



# **Housing Authority of Washington County Public Housing Agency (PHA) Plan 2025 Annual Update**

For submission to the U.S. Department of Housing and Urban Development (HUD) on April 17, 2025

#### Attachments:

- Page 2: 2025 Public Housing Authority Five-Year Plan (HUD 50075-5Y)
- Page 11: 2025 Public Housing Authority Annual Plan (HUD 50075-HP)
- Page 18: 2025 Moving to Work (MTW) Supplement to the Annual Plan

# Housing Authority of Washington County 2025 Public Housing Authority Five-Year Plan (HUD 50075-5Y)

PROPOSED

## A: PHA Information

PHA Name: Housing Authority of Washington County  
PHA Code: OR022  
Calendar Year: 2025  
Five-Year Period: 2025-2029  
Fiscal Year Beginning: July 2025

### A.1: Availability of Information

The Housing Authority of Washington County has made copies of the Proposed PHA Plan available to members of the public in our offices and online, along with all information related to the public hearing to be held on April 1, 2025. Copies of the Proposed PHA Plan were provided to members of the Resident Advisory Board for review, as well as to the Housing Advisory Counsel, and Housing Authority Board of Directors.

A complete copy of the proposed plan can be viewed online at:  
<https://www.washingtoncountyor.gov/housing/plans-policies-reports>

Members of the public can request copies at the HAWC office at this address:  
161 NW Adams Ave, Ste. 2000, Hillsboro OR, 97124.

To request a copy in another format members of the public can contact HAWC staff using the contact information below:

Em Nichols, MTW Program Coordinator  
503-846-4814  
[Emily.Nichols@washingtoncountyor.gov](mailto:Emily.Nichols@washingtoncountyor.gov)

## B.1: Mission Statement and Strategic Framework for the Housing Authority of Washington County

### Vision

We envision a Washington County where everyone has an affordable home with the supports and opportunities each of us needs to thrive.

## Mission

The Department of Housing Services creates pathways out of homelessness, promotes housing stability, and invests in affordable communities for Washington County and our residents.

## Values

- **Equity:** We center racial equity and promote equitable access for all to an array of housing opportunities.
- **Responsiveness:** We are committed to meeting the diverse needs of the community we serve and adapting in response to changing conditions.
- **Collaboration:** We work in partnership with the people we serve, other public agencies, non-profit organizations, private businesses and our neighbors.
- **Accountability:** We believe in transparency and being good stewards of public resources.
- **Sustained impact:** We take the long view through a commitment to deliberate, strategic and holistically sustainable approaches

## Equity Statement

To achieve our vision of a community where everyone has an affordable home with the supports and opportunities each of us need to thrive, we must work to advance racial equity. Communities of color have been systematically excluded from opportunities to own property, achieve financial security and create generational wealth through centuries of racist and unjust policies and practices. Washington County residents also face barriers to housing because of other characteristics such as immigration status, disability and age. Eliminating these disparities requires that we address barriers that create inequities in housing opportunity while prioritizing services to populations disproportionately impacted by these disparities. We will deploy intentional strategies to advance racial equity while working to increase access to housing opportunities for all who face barriers to housing in our community.

## B.2: Goals and Objectives of the Housing Authority of Washington County

The Housing Authority of Washington County (HAWC) has adopted goals in five categories to support HAWC's mission, vision, and values.

### Housing Access: Promote housing access for low-income households in Washington County through accountable and innovative program administration.

- Serve the highest number of households sustainable under the Housing Choice Voucher program by spending 98% of the available funding and maintaining a voucher lease-up rate of at least 92%.
- Fully implement the MTW Homeownership Program providing downpayment assistance grants to qualifying program participants who are first time homebuyers.
- Seek additional funding for special purpose vouchers including Veterans Affairs Supportive Housing (VASH) Program, Mainstream Vouchers, and Foster Youth to Independence Initiatives (FYI) Vouchers, and other program types sponsored by HUD, the State of Oregon, or other partners.

- Pursue diverse funding sources that will allow HAWC to meet local needs, including regional bond measures, grant opportunities, or unrestricted development revenue.

