC) was designated as a Moving To Work (MTW) agency in May 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. HC will also implement other allowable MTW activities above and beyond the alternative rent policies evaluation program.

Housing Connect is committed to MTW's 3 statutory objectives of achieving greater cost effectiveness in federal expenditures, increasing self-sufficiency and increasing housing choice for low-income families. Housing Connect MTW flexibility will support HC's mission to connect people and communities to quality affordable housing opportunities while promoting self-sufficiency and neighborhood revitalization.

As an expansion MTW agency Housing Connect will implement activities to further this mission and support the 3 statutory objectives over the course of its 20-year term of participation in the MTW program. At MTW designation, Housing Connect created its MTW Advisory Committee comprised of HC residents, local partner agencies, stakeholders, and HC staff. Meeting regularly with this group of experts has provided a valuable forum for feedback on proposed waivers and has provided valuable insight to the potential impact and perspective of residents. In addition to the MTW Advisory Committee, Housing Connect has a strong and dedicated Board along with competent staff to guide and support new initiatives. Most important is the role of current residents; through regular feedback meetings with residents and our Resident Advisory Board we will continue to seek input and suggestions to guide our successes.

HC received approval of the MTW Supplement to the 07/01/2022 Annual PHA Plan. This plan included MTW, Agency Specific and Safe Harbor Waivers. More specifically the previously approved Supplement included a stepped rent policy for qualified Housing Choice Voucher (HCV) and Public Housing (PH) households. The rent policy will increase the family's rent payment/TTP on a fixed schedule in both frequency and amount. The fixed schedule/stepped rent policy will be disaggregated from family income allowing a family to keep more of their increased income therefore giving incentives to working families and providing opportunities to increase their self-sufficiency. One component of the rent model will include a triennial re-examination schedule. This change along with streamlining paperwork and functions where feasible will better utilize federal dollars. For FY 2023 the implementation of Stepped Rent will continue to be HC's top priority, including educating residents on program benefits, enrolling residents in the evaluation through random assignment and enhancing partnerships to support the initiative.

Other previously approved waivers include but are not limited to an alternative simplified utility allowance, self-certification of assets up to \$50,000, and increased flexibility to streamline income verification. These changes provide transparency for households and reduce administrative burden. Flexibility regarding HQS inspections for PBV units that HC owns manages and controls along with an enhanced Family Self-Sufficiency program will prioritize families and provide further opportunities for housing choice and increased self-sufficiency. 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.

Due to the submission and approval timetables for the FY 2022-2023 MTW Supplement along with other factors, HC projects that some previously approved waivers may not be implemented by the end of FY 2023. Therefore, based on HUD guidance, some MTW waivers approved by HUD in FY 2022 continue to be categorized in the FY 2023-2024 MTW Supplement as "Plan to Implement in the Submission Year."

New waiver requests in HC's FY 2023-2024 MTW Supplement include extending the triennial reexamination or alternative reexamination schedule to all Disabled and Elderly PH & HCV households who are excluded from the Stepped Rent policy as well as an agency specific waiver to approve any documented and reasonable exception to payment standards as a reasonable accommodation for HCV households with disabled household members without HUD approval.

To reduce administrative burden and streamline internal processes, Housing Connect plans to change its Fiscal Year end from June to December. For this purpose we are preparing either an 18-month year to begin July 1, 2023 thru December 31, 2024 or a 6-month year to begin July 1, 2023 thru December 31, 2023. Final decision is expected to be made after guidance from HUD.

**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).**

<b>1. Tenant Rent Policies</b>	
c. Stepped Rent (PH)	Plan to Implement in the Submission Year
d. Stepped Rent (HCV)	Plan to Implement in the Submission Year
i. Alternative Utility Allowance (PH)	Currently Implementing
j. Alternative Utility Allowance (HCV)	Currently Implementing
<b>2. Payment Standards and Rent Reasonableness</b>	
d. Rent Reasonableness – Third-Party Requirement (HCV)	Currently Implementing
<b>3. Reexaminations</b>	
a. Alternative Reexamination Schedule for Households (PH)	Plan to Implement in the Submission Year
b. Alternative Reexamination Schedule for Households (HCV)	Plan to Implement in the Submission Year
c. Self-Certification of Assets (PH)	Currently Implementing
d. Self-Certification of Assets (HCV)	Currently Implementing
<b>4. Landlord Leasing Incentives</b>	
<b>5. Housing Quality Standards (HQS)</b>	
a. Pre-Qualifying Unit Inspections (HCV)	Currently Implementing
c. Third-Party Requirement (HCV)	Currently Implementing
<b>6. Short-Term Assistance</b>	
<b>7. Term-Limited Assistance</b>	
<b>8. Increase Elderly Age (PH &amp; HCV)</b>	
<b>9. Project-Based Voucher Program Flexibilities</b>	
a. Increase PBV Program Cap (HCV)	Currently Implementing
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
<b>10. Family Self-Sufficiency Program with MTW Flexibility</b>	
d.PH Modify or Eliminate the Contract of Participation (PH)	Currently Implementing
d.HCV Modify or Eliminate the Contract of Participation (HCV)	Currently Implementing
e.PH Policies for Addressing Increases in Family Income (PH)	Currently Implementing
e.HCV Policies for Addressing Increases in Family Income (HCV)	Currently Implementing
<b>11. MTW Self-Sufficiency Program</b>	
<b>12. Work Requirement</b>	
<b>13. Use of Public Housing as an Incentive for Economic Progress (PH)</b>	
<b>14. Moving on Policy</b>	
<b>15. Acquisition without Prior HUD Approval (PH)</b>	
<b>16. Deconcentration of Poverty in Public Housing Policy (PH)</b>	
<b>17. Local, Non-Traditional Activities</b>	
c. Housing Development Programs	Currently Implementing

**C. MTW Activities Plan that Salt Lake County (Housing Connect) Plans to Implement in the Submission Year or Is Currently Implementing**

<b>1.c. - Stepped Rent (PH)</b>
<b>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</b>
HC was approved for this waiver in its FY 2022-2023 MTW Supplement, we are in the final planning stages before implementation. As part of the cohort-specific Rent Reform study, Housing Connect will implement a stepped rent model for qualified Public Housing (PH) households as outlined by HUD in the Stepped Rent Policy.

The rent model will increase the family's rent payment/TTP on a fixed schedule in both frequency and amount. The fixed schedule/stepped rent model will be disaggregated from family income allowing a family to keep more of their increased income therefore giving incentives to working families and providing opportunities to increase their self-sufficiency.

