

PHA NAME: Washington County

PHA Code: OR022

MTW Supplement for PHA Fiscal Year Beginning: 07/01/2024

PHA Program Type: Combined

MTW Cohort Number: 2

MTW Supplement Submission Type: Annual Submission

Plan to Implement in Submission Year

Currently Implemented

1. Tiered Rent Program
 - a. 1.a., 1.b. + Safe Harbor – Tiered Rents
 - b. 1.r., 1.s. – Elimination of Deductions
 - c. 3.a., 3.b. + Safe Harbor – Reexamination Schedule
2. Rent Simplification
 - a. Agency Specific: Income Verification
 - b. 1.v., 1.w. - Calculation of Asset Income
 - c. 1.t., 1.u. - Calculation of Medical Expense Deduction
 - d. Agency Specific: Discontinue Earned Income Disallowance (EID)
3. Triennial Reviews for Seniors & People with Disabilities
 - a. 3.a., 3.b. – Reexamination Schedule
4. HQS Inspection Processes
 - a. 5.c. – HQS Third-Party Requirement
 - b. 14.a. – Moving On Program: Waive Initial HQS Requirement
5. Local Project-Based Voucher Program
 - a. 2.d. – Rent Reasonableness – Third-Party Requirement
 - b. 5.a. – Pre-Qualifying Unit Inspections
 - c. 5.d. – Alternative Inspection Schedule
 - d. 9.a. – Increase PBV Program Cap
 - e. 9.b. – Increase PBV Project Cap
 - f. 9.c. – Eliminate PBV Selection Process for PHA-owned projects
 - g. 9.h. – Limit Portability for PBV Units
6. Agency Specific: Waiver of Waitlist Requirements
7. Agency Specific: Strategic Waitlists
8. Alternate Payment Standards
 - a. 2.b. – Payment Standards – Fair Market Rents
9. Alternative Utility Allowance Schedule
 - a. 1.i., 1.j. – Alternative Utility Allowance
10. Agency-Specific: Homeownership Program [PENDING HUD APPROVAL]

MTW Supplement Narrative

LONG-TERM MTW GOALS

The Housing Authority of Washington County (HAWC) is framing our MTW strategies to align with the goals stated in our Agency Plan: 1) Increase the availability of decent safe, and affordable housing; 2) improve community quality of life and economic vitality; 3) promote self-sufficiency and asset development of families and individuals; and 4) ensure equal opportunity in housing for all in our community. The flexibility offered by the MTW program enables HAWC to implement and test strategies that move the agency closer to these goals.

Throughout our participation as an MTW agency, HAWC will explore strategies for cost reduction and effectiveness. We will shift focus from paperwork and verifications to improving household outcomes. With the innovation and flexibility offered by MTW participation, we will encourage our staff and community partners to think outside the box and find ways to improve and streamline processes.

HAWC will also build on our efforts to partner and create leverage points for both services and housing development. We will think creatively on how to increase the number of units available to our low-income households, while also entering into partnerships that will help our residents improve their opportunities in education, increasing their earnings and meeting goals for their families.

HAWC is committed to centering equity and inclusion in the work we do, to include policies or processes that are considered or changed within the scope of MTW. We will examine practices with a lens toward equity, and engage our households and community partners, with specific outreach to communities of color and tribal communities that have often been excluded from the decision-making process.

SHORT-TERM MTW GOALS

In our first years as an MTW agency, HAWC has focused on strategies for cost reduction and administrative effectiveness. In Year 1 (FY 2022-2023) we implemented our tiered rent study, as well as a triennial review schedule for seniors and people with disabilities and simplified aspects of the rent calculation. Changes like these create efficiencies for our staff and better understanding and transparency for the households we serve. In FY 2023-24, we expanded on these approaches, proposing a simplified utility allowance schedule and a locally designed payment standard, both to consider the conditions of our local community and respond to housing stability needs.

In FY 2024-2025 we are focusing on fully implementing approved waivers, analysis of activities to determine impact on households, and preparation for upcoming activities. We are not requesting any additional waivers in FY 2024-2025.

HAWC is not proposing any new waivers for 2024-25 at this time.

Currently Implemented

Tiered Rent Program

1.a., 1.b. + Safe Harbor – Tiered Rents

Narrative

Originally approved in the FY2022 PHA Plan.

As part of our MTW designation, HAWC will implement a tiered rent program to simplify the way rents are calculated for households. This is part of a rent study with three other MTW agencies and will only apply to a small portion of our households. The initial program is for six years and will begin enrolling households in FY 2022-2023. The program will enroll current households and newly admitted for 12 months. After six years, any participating households will transition back to the traditional rent calculation or to a revised calculation that would be introduced to the community in the future.

Only households who are work-able are considered eligible for the Tiered Rent Program. Households where the head, co-head or spouse is age 56 or older or a person with disabilities are not eligible. Households participating in FSS, mixed-eligibility households, and households using special purpose vouchers are not eligible.

Households will be selected randomly for participation by the research firm’s website. Of the households that are eligible, approximately half will be selected for the Tiered Rent Program and half will be selected as comparison households. Comparison households will continue to have their rents calculated using the standard calculation.

Under the Tiered Rent Program, households will pay rent based on a rent schedule with tiers of \$2,500 corresponding to the household’s gross income (as described in Waivers 1.r. and 1.s.) Rents are set at 28% of the midpoint of each tier. Although the Tiered Rent Program uses gross income, hardship policies have been established to protect families that will lose significant deductions. See the attached Hardship Policy information for more detail.

As described in Waivers 3.a. and 3.b., households that are selected for the Tiered Rent Program will move to a triennial recertification schedule. This means that these households will only complete a full review of income and rent adjustment once every three years. Households on the Tiered Rent Program who have an increase in income between reviews will not need to report that increase in income, and will stay on the same rent payment amount until their next full review. Households that have a decrease in income between reviews can contact the agency to request a hardship review.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

- i. (Safe Harbor Waiver requested. See below)
- ii. The agency must adopt a flat rent and/or TTP (as applicable) policy within each income band instead of calculating rent based on adjusted or gross income.

Based on the FY goals listed in the activity’s previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC began enrolling eligible

households in the Tiered Rent Program in January 2023. Enrollment will continue through households with a recertification effective date of April 2024, and HAWC will work closely with HUD and the independent research team led by MDRC to monitor impacts. At this point there have been no changes to the activity.
MTW Statutory Objective: Cost effectiveness; Self-sufficiency
Cost Implications: Increased expenditures; decreased revenue
Different Policy by HH Status / Family types / Sites: This activity applies to all public housing tenants, tenant-based vouchers and project-based vouchers where the participants are non-elderly, non-disabled, and otherwise considered eligible.
Need Safe Harbor Waiver? Yes - Certain provisions of sections 8(o)(2)(A)-(C) of the 1937 Act and 24 CFR 5.628. Safe Harbor 1.a.i. & 1.b.i. The standard MTW waiver provides that when a tiered rent is adopted, TTP/rent is based on the income at the bottom of the tier. For the Tiered Rent Program, the study design has established TTP/rent at 28% of the <u>midpoint</u> of the tier.
Need Hardship Policy? YES (attached)
Hardship Policy applies to more than this activity? This hardship policy applies to 1.a., 1.b., 1.r., 1.s., 3.a., and 3.b.
Has the Hardship Policy been modified since last submission? No
How many hardship requests have been received in the most recent fiscal year? How many approved? How many denied? How many pending? 127 hardships requested – 127 approved
Need Impact Analysis? YES (attached)
Impact Analysis applies to more than this activity? This impact analysis applies to 1.a., 1.b., 1.r., 1.s., 3.a., and 3.b.
Custom Questions Please describe how the income bands are structured? Income bands are in increments of \$2,500 in gross annual income. Rents are set at 28% of the midpoint of the tier, divided by 12 (to represent monthly income/rent). Households with income below \$2,500 will pay a minimum rent of \$50. Please upload the tiered rent policy table that shows the income bands. What is the income basis for assigning households to income bands? This activity uses different definitions of income through MTW Waivers 1.r and 1.s: elimination of deductions

Tiered Rent

1.r, 1.s. – Elimination of Deductions

Narrative Originally approved in the FY2022 PHA Plan.
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As described in 1.a. and 1.b., the Tiered Rent Program will utilize a rent schedule based on \$2,500 bands of the household's gross income. Households who are selected for this program will have their rent calculated using gross income from the prior twelve months (except for new admissions, who will have their rent calculated using current gross income). As a part of the policy, deductions and allowances will not be included in the calculation of gross income.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

- i. Agency must conduct an impact analysis.
- ii. Agency must exempt elderly and disabled families from rent policy.
- iii. Agency must implement a hardship policy.

Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC began enrolling eligible households in the Tiered Rent Program in January 2023. Enrollment will continue through households with a recertification effective date of April 2024, and HAWC will work closely with HUD and the independent research team led by MDRC to monitor impacts. At this point there have been no changes to the activity.

MTW Statutory Objective: Cost effectiveness

Cost Implications: Increased expenditures; decreased revenue

Different Policy by HH Status / Family types / Sites: This activity applies to all public housing tenants, tenant-based vouchers and project-based vouchers where the participants are non-elderly, non-disabled, and otherwise considered eligible.

Need Safe Harbor Waiver? No

Need Hardship Policy? YES (attached)

Hardship Policy applies to more than this activity? This hardship policy applies to 1.a., 1.b., 1.r., 1.s., 3.a., and 3.b.

Has the Hardship Policy been modified since last submission? No

How many hardship requests have been received in the most recent fiscal year? How many approved? How many denied? How many pending? 127 hardships requested; 127 hardships approved

Need Impact Analysis? YES (attached)

Impact Analysis applies to more than this activity? This impact analysis applies to 1.a., 1.b., 1.r., 1.s., 3.a., and 3.b.

Custom Questions

Which deductions will be eliminated?

Dependent allowances

Unreimbursed childcare costs

Other (please explain)

All deductions, including dependent allowances and deductions for childcare costs, will be eliminated for households participating in the Tiered Rent Program. Families who experience a significant rent increase due to the loss of these deductions may be eligible for hardship and adjustment to their rent calculation.

Tiered Rent Program

3.a., 3.b. + Safe Harbor – Alternative Reexamination Schedule

Narrative

Originally approved in the FY2022 PHA Plan.

HAWC is utilizing 3.a. in two activities: Tiered Rent Program and Triennial Reviews for Seniors and People with Disabilities. Utilization of the waiver in each activity is described below.

Tiered Rent Program

As described in 1.a. and 1.b., the Tiered Rent Program will utilize a rent schedule based on \$2,500 bands of the household's gross income. Households who are selected for this program will move to a triennial recertification schedule. These households will only complete a full review of income and rent adjustment once every three years. Households on the Tiered Rent Program who have an increase in income between reviews will not need to report that increase in income, and will stay on the same rent payment amount until their next full review. Households that have a decrease in income between reviews can contact the agency to request a hardship review.