**Supportive Services: Expand the supports and opportunities needed for households to thrive by responsively meeting the diverse needs of the communities we serve.**

- Continue to increase enrollment in the Family Self-Sufficiency program year over year.
- Continue to expand partnership and resident engagement with agencies that support asset building, financial education, and educational and employment opportunities for participating households.
- Support self-sufficiency for youth aging out of foster care by achieving an 80% Family Self-Sufficiency program enrollment rate for Foster Youth to Independence Initiatives (FYI) program participants.
- Continue partnerships with local government to administer locally funded rental assistance programs that address the specific supportive service needs of individuals with disabilities experiencing homelessness.
- Expand the capacity of HAWC staff to provide housing liaison services including housing search assistance for households with disabilities, tenant rights and responsibilities support, and assistance for families at risk of program termination.
- Expand the provision of resident services in HAWC owned/controlled affordable housing projects that help stabilize residents and help them thrive.

**Affordable Housing Supply: Increase the availability of high quality, stable, and affordable homes in Washington County through investment in affordable communities and sustainable property operations.**

- Continue leveraging private and public funds to expand affordable housing choice and quality in Washington County through new development, and acquisition/rehabilitation.
- Strategically leverage HAWC's Project Based Voucher programs to support affordable housing development throughout Washington County.
- Maintain high quality Public Housing through a preventive maintenance program that reaches 100% of Public Housing units annually and leverage any Public Housing disposition proceeds into creation of additional affordable housing units.
- Continue to upgrade energy-efficient building systems within HAWC's Public Housing and other owned and/or controlled regulated affordable housing portfolios to reduce energy costs for residents and property operational expenses.

**Equity: Use intentional strategies to advance racial equity and ensure equal access to housing opportunity to all who face barriers to housing in our community**

- Build new partnerships with culturally specific services organizations to provide homebuyer education, financial education, and homeownership counseling for program participants working towards self-sufficiency and/or mortgage readiness.
- Partner with culturally specific services organizations to provide resident services in regulated affordable housing projects and for supportive services to those residents referred through coordinated access.

- Continue to sponsor the staff Diversity, Inclusion, and Belonging (DIBs) Council and incorporate DIBs council feedback to implement policies and practices that improve equitable and inclusive outcomes in service delivery.
- Continue improving staff capacity through training that equips staff to identify and respond to instances of housing discrimination and expands capacity to provide culturally responsive and trauma informed customer service.
- Continue building demographic reporting capacity and data collection that will allow HAWC to accurately assess program outcomes for disparate impact.

**Engagement: Collaborate with residents, partners, and community members to ensure HAWC programs are shaped by meaningful citizen engagement, and the lived experience of participating families**

- Support a robust Resident Advisory Body that meets at least quarterly to provide feedback on PHA strategy, direction, and policy documents.
- Increase engagement with tenants and participants through listening sessions, community meetings and/or surveys.
- Promote engagement and partnerships with housing providers by expanding rental assistance owner services, including outreach and education related to housing assistance payment and contract management

### **B.3: Five-Year Plan Progress Report FY 2020-2024**

In 2020 Housing Authority of Washington County (HAWC) adopted goals in these categories:

- Increase the availability of decent, safe, and affordable housing.
- Improve quality of life and economic vitality at affordable housing sites owned or operated by HAWC and its partners.
- Promote self-sufficiency and asset development of families and individuals.
- Ensure equal opportunity in housing for all.

HAWC made significant progress in these areas since 2020. Notably, through local partnerships and the expansion of HUD programs, the PHA has increased its monthly rental assistance funding disbursements from approximately \$2.4 million in 2020 to over \$6.7 million dollars in 2024.