**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

**Does the MTW activity apply to all public housing developments?**

The MTW activity applies to specific developments

**Which developments participate in the MTW activity?**

Harmony Park Apts (South Main)

Union Plaza

Erin Meadows

Granger Apartments

**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.**

n/a

**Does this MTW activity require a hardship policy?**

Yes

This document is attached.

**Does the hardship policy apply to more than this MTW activity?**

Yes

**Please list all of the applicable MTW activities. (Only upload hardship policy once when said policy applies to multiple MTW activities.)**

1.c. - Stepped Rent (PH); 1.d. - Stepped Rent (HCV); 3.a. - Alternative Reexamination Schedule for Households (PH); 3.b. - Alternative Reexamination Schedule for Households (HCV)

**Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**

Yes

**What considerations led the MTW agency to modify the hardship policy?**

Updated policy and guidance with the development of Stepped Rent. Changes are highlighted in yellow.

**How many hardship requests have been received associated with this activity in the past year?**

No hardship were requested in the most recent fiscal year.

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

No

**Does the impact analysis apply to more than this MTW activity?**

Yes

**Please list all of the applicable MTW activities. (Only upload impact analysis once when said impact analysis applies to multiple MTW activities.)**

1.c. - Stepped Rent (PH); 1.d. - Stepped Rent (HCV); 3.a. - Alternative Reexamination Schedule for Households (PH); 3.b. - Alternative Reexamination Schedule for Households (HCV)

**Describe how the stepped rent is structured, including the following: how each household's rent will be set in the first year; how frequently rents will change and by what amount; and how the stepped rent will end (i.e., what is the maximum rent).**

The Stepped Rent policy will increase tenant rents annually by an amount unrelated to each household's income. The annual stepped rent increase will be a specific dollar amount, by unit size. Housing Connect plans to set rent increases at 2% of Fair Market Rent based on unit size and leave it fixed for the 6-year study period. For households with 5 bedrooms and larger subsidies, Housing Connect will have an annual step increase of less than 2% of FMR to accommodate larger households and prevent a negative financial impact.

Housing Connect's annual step increases are as follows:

0 Bedroom: \$19  
1 Bedroom: \$23  
2 Bedroom: \$27  
3 Bedroom: \$37  
4 Bedroom: \$42  
5+ Bedroom: \$48

Current households will start out paying rent equal to 30% of their total retrospective annual adjusted income or a minimum rent of \$50 (whichever is larger). After year 1, each household's rent will increase by the established amount (with exceptions for hardships).

New admission households will start out paying rent equal to 30 percent of their total current adjusted income or a minimum rent of \$50 (whichever is larger). After year 1, each household's rent will increase by the established amount (with exceptions for hardships). At the triennial income reexamination, Housing Connect will document household income and any changes in household composition. However, the triennial income reexamination will not affect the household's rent. At the triennial income reexamination, Housing Connect will document household income and any changes in household composition. However, the triennial income reexamination will not affect the household's rent.

A household will receive a hardship if their rent burden exceeds 40% of their current/anticipated total annual adjusted income and for other circumstances outlined in our Hardship Policy. The hardship rent will equal 40% of the household's current/anticipated total annual adjusted income. The hardship rent will last for 12 months and can be renewed as needed. More detail is available in our attached Hardship Policy; this updated policy includes some small updates as policy has been finalized and fine-tuned with the development of Stepped Rent. The updates include guidance regarding a rent reset for sustained hardship related to a decrease in income and a change in family composition as well as a renewed temporary hardship related to a stepped rent increase, childcare expenses and full-time student.

If a Public Housing household's income is over the income limit at the first recertification following study enrollment or at a subsequent triennial eligibility check, the standard over-income procedures are triggered. PHA measures income the following year. Over-income rent rules supersede the stepped rent policy. The "last step" in public housing is when the household's TTP reaches the flat rent.

**Please upload a document that presents the stepped rent schedule in the form of a table.**

No document is attached.

**If a household progresses all the way through the stepped rent schedule, what will their status be?**

Other\Not Applicable. [If checked]: Please explain

Standard over-income rules in PH will apply if the family is paying the flat rent at the end of the stepped rent schedule.

#### **1.d. - Stepped 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**

HC was approved for this waiver in its FY 2022-2023 MTW Supplement, we are in the final planning stages before implementation. As part of the cohort-specific Rent Reform study, Housing Connect will implement a stepped rent model for qualified Housing Choice Voucher (HCV) households as outlined by HUD in the Stepped Rent Policy.

The rent model will increase the family's rent payment/TTP on a fixed schedule in both frequency and amount. The fixed schedule/stepped rent model will be disaggregated from family income allowing a family to keep more of their increased income therefore giving incentives to working families and providing opportunities to increase their self-sufficiency.

**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

**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.**

This MTW activity applies to the following housing choice voucher unit types: All tenant-based units and/or properties with project-based vouchers (PBVs) with the exception of PBVs in Permanent Supportive Housing (PSH). Households in PBVs in PSH require essential supportive services and have met specific eligibility criteria attached with the PBV. Details regarding eligibility criteria for Permanent Supportive Housing can be found in Housing Connect's Administrative Plan.

**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.**

n/a

**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

**Describe how the stepped rent is structured, including the following: how each household's rent will be set in the first year; how frequently rents will change and by what amount; and how the stepped rent will end (i.e., what is the maximum rent).**

The Stepped Rent policy will increase tenant rents annually by an amount unrelated to each household's income. The annual stepped rent increase will be a specific dollar amount, by unit size. Housing Connect plans to set rent increases at 2% of Fair Market Rent based on unit size and leave it fixed for the 6-year study period. For households with 5 bedrooms and larger subsidies, Housing Connect will have an annual step increase of less than 2% of FMR to accommodate larger households and reduce a negative financial impact.

Housing Connect's annual step increases are as follows:

0 Bedroom: \$19  
1 Bedroom: \$23  
2 Bedroom: \$27  
3 Bedroom: \$37  
4 Bedroom: \$42  
5+ Bedroom: \$ 48

Current households will start out paying rent equal to 30% of their total retrospective annual adjusted income or a minimum rent of \$50 (whichever is larger). After year 1, each household's rent will increase by the established amount (with exceptions for hardships and triennial income reexaminations).

New admission households will start out paying rent equal to their total current adjusted income or a minimum rent of \$50 (whichever is larger). After year 1, each household's rent will increase by the established amount (with exceptions for hardships and triennial income reexaminations).

At the triennial income reexamination, Housing Connect will document household income and any changes in household composition. However, the triennial income reexamination will not affect the household's rent.