The triennial review schedule will benefit families who increase their earnings. Families will not need to report increased income between triennial reviews, and will keep their full additional earnings to build stability.

Triennial Reviews for Seniors and People with Disabilities.

HAWC is implementing a triennial review schedule for seniors and people with disabilities. The triennial review schedule will be applied to households with at least one fixed income source, and where all adults in the households are seniors or people with disabilities. (At this time, both factors must apply for households to qualify for triennial reviews.)

Because this subset of our community is frequently on fixed incomes, they do not see significant rent changes from year to year. Annual reviews can be burdensome for these households. Instead, HAWC will only do a full review for these households once every three years. In 2022, households will be assigned their next review in either 2022, 2023 or 2024, and will not have another regular review for three years after. Households do not need to report changes in income between triennial reviews, unless they have a loss of income and are seeking rent reduction.

HAWC will still update COLA, payment standards, utility allowances and run EIV every year, send rent notice and informational letters to the household reminding them that they're on a triennial review, as well as a reminder to update medical expenses within 30 days if applicable.

If a household where all adults in the household are seniors or people with disabilities is zero income, they will be on a six-month review cycle. The goal of these six-month reviews will be to connect households with services or organizations who can help the household through the process of confirming SSI or SSDI income.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

- i. Reexaminations must occur at least every three years.
- ii. The agency must allow at least one interim adjustment per year at the request of the household, if the household gross income has decreased 10% or more. (Safe Harbor Waiver requested for Tiered Rent Program. See below.)
- iii. Agency must implement an impact analysis.
- iv. Agency must include a hardship policy.

Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC began enrolling eligible households in the Tiered Rent Program in January 2023. Enrollment will continue through households with a recertification effective date of April 2024.

At this point there have been no changes to the activity.

MTW Statutory Objective: Reduce cost and achieve greater cost effectiveness in federal expenditures; Give incentives to families to obtain employment and become economically self-sufficient

Cost Implications: Cost neutral (part of Tiered Rent Program)

Different Policy by HH Status / Family types / Sites:

Tiered Rent Program:

This activity applies to all public housing tenants, tenant-based vouchers and project-based vouchers where the participants are non-elderly, non-disabled, and otherwise considered eligible.

Triennial Reviews:

This activity applies to all public housing tenants, tenant-based vouchers and project-based vouchers where the participants are seniors or people with disabilities.

Need Safe Harbor Waiver?

Certain provisions of sections 8(o)(5) of the 1937 Act and 24 CFR 982.516(a)(1) and 982.516(c)(2).

3.a.ii. and 3.b.ii.

The standard MTW waiver calls for at least one interim adjustment per year at the request of the household, if the household gross income has decreased 10% or more. However, the study design does not provide for interim adjustments, but instead calls for hardship rent application when a household's income decreases and falls into a lower rent tier.

Need Hardship Policy? YES (attached)

Hardship Policy applies to more than this activity? This hardship policy applies to 1.a., 1.b., 1.r., 1.s., 3.a., and 3.b.

Has the Hardship Policy been modified since last submission? No

How many hardship requests have been received in the most recent fiscal year? How many approved? How many denied? How many pending? 0

Need Impact Analysis? YES (attached)

Impact Analysis applies to more than this activity? This impact analysis applies to 1.a., 1.b., 1.r., 1.s., 3.a., and 3.b.

Custom Questions

Recertification schedule is once every three years.

Households may request 0 interim recertifications per year.

If a family experiences a decrease in income that falls into a lower tier, the family can request a hardship (as opposed to an interim recertification). Please see the hardship policy for additional details.

Rent Simplification

[Agency Specific: Income Verification](#)

Documentation to be uploaded

Full description

Originally approved in the FY2022 PHA Plan.

HAWC is proposing a waiver to the verification hierarchy found in PIH Notice 2018-18, "Administrative Guidance for Effective and Mandated Use of the Enterprise Income Verification (EIV) System". HAWC is proposing this waiver for all current households (excludes income verification at new admission).

HAWC will continue to use EIV and other Upfront Income Verification (UIV) tools as the first, preferred verification technique. Use of EIV is mandatory. The next level will be tenant-provided documents (including pay stubs) and tenant self-certification. The lowest ranking verification techniques will be third-party verification (written or oral).

This waiver will help reduce cost and streamline processes in verifying income during the reexamination process. In HAWC's experience, tenant-provided documents and tenant self-certification has been an efficient method of verifying income, when partnered with EIV and UIV.

Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: Upon approval, HAWC implemented the waiver in FY2022. The waiver has helped to streamline processes in verifying income during the reexamination process.

Has there been a change in how the waiver is being implemented from when it was originally approved? No

Statute, Regulation or Operations Notice to be waived: Notice PIH 2018-18

MTW Statutory Objective: Reduce cost and achieve greater cost effectiveness in federal expenditures

Population groups and household types impacted by this activity: All

Cost Implications: HAWC anticipates a modest savings in staff time with this activity, but we do not anticipate staffing reductions. This activity will be relatively cost neutral.

Implementation timeline: HAWC implemented after receiving HUD approval on January 25, 2023.

Impact Analysis:

1. Agency finances - HAWC anticipates a modest savings in staff time with this activity, but we do not anticipate staffing reductions. This activity will be relatively cost neutral.

2. Affordability of housing costs – No projected impact.
3. Agency waitlist – No projected impact.
4. Termination rate – No projected impact.
5. Occupancy / Utilization – No projected impact.
6. MTW Statutory Goals - This activity is projected to increase staff efficiency by reducing reliance on third-party oral or written income verifications.
7. Statutory Requirements – No projected impact.
8. Hardship requests – No projected impact.
9. Protected classes / Disparate impact – No project impact.

Hardship Policy: This activity will primarily result in administrative efficiency and will not require a specific hardship policy. However, households will retain the existing rights to contest income findings. If the family disputes the accuracy of the data, the PHA will independently verify and give the family an opportunity to contest findings through the informal review/hearing process of the PHA. These policies are established in Chapters 7 of the HCV Program Administrative Plan and the Public Housing ACOP.

Comments received + Agency response: No comments received.

Rent Simplification

1.v, 1.w. + Safe Harbor - Alternative Income Inclusions/Exclusions (Calculation of Asset Income)

Narrative

Originally approved in the FY2022 PHA Plan.

The calculation of asset income and how it affects a household's rent is often arduous and confusing. Across 2,256 households currently reporting assets, the average annual impact on household rent is \$3.56 per household, per year. The staff time required to collect, verify and calculate asset information is of significant more cost than this.

HAWC is requesting an Agency Specific Waiver to change the way assets are used to calculate rent. Asset information will still be collected and verified at initial eligibility. However, HAWC will disregard all assets when total assets for the household are less than \$100,000. HAWC will not include asset or asset income in the rent calculation, or enter the information into Yardi, if total assets are less than \$100,000 as indicated in the personal declaration packet. If assets are \$100,000 or more, HAWC will continue to process assets and calculate the impact on rent as usual.

Out of 2,256 households currently reporting assets, only 21 households (or 1%) have assets of \$100,000 or more. The total impact of those assets represents 65% of the difference in final rent calculations across the agency. Continuing to include assets of \$100,000 or more will ensure that households with significant asset income use a portion of that income toward their rent.

This activity will apply to all new and existing households included in MTW flexibility, including Public Housing, Housing Choice Voucher and Project-Based Voucher households. (Safe Harbor Waiver requested.)

Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC received approval in March 2023 and implemented in the following months. The waiver has been helpful in streamlining the asset verification process.
MTW Statutory Objective: Reduce cost and achieve greater cost effectiveness in federal expenditures
Cost Implications: Loss of rental income or increase in HAP expenditures will cost HAWC approximately \$2,836 annually. However, this small cost will be offset by increased staff efficiency and the opportunity for staff to focus on additional supports for households.
Different Policy by HH Status / Family types / Sites: This activity will apply to all new and existing households included in MTW flexibility, including Public Housing, Housing Choice Voucher and Project-Based Voucher households.
Need Safe Harbor Waiver? Yes – This activity will apply to both work-able and elderly and/or disabled households.
Need Hardship Policy? No
Hardship Policy applies to more than this activity? No
Need Impact Analysis? No
Impact Analysis applies to more than this activity? No
Custom Questions What inclusions or exclusions will be eliminated, modified, or added? Asset income: HAWC will disregard asset income when total assets for the household are less than \$100,000.

Rent Simplification

1.t., 1.u. – Standard Deductions (Calculation of Medical/Disability Expense Deduction)

<p>Narrative Originally approved in the FY2022 PHA Plan.</p> <p>HAWC is requesting MTW flexibility to simplify the calculation of the medical or disability expense deduction, the process of verifying expenses, and how those expenses will impact a household's rent.</p> <p>HAWC will use a simplified table (below) to calculate allowances related to a household's medical or disability expenses. We will no longer use a varying medical or disability expense threshold for households. In essence, we will take the full amount of the household's expense and round down to the nearest \$1,000 to calculate their deduction. Only medical or disability expenses totaling \$1,500 or more per year are eligible.</p> <p>Medical /disability expense information can only be submitted <u>once</u> every 12 months. Interim reviews will not recalculate medical expenses. Households will submit medical expense information via a form. For expenses totaling less than \$5,000, HAWC will use tenant self-certification. Receipts will be required for expenses totaling \$5,000 or more.</p>

Medical / Disability expense	Deduction	Medical / Disability expense	Deduction
\$0 - \$1,500	\$0	\$5,000 - \$5,999	\$5,000
\$1,500 - \$1,999	\$1,000	\$6,000 - \$6,999	\$6,000
\$2,000 - \$2,999	\$2,000	\$7,000 - \$7,999	\$7,000
\$3,000 - \$3,999	\$3,000	\$8,000 - \$8,999	\$8,000
\$4,000 - \$4,999	\$4,000	\$9,000 - \$9,999	\$9,000

This activity will apply to all new and existing households included in MTW flexibility, including Public Housing, Housing Choice Voucher and Project-Based Voucher households. Please note that households participating in the Tiered Rent Program will no longer have deductions included in their rent calculation, and will therefore not be subject to this change.

Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC received approval in March 2023 and implemented in the following months. The waiver has simplified the medical calculation for households, improving administration as well as participant understanding.

MTW Statutory Objective: Cost effectiveness

Cost Implications: HAWC anticipates savings of approximately \$11,000 annually in reduced HAP costs or increased public housing rent. Additionally, HAWC anticipates a savings in staff time with this activity, but we do not anticipate staffing reductions.

Different Policy by HH Status / Family types / Sites: This activity will apply to all new and existing households included in MTW flexibility, including Public Housing, Housing Choice Voucher and Project-Based Voucher households.