**Goal Area: Increasing the availability of decent, safe, and affordable housing.**

- HAWC maintained an average voucher lease up rate of 94% in 2024. During the last five years, HAWC consistently maintained voucher utilization rates over 93% while balancing rising per-unit costs and FMR increases of over 30% since 2020.
- In 2024 HAWC increased its VASH allocation by 25 vouchers, and FYI allocation by 29 vouchers. Since 2020, HAWC added 246 HUD assisted special purpose vouchers, successfully increasing our agency's special purpose voucher capacity by 60%.
- HAWC increased its ownership portfolio by 40% since 2020 through the acquisition or construction of 262 units of affordable housing:

- **Heartwood Commons:** A 54-unit permanent supportive housing hotel conversion owned by HAWC, operated with Regional Long Term Rental Assistance, and rehabilitated with funding from the Metro Affordable Housing Bonds. Resident and supportive services are funded by the Metro Supportive Housing Services and provided by local services partners.
- **Woodspring:** 172 Low Income Housing Tax Credit (LIHTC) units in Tigard that would have aged out of their affordability period without HAWC intervention.
- **The Valfre:** 36-unit mixed income LIHTC development with additional funding from Metro Affordable Housing Bonds that incorporates supportive services.
- HAWC has acquired or is in the process of acquiring three properties for the future development of up to 260 units of affordable housing:
  - a 2.98 acre property in the North Bethany neighborhood for future development of up to 120 units
  - 1.5 acres in Fores Grove for development of up to 60 Permanent Supportive Housing units, with anticipated closing by June 2025.
  - A hotel acquisition for the future development of up to 80 transitional housing units, with closing anticipated in March 2025.
- HAWC more than doubled Project-Based Voucher units administered since 2020, increasing from 179 to 473 PBV assisted units at 35 affordable housing communities. An additional 40 PBV assisted units are currently in development. These PBV contracts play a vital role in property operations and financing at properties owned by HAWC and its partners, especially for any projects with permanent supportive housing. These contracts contribute to the sustainability of over 1,800 regulated affordable units in Washington county.
- Since 2021, HAWC has partnered with Washington County and the Metro Regional Government in the administration of the state and locally funded rental assistance program currently assisting over 1,600 formerly homeless households with rental subsidies and supportive services.

### Goal Area: Improve community quality of life and economic vitality at affordable housing sites owned or operated by HAWC and its partners

- HAWC completed the ongoing preservation, tax credit syndication, and rehabilitation of 332 units at 5 distressed affordable housing communities in Washington County. These sites are regulated through a combination of LIHTC, PBV, and PBRA affordability that support income mixing by serving households with incomes from 0% to 80% of the area median income.
- HAWC increased the frequency of Resident Advisory Board meetings from twice annually to four times annually, creating additional opportunity to solicit feedback from program participants about community quality of life. In 2024 HAWC also committed staff specifically to resident engagement and advisory board recruitment, retention, and support.
- HAWC increased quality of life within of the Public Housing Program by implementing a preventive maintenance program that reached 100% of units.
- HAWC entered an agreement to strategically dispose of 60 single family residences in the public housing portfolio. HAWC will incentivize low-income and first-time home ownership in the sale of these homes. The sales will generate revenue for the agency to develop additional multifamily affordable housing that meet community needs, and

reduce high maintenance and administrative costs of operating scattered site single family residences as rental housing.

- In 2023 HAWC created a dedicated owner services team to support and expand the use of vouchers by assisting private rental owners with outreach, unit safety, contract activation, and property owner program compliance. Since its inception this team established a landlord training program and led HAWC staff and property owner partners in the full implementation of NSPIRE standards ahead of federal deadlines.

### **Goal Area: Promote self-sufficiency and asset development of families and individuals**

- Increasing overall Family Self-Sufficiency (FSS) enrollment by 25% since 2020 bringing program total to 84.
- In 2024 HAWC received HUD approval to create an MTW Homeownership Program that will provide Down Payment Assistance grants to mortgage ready families.
- HAWC partnered with the State of Oregon to provide wraparound services to Foster Youth to Independence Initiatives participants, including an 80% FSS participation rate among Foster Youth to Independence Initiative program participants.
- HAWC fully implemented the Tiered Rent Study assessing the potential of changes in rent calculation to contribute to family self-sufficiency and income growth.
- HAWC is promoting household asset development as an element of the disposition of 60 single family public housing residences. HAWC has partnered with community based organizations to connect homeownership ready households to downpayment assistance, and offer discounts on the sale of these residences to low-income households.