A household will receive a hardship if their rent burden exceeds 40% of their current/anticipated total adjusted income and

for other circumstances outlined in our Hardship Policy. The hardship rent will equal 40% of the household's current/anticipated total annual adjusted income. The hardship rent will last for 12 months and can be renewed as needed. More detail is available in our attached Hardship Policy; this updated policy includes some small updates as policy has been finalized and fine-tuned with the development of Stepped Rent. The updates include guidance regarding a rent reset for sustained hardship related to a decrease in income and a change in family composition as well as a renewed temporary hardship related to a stepped rent increase, childcare expenses and full-time student.

If an HCV household's current gross income is over 120% of AMI at the first recertification following study enrollment or at a subsequent triennial eligibility check, this designates the household as zero-HAP. The household gets a 180-day zero HAP grace period. At the end of that grace period, the household exits the voucher program. However, if the zero-HAP rent (or a loss of income) causes a rent burden above 40% of current gross income, the household can request and receive a hardship. A hardship would halt the HCV termination process.

**Please upload a document that presents the stepped rent schedule in the form of a table.**

No document is attached.

**If a household progresses all the way through the stepped rent schedule, what will their status be?**

Other\Not Applicable. [If checked]: Please explain

At the end of the stepped rent schedule the 180 day-rule of zero HAP will apply and the family will be terminated/graduated from the program at the end of the 180-day period. If the family is not paying the full contract rent, they will continue to receive a subsidy.

#### **1.i. - Alternative Utility Allowance (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**

HC was approved for this waiver in its FY 2022-2023 MTW Supplement and implementation has commenced. Housing Connect modified the utility allowance by calculating by bedroom size as opposed to building type. The utility allowance will be calculated based on the number of bedrooms in the unit or the voucher size, whichever is lower. The change in calculation simplified the process for households seeking housing options to determine if the unit is affordable and eliminated the processing burden for Housing Connect's staff of determining the utility allowance

amount for a specific unit.

**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.**

Decreased revenue

**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.**

HC's current software system administrator facilitated the loading and testing of the Alt UA in the system. Staff have completed training and implementation of the Alt UA is underway. Staff are beginning to track households who will have a phase in of the Alt UA of 50% the first year and 50% the second year.

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



No

**Please describe the alternative method of calculating the utility allowances. Please explain how the method of calculating utility allowances is different from the standard method and what objective the MTW agency aims to achieve by using this alternative method.**

The utility allowance is based on utility surveys and analysis of the type of structure, bedroom size appliances provided by the tenant, and type of appliances (gas/electric). The simplified schedule is based on the analysis of data collected from HC's existing portfolio including the most common structure and utility types. This new utility allowance schedule will be used and implemented at new admission, change of unit, or upon the annual or triennial certification. HC has provided an impact analysis to demonstrate impact.

**1.j. - Alternative Utility Allowance (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**

Housing Connect was approved for this waiver in its FY 2022-2023 MTW Supplement, we are in the final planning stages before implementation. Housing Connect modified the utility allowance by calculating by bedroom size as opposed to building type. The utility allowance will be calculated based on the number of bedrooms in the unit or the voucher size, whichever is lower. The change in calculation will simplify the process for households seeking housing options to determine if the unit is affordable and it will eliminate the processing burden for Housing Connect's staff of determining the utility allowance amount for a specific unit.

**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.**

HC's current software system administrator facilitated the loading and testing of the Alt UA in the system. Staff have completed training and implementation of the Alt UA is underway. Staff are beginning to track households who will have a phase in of the Alt UA of 50% the first year and 50% the second year.

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

No

**Please describe the alternative method of calculating the utility allowances. Please explain how the method of calculating utility allowances is different from the standard method and what objective the MTW agency aims to achieve by using this alternative method.**

The utility allowance is based on utility surveys and analysis of the type of structure, bedroom size appliances provided by the tenant, and type of appliances (gas/electric). The simplified schedule is based on the analysis of data collected from HC's existing portfolio including the most common structure and utility types. This new utility allowance schedule will be used and implemented at new admission, change of unit, or upon the annual or triennial certification. HC has provided an impact analysis to demonstrate impact.

**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**

HC was approved for this waiver in its FY 2022-2023 MTW Supplement, and implementation has commenced. HC will use MTW flexibility to eliminate the requirement for a third party to conduct rent reasonableness on HC-owned or HC-controlled units assisted with project-based or tenant-based vouchers. HC currently has a third party determine rent reasonableness on HC units, despite the fact that many of these units are subject to rent restrictions due to other funding sources such as RAD PBV rent restrictions. HC incurs cost and additional staff time to have these determinations done by a third party.

HC will be implementing this activity within the safe harbor limits established by the MTW Operations including the following: HC will establish and make available a quality assurance method to ensure impartiality. HC will make available the method used to determine that rents charged by owners to voucher participants are reasonable when compared to similar unassisted units in the market area. As needed and by Department request, HC will obtain services of a third-party entity to determine rent reasonableness for PHA-owned units. This waiver is part of HC's overall goals to use MTW

flexibility to streamline and reduce costs.

**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.**

Staff are able to utilize this flexibility as needed to streamline processes and reduce administrative burden.

**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.**

For quality assurance, HC's rent reasonable process includes using rent comparables generated by the third party company AffordableHousing.com to identify comparable units. Rent reasonableness determinations will be performed by an HC staff person who is trained on HCV and PBV rent reasonableness regulations. To ensure the consistency and uniformity of these determined Rent Reasonables for a particular unit, HC supervisory staff shall perform quality control (QC) reviews on a random sample of completed Rent Reasonable's in accordance with the policies described in the Administrative Plan and consistent with SEMAP QC protocol. This process will be performed on all units including

HC-owned or HC-controlled units assisted with project-based or tenant-based vouchers.

No document is attached.

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

HC uses the third party company AffordableHousing.com (formerly GoSection8) to generate rent comparables for the HCV and PBV programs. The AffordableHousing.com software generates a minimum of 3 unassisted rent comparables for the subject unit, matching the unit characteristics and taking into account the location, size, type, quality, amenities, facilities, and the management and maintenance of each unit; this approach is similar to that used by property appraisers, and

determines if the owner's requested rent is reasonable. A unit that does not meet Rent Reasonableness using the method above will be denied unless an adjustment is made to the rent amount in order to be subsidized.

No 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**

Housing Connect was approved for this waiver in its FY 2022-2023 MTW Supplement, we are in the final planning stages before implementation. HC plans to implement triennial reexaminations for non-elderly and non-disabled PH households in the test group for the stepped rent study. Triennial reexaminations will result in a reduction in staff collecting, verifying, and processing data. Streamlined reexaminations will also save tenants/participants time and cost in regards to complying with the annual recertification documentation requirements. The anticipated outcome from this change is that families will have an incentive to increase their income as they will be able retain 100% of their additional earnings versus paying 30% of those earnings towards rent.