Need Safe Harbor Waiver? No

Need Hardship Policy? Yes – MTW Hardship Policy

Hardship Policy applies to more than this activity? Yes

Has the Hardship Policy been modified since last submission? No

How many hardship requests have been received in the most recent fiscal year? How many approved? How many denied? How many pending? No

Need Impact Analysis? Yes – See upload

Impact Analysis applies to more than this activity? No

Custom Questions

How much will the single standard deduction be in the fiscal year? N/A - \$0

Rent Simplification

Agency Specific: [Discontinue Earned Income Disallowance \(EID\)](#)

Documentation to be uploaded

Full description

Originally approved in the FY2022 PHA Plan.

HUD has published proposed rules indicating that the Earned Income Disregard (EID) program will be discontinued. In anticipation, HAWC is proposing an end to our program and to stop enrolling new

<p>households into EID as of August 1, 2022. In accordance with the proposed HUD rules, HAWC will allow current EID participants to continue to receive the benefit until the end of their benefit timeframe, or on July 31, 2023 (whichever is sooner).</p> <p>The current EID program allows some households to disregard income when calculating rent. However, the program is complicated to administer, with a number of different rules related to the calculation and the timeline. Because HUD has indicated the intention to end the program, HAWC is seeking a waiver to discontinue enrollment at this time, providing more time for phasing out the program and exploring other options for supporting households that are increasing their income.</p>
<p>Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: Upon approval, HAWC implemented the waiver in FY2022. HAWC no longer has any households enrolled in EID. This has simplified administration of our rent assistance programs.</p>
<p>Has there been a change in how the waiver is being implemented from when it was originally approved? No</p>
<p>Statute, Regulation or Operations Notice to be waived: Certain provisions of 24 CFR 960.255 and section 3(d) of the 1937 Act</p>
<p>MTW Statutory Objective: Reduce cost and achieve greater cost effectiveness in federal expenditures</p>
<p>Population groups and household types impacted by this activity: All</p>
<p>Cost Implications: Cost neutral</p>
<p>Implementation timeline: HAWC will stop enrolling new households into EID as of August 1, 2022, and will allow current EID participants to continue to receive the benefit until the end of their benefit timeline or July 31, 2023.</p>
<p>Impact Analysis</p> <ol style="list-style-type: none"> 1. Agency finances – Because current households will be allowed to finish out the majority of their planned benefit, HAWC expects minimal impact to agency finances. 2. Affordability of housing costs – No projected impact. 3. Agency waitlist – No projected impact. 4. Termination rate – No projected impact. 5. Occupancy / Utilization – No projected impact. 6. MTW Statutory Goals – This activity is projected to increase staff efficiency by reducing the processes around administering the EID program. 7. Statutory Requirements – No projected impact. 8. Hardship requests – No projected impact. 9. Protected classes / Disparate impact – No projected impact.
<p>Hardship Policy: Because current households will have until their benefit ends or July 31, 2023, HAWC does not anticipate any need for additional hardship policies.</p>
<p>Comments received + Agency response: No comments received.</p>

Narrative

Originally approved in the FY2022 PHA Plan.

HAWC is utilizing 3.a. in two activities: Tiered Rent Program and Triennial Reviews for Seniors and People with Disabilities. Utilization of the waiver in each activity is described below.

Tiered Rent Program

As described in 1.a. and 1.b., the Tiered Rent Program will utilize a rent schedule based on \$2,500 bands of the household's gross income. Households who are selected for this program will move to a triennial recertification schedule. These households will only complete a full review of income and rent adjustment once every three years. Households on the Tiered Rent Program who have an increase in income between reviews will not need to report that increase in income, and will stay on the same rent payment amount until their next full review. Households that have a decrease in income between reviews can contact the agency to request a hardship review.

The triennial review schedule will benefit families who increase their earnings. Families will not need to report increased income between triennial reviews, and will keep their full additional earnings to build stability.

Triennial Reviews for Seniors and People with Disabilities.

HAWC is implementing a triennial review schedule for seniors and people with disabilities. The triennial review schedule will be applied to households with at least one fixed income source, and where all adults in the households are seniors or people with disabilities. (At this time, both factors must apply for households to qualify for triennial reviews.)

Because this subset of our community is frequently on fixed incomes, they do not see significant rent changes from year to year. Annual reviews can be burdensome for these households. Instead, HAWC will only do a full review for these households once every three years. In 2022, households will be assigned their next review in either 2022, 2023 or 2024, and will not have another regular review for three years after. Households do not need to report changes in income between triennial reviews, unless they have a loss of income and are seeking rent reduction.

HAWC will still update COLA, payment standards, utility allowances and run EIV every year, send rent notice and informational letters to the household reminding them that they're on a triennial review, as well as a reminder to update medical expenses within 30 days if applicable.

If a household where all adults in the household are seniors or people with disabilities is zero income, they will be on a six-month review cycle. The goal of these six-month reviews will be to connect households with services or organizations who can help the household through the process of confirming SSI or SSDI income.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

- i. Reexaminations must occur at least every three years.
- ii. The agency must allow at least one interim adjustment per year at the request of the household, if the household gross income has decreased 10% or more. (Safe Harbor Waiver requested for Tiered Rent Program. See below.)

<p>iii. Agency must implement an impact analysis.</p> <p>iv. Agency must include a hardship policy.</p>
<p>Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC received approval for this waiver in June 2022 and began transitioning households to a triennial review schedule in December 2022.</p>
<p>MTW Statutory Objective: Cost effectiveness</p>
<p>Cost Implications: Decreased Expenditures - Analysis shows that this activity will be relatively cost neutral in impact on rents, as most households do not see significant rent increases year to year. This will be a cost savings to the agency, as staff will have a reduced number (approximately 1,000) of annual reviews to complete each year. [Neutral - We do not anticipate a staffing reduction, but this will give staff the opportunity to engage in supportive services for our clients.]</p>
<p>Different Policy by HH Status / Family types / Sites: Tiered Rent Program: This activity applies to all public housing tenants, tenant-based vouchers and project-based vouchers where the participants are non-elderly, non-disabled, and otherwise considered eligible. Triennial Reviews: This activity applies to all public housing tenants, tenant-based vouchers and project-based vouchers where the participants are seniors or people with disabilities.</p>
<p>Need Safe Harbor Waiver? No</p>
<p>Need Hardship Policy? Yes – Households have access to our standard hardship policy, and our MTW Hardship policy.</p>
<p>Hardship Policy applies to more than this activity? Yes</p>
<p>Has the Hardship Policy been modified since last submission? No</p>
<p>How many hardship requests have been received in the most recent fiscal year? How many approved? How many denied? How many pending? 0</p>
<p>Need Impact Analysis? Yes</p>
<p>Impact Analysis applies to more than this activity? No</p>
<p>Custom Questions: What is the recertification schedule? Once every three years How many interim recertifications per year may a household request? Unlimited Please describe briefly how the MTW agency plans to address changes in the family/household circumstances under the alternative reexamination schedule? Households will have access to our standard hardship policy if they feel their current rent calculation is putting their housing stability at risk. HAWC will track and annually review the hardship requests received by these household to ensure the policy is not having a negative or bias impact on these households. Families can also request interims as needed, if the change in household circumstances warrants.</p>

HQS Inspection Processes

14.a. – Moving On Program: Waive Initial HQS Requirement

Narrative

Originally approved in the FY2022 PHA Plan.

Moving On enables individuals and families who are able and want to move from permanent supportive housing (PSH) to do so by providing mainstream housing options, like public housing units or rent assistance vouchers. HAWC is utilizing our MTW authority to waive the requirement for an additional HQS inspection if the household is going to use mainstream housing options (such as a voucher) to continue to lease the same unit.

HAWC anticipates this activity will be relatively cost neutral, with some staff time savings through the policy, but significant improvements in administrative efficiency.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

- i. Initial income eligibility must be determined in accordance with 24 CFR 5.609 of the 1937 Act.
- ii. Agencies must continue to allow participants to request an interim HQS inspection.
- iii. Any income calculations that are accepted from partner agencies must have been calculated within the last year.
- iv. Screenings for lifetime sex offender status and convictions of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing must continue and are not waivable.

Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: Upon approval, HAWC implemented the waiver in FY2022. This waiver streamlines the HQS inspection process for households that qualify.

MTW Statutory Objective: Cost effectiveness; Housing choice

Cost Implications: Neutral

Different Policy by HH Status / Family types / Sites: No

Need Safe Harbor Waiver? No

Need Hardship Policy? No

Hardship Policy applies to more than this activity? N/A

Need Impact Analysis? No

Impact Analysis applies to more than this activity? N/A

Custom Questions: N/A

HQS Inspection Processes

5.c. – HQS Third-Party Requirement

Narrative

Originally approved in the FY2022 PHA Plan.

HAWC is proposing to eliminate the requirement for a third party to conduct HQS inspections on units our agency owns or controls, when assisted with tenant-based or project-based vouchers. HAWC currently engages a third-party contractor to conduct HQS inspections in these cases, and it is time

consuming and costly. Using HAWC staff to conduct these HQS inspections will streamline processes and create cost effectiveness. HAWC will continue to have a sampling of inspections done by our auditor to ensure quality control and transparency in the process.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

- i. The agency shall establish and make available a quality assurance method to ensure an objective analysis.
- ii. The participant must be able to request an interim inspection.
- iii. HQS inspection standards must not be altered as found at 24 CFR 982.401.
- iv. At the Department's request, the agency must obtain the services of a third-party entity to determine if PHA-owned units pass HQS.

Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: Upon approval, HAWC implemented the waiver in FY2022. This waiver has helped to streamline HQS processes and create cost effectiveness.

MTW Statutory Objective Cost effectiveness

Cost Implications Cost savings

Different Policy by HH Status / Family types / Sites All

Need Safe Harbor Waiver? No

Need Hardship Policy? No

Hardship Policy applies to more than this activity? N/A

Need Impact Analysis? No

Impact Analysis applies to more than this activity? N/A

Custom Questions

Quality Assurance method: HAWC will continue to utilize our internal quality control process of HQS audits, ensuring that a minimum amount of inspections are reviewed by a secondary staff member. The agency will conduct quality control inspections utilizing 24 CFR 985.2(b) that determines the quality control sample size, whereas the PHA will perform quality control inspections to ensure housing quality. The sample selection will be drawn in an unbiased manner and reviewed by an agency supervisor or another qualified person other than the person who performed the original work. Sample pulls may occur monthly or quarterly and notices will be sent to the participants and landlords.

Local Project-Based Voucher Program

2.d. – Rent Reasonableness – Third-Party Requirement

Narrative

Originally approved in the FY2022 PHA Plan.

HAWC is proposing to eliminate the requirement for a third party to conduct rent reasonableness on units our agency owns or controls, assisted with project-based vouchers. HAWC currently engages a third-party contractor to conduct rent reasonableness in these cases, and it is time consuming and costly. Conducting rent reasonableness calculations internally will streamline processes and create cost effectiveness. HAWC will utilize GoSection8 Rent Reasonableness software for all rent reasonableness processes to ensure quality control and transparency. The program allows Quality Control reviews of the rent reasonableness in which an auditor has access to perform quality control audits on the rent reasonableness determination. Rent reasonableness documentation with comparable will still be transmitted to HUD for Subsidy Layering Reviews.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

- i. The agency shall establish and make available a quality assurance method to ensure impartiality.
- ii. The agency shall 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.
- iii. At the Department’s request, the agency must obtain the services of a third-party entity to determine rent reasonableness for PHA-owned units.