### **Goal Area: Ensure Equal Opportunity in Housing for all**

- HAWC created a Diversity, Inclusion, and Belonging Council of employees who meet quarterly to review operational practices and offer recommendations for how HAWC can become more culturally responsive to participant and staff needs.
- Since 2020 HAWC instituted disparate impact analyses of all Reasonable Accommodation and Grievance determinations to affirmatively check for implicit bias in these processes.
- HAWC achieved 100% staff participation in cultural responsiveness training program that includes workshops and affinity group meetings on a quarterly or more frequent basis. These trainings and meetings support staff in developing individual knowledge and skills that support responsive service to a diverse clientele.

## **B.4: Violence Against Women Act (VAWA) Goals**

The Violence Against Women Act (VAWA) offers important legal protections to people of all genders who have experience sexual assault, domestic violence, dating violence, and stalking. HAWC recognizes that survivors of domestic violence and other circumstances protected under VAWA are at increased risk of homelessness and may face additional barriers to housing.

Compliance with the letter and spirit of the Violence Against Women Act (VAWA) is key to HAWC's mission of creating pathways out of homelessness and promoting housing stability. HAWC's standards relative to VAWA compliance are listed below.

**Standards:**

- HAWC adheres to all federal, state, and local protections for survivors of domestic violence including the 2016 VAWA final rule.
- HAWC reviews policies and operations semi-annually to ensure compliance with VAWA requirements including but not limited to:
  - Non-discrimination in admissions, denials, and lease enforcement
  - Notification of occupancy rights
  - Emergency transfer procedures
  - Confidentiality requirements
  - Lease bifurcation
  - Documentation
  - Prohibition on retaliation
  - The right to report crime and emergencies from one's home
- Occupancy and maintenance staff receive training and information on VAWA during onboarding.
- Program staff receive training in Trauma Informed Care (TIC) and are expected to apply TIC principles in interactions with participants.
- Operational determinations will be made with consideration for potential impact on survivors.
- HAWC cultivates local partnerships to support programs serving individuals and families fleeing domestic violence. This includes working with the local Continuum of Care to administer Rapid Re-Housing rental assistance for survivors.

## C.1: Significant Amendment or Modification

The Housing Authority of Washington County (HAWC) will use the definitions below as criteria for determining a significant amendment, substantial deviation, or modification to the Five-Year and Annual Plan.

**Significant Amendment to the Annual Plan:**

HAWC defines a "significant amendment" to its Annual Plan as change which would substantially alters rent calculation, admissions policies, or organization of the waiting lists. Discretionary or administrative amendments consistent with HAWC's stated mission and objectives will not be considered substantial deviations or significant modifications.

An exception to this definition will be made for any new activities that are adopted to reflect changes in HUD regulatory requirements or in response to a declared emergency.

**Substantial deviation or modification from the Five-Year Plan:**



HAWC defines substantial deviation or modification from the Five-Year Plan as a fundamental change to the agency's mission, goals, or objectives identified in the Plan.

An exception to this definition will be made for program activities required or adopted to reflect changes in HUD regulations or in response to a declared national or local emergency.

## C.2: Resident Advisory Board Comments

Information on the 2025 PHA Five-Year Plan was presented to the Resident Advisory Board on January 13, 2025. Members did not have specific questions or comments at that time other than expressing support for the work done by staff.

The 2025 PHA Five-Year Plan will be forwarded directly to the Resident Advisory Board during the public comment period. Final comment from the Resident Advisory Board will be invited at the Resident Advisory Board meeting on Monday, March 24, 2025.

## C.3: Certification by State or Local Officials

HAWC provided this document to the local housing and community development department for review. The HUD 50077-SL will be added to this 2025 PHA Five-Year Plan when it is complete.

## C.4: Challenged Elements

This proposed 2025 PHA Five-Year Plan will be posted for public review and comment between January 29, 2025, and March 17, 2025. This section will be updated following the Public Comment period and subsequent public hearing on April 1, 2025 to include any challenged elements, and the PHA response.