Housing Connect adopted a Release of Information that extends the expiration date from 15 to 40 months to align with the timing of the triennial recertification/eligibility check vs. using form HUD-9886 that is only valid for 15 months. These processes will reduce administrative burden and increase cost effectiveness.

For FY 2023-2024 HC is requesting to expand this flexibility to Elderly and Disabled households who are excluded from the stepped rent study. HC will phase in the triennial reexamination frequency over a three-year period. One third of the elderly/disabled households will be recertified in year one, one-third in year 2 and the remaining third in year 3. In this way the financial impact will be spread over the implementation period. All new elderly/disabled households will be placed immediately on a triennial reexamination frequency.

As part of this expansion HC has included an additional Impact Analysis specific to this group of households. HC projects that this policy will have a positive impact on affordability of housing costs in that increases in income will be deferred for three years; however, decreases in income will be still processed through interim reexaminations. HC will update payment standards for increases in contract rent which occur between triennial reexaminations.

#### **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; Elderly families; Disabled families (to the extent those families are not exempt via a

reasonable accommodation)

**Does the MTW activity apply to all public housing developments?**

The MTW activity applies to specific developments

**Which developments participate in the MTW activity?**

Harmony Park Apts (South Main)

Union Plaza

Erin Meadows

Granger Apartments

For the expanded applicability in FY 23-24 the flexibility will apply to all PH properties.

**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 partnership with HUD we are in the final planning stages before implementation.

**Does this MTW activity require a hardship policy?**

Yes

This document is attached.

**Does the hardship policy apply to more than this MTW activity?**

Yes

**Please list all of the applicable MTW activities. (Only upload hardship policy once when said policy applies to multiple MTW activities.)**

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

**Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**

Yes

**What considerations led the MTW agency to modify the hardship policy?**

In addition to our previously approved Hardship Policy, an additional hardship policy has been provided specifically for Elderly/Disabled households.

**How many hardship requests have been received associated with this activity in the past year?**

No hardship were requested in the most recent fiscal year.

**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 standard MTW waiver provides that when an alternative reexamination schedule is established, the housing authority must allow at least one interim adjustment per year at the request of the household, if the household gross income has decreased by 10% or more.

Instead, HC is proposing that households can request a hardship exemption under HC's Hardship Policy that will address a decrease in income or a rent burden above 40% of a household's current monthly adjusted income.

**Does the impact analysis apply to more than this MTW activity?**

Yes

**Please list all of the applicable MTW activities. (Only upload impact analysis once when said impact analysis applies to multiple MTW activities.)**

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

**What is the recertification schedule?**

Once every three years

**How many interim recertifications per year may a household request?**

1

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

In accordance with policies established for the Rent Reform demonstration, families who are selected for the test group of the Stepped Rent policy will have triennial re-examinations. Changes in family/household circumstances under the alternative reexamination schedule will be addressed with the Stepped Rent Hardship Policy in lieu of an interim reexamination.

For Elderly/Disabled households who are excluded from the rent study but who are eligible for triennial reexaminations, they will be eligible for one interim adjustment for a reduction in income and have access to a hardship request as needed.

**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**

Housing Connect was approved for this waiver in its FY 2022-2023 MTW Supplement, we are in the final planning stages before implementation. Housing Connect plans to implement triennial reexaminations for non-elderly and non-disabled HCV households in the test group for the stepped rent study. Triennial reexaminations will result in a reduction in staff collecting, verifying, and processing data. Streamlined reexaminations will also save tenants/participants time and cost in regards to complying with the annual recertification documentation requirements. The anticipated outcome from this change is that families will have an incentive to increase their income as they will be able retain 100% of their additional earnings versus paying 30% of those earnings towards rent.

HC adopted a Release of Information that extends the expiration date from 15 to 40 months to align with the timing of the

triennial recertification/eligibility check vs. using form HUD-9886 that is only valid for 15 months. These processes will reduce administrative burden and increase cost effectiveness.

For FY 2023-2024 HC is requesting to expand this flexibility to Elderly and Disabled households who are excluded from the stepped rent study. HC will phase in the triennial reexamination frequency over a three-year period. One third of the elderly/disabled households will be recertified in year one, one-third in year 2 and the remaining third in year 3. In this way the financial impact will be spread over the implementation period. All new elderly/disabled households will be placed immediately on a triennial reexamination frequency.

As part of this expansion HC has included an additional Impact Analysis specific to this group of households. HC projects that this policy will have a positive impact on affordability of housing costs in that increases in income will be deferred for three years; however, decreases in income will be still processed through interim reexaminations. HC will update payment standards for increases in contract rent which occur between triennial reexaminations.

**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; Elderly families; Disabled families (to the extent those families are not exempt via a reasonable accommodation)

**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.**

This MTW activity applies to the following housing choice voucher unit types: All tenant-based units and/or properties with project-based vouchers (PBVs) with the exception of PBVs in Permanent Supportive Housing (PSH). Households in PBVs in PSH require essential supportive services and have met specific eligibility criteria attached with the PBV. Details regarding eligibility criteria for Permanent Supportive Housing can be found in Housing Connect's Administrative Plan.

For the expanded applicability in FY 23-24 the flexibility will apply to all Elderly/Disabled 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 partnership with HUD we are in the final planning stages before implementation.

**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 standard MTW waiver provides that when an alternative reexamination schedule is established, the housing authority must allow at least one interim adjustment per year at the request of the household, if the household gross income has decreased by 10% or more.

Instead, HC is proposing that households can request a hardship exemption under HC's Hardship Policy that will address a decrease in income or a rent burden above 40% of a household's current monthly adjusted income.

**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?**

1

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

In accordance with policies established for the Rent Reform demonstration, families who are selected for the test group of the Stepped Rent policy will have triennial re-examinations. Changes in family/household circumstances under the alternative reexamination schedule will be addressed with the Stepped Rent Hardship Policy in lieu of an interim reexamination.

For Elderly/Disabled households who are excluded from the rent study but who are eligible for triennial reexamination, they will be eligible for one interim adjustment for a reduction in income.

### **3.c. - Self-Certification of Assets (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**

HC was approved for this waiver in its FY 2022-2023 MTW Supplement, and implementation has commenced. Self-Certification of Assets will allow families to self-certify assets received up to \$50,000 at admission and recertification. Housing Connect will decrease the reporting burden on families by no longer requesting bank statements, or verifying

stocks and bonds, \$50,000 or less. This change significantly reduces Housing Connect's staff administrative burden in collecting and processing data and eliminates the tenant/participant having to pay the bank charges for bank statements.