Based on the FY goals listed in the activity’s previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: During implementation, rent reasonableness has been completed for all PHA owned units utilizing the Affordable Housing/GoSection8 website.

MTW Statutory Objective: Cost effectiveness

Cost Implications: Decreased expenditures

Different Policy by HH Status / Family types / Sites: All

Need Safe Harbor Waiver? No

Need Hardship Policy? No

Hardship Policy applies to more than this activity? N/A

Need Impact Analysis? No

Impact Analysis applies to more than this activity? No

Custom Questions

Quality assurance method: The GoSection8 Rent Reasonableness software program allows for quality control reviews of the rent reasonableness in which an auditor has access to perform quality control audits on the rent reasonableness determination. Rent reasonableness documentation with comparable will still be transmitted to HUD for Subsidy Layering Reviews.

Rent reasonableness determination method: HAWC will utilize GoSection8 Rent Reasonableness software for all rent reasonableness processes. The process includes comparable based on up-to-date market units and costs. The software’s processes and certification of each review adheres to HUD’s rent reasonableness standards.

<p>Narrative</p> <p>Originally approved in the FY2022 PHA Plan.</p> <p>HAWC is proposing the option to allow pre-qualifying unit inspections, within 90 days of the participant occupying the unit. Allowing pre-qualifying inspections will streamline the process and allow households to move through occupancy more quickly.</p> <p>Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:</p> <ul style="list-style-type: none"> i. The pre-inspection must have been conducted within 90 days of the participant occupying the unit. ii. The participant must be able to request an interim inspection. iii. HQS inspection standards must not be altered as found at 24 CFR 982.401.
<p>Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC received approval for this waiver in June 2022 and utilizes pre-qualifying inspections for project-based units only, specifically for newly built or rehabilitated units. HAWC may look to expand to tenant-based units in the future.</p>
<p>MTW Statutory Objective Cost effectiveness</p>
<p>Cost Implications None</p>
<p>Different Policy by HH Status / Family types / Sites All</p>
<p>Need Safe Harbor Waiver? None</p>
<p>Need Hardship Policy? No</p>
<p>Hardship Policy applies to more than this activity? N/A</p>
<p>Need Impact Analysis? No</p>
<p>Impact Analysis applies to more than this activity? N/A</p>
<p>Custom Questions</p> <p>The pre-inspection period will be valid for 90 days.</p>

Local Project-Based Voucher Program

5.d. – [Alternative Inspection Schedule](#)

<p>Narrative</p> <p>Originally approved in the FY2022 PHA Plan.</p> <p>HAWC is proposing that in lieu of initial staff inspections of PBV units before occupancy or at turnover (per 24 CFR 983.103(b)-(c)), properties in good standing will self-certify adherence to HQS inspection standards. This policy will allow for the landlord and tenant to complete and sign a self-certification of inspection at the time of lease up, with documentation submitted at the same time as the other leasing paperwork. Once received, staff will review and if approved, place the PBV unit on an annual inspection cycle.</p> <p>This policy will only apply to properties in good standing, and HAWC may require initial inspections at any PBV unit if there are concerns with failed inspections in the property. Additionally, the participant can request an interim inspection at any time. All initial inspections on a contract will be</p>

conducted by an HQS inspection, including but not limited to new construction, rehabilitation and unit transfers. The unit must pass at least one full HQS inspection before it will be eligible for an initial self-certification.

HAWC will employ a quality control process of HQS internal audits, randomly selecting a percentage of self-certified inspections to receive a secondary inspection by internal staff. HAWC will also track interim inspection requests and results from annual inspections, to monitor if the policy is having any negative or bias impact on housing quality or residents.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

- i. Units must be inspected at least once every three years.
- ii. The participant must be able to request an interim inspection.
- iii. HQS inspection standards as found at 24 CFR 982.401 must not be altered.
- iv. The Department must be able to conduct or direct the agency to perform an inspection at any time for health and safety, as well as accessibility, purposes.

Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC received approval of this waiver in June 2022. Implementation is currently pending the full roll out of NSPIRE protocols to ensure cohesion.

MTW Statutory Objective: Cost effectiveness

Cost Implications: Cost savings

Different Policy by HH Status / Family types / Sites: All

Need Safe Harbor Waiver? No

Need Hardship Policy? No

Hardship Policy applies to more than this activity? N/A

Need Impact Analysis? No

Impact Analysis applies to more than this activity? N/A

Custom Questions (None)

Local Project-Based Voucher Program

9.a. – Increase PBV Program Cap

Narrative

Originally approved in the FY2022 PHA Plan.

HAWC is proposing to increase the number of authorized units that we may project-base up to 50%. Project-based vouchers (PBVs) are an important resource in our community, allowing the agency to coordinate with local property owners, developers, service coordinators and jurisdictional partners to provide targeted housing for different populations.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

i. The agency must not project-base more than 50% of the lower of either the total authorized units or annual budget authority.
Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC continues to utilize project-based voucher as an important resource for housing stability in our community. We currently project-base approximately 15% of our total authorized units.
MTW Statutory Objective Increase housing choice
Cost Implications Neutral
Different Policy by HH Status / Family types / Sites All
Need Safe Harbor Waiver? No
Need Hardship Policy? No
Hardship Policy applies to more than this activity? N/A
Need Impact Analysis? No
Impact Analysis applies to more than this activity? N/A
Custom Questions What percentage of total authorized units will be authorized for project-basing? 50%

Local Project-Based Voucher Program

9.b. – Increase PBV Project Cap

Narrative Originally approved in the FY2022 PHA Plan. HAWC is proposing to increase the PBV cap within a project to 100%. Project-based vouchers (PBVs) are an important resource in our community, allowing the agency to coordinate with local property owners, developers, service coordinators and jurisdictional partners to provide targeted housing for different populations. Per the MTW Operations Notice, this activity will operate within the following Safe Harbors: i. The agency is subject to Notice PIH 2013-27 where applicable, or successor.
Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC continues to utilize project-based voucher as an important resource for housing stability in our community. This waiver will create operational efficiency and expanded housing choice.
MTW Statutory Objective Increase housing choice
Cost Implications Neutral
Different Policy by HH Status / Family types / Sites All
Need Safe Harbor Waiver? No
Need Hardship Policy? No

Hardship Policy applies to more than this activity? N/A
Need Impact Analysis? No
Impact Analysis applies to more than this activity? N/A
Custom Questions (None)

Local Project-Based Voucher Program

9.c. – Eliminate PBV Selection Process for PHA-owned projects

<p>Narrative Originally approved in the FY2022 PHA Plan.</p> <p>HAWC is proposing to eliminate the selection process in the award of PBVs to properties owned by the agency that are not public housing without engaging in an initiative to improve, develop, or replace a public housing property or site. HAWC will continue to abide by the additional HUD selection requirements and will maintain transparency with our community.</p> <p>Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:</p> <ul style="list-style-type: none"> i. A subsidy layering review must be conducted. ii. The agency must complete site selection requirements. iii. (The agency is also implementing Activity 5.c. and will be waiving the third-party inspection requirements for all PBV properties. The agency has confirmed that Activity 5.c. overrides the Safe Harbor in Activity 9.c. with the MTW Office.) iv. The agency is subject to Notice PIH 2013-27 where applicable, or successor. v. Property must be owned by a single-asset entity of the agency, see Notice PIH 2017-21. <p>Based on the FY goals listed in the activity’s previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC continues to utilize project-based voucher as an important resource for housing stability in our community. This waiver will create operational efficiency and housing choice.</p>
Cost Implications Neutral
Different Policy by HH Status / Family types / Sites All
Need Safe Harbor Waiver? No
Need Hardship Policy? No
Hardship Policy applies to more than this activity? N/A
Need Impact Analysis? No
Impact Analysis applies to more than this activity? N/A
Custom Questions (None)

Local Project-Based Voucher Program

9.h. – Limit Portability for PBV Units

<p>Narrative Originally approved in the FY2022 PHA Plan.</p> <p>HAWC is proposing to change the current requirement to provide a tenant-based voucher when requested by a PBV household from 12 months after PBV tenancy to 24 months. Because of the limited availability of tenant-based vouchers in our community, we currently have a list of approximately 1,800 households waiting to access a tenant-based voucher – with many more in our community who are eligible, but not yet on any waitlist.</p> <p>Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:</p> <ul style="list-style-type: none"> i. Portability under this activity must not be restricted for more than 24 months. ii. The agency must have a clear and uniform policy in place to address how move requests are received and how they are approved/denied for PBV households. iii. Participants must still retain the ability to request a tenant-based voucher for reasonable accommodation according to existing rules.
<p>Based on the FY goals listed in the activity’s previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC received approval for this waiver in March 2023. Activity was implemented in 2024.</p>
<p>MTW Statutory Objective Increase housing choice</p>
<p>Cost Implications Neutral</p>
<p>Different Policy by HH Status / Family types / Sites All</p>
<p>Need Safe Harbor Waiver? No</p>
<p>Need Hardship Policy? No</p>
<p>Hardship Policy applies to more than this activity? N/A</p>
<p>Need Impact Analysis? No</p>
<p>Impact Analysis applies to more than this activity? N/A</p>
<p>Custom Questions (None)</p>

Waiver of Waitlist Requirements

[Agency Specific: Waiver of Waitlist Requirements](#)

Documentation to be uploaded

<p>Full description Originally approved in our FY2022 PHA Plan.</p> <p>HAWC regularly partners with local service providers to create housing programs that provide supports to ensure stability and success for participating families. The partnerships frequently center around Project-Based Vouchers (PBVs). HAWC is proposing an activity that allows the agency to set</p>
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aside an agreed-upon number of tenant-based vouchers, when partnering with a service provider to prioritize Housing Choice Vouchers to serve a vulnerable target population.

At this time, HAWC is working with a local school district to create a program aimed to house homeless students and their families. Washington County includes several school districts with notably high populations of homeless students, including Beaverton School District with the highest number of homeless students in the State of Oregon. The program will partner services provided by the school district's McKinney Vento program with a tenant-based voucher for the family, and possibly additional supports provided by local services providers through our coordinated entry system. In FY2022-2023, HAWC is planning to set aside 50 tenant-based vouchers to serve these homeless families and provide housing stability to families with children enrolled in the school district.

Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC received approval for this waiver in November 2023 and will work through implementation in 2024.

Has there been a change in how the waiver is being implemented from when it was originally approved? No.