## D.1: Affirmatively Furthering Fair Housing

HUD does not currently require the Housing Authority of Washington County (HAWC) to complete Section D of the 2025 PHA Five-Year Plan submission.

HAWC remains committed to advancing racial equity and ensuring equal access to housing opportunity to all who face barriers to housing in our community. HAWC's equity statement is included below.

### Equity Statement

To achieve our vision of a community where everyone has an affordable home with the supports and opportunities each of us need to thrive, we must work to advance racial equity. Communities of color have been systematically excluded from opportunities to own property, achieve financial security and create generational wealth through centuries of racist and unjust policies and practices. Washington County residents also face barriers to housing because of other characteristics such as immigration status, disability and age. Eliminating these disparities

requires that we address barriers that create inequities in housing opportunity while prioritizing services to populations disproportionately impacted by these disparities. We will deploy intentional strategies to advance racial equity while working to increase access to housing opportunities for all who face barriers to housing in our community.

# Housing Authority of Washington County 2025 Public Housing Authority Annual Plan (HUD 50075-HP)

PROPOSED

## A: PHA Information

PHA Name: Housing Authority of Washington County  
PHA Code: OR022  
Calendar Year: 2025  
PHA Type: High Performer  
Fiscal Year Beginning: July 2025  
PHA Program Type: Combined

PHA Inventory:

Public Housing Units	244
Housing Choice Vouchers	3,271
Total Combined	3,515

### A.1: Availability of Information

The Housing Authority of Washington County (HAWC) has made copies of the Proposed PHA Plan available to members of the public in our offices and online, along with all information related to the public hearing to be held on April 1, 2025. Copies of the Proposed PHA Plan will be provided to members of the Resident Advisory Board for review, as well as to the Housing Advisory Counsel, and Housing Authority Board of Directors.

A complete copy of the proposed plan can be viewed online at:  
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Em Nichols, MTW Program Coordinator  
503-846-4814  
[Emily.Nichols@washingtoncountyor.gov](mailto:Emily.Nichols@washingtoncountyor.gov)

## B.1: Revision of Existing PHA Plan Elements

A. Have the following PHA Plan Elements been revised by the PHA since its last Annual PHA Plan submission?

Plan Element	Yes/No
Statement of Housing Needs	No
Deconcentration and other Policies	No
Financial Resources	No
Homeownership Programs	Yes
Safety and Crime Prevention	No
Substantial Deviation	Yes
Significant Amendment/Modification	Yes

B. If the PHA answered yes for any element describe the revisions for each element below

### Homeownership Programs

In 2024 HAWC was granted U.S. Department of Housing and Urban Development (HUD) approval for a Moving to Work (MTW) waiver that will allow HAWC to implement a locally designed homeownership program based on downpayment assistance grants to program participants, rather than mortgage assistance. In 2025, The Housing Authority of Washington County (HAWC) will implement this activity. Please see the 50075-MTW supplement for full information.

### Substantial Deviation

The 2025 Five-Year Plan will define a substantial deviation or modification from the five-year plan as a fundamental change to the agency’s mission, goals, or objectives identified in the Plan.

An exception to this definition will be made for program activities required or adopted to reflect changes in HUD regulations or in response to a declared national or local emergency.

HAWC’s goals and objectives have been updated as part of the five-year PHA planning cycle. Please see the 50075-5Y-Five-Year PHA Plan for a full list of goals and objectives identified by the PHA for 2025-2030.

### Significant Amendment/Modification

The 2025 Five-Year plan will define a “significant amendment” to its Annual Plan as change which would substantially alters rent calculation, admissions policies, or organization of the waiting lists. Discretionary or administrative amendments consistent with HAWC’s stated mission and objectives will not be considered substantial deviations or significant modifications.

An exception to this definition will be made for any new activities that are adopted to reflect changes in HUD regulatory requirements or in response to a declared emergency.