This activity allows for greater cost effectiveness.

**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.**

Staff are able to utilize this flexibility as needed to streamline processes and reduce administrative burden.

**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.**

Allows HC to implement this flexibility at new admissions as well as at reexaminations.

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

\$50,000.

### **3.d. - Self-Certification of Assets (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**

HC was approved for this waiver in its FY 2022-2023 MTW Supplement, and implementation has commenced. Self-Certification of Assets allows families to self-certify assets received up to \$50,000 at admission and recertification. Housing Connect will decrease the reporting burden on families by no longer requesting bank statements, or verifying stocks and bonds, \$50,000 or less. This change significantly reduces Housing Connect's staff administrative burden in collecting and processing data and eliminate the tenant/participant having to pay the bank charges for bank statements.

This activity will allow for greater cost effectiveness.

**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.**

Staff are able to utilize this flexibility as needed to streamline processes and reduce administrative burden.

**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.**

Allows HC to implement this flexibility at new admissions as well as at reexaminations.

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

\$50,000.

#### **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**

HC was approved for this waiver in its FY 2022-2023 MTW Supplement, and implementation has commenced. Housing Connect allows pre-qualifying unit inspections (also known as a pre-inspection) with the goal to increase cost effectiveness by expediting the lease-up process. The pre inspection may be conducted within 90 days of the participant occupying the unit. An interim inspection will be made available based on need/request and HQS standards will not be altered.

**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.**

Staff are able to utilize this flexibility as needed to streamline processes and reduce administrative burden.

**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**

HC was approved for this waiver in its FY 2022-2023 MTW Supplement, and implementation has commenced. This waiver allows Housing Connect (HC) to perform HQS inspections on PBV units that it owns, manages, and/or controls. All such inspections are conducted using HQS standards found at 24 CFR 982.401. To ensure the consistent and uniform application of HQS standards, HC supervisory staff conduct quality control inspections on a random sample of units in accordance with the Inspection Quality Assurance Method included as an attachment. Program participants may request an interim inspection by contacting HC in accordance with the policies described in the Administrative Plan. If requested by HUD, HC will obtain the services of a third-party entity to determine if HC owned units pass HQS. This activity helps support the HC 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 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.**

Staff are able to utilize this flexibility as needed to streamline processes and reduce administrative burden.

**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

No document is attached.

**9.a. - Increase PBV Program 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**

HC was approved for this waiver in its FY 2022-2023 MTW Supplement, and implementation has commenced. HC has

approved up to 35% of authorized HCV units to be project based. This increase and flexibility will support the development of Permanent Supportive Housing (PBV) properties and increase housing choice in underserved parts of Salt Lake County, including areas of opportunity.

**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 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.**

As needed and applicable, this increase and flexibility will support the development of Permanent Supportive Housing (PBV) properties and increase housing choice in underserved parts of Salt Lake County, including areas of opportunity.

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

No

**What percentage of total authorized HCV units will be authorized for project-basing?**

35.00%

#### **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**

HC was approved for this waiver in its FY 2022-2023 MTW Supplement, and implementation will commence as applicable. Under this activity, HC may 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. HC 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. HC may eliminate or raise the project cap for projects located in Salt Lake County including but not limited to underserved areas and areas of opportunity. HC 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 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.**

Housing Connect will utilize this flexibility as needed with the development of affordable housing that includes Project Based Vouchers.

**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**

HC was approved for this waiver in its FY 2022-2023 MTW Supplement, and implementation will commence as applicable. Under this activity, Housing Connect will eliminate the selection process in the award of PBV's to properties owned by Housing Connect that are not public housing without engaging in an initiative to improve, develop, or replace a public housing property or site. Housing Connect's goal for this request is to increase cost effectiveness by eliminating this process and increase housing choice.

**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.**

Housing Connect will utilize this flexibility as needed with the development of applicable affordable housing.

**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**

HC was approved for this waiver in its FY 2022-2023 MTW Supplement, we are in the final planning stages before implementation.

HC intends to use MTW funds to enhance the existing Family Self-Sufficiency (FSS) Program. HC will employ a locally developed agreement/contract in lieu of the FSS Contract of Participation (COP) (HUD-52650) that codifies the terms of participation. These terms will encourage participation and successful completion of the program. Main tenets of the program and/or specific changes to be outlined in the local agreement include, but are not limited to:

- Eliminating the traditional FSS escrow calculation and replacing it with a Pay Points system, whereby participants earn escrow credits by completing goals, each of which has an escrow payment value. Pay points accrue on the first day of the month following verification of completion of an established milestone; For example, if a milestone was verified on February 15, the pay points would accrue on March 1;

- Establishing a work requirement for graduation from FSS which includes suitable employment. Suitable employment will be defined and agreed upon by the participant and HC at the onset of the contract and will reflect employment which is consistent with their Individual Training and Service Plan (ITSP);
- Preparing local versions of the Contract of Participation and Individual Training and Services Plans to reflect HC's FSS program enhancements and changes;
- Allowing re-enrollment one year after the first graduation; however, only allowing one additional reenrollment; so that a household may only participate in FSS a total of two times and;
- Providing that non-compliance with FSS program rules and/or termination from the HCV program will result in forfeiture of escrow.
- All MTW FSS contracts will have an end date 5 years from the enrollment date to ensure that households with biannual or triennial recertifications have the same length of participation as those who receive regular annual and interim recertifications.
- Current FSS participants will be given the option of completing their FSS COP under the traditional or Final Rule FSS programs or converting their participation to the MTW Enhanced FSS program. Existing participants who convert to the MTW Enhanced FSS program will retain any previously accrued escrow.
- Housing Connect will have all modifications outlined in an approved FSS Action Plan in accordance with 24 CFR 984.201 through Housing Connect's MTW planning process.. Housing Connect will be implementing this activity within the safe harbor limits established by the MTW operations notice.

**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.**

Housing Connect is in the final stages of planning before implementation including the finalization of policies and applicable forms.

**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.

**10.d.HCV - Modify or Eliminate the Contract of Participation (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**

HC was approved for this waiver in its FY 2022-2023 MTW Supplement, we are in the final planning stages before implementation.