Statute, Regulation or Operations Notice to be waived: Certain provisions of 24 CFR 982.207

MTW Statutory Objective: Housing choice

Population groups and household types impacted by this activity: Families with children

Cost Implications: Cost neutral

Impact Analysis

1. Agency finances – No projected impact.
2. Affordability of housing costs – This activity will provide affordable housing for up to 50 homeless families with students in the partnering school system.
3. Agency waitlist – No projected impact. The agency will continue to pull from the waitlist to increase utilization and maintain leasing numbers.
4. Termination rate – No projected impact.
5. Occupancy / Utilization – Because these vouchers are part of the regular ACC and may be paired with additional supports to find and maintain stable housing, this program may increase utilization in the voucher program.
6. MTW Statutory Goals - This activity is projected to increase access to affordable housing for homeless families in our community.
7. Statutory Requirements – No projected impact.
8. Hardship requests – No projected impact.
9. Protected classes / Disparate impact – No project impact.

Hardship Policy: HAWC does not anticipate a negative impact on households through this activity. Therefore, no specific hardship policy is needed.

Comments received + Agency response: Please see attached description of all public comments received and consideration/response to comments. One person asked a question specific to this activity:

Has HAWC considered partnering with other service providers for the voucher set-aside program? For example, Portland Community College has a large number of homeless students.

We are hopeful that the first voucher set-aside program with Beaverton School District will be successful, and will create a template for expanding the program to other service providers (such as Portland Community College). At this time we are only working with Beaverton School District.

Strategic Waitlists

[Agency Specific: Strategic Waitlists](#)

Documentation to be uploaded

Full description

Originally approved in our FY2022 PHA Plan.

HAWC's Project-Based Voucher (PBV) program serves a variety of household types, often in specific settings or with linked services that increase the likelihood of success and stability for the voucher holder. Similarly, the proposed Voucher Set-Aside program will provide assistance to targeted households, coupled with services and supports for those families.

To maximize efficiency for our PBV and Voucher Set-Aside programs, HAWC is proposing use of strategic waitlist options. This activity will allow HAWC to utilize deliberate waitlist strategies for each PBV or Voucher Set-Aside program, to create a waitlist process that is the best fit for the individual scenarios. Strategic waitlist options include:

1) Referral-based placement: In situations where HAWC is working with a specific provider or a very targeted household type, HAWC may forego use of a waitlist and instead use a referral and selection process. HAWC will accept referrals from the specified partners and award those households the dedicated vouchers. Written documentation of the referral will be maintained by HAWC, but HAWC will not add the household to a waiting list, just to be immediately selected. This process will be modeled after the same procedure currently used for the existing VASH program.

For example, HAWC has dedicated PBV units for chronically homeless individuals, with supportive services linked to the assistance to ensure the household has the highest likelihood of housing stability. Our community has successfully established a Coordinated Entry System, through which people experiencing homelessness or at imminent risk of homelessness can find housing resources and be connected with qualified service providers. When HAWC has available PBV units dedicated to this specific population, it makes the most sense to accept referrals directly from the coordinated entry system using a network of referrals, instead of establishing a wait list with information that will quickly become obsolete.

When using a referral-based placement option, HAWC will establish an MOU with the referring partner, and will institute quality control metrics to ensure that households are being referred in an equitable manner.

2) Site-based waitlists: HAWC may allow individual PBV or Voucher Set-Aside programs to maintain their own site-based waiting lists with individual preferences. Site-based waitlists are often more practical to manage than the alternative of HAWC individually managing multiple different lists. In

addition, it sometimes creates a better connection between the applicant and the property or program they've applied to.

HAWC is likely to use site-based waitlists when the project has the capacity to administer the waitlist for all units identified in the PBV HAP contract. The community provider and leasing agents must demonstrate the ability to adhere to the site-based waitlist policies and would be subject to contract monitoring to ensure the waitlist is being managed correctly by each contract. HAWC may still choose to administer select waitlists internally, per the current standard PBV waitlist processes.

When using a site-based waitlist option, HAWC will establish an MOU with the waitlist manager and will institute quality control metrics to ensure that households are being selected in an equitable manner.

3) Centralized PBV waitlist: For PBV units that are not dedicated to specific populations or services, HAWC may create a centralized waitlist similar to our centralized public housing waitlist. Households placed on this centralized waitlist will be eligible for the multiple PBV units and properties included in the waitlist. This will maximize efficiencies in administering the waitlist and remove the necessity for households to register on each PBV waitlist that comes online.

As households are selected from the centralized waitlist, they will be given the option to refuse up to three available PBV units before they are removed from the list. The centralized waitlist will be administered internally, with the same quality control processes as our current public housing and tenant-based voucher waitlists.

For PBV units that are dedicated to specific populations or services, HAWC will continue to administer individualized waitlists or one of the other strategic waitlist options specified here.

4) Local waitlist preferences: HAWC may choose to implement specific preferences for individual PBV or Voucher Set-Aside waitlists, when there is not an appropriate partner to refer applicants or to administer a site- or program-based waitlist. Creating local preferences allows HAWC to ensure that the waitlist process is selecting applicants who are best served by the associated services and supports.

HAWC will ensure the preference is clear in the waitlist information at the time of application. Applicants will self-certify the preference and will be pulled based on preference time and date, then general time and date.

When any of these strategic waitlist processes are applied, the housing authority and/or the partner managing the process must comply with all applicable federal, state or local Fair Housing and civil rights laws and requirements. These laws and requirements are in place to promote equal housing choice for all prospective tenants regardless of race, color, religion, sex, sexual orientation, disability, familial status, or national origin. In cases where specific preferences are established, the housing authority and/or partner must apply criteria uniformly to all applicants in compliance with all Fair Housing and civil rights laws and requirements.

Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC received approval for this waiver in November 2023. There have been no changes in implementation.

Has there been a change in how the waiver is being implemented from when it was originally approved? No.
Statute, Regulation or Operations Notice to be waived: Certain provisions of 24 CFR 983.251(c) and 983.251(d)
MTW Statutory Objective: Reduce cost and achieve greater cost effectiveness in federal expenditures
Population groups and household types impacted by this activity: Vouchers
Cost Implications: Cost neutral
Implementation timeline: HAWC will begin to consider and implement new waitlist processes after July 1, 2022 (pending HUD approval).
<p>Impact Analysis</p> <ol style="list-style-type: none"> 1. Agency finances - HAWC anticipates a modest savings in staff time with this activity, but we do not anticipate staffing reductions. This activity will be relatively cost neutral. 2. Affordability of housing costs – No projected impact. 3. Agency waitlist – No projected impact. 4. Termination rate – No projected impact. 5. Occupancy / Utilization – HAWC anticipates a faster lease-up time for our Project-Based Voucher units and our Voucher Set-Aside program, when strategic waitlist options are used. 6. MTW Statutory Goals - This activity is projected to increase staff efficiency by reducing time spent managing multiple individualized waitlists. 7. Statutory Requirements – No projected impact. 8. Hardship requests – No projected impact. 9. Protected classes / Disparate impact – No project impact.
Hardship Policy – HAWC does not anticipate a negative impact on households through this activity. Therefore, no specific hardship policy is needed.
Comments received + Agency response: No comments received.

Payment Standards

2.b. – Payment Standards – Fair Market Rents

<p>Narrative</p> <p>Originally approved in the FY2023 PHA Plan.</p> <p>To best meet the local needs of our community, the Housing Authority of Washington County is requesting a waiver that allows us to adopt and implement local policies to establish payment standards based on Fair Market Rents (FMR).</p> <p>In FY2023-24, HAWC will create and apply two different voucher payment standards: Market Rate Voucher Payment Standard will generally apply to units in the private rental market. These payment standards will be set between 100% and 110% of area Fair Market Rents. Affordable Housing Voucher Payment Standards will generally apply to units with a nonprofit or tax credit status. These payment standards will be set between 90% and 100% of area Fair Market Rents.</p>
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At adoption of these differing payment standards, the Affordable Housing Voucher Payment Standard will start at our current rate so no household will have a reduction of VPS.

Adjustments to payment standards will be applied at the household's move in, recertification, or contract rent increase.

Payment standards impact all voucher subsidy holders as it is factored in the maximum subsidy. Since affordable housing units have other regulations to keep rents lower, we anticipate there will be no reduction in assistance or rent amounts while renting an affordable housing unit. This will also open more opportunities to rent units above market rent if they are privately owned.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

- i. Payment standard must be between 80% and 120% of the FMR.
- ii. Agency must implement an impact analysis.
- iii. Agency must implement a hardship policy.

Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC received approval of this waiver in June 2023 and implemented the updated payment standards effective October 1, 2023.

MTW Statutory Objective: Increase housing choice; Cost effectiveness

Cost Implications: Cost neutral

Different Policy by HH Status / Family types / Sites: HCV households

Need Safe Harbor Waiver? No

Need Hardship Policy? Yes

Hardship Policy applies to more than this activity? Yes – see MTW Hardship Policy

Need Impact Analysis? Yes

Impact Analysis applies to more than this activity? No

Custom Questions

Please explain the payment standards by FMR.

Market Rate Voucher Payment Standard will generally apply to units in the private rental market.

These payment standards will be set between 100% and 110% of area Fair Market Rents.

Affordable Housing Voucher Payment Standards will generally apply to units with a nonprofit or tax credit status. These payment standards will be set between 90% and 100% of area Fair Market Rents.

Simplified Utility Allowance Schedule

1.i., 1.j. - Utility Allowances

Narrative

Originally approved in the FY2023 PHA Plan.

HAWC is requesting a waiver to create an alternative utility allowance schedule for public housing and voucher units. The current utility allowance is extensive and difficult for tenants to use. Simplifying the utility allowance schedule will help tenants to understand the full costs of potential units, will create administrative efficiencies, and will reduce likelihood of calculation errors.

HAWC will create a utility allowance schedule that considers location, bedroom size, and only whether the household pays heat/electricity and water/sewer/garbage.

Upon implementation and moving forward, updates to the household's utility allowances will be applied at the household's next regularly scheduled review or update.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

- i. The utility schedule must be based upon number of bedrooms, the property location, and/or the types of utilities paid by participant.
- ii. The agency must review its schedule of utility allowances each year and revise its allowance for a utility category if there has been a change of 10 percent or more of the cost from the prior year. The agency must maintain information supporting its annual review of utility allowances and any revisions made in its utility allowance schedule.
- iii. The agency must not include items in the utility schedule that are excluded under HUD regulations.*

Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: HAWC received approval of this waiver in June 2023 and implemented the simplified utility allowance effective October 1, 2023.

MTW Statutory Objective: Cost effectiveness

Cost Implications: Cost neutral

Different Policy by HH Status / Family types / Sites: All HCV and PH households

Need Safe Harbor Waiver? No

Need Hardship Policy? No

Hardship Policy applies to more than this activity? N/A

Need Impact Analysis? No

Impact Analysis applies to more than this activity? N/A

Custom Questions

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.

HAWC will create a simplified utility allowance schedule that considers location, bedroom size and only whether the household pays heat/electricity and water/sewer/garbage. Simplifying the utility allowance schedule will help tenants to understand the full costs of potential units, will create administrative efficiencies, and will reduce likelihood of calculation errors.