## B.2: New Activities

A. Does the PHA intend to undertake any new activities related to the following in the PHA’s current Fiscal Year

Plan Element	Yes/No
Hope VI or Choice Neighborhoods	No
Mixed Finance Modernization or Development	No
Demolition or Disposition	No
Conversion of Public Housing to Tenant Based Assistance	No
Project Based Vouchers	Yes
Units with Approved Vacancies for Modernization	No
Other Capital Grant Programs	No

B. If any of these activities are planned for the current Fiscal Year, describe the activities.

### Project Based Vouchers

In Fiscal Year 2025 HAWC intends to execute Housing Assistance Payment contracts at the following properties currently under Agreements to Enter into a Housing Assistance Payment contract:

Site name	PBV Units	Total Units	Description
The Dolores	8	67	1-4 bedroom apartments currently under construction in Hillsboro
Plambeck Gardens	8	116	1-4 bedroom apartments currently under construction in Tualatin
Elmonica Station	8	81	0-3 bedroom apartments currently under construction in Beaverton
Woodland Hearth	16	63	0-4 bedroom apartments planned in Tigard

HAWC also intends to execute Agreements to Enter into a Housing Assistance Payment for the projects below:

Project	PBV Units	Total Units	Description
Senior Housing on Fifth	19	104	0-1 bedroom apartments homes for seniors proposed in Beaverton
Hillsboro Metro Bond development	TBD	TBD	Project Based Vouchers committed to the City of Hillsboro to support Metro Affordable Housing Bond development.

## B.3: Progress Report FY 2024-2025

In 2020, Housing Authority of Washington County (HAWC) adopted goals in these categories:

- Increase the availability of decent, safe, and affordable housing.
- Improve quality of life and economic vitality at affordable housing sites owned or operated by HAWC and its partners.
- Promote self-sufficiency and asset development of families and individuals.
- Ensure Equal Opportunity in Housing for all.

HAWC has made significant progress and growth in these areas in 2024.

### Goal Area: Increasing the availability of decent, safe, and affordable housing.

- HAWC maintained an average voucher lease up rate of 94% in 2024.
- HAWC increased its VASH allocation by 25 vouchers, and FYI allocation by 29 vouchers.
- HAWC has acquired or is in the process of acquiring three properties for the future development of up to 260 units of affordable housing:
  - a 2.98 acre property in the North Bethany neighborhood for future development of up to 120 units
  - 1.5 acres in Fores Grove for development of up to 60 PSH units, with anticipated closing by June 2025.
  - A hotel acquisition for the future development of up to 80 transitional housing units, with closing anticipated in March 2025.
- HAWC executed HAP contracts at two PBV sites:
  - **The Opal:**  
24 PBV units at a 54 unit development. The Opal is senior community that partners with Friendly House Elder Pride Services to deliver resident services that are culturally responsive to the needs of LGBTQA+ elders.
  - **Plaza Los Amigos:**  
16 PBV units at a 113 unit affordable housing development in Cornelius. This three-acre site includes a four-story residential building, a covered sport court, and a community park with amenities for a regional trail.

### Goal Area: Improve community quality of life and economic vitality at affordable housing sites owned or operated by HAWC and its partners

- HAWC completed the ongoing preservation, tax credit syndication, and rehabilitation of 332 units at 5 distressed affordable housing communities in Washington County. These sites are regulated through a combination of LIHTC, PBV, and PBRA affordability that support income mixing by serving households with incomes from 0% to 80% of the area median income.
- HAWC increased the frequency of Resident Advisory Board meetings from twice annually to four times annually, creating additional opportunity to solicit feedback from program participants about community quality of life. HAWC has also committed staff specifically to resident engagement and advisory board recruitment, retention, and support.

- HAWC increased quality of life within of the Public Housing Program by implementing a preventive maintenance program reaching 100% of units.
- HAWC entered an agreement to strategically dispose of 60 single family residences in the public housing portfolio. HAWC will incentivize low-income and first-time home ownership in the sale of these homes. The sales will generate revenue for the agency to develop additional multifamily affordable housing that meet community needs, and reduce high maintenance and administrative costs of operating scattered site single family residences as rental housing.
- The HAWC ownership services team supported HAWC staff and property owner partners in the full implementation of NSPIRE standards ahead of federal deadlines.

### **Goal Area: Promote self-sufficiency and asset development of families and individuals**

- HAWC