HC intends to use MTW funds to enhance the existing Family Self-Sufficiency (FSS) Program. HC will employ a locally developed agreement/contract in lieu of the FSS Contract of Participation (COP) (HUD-52650) that codifies the terms of participation. These terms will encourage participation and successful completion of the program. Main tenets of the program and/or specific changes to be outlined in the local agreement include, but are not limited to:

- Eliminating the traditional FSS escrow calculation and replacing it with a Pay Points system, whereby participants earn escrow credits by completing goals, each of which has an escrow payment value. Pay points accrue on the first day of the month following verification of completion of an established milestone; For example, if a milestone was verified on February 15, the pay points would accrue on March 1;
- Establishing a work requirement for graduation from FSS which includes suitable employment. Suitable employment will be defined and agreed upon by the participant and HC at the onset of the contract and will reflect employment which is consistent with their Individual Training and Service Plan (ITSP);
- Preparing local versions of the Contract of Participation and Individual Training and Services Plans to reflect HC's FSS program enhancements and changes;
- Allowing re-enrollment one year after the first graduation; however, only allowing one additional reenrollment; so that a household may only participate in FSS a total of two times and;
- Providing that non-compliance with FSS program rules and/or termination from the HCV program will result in forfeiture of escrow.
- All MTW FSS contracts will have an end date 5 years from the enrollment date to ensure that households with biannual or triennial recertifications have the same length of participation as those who receive regular annual and interim recertifications.
- Current FSS participants will be given the option of completing their FSS COP under the traditional or Final Rule FSS programs or converting their participation to the MTW Enhanced FSS program. Existing participants who convert to the MTW Enhanced FSS program will retain any previously accrued escrow.
- Housing Connect will have all modifications outlined in an approved FSS Action Plan in accordance with 24 CFR 984.201 through Housing Connect's MTW planning process. Housing Connect will be implementing this activity within the safe harbor limits established by the MTW operations notice.

**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.**

Housing Connect is in the final stages of planning before implementation including the finalization of policies and applicable forms.

**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.

**10.e.PH - Policies for Addressing Increases in Family 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**

HC was approved for this waiver in its FY 2022-2023 MTW Supplement, we are in the final planning stages before implementation.

HC modifications include giving increased incentives to families whose heads of household are working, seeking work, participating in job training, educational or other self-sufficiency milestones. Housing Connect will eliminate the traditional FSS escrow calculation and replace it with a Pay Points system, whereby participants earn escrow credits by completing goals, each of which has an escrow payment value.

Housing Connect has adopted the Social Determinants of Health as a core framework to focus current and future activities, initiatives, and housing development efforts. The Pay Points system prioritizes Housing Stability, Financial Health, Food Quality & Stability, Education Connection, Health Access & Connection, and Community Connection. Collectively, the priority determinants identify the holistic impact Housing Connect seeks to make for those served.

Housing Connect understands that self-sufficiency looks different for each household. HC ensures residents can maintain assisted housing and have support and resources to successfully move out of assisted housing where appropriate.

**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.**

Housing Connect is in the final stages of planning before implementation including the finalization of policies, applicable

forms, and updated processes in our database.

**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.

**How will the MTW agency treat increased earnings for families participating in the FSS Program with MTW flexibility?**

Housing Connect's MTW Enhanced FSS program will eliminate the traditional FSS escrow calculation. Increases in income will not be factored into the escrow calculation and will not automatically result in escrow accrual. Instead, households will have the opportunity to earn escrow through the completion of program milestones called Pay Points. Households will earn cash incentives for achieving specific pre-established self-sufficiency milestones. Cash incentives will be held in an escrow account and will be available for interim disbursement or at the successful completion of the program.

**10.e.HCV - Policies for Addressing Increases in Family Income (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**

HC was approved for this waiver in its FY 2022-2023 MTW Supplement, we are in the final planning stages before implementation.

HC modifications include giving increased incentives to families whose heads of household are working, seeking work, participating in job training, educational or other self-sufficiency milestones. Housing Connect will eliminate the traditional FSS escrow calculation and replace it with a Pay Points system, whereby participants earn escrow credits by completing goals, each of which has an escrow payment value.

Housing Connect has adopted the Social Determinants of Health as a core framework to focus current and future activities, initiatives, and housing development efforts. The Pay Points system prioritizes Housing Stability, Financial Health, Food Quality & Stability, Education Connection, Health Access & Connection, and Community Connection. Collectively, the priority determinants identify the holistic impact Housing Connect seeks to make for those served.

Housing Connect understands that self-sufficiency looks different for each household. HC ensures residents can maintain assisted housing and have support and resources to successfully move out of assisted housing where appropriate.

**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.**

Housing Connect is in the final stages of planning before implementation including the finalization of policies, applicable forms, and updated processes in our database.

**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.

**How will the MTW agency treat increased earnings for families participating in the FSS Program with MTW flexibility?**

Housing Connect's MTW Enhanced FSS program will eliminate the traditional FSS escrow calculation. Increases in income will not be factored into the escrow calculation and will not automatically result in escrow accrual. Instead, households will have the opportunity to earn escrow through the completion of program milestones called Pay Points. Households will earn cash incentives for achieving specific pre-established self-sufficiency milestones. Cash incentives will be held in an escrow account and will be available for interim disbursement or at the successful completion of the program.

**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**

Under this activity, HC may utilize MTW funding to acquire, renovate and/or build affordable housing units that are not public housing for low-income families including housing that meets HUD requirements for MTW "local, non-traditional housing" as defined in HUD PIH Notice 2011-45 or successor notices. HC 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 HC Board of Commissioners. HC may expend MTW funds including Public Housing Operating or Capital Funds, Housing Assistance Payments and/or HCV Administrative Fee reserves on such activities provided that HC 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, HC 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. HC has provided summary information on one potential project for funding under this activity; however other projects may also be considered subject to approval of the HC 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?**

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); Increased revenue

**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.**

Construction began in the Fall of 2022 on a LIHTC development of 89 units of affordable housing including 36 units with PBV&apos;s; this development replaced 24 units of Public Housing. The development is approximately 15% complete with construction to be completed by the end of 2023.

**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
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**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
East 72 (Formally Sunset Gardens)	New Construction	Gap Financing	89.00	89.00	0.00	71.00	18.00	0.00

**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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<b>D.</b>	<b>Safe Harbor Waivers.</b>
<b>D.1</b>	<p><b>Will the MTW agency submit request for approval of a Safe Harbor Waiver this year?</b></p> <p>No Safe Harbor Waivers are being requested.</p>

<b>E.</b>	<b>Agency-Specific Waiver(s).</b>
<b>E.1</b>	<p><b>Agency-Specific Waiver(s) for HUD Approval:</b></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><b>Will the MTW agency submit a request for approval of an Agency-Specific Waiver this year?</b></p> <p>Yes, the Agency-Specific Waiver request is attached.</p>
<b>E.2</b>	<p><b>Agency-Specific Waiver(s) for which HUD Approval has been Received:</b></p> <p><b>Does the MTW agency have any approved Agency-Specific Waivers?</b></p> <p>Yes</p> <p><b>Has there been a change in how the waiver is being implemented from when it was originally approved?</b></p> <p>No</p>

<b>F.</b>	<b>Public Housing Operating Subsidy Grant Reporting.</b>
<b>F.1</b>	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.