Homeownership Program [PENDING HUD APPROVAL]

Agency Specific: Homeownership Program

Documentation to be uploaded

Full description:

Originally submitted in our FY2023 PHA Plan. As of 04/26/2024, this activity is still waiting for approval.

HAWC currently operates a traditional Homeownership Voucher Program and currently has five participants. Analysis of this program has shown that the program is expensive, has limitations that make it burdensome for both staff and households, and does not appear to create long-term self-sufficiency.

HAWC is proposing a locally designed homeownership program. HAWC will phase out the current homeownership voucher program in favor of an alternative program that supports homeownership based on local best practices. Aspects of the program include:

- Expanded eligibility to include households who have succeeded in increasing their income to levels that qualify for appropriate mortgages
- Partnership with local organizations that are experts in facilitating homeownership for low-income households
- Changes in household participation requirements, to focus on programs and education that leads to successful homeownership
- Down payment assistance that can serve to reduce 15- or 30-year interest rates and eliminate the requirement for Private Mortgage Insurance, creating long term savings for the household.

The current average per unit cost for our homeownership voucher participants is \$1,626 per month – more than 50% higher than the average per unit cost for Housing Choice Voucher participants. Nearly all homeownership voucher participants remain on the program for the full 15 or 20 years, meaning that very few attain increases in income that indicate full self-sufficiency. The cost of lifetime subsidy for the average homeownership voucher participant is nearly \$300,000.

Based on the FY goals listed in the activity's previous Fiscal Year narrative, provide a description about what has been accomplished or changed during implementation: As of April 2024, HAWC is still waiting final HUD approval of this waiver.

Statute, Regulation or Operations Notice to be waived:

982.627(a)(1) – Waive to enable HAWC to admit both Section 8 Housing Choice Voucher households and public housing households

982.643(a)(1) – Waive to enable HAWC to admit both Section 8 Housing Choice Voucher households and public housing households

982.643(b) – Waive to enable HAWC to create a simplified flat downpayment grant amount, uncoupled from payment standards and total tenant payment calculations.

982.643(f) – Waive to enable HAWC to implement the downpayment assistance grant program.

MTW Statutory Objective: Self-sufficiency

Population groups and household types impacted by this activity: All
Cost Implications: Cost neutral
Implementation timeline: Upon approval, HAWC will end enrollment of new households into the homeownership voucher program. Households currently enrolled in the homeownership voucher program will be allowed to continue the original program through the end of their participation. HAWC will implement the alternative homeownership program in FY 2023.
<p>Impact Analysis</p> <ol style="list-style-type: none"> 1. Agency finances – The program will be set up to be neutral in impact to agency finances. 2. Affordability of housing costs – No projected impact. 3. Agency waitlist – No projected impact. 4. Termination rate – No projected impact. 5. Occupancy / Utilization – No projected impact. 6. MTW Statutory Goals – Encourage self-sufficiency. 7. Statutory Requirements – No projected impact. 8. Hardship requests – No projected impact. 9. Protected classes / Disparate impact – No projected impact.
Hardship Policy: See the attached MTW hardship policy.
Comments received + Agency response: HAWC received multiple comments in full support of revising the homeownership program to increase access and strategically move households toward self-sufficiency.

Tiered Rent Program – Bands

Tier	Income Minimum	Income Maximum	Monthly Rent
1	\$0	\$2,499	\$50
2	\$2,500	\$4,999	\$87
3	\$5,000	\$7,499	\$146
4	\$7,500	\$9,999	\$204
5	\$10,000	\$12,499	\$262
6	\$12,500	\$14,999	\$321
7	\$15,000	\$17,499	\$379
8	\$17,500	\$19,999	\$437
9	\$20,000	\$22,499	\$496
10	\$22,500	\$24,999	\$554
11	\$25,000	\$27,499	\$612
12	\$27,500	\$29,999	\$671
13	\$30,000	\$32,499	\$729
14	\$32,500	\$34,999	\$787
15	\$35,000	\$37,499	\$846
16	\$37,500	\$39,999	\$904
17	\$40,000	\$42,499	\$962
18	\$42,500	\$44,999	\$1,021
19	\$45,000	\$47,499	\$1,079
20	\$47,500	\$49,999	\$1,137
21	\$50,000	\$52,499	\$1,196
22	\$52,500	\$54,999	\$1,254
23	\$55,000	\$57,499	\$1,312
24	\$57,500	\$59,999	\$1,371
25	\$60,000	\$62,499	\$1,429
26	\$62,500	\$64,999	\$1,487
27	\$65,000	\$67,499	\$1,546
28	\$67,500	\$69,999	\$1,604
29	\$70,000	\$72,499	\$1,662
30	\$72,500	\$74,999	\$1,721
31	\$75,000	\$77,499	\$1,779
32	\$77,500	\$79,999	\$1,837
33	\$80,000	\$82,499	\$1,896

*Please note: this is only a snapshot of the tiers, through Area Median Income. Tiers continue in increments of \$2,500 of income, with the rent calculated at 28% of the midpoint of each tier. Visual tables with higher tiers are available upon request.

Tiered Rent Program: Impact Analysis (FY 2022)

This impact analysis applies to the following waivers:

- a. 1.a., 1.b. + Safe Harbor – Tiered Rents (approved in FY 2022)
- b. 1.r., 1.s. – Elimination of Deductions (approved in FY 2022)
- c. 3.a., 3.b. + Safe Harbor – Reexamination Schedule (approved in FY 2022)

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

HAWC anticipates approximately \$39,000 in decreased public housing rent and/or increased voucher HAP costs per year under the Tiered Rent Program.

Annual Agency Impact

Public Housing Rents (decreased income)	Housing Assistance Payments (increased expense)	Total Agency Impact
-\$5,000	\$34,000	\$39,000

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

The following analysis uses the current information of households that would be considered eligible for the program. We have approximately 600 households that would likely be eligible – half will be randomly selected and half will be assigned to the control group. 70% of eligible households will see a rent decrease or no change if they are selected for the Tiered Rent Program.

This impact analysis takes into account established hardship policies to mitigate the impact of the policy for families who have childcare expenses of \$2,500 and/or families who have five or more dependents. Because of the policies removal of deductions, these households saw significant rent increases when moving to the Tiered Rent Program. HAWC has established hardship policies to moderate these rent increases.

The average rent change across all eligible households is a **decrease** in rent of \$10.81. For those households that see a rent increase, the average increase is \$24. The largest projected increase is \$61 in monthly rent.

	Households	Percentage
Rent Decrease	311	52%
No change*	108	18%
Rent Increase	181	30%
Rent Increase Increments		
\$5-\$10	29	5%
\$11-\$25	65	11%
\$26-\$50	79	13%
\$51 or more	8	1%

	Amer Ind/ Alaska Nat	Asian	Black/ African Amer	Hispanic	Native HI/ Pac Island	White
No. of Households	6	15	136	135	14	429
Avg Rent Change	\$18.00	(\$27.33)	(\$9.32)	(\$6.40)	(\$27.21)	(\$10.57)
Rent Decrease	-	10	67	62	9	225
No change	-	2	20	25	2	84
Rent Increase	6	3	49	48	3	120
Rent Increase Increments						
\$5-\$10	2	2	5	11	1	19
\$11-\$25	3	1	18	13	1	42
\$26-\$50	1	-	26	20	-	52
\$51 or more	-	-	-	4	1	7

Table Notes:

- Due to rounding calculations, “No Change” is defined as a projected rent increase or decrease of less than \$5.
- Race and ethnicity terms are per the HUD required reporting fields.
- Households counted in the “Hispanic” column may also be counted in other race/ethnicity columns.
- Because of statistically small counts of American Indian/Alaskan Native, Asian, and Native Hawaiian/Pacific Islander households, the average rent impact numbers are easily skewed by outlying households.

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

No anticipated impact

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

No anticipated impact

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

No anticipated impact

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

HAWC anticipates a positive impact on the statutory goals of cost effectiveness and self-sufficiency. Triennial reviews and the elimination of deductions are expected to result in administrative efficiencies and reduction in staff time for annual reviews.

Because households do not have to report income increases between triennial recertifications, HAWC anticipates increased incentive (or decreased disincentive) for families to increase earnings and move

toward self-sufficiency. Households will be able to use increase income in the time between triennial reviews to build financial and housing stability.

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

No anticipated impact

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

HAWC anticipates that a higher number of households in the Tiered Rent Program will request a hardship than under the current policy. Families who have unreimbursed childcare expenses and those that have a significant number of dependents will see a higher impact through the Tiered Rent Program, due to the loss of deductions.

HAWC has established a hardship policy for households with annual childcare expenses of \$2,500 or more, and for those with 5 or more dependents to mitigate the impacts of the change to the Tiered Rent Program. Of the 600 anticipated households eligible for the Tiered Rent Program, approximately 40 households (about 7%) would qualify for these hardships.

HAWC has also established a hardship policy for households whose current income is lower than their retrospective income and for those who have an unexpected loss in income or significant unexpected expense. HAWC will track hardship requests, approvals or denials, and the impact on staff time.

9. Impact on protected classes (and any associated disparate impact)

As previously stated, this program has the largest impact for families with unreimbursed childcare expenses and/or a significant number of dependents. Among eligible families, our households with five or more dependents more often have heads of household who are Black/African American or Hispanic. HAWC recognized disparate impact by race/ethnicity in the Tiered Rent Program and has taken significant steps to mitigate that impact.

The original Tiered Rent Program as described in the Final MTW Operations Notice designed a tiered rent structure based on 30% of income at the middle of each tier. Because the calculation no longer included deductions for dependents or unreimbursed childcare expenses, we saw significant rent increases for many of our families. After reviewing the analysis, HUD agreed to change the rent structure to tiers based on 28% of income.

The change to 28% improved impacts for our households and decreased the number of families who would see a rent increase, but HAWC still saw disparate rent increases for families with 5 or more children, who were more often led by heads of household who are Black/African American or Hispanic. Although it is not a part of the policy as defined by HUD, HAWC is implementing an agency-specific hardship policy for families with 5 or more dependents. This hardship policy will lower rent increases for large families and significantly reduce the disparate impact between households by race/ethnicity.

The table on the next page shows the different impacts as HAWC has developed policy. Hardship policies have reduced the disparate impact between households by race/ethnicity, but on average our Black/African American and Hispanic households see a smaller rent reduction than the total population.

Original Policy

Rents based on 30% of income

Rent Increases	72%
No change (\$4 to -\$4)	16%
Rent Decreases	12%

Highest Increase: \$415

	All Households	Amer Ind/ AK Native*	Asian*	Black/ AA	Hispanic	Native HI/ Pac Isl*	White
Avg Impact	\$29.75	\$48.67	\$16.60	\$36.63	\$32.45	\$23.07	\$26.11
Average Impact for Households with 5+ dependents: \$70.47							

Revised Policy

Rents based on 28% of income

Rent Increases	30%
No change (\$4 to -\$4)	18%
Rent Decreases	52%

Highest Increase: \$98

	All Households	Amer Ind/ AK Native*	Asian*	Black/ AA	Hispanic	Native HI/ Pac Isl*	White
Avg Impact	(\$9.56)	\$18.00	(\$27.33)	(\$5.87)	(\$6.57)	(\$27.21)	(\$11.33)
Avg Impact for Households with 5+ dependents: \$29.47							

HAWC Hardship Policy

Rents based on 28% of income
 \$30 rent increase cap for large households

Rent Increases	30%
No change (\$4 to -\$4)	18%
Rent Decreases	52%

Highest Increase: \$61

	All Households	Amer Ind/ AK Native*	Asian*	Black/ AA	Hispanic	Native HI/ Pac Isl*	White
Avg Impact	(\$10.81)	\$18.00	(\$27.33)	(\$9.32)	(\$6.40)	(\$27.21)	(\$10.57)
Avg Impact for Households with 5+ dependents: \$12.53							

Table Notes:

- Less than 20 eligible households in the American Indian/Alaskan Native, Asian, and Native Hawaiian/Pacific Islander categories. Outliers may skew averages.
- Numbers in parentheses represent decreases in anticipated monthly rent.

Tiered Rent Program: Hardship Policy

Participating in the Tiered Rent Program should not threaten an individual or family’s housing stability. HAWC offers an affordability hardship to address childcare expenses, unexpected decreases in income, or exceptional household expenses, such as a large medical bill. HAWC also offers a Transition Discount for Large Families, for families with 5 or more dependents who would see a significant increase in rent when moving to the Tiered Rent Program.

Affordability Hardship

This hardship application may be initiated by staff at enrollment or recertification, or may be requested by any household at any time. An approved rent adjustment may be enacted for 3 months, 6 months, or 12 months dependent on the circumstance. Renewal of hardship will require request from the household and approval from the agency.

If a household has...	Rent will be adjusted by...	Additional details...
Childcare expenses above \$2,500 per year	The household’s childcare expenses will be deducted from current annual income. This adjusted annual income will be used to determine tiered rent.	This hardship can be approved at the OS level. This hardship has 12-month duration, or until the household’s next regularly scheduled review, whichever is sooner.
A decrease in household income that drops the rent determination into a lower tier	The household’s annual income will be calculated using their current income, instead of their past income. Current income will be used to determine tiered rent.	This hardship can be approved at the OS level. This hardship has 12-month duration, or until the household’s next regularly scheduled review, whichever is sooner.
A significant unexpected event, such as a large medical expense, requiring temporary rent relief to avoid eviction	The expense will be deducted from annual income. This adjusted annual income will be used to determine tiered rent. OR To ensure housing stability, the household’s rent may be reduced as appropriate for a shorter amount of time.	<ul style="list-style-type: none"> • This hardship will be reviewed by and require approval from a supervisor. • The household will be asked to provide documentation demonstrating the expense. • The hardship may last for 3 months, 6 months, or 12 months depending on remedy. • The household may request that the hardship be renewed.

How do I request a hardship?

To qualify for a hardship, you must be following all program rules and regulations, and not owe HAWC money, or if you do owe money, be current in your repayment agreement. HAWC staff will remind households of the hardship policy during intake and regular reexamination meetings, and will initiate

hardship requests if the household reports circumstances that qualify (such as childcare expenses or lower current income).

Households can also request hardships between triennial recertifications. This can be done by submitting a request in writing using the agency form, with review from a supervisor. The process will be similar to the current process for requesting an interim review. The MTW activity will be suspended the next month following change reported by the 20th of the month. If the request is made after the 20th, the change will be effective the first of the following month.

If your hardship request is approved, you are not required to report subsequent income increases during the period of your hardship. Once a hardship is approved, it will not end early.

If your hardship request is not approved, you will be able to appeal the decision for further review. If your appeal is denied, you will be able to request an informal hearing to review the determination of your monthly rent. Informal hearings are conducted by HAWC's Hearing Officer.

When your hardship expires, you can request a renewal if your circumstances have continued. There is no limit to the number of hardships that a household may receive. If you do not request a renewal or the renewal is denied, your rent will return to the tiered rent assigned at your most recent triennial review. Triennial review schedules will not change due to hardship requests, approvals or denials.

Translation Services

To request a translation of this document into another language (Spanish, Vietnamese, Arabic, Somali, Japanese, Micronesian, etc), please call 503-846-4814 or email voucherteam@co.washington.or.us.

Tiered Rent Transition Discount for Larger Families

Because the Tiered Rent Program no longer includes dependent deductions, households with five or more dependents sometimes see a significant increase in rent when they transition to the tiered rent program. To help these families retain housing stability, HAWC offers a transition hardship policy that caps the rent increase due to program change.

- 1) Does the household have annual childcare expenses above \$2,500? If yes, apply the affordability hardship to their tiered rent calculation.
- 2) Does the household have a decrease in income? If yes, apply the affordability hardship to their tiered rent calculation.
- 3) After #1 and #2, does the household still have a projected increase in monthly rent of more than \$30? AND does the household have 5 or more dependents? If yes, apply the discount to cap their rent increase at \$30 (see example below).

Please note that this policy only applies to programmatic rent increases as a result of a change in the calculation. If a household has an increase in income that moves them to a different tier on the rent schedule, the corresponding rent increase will still apply.

The occupancy specialist will use the steps above to calculate the discount that caps the programmatic rent increase at \$30. If there is an increase in income that moves the household to a different tier on the rent schedule, the occupancy specialist will determine that rent and then apply the discount.

Similarly, if the household moves to a different unit, the occupancy specialist will use the tiered schedule to determine rent, and then apply the discount.

- The transition discount is applicable only through the tiered rent study, ending in 2028-2029.
- The policy has a 12-month duration. At the expiration, the family has the option to confirm that they still meet the criteria for the policy and request a renewal.
- At the first triennial review, the enrollment discount will continue to be applied if the household still has 5 or more dependents.
 - If the household has new childcare expenses about \$2,500 or has experienced a decrease in income, authorization to continue to apply the enrollment discount will be determined by a supervisor.

See the example household on the next page for more information.

Tiered Rent Transition Discount for Larger Families

Example household:

Household A is a single-adult household with 5 dependents, \$17,631 in annual income and no childcare expenses. The transition to the Tiered Rent Program would result in an increase of \$56 in monthly rent – from current rent of \$128 to future rent of \$184.

Tier 8: \$437
 Less utility allowance: \$253
 Year 1 Rent (no discount): \$184
 Current rent: \$128
 Difference: \$56

Tier	Income Minimum	Income Maximum	Monthly Rent
1	\$0	\$2,499	\$50
2	\$2,500	\$4,999	\$87
3	\$5,000	\$7,499	\$146
4	\$7,500	\$9,999	\$204
5	\$10,000	\$12,499	\$262
6	\$12,500	\$14,999	\$321
7	\$15,000	\$17,499	\$379
8	\$17,500	\$19,999	\$437
9	\$20,000	\$22,499	\$496
10	\$22,500	\$24,999	\$554
11	\$25,000	\$27,499	\$612
12	\$27,500	\$29,999	\$671
13	\$30,000	\$32,499	\$729
14	\$32,500	\$34,999	\$787
15	\$35,000	\$37,499	\$846

The occupancy specialist will verify criteria and apply a [discount of \\$26](#) to cap the rent increase at \$30 – from a current rent of \$128 to a future rent of \$158.

Tier 8: \$437
 Less utility allowance: \$253
[Less transition discount: \\$26](#)
 Year 1 Rent: \$158
 Current rent: \$128
 Difference: \$30

In Year 3, Household A reports an increase in earned income to \$28,000. This moves the household to Tier 12 on the schedule. Because the household still has 5 or more dependents and no childcare expenses, the occupancy specialist calculates the household’s rent and applies the same transition discount.

Tier 12: \$671
 Less utility allowance: \$253
[Less transition discount: \\$26](#)
 Year 3 Rent: \$392

Triennial Reexamination Schedule: Impact Analysis (FY 2022)

This impact analysis applies to the following waivers:

3.a., 3.b. – Reexamination Schedule (approved in FY 2022)

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

Although HAWC anticipates time savings in this activity, we do not anticipate an impact on agency finances.

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

No anticipated impact

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

No anticipated impact. Although fewer families may transition from assistance in the time between triennial reviews vs annual reviews, this population tends to be relatively stable in their need for ongoing assistance and HAWC projects that any impact would be minimal.

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

No anticipated impact

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

No anticipated impact

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

HAWC anticipates an increase in administrative efficiency and cost effectiveness through this activity. After review of the time spent on a typical annual recertification, HAWC projects approximately 900 hours in time savings per year, due to shifting these households to a triennial recertification schedule.

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

No anticipated impact

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

No anticipated impact

9. Impact on protected classes (and any associated disparate impact)

No anticipated impact

Medical/Disability Expense Deduction: Impact Analysis (FY 2022)

This impact analysis applies to the following waivers:

1.t, 1.u. – Standard Deductions (approved in FY 2022)

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

HAWC anticipates savings of approximately \$11,000 annually in reduced HAP costs or increased public housing rent. Additionally, HAWC anticipates a savings in staff time with this activity, but we do not anticipate staffing reductions.

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

Of the 492 households who currently report medical/disability expenses, the majority will see no change or very little change in their monthly rent due to this activity.

492 Households with reported medical/disability expenses

Rent Increase			No change	Rent Decrease		
\$21+	\$11-\$20	\$1-\$10		\$1-\$10	\$11-\$20	\$21+
6	51	172	177	52	29	5

The largest increase in monthly rent is \$28. The largest decrease in monthly rent is \$44.

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

No anticipated impact.

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

No anticipated impact

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

No anticipated impact

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

This activity is projected to increase staff efficiency by reducing the processes around gathering information for medical and disability expenses, calculating the deduction, and reducing medical and disability expense reporting to once every 12 months.