<b>Federal Fiscal Year (FFY)</b>	<b>Total Operating Subsidy Authorized Amount</b>	<b>How Much PHA Disbursed by the 9/30 Reporting Period</b>	<b>Remaining Not Yet Disbursed</b>	<b>Deadline</b>
2021	\$1,627,200	\$1,627,200	\$0	2021-12-31
2022	\$1,162,015	\$1,162,015	\$0	2022-12-31

<b>G.</b>	<b>MTW Statutory Requirements.</b>	
<b>G.1</b>	<b>75% Very Low Income – Local, Non-Traditional.</b> 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.	
	<b>Income Level</b>	<b>Number of Local, Non-Traditional Households Admitted in the Fiscal Year*</b>
	80%-50% Area Median Income	
	49%-30% Area Median Income	
	Below 30% Area Median Income	
	Total Local, Non-Traditional Households	<b>0</b>

\*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.

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

<b>G.3</b>	<b>Substantially the Same (STS) – Local, Non-Traditional.</b>	
The total number of unit months that families were housed in a local, non-traditional rental subsidy for the prior full calendar year.	# 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.	# 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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<b>G.4</b>	<b>Comparable Mix (by Family Size) – Local, Non-Traditional.</b>
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	
2 Person	
3 Person	
4 Person	
5 Person	
6+ Person	
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.
	Please see attached for an additional public hearing held for Agency-Specific Waiver(s) and/or Safe Harbor Waiver(s)

I.	Evaluations.
	Yes - This table lists evaluations of Salt Lake County (Housing Connect)'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
Stepped and Tiered Rent Demonstration. Housing Connect's participation in the second cohort of the MTW Expansion will evaluate alternative rent policies designed to increase resident self-sufficiency and reduce PHA administrative burdens. Housing Connect will be studying a Stepped Rent model. An independent research team lead by MDRC will work with HUD, Housing Connect, and the other selected PHAs to assist in implementation and evaluate the effects of the alternative rent policy.	James Riccio, Principal Investigator James.Riccio@mdrc.org	Evaluation will be conducted over a 6 year period: August 1, 2022-July 31, 2028	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 (07/01/2023 \_\_\_), 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 identify, 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.

Housing Authority of the County of Salt Lake  
(doing business as Housing Connect)

**MTW PHA NAME**

UT003

**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).*

Spencer Moffat

**NAME OF AUTHORIZED OFFICIAL**

Housing Connect Board Chair

**TITLE**



**SIGNATURE**

3/15/23

**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.*

**HOUSING CONNECT**  
**AGENCY-SPECIFIC WAIVER REQUEST: MTW REASONABLE ACCOMMODATION EXCEPTION**  
**PAYMENT STANDARD**

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. Housing Connect (HC) is proposing to implement the following policy for the Housing Choice Voucher (HCV) programs pursuant to an Agency-Specific Waiver.

**A. Description Of Activity**

This activity will waive provisions of HUD 24 CFR 982.503 (b)(1) sections (v-vi) to allow HC to utilize an MTW reasonable accommodation (RA) exception payment standard (PS) without consideration for the 120% Fair Market Rent (FMR) limitation and without prior HUD approval, while ensuring that any approved rent meets the rent reasonableness standard. HC intends to utilize these MTW RA exception PS to assist families with disabled individuals in finding affordable units that include the features needed to address their disabilities. This policy will improve housing choice and reduce administrative burdens to benefit both clients and the agency. HC had budgeted funds to cover the cost of the MTW RA exception PS and understands that application of this policy will not cause any hardship to HCV families. Finally, HC will continue to apply the rent reasonableness standard when reviewing and approving any exception payment standard.

**B. Relationship to MTW Statutory Objectives**

This activity supports the MTW objective of improving housing choice for eligible low-income families by providing greater opportunity for disabled households to find accessible units during their voucher term. This activity also supports the MTW objective of increasing cost effectiveness by decreasing the administrative burden for HC when having to request approvals from HUD for exception payment standards outside of the 120% limitation.

**C. Population Groups and Household Types Impacted by Activity**

The exception payment standard policy will apply to HCV program families, with disabled family members, who need an exception payment standard to afford a unit with the features needed to address the applicable disabilities. HC will apply this policy to applicable families in the treatment, control and excluded groups.

**D. Cost Implications**

The costs related to MTW RA exception PS have been addressed. As the number of requests for reasonable accommodation payment standards generally averages five per year, HC has budgeted accordingly.

**E. Implementation Timetable**

Upon HUD approval, HC will implement this activity and apply the waiver to approve MTW RA exception PSs above 120% of FMR, without HUD approval, for applicable families.

**F. Impact Analysis**

See attached.

**G. Hardship Policy**

As application an MTW RA exception PS will assist households with disabled members in finding affordable units, it is not projected to create any hardship for HCV applicants or participants HCV program applicants and participants may request an informal review/hearing when and if their request for a reasonable accommodation exception payment standard is denied. HC will follow its applicable policies on reviews/hearings.

**H. Public Comments**

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

**HOUSING CONNECT**  
**MTW REASONABLE ACCOMMODATION EXCEPTION PAYMENT STANDARD**  
**IMPACT ANALYSIS**

Under the Moving to Work (MTW) Operations Notice, MTW agencies 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.

Housing Connect (HC) has prepared this impact analysis in conjunction with its second MTW Supplement for the fiscal year beginning on July 1, 2023. This analysis describes the projected impact related to utilization of an exception payment standard without consideration for the 120% Fair Market Rent (FMR) limitation and without prior HUD approval, to assist families with disabled individuals in finding affordable units that include the features needed to address their disabilities.

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

HC projects that this activity will result in a reduction in applicable families’ contributions toward rent through application of MTW reasonable accommodation exception payment standards. With respect to agency costs, HC projects that HAP may increase approximately \$7,500. HC has budgeted accordingly to account for these increases. See Exhibit A which reflects the impact on HAP.

**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)**

HC projects that this policy will have a positive impact on affordability of housing costs. By applying MTW reasonable accommodation exception payment standards, families with disabled household members will experience reductions in their family share of rent – gross rents will be more closely aligned with the MTW reasonable accommodation exception payment standards thus reducing the additional amounts due from the family. All rents must be reasonable.

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

HC does not expect that the proposed activity 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)**

HC does not expect that implementation of MTW reasonable accommodation exception payment standards will have any measurable impact on HC's termination rates for the HCV program. HC's current informal review/hearing policies provide participating families with the opportunity to dispute HC's determination regarding the family request for an MTW reasonable accommodation exception payment standard.

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

HC does not expect that implementation of MTW reasonable accommodation exception payment standards will have any measurable impact on current HCV utilization rates.

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

This activity supports the MTW objective increasing housing choice for eligible low-income families by providing greater opportunity for disabled households to find accessible and affordable units during their voucher term. This activity also supports the MTW objective of increasing cost effectiveness by decreasing the administrative burden for HC when having to request approvals from HUD for exception payment standards outside of the 120% limitation.

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

Implementation is not projected to have a measurable impact on HC's ability to meet the five MTW statutory requirements. HC 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**

HC does not anticipate that implementation of the MTW reasonable accommodation exception payment standards will generate any measurable increase in hardship requests. Implementation of this policy will not result in hardship for any families.

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

HC does not project any negative impacts including disparate impacts on protected classes as a result of implementing the MTW reasonable accommodation exception payment standards. There is only a positive impact for families that have disabled family members.

**EXHIBIT A**  
**IMPACT ANALYSIS: REASONABLE ACCOMMODATION EXCEPTION PAYMENT STANDARDS**  
**HOUSING CHOICE VOUCHER PROGRAM**

The analysis in Exhibit A illustrates a modeled impact on HAP when applying MTW reasonable accommodation exception payment standards for applicable households in the HCV program.

The following assumptions were used in this impact analysis and were made based on past experience with RA exception payment standard requests:

- Approximately five RA exception payment standards are approved per year
- Eighty-eight percent of all RA exception payment standards are for families in 1 BR units
- Using HC's MTW flexibility, HC projects the average RA exception payment standard will be 130% of the 1 BR FMR.
- Family share will not be impacted as the gross rent and MTW exception payment standard will likely be aligned or the gross rent will not exceed the MTW exception payment standard.

HC's payment standards for 2023 are set at between 90% and 110%. The 1 BR payment standard for 2023 is set at 110% of the FMR. Since 2018, every reasonable accommodation payment standard, with the exception of one request, was for a family who qualified for a 1 BR payment standard. HC has budgeted accordingly to cover the projected HAP cost of \$7,500 per year for this activity.

2023 MTW RA Exception PS @130% of the FMR:	\$1,635
2023 RA Exception PS @ 120% of the FMR:	<u>\$1,510</u>
Additional HAP due to MTW RA Exception PS:	\$ 125/month per request
Additional annual HAP due to MTW RA Exception PS:	\$1,500/year per request
Annual HAP expenditure for 5 MTW RA Exception PSs:	\$7,500/year

**HOUSING CONNECT**  
**MTW HARDSHIP: ALTERNATE REEXAMINATION SCHEDULE**

**A. HARDSHIP POLICY OVERVIEW**

Housing Connect (HC) has developed hardship policies related to an alternate reexamination schedule for elderly and disabled households in the Excluded Group (Stepped Rent Study.) The hardship policies address and mitigate financial hardships which may occur as a result of the triennial reexamination frequency and the limit on voluntary interim reexaminations. Specifically, HC may conduct regular reexaminations on an annual schedule where a household can verify that the triennial frequency poses a financial hardship. Additionally, HC may allow more than one voluntary interim rent reduction per year under specific verified circumstances.

**B. Hardship on Triennial Reexamination Frequency**

To qualify for a triennial reexamination frequency hardship, a household must be able to demonstrate that a financial hardship would result and would be addressed by applying an annual reexamination frequency.

**Request:**

- A triennial hardship request must be made in writing, by the household at the time the regular reexamination is completed.

**Eligibility:**

- A household will be eligible for triennial hardship exemption if the household's pattern of income would result in financial hardship that could not be addressed through the interim rent reduction policy.

**Remedy:**

- If a hardship exists, the household will be placed on an annual reexamination frequency.

**Time Frame:**

- The annual reexamination frequency will automatically revert to a triennial schedule after twelve months unless and until the family requests a renewal of the hardship and it is approved by HC.

**Applicability:**

- The triennial reexamination hardship applies to elderly and disabled households in the Excluded Group.

**C. INTERIM RENT REDUCTION HARDSHIP**

HC policy provides that a household may request, and HC will allow one voluntary interim rent reduction per year at the request of the household if the household's gross income has decreased 10% or more. However, HC may allow an interim rent reduction hardship if a household's gross income decreases 30% or more from the gross income at the prior interim rent reduction. Additional interim rent reduction hardships may be requested and will be reviewed on a case-by-case basis. Payment standards and utility allowances will not be updated during interim rent reexaminations for elderly and disabled households



on triennial reexamination frequencies; however, for interim changes related to increases in contract rent, HC will update the payment standard and utility allowance for these households.

Elderly or disabled households who have approved interim rent reductions will be required to report the following changes if they occur prior to the next triennial reexamination:

- If any unemployed family member becomes employed; and
- If any family member who is employed part-time begins to work full-time

If any of the changes above occur, before the next triennial reexamination, HC will conduct an interim reexamination and increase the rent. After an interim rent increase is processed, any further increases in income do not need to be reported until the next triennial reexamination.

Elderly/disabled households who report zero income continue to be subject to HC's zero income policies; however, they will remain on a triennial reexamination frequency.

**Request:**

- An interim rent reduction hardship must be requested, in writing, by the household.

**Eligibility:**

- A household will be eligible for interim rent reduction hardship if the household's gross income is reduced 30% or more from the gross income at the prior interim rent reduction (must be within the same year period)

**Remedy:**

- If a hardship exists, HC will allow and conduct one additional interim rent reduction hardship within the one-year period.

**Time Frame:**

- The interim rent reduction hardship will remain in place until the next triennial reexamination
- Each one-year period begins on the first day of the effective anniversary month of the triennial reexamination.

**Applicability:**

- The interim rent reduction hardship applies to elderly/disabled households in the Excluded Group.

**Example:**

- Triennial Reexamination Effective Date: March 1, 2023
- Gross Income March 1, 2023: \$30,000
- June 2023, household requests and is granted an interim rent reduction. This is the one rent reduction allowed under existing policy. Household's gross annual income is \$26,500 which represents a 12% decrease in gross income. HC completes an interim rent reduction using the new gross income.
- December 2023, household requests an interim rent reduction hardship. The household's gross income is \$19,875 which represents a decrease of 25% from the prior interim rent reduction.

Household is denied an interim rent reduction hardship since the reduction did not meet the 30% threshold. Household will be eligible for an interim rent reduction on or after March 1, 2024.