7. Impact on the agency’s ability to meet the MTW statutory requirements

No anticipated impact

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

No anticipated impact

9. Impact on protected classes (and any associated disparate impact)

No anticipated impact

Payment Standards: Impact Analysis

This impact analysis applies to the following waivers:

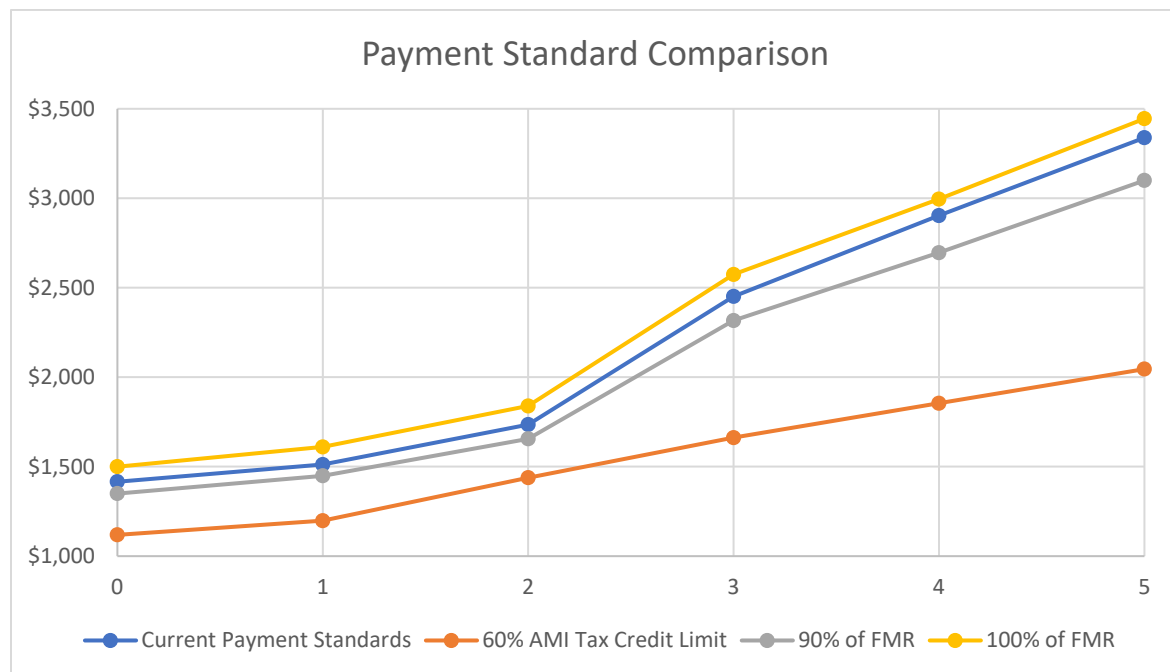
2.b. – Payment Standards – Fair Market Rents

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

HAWC anticipates this waiver to be cost neutral. Savings from the application of the Affordable Housing Payment Standard will likely supplement increases to the Market Rate Payment Standard.

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

No anticipated impact. Because 90% of FMR is consistently above the 60% AMI Tax Credit Limit, we do not anticipate the lower Affordable Housing Payment Standard limits will have an impact on affordability for families.



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

No anticipated impact.

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

No anticipated impact

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

No anticipated impact

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

This activity is projected to housing choice. Lowering the payment standard range for Affordable Housing will enable a higher payment standard for Market Rate housing.

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

No anticipated impact

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

No anticipated impact

9. Impact on protected classes (and any associated disparate impact)

No anticipated impact

Standard Hardship Policy

Policies as established in Chapters 6-III.B. of the HCV Program Administrative Plan and the Public Housing ACOP.

Implementation of Hardship Exemption

Determination of Hardship

When a family requests a financial hardship exemption, the PHA must suspend the minimum rent requirement beginning the first of the month following the family's request. The PHA then determines whether the financial hardship exists and whether the hardship is temporary or long-term.

PHA Policy

The PHA defines temporary hardship as a hardship expected to last 90 days or less. Long-term hardship is defined as a hardship expected to last more than 90 days.

When the minimum rent is suspended, the family share reverts to the highest of the remaining components of the calculated TTP. The example below demonstrates the effect of the minimum rent exemption.

Example: Impact of Minimum Rent Exemption			
Assume the PHA has established a minimum rent of \$50.			
Family Share – No Hardship		Family Share – With Hardship	
\$0	30% of monthly adjusted income	\$0	30% of monthly adjusted income
\$15	10% of monthly gross income	\$15	10% of monthly gross income
N/A	Welfare rent	N/A	Welfare rent
\$50	Minimum rent	\$50	Minimum rent
Minimum rent applies. TTP = \$50		Hardship exemption granted. TTP = \$15	

PHA Policy

To qualify for a hardship exemption, a written request for a hardship exemption must be submitted by the family. An advocate or social service provider may also submit a request for an exemption on behalf of the family. The request must explain the nature of the hardship and how the hardship has affected the family's ability to pay the minimum rent. The PHA will make the determination of hardship within 30 calendar days.

No Financial Hardship

If the PHA determines there is no financial hardship, the PHA will reinstate the minimum rent and require the family to repay the amounts suspended.

PHA Policy

The PHA will require the family to repay the suspended amount within 30 calendar days of the PHA's notice that a hardship exemption has not been granted.

Temporary Hardship

If the PHA determines that a qualifying financial hardship is temporary, the PHA must suspend the minimum rent for the 90-day period beginning the first of the month following the date of the family's request for a hardship exemption.

At the end of the 90-day suspension period, the family must resume payment of the minimum rent and must repay the PHA the amounts suspended. HUD requires the PHA to offer a reasonable repayment agreement, on terms and conditions established by the PHA. The PHA also may determine that circumstances have changed, and the hardship is now a long-term hardship.

PHA Policy

The PHA will enter into a repayment agreement in accordance with the procedures found in Chapter 16 of this plan.

Long-Term Hardship

If the PHA determines that the financial hardship is long-term, the PHA must exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.

PHA Policy

The hardship period ends when any of the following circumstances apply:

- 1) At an interim or annual reexamination, the family's calculated TTP is greater than the minimum rent.
- 2) For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost. For example, if a hardship is approved because a family no longer receives a \$60/month child support payment, the hardship will continue to exist until the family receives at least \$60/month in income from another source or once again begins to receive the child support.
- 3) For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.

MTW Hardship Policy

HAWC offers a hardship policy when households have mitigating circumstances and believe an MTW activity constitutes a financial or other hardship for the family. To qualify for a hardship, you must be following all program rules and regulations, and not owe HAWC money, or if you do owe money, be current in your repayment agreement. HAWC staff will remind households of the hardship policy during intake and regular reexamination meetings, and consider if a resident qualifies for a hardship exemption at the time of a potential termination of assistance that is due to an MTW activity.

Households must submit the request for the MTW Hardship Policy in writing. The process will be similar to the current process for requesting an interim review. If approved, the MTW activity will be suspended the next month following change reported by the 20th of the month. If the request is made after the 20th, the change will be effective the first of the following month.

Households must identify which MTW Activity they are requesting to be suspended:

- Medical / Disability Expense Calculation
- Mixed-Eligibility Family Subsidy Reduction
- Triennial Reviews for Seniors/People with Disabilities
- Other: _____

(Please note that the Tiered Rent Program includes a separate hardship policy.)

Households must identify the situation that qualifies them for hardship.

- Family has experienced a decrease in income of more than \$2,500 because of loss or reduction of income, death in the family, or loss or reduction of earnings or other assistance;
- Family has experienced an increase in expenses of more than \$2,500, such as a large medical expense

Households must provide verification

- Attach any written documentation, such as pay stubs or receipts
 - Additional explanation: _____
-

If your hardship request is approved, the MTW activity will be suspended and your rent calculation and process will be based on non-MTW regulations. **Please note that calculating rent based on non-MTW regulations may not always result in a rent reduction.** The hardship will be effective until the next annual update or review, up to 12 months.

If your hardship request is not approved, you will be able to appeal the decision for further review. If your appeal is denied, you will be able to request an informal hearing to review the determination of your monthly rent. Informal hearings are conducted by HAWC's Hearing Officer.

Public Housing Operating Subsidy Grant Reporting

Federal Fiscal Year (FFY)	Total Operating Subsidy Authorized Amount	How Much PHA Disbursed by the 9/30 Reporting Period	Remaining Not Yet Disbursed	Deadline
2021	\$ 1,004,472	\$ 1,004,472	\$ -	09/30/2029
2022	\$ 1,000,068	\$ 1,000,068	\$ -	09/30/2030
2023	\$ 1,013,195	\$ 1,013,195	\$ -	09/30/2031
2024	\$ 413,032	\$ 238,167	\$ 174,865	09/30/2032

MTW Statutory Requirements

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

HAWC did not operate any Local, Non-Traditional programs during the most recently completed Fiscal Year or prior full calendar year.

Establishing Reasonable Rent Policy

HAWC participation in the second cohort of the MTW Expansion will evaluate alternative rent policies designed to increase resident self-sufficiency and reduce administrative burdens. The design of the tiered rent reform program is currently being developed with guidance from the independent research team lead by MDRC and HUD's office of Policy Design and Research. The focus of the study will be to implement an income tiered rent with tenant rent established at 28% of gross income at the mid-point income of the tier. This program enables families within the tier to increase income without an impact to the tenant rent for a period of three years. Following the three-year period, the family income will be reviewed and a new income tier rent established for the subsequent three-year period. Enrollment in this study group began in fiscal year 2022-2023 and is intended to complete enrollment within 12 months. The study will continue through a 6-year period that includes two cycles of triennial recertification for study participants.

Evaluations

HAWC's participation in the second cohort of the MTW Expansion will evaluate alternative rent policies designed to increase resident self-sufficiency and reduce administrative burdens. HAWC will be studying a tiered rent model. An independent research team led by MDRC will work with HUD, HAWC, and the other selected agencies to assist in implementation and evaluate the effects of the alternative rent policy. HAWC anticipates evaluation to run July 1, 2022 through June 30, 2028.

MDRC Contact: Nina Castells; Nina.Castells@mdrc.org

Public Comment

The 45-day public comment period ran March 15, 2024 through April 29, 2024. A draft of the PHA Plan and MTW Supplement was made available for review on the Housing Authority website. Notice of the public comment period was published in The Oregonian on April 19, 2024.

Resident Advisory Board

The Resident Advisory Board meeting was held on Monday, March 25th. The Resident Advisory Board members did not have specific questions or comments, other than expressing support for the work done by staff.

Public Hearing for Safe Harbor Waivers and Agency Specific Waivers

The Housing Authority of Washington County is not requesting any Safe Harbor Waivers or Agency Specific Waivers in FY2024.

Housing Advisory Committee

The Housing Advisory Committee met and reviewed the PHA Plan and MTW Supplement on Thursday, April 25th.

Question: What is the benefit of the agency having MTW authority?

Response: The MTW program provides the Housing Authority of Washington County with a unique opportunity to design and test innovative, locally designed housing and self-sufficiency strategies for serving low-income families. MTW agencies have greater flexibility to administer their public housing and Housing Choice Voucher programs with policies that can address local needs and that allow the housing authority to utilize restricted funds in creative ways.

Question: What happens to households currently participating in the Homeownership Voucher Program, when they reach the term limit?

Response: The Housing Authority does not retain any interest in the home or the loan; the voucher program simply provides assistance in paying the mortgage payment. When the participant reaches the time limit, they become responsible for paying their mortgage on their own. If they are unable to continue paying their mortgage, they're likely able to sell their home at a significant profit due to earnings in equity.

The Housing Advisory Committee unanimously voted to recommend the FY 2024-25 Annual PHA Plan and MTW Supplement for submission to, and approval by, the Housing Authority Board of Directors.

Public Hearing

The Housing Authority Board of Directors held a public hearing on Tuesday, May 7, 2024. Notice of Public Hearing was published in The Oregonian on April 19, 2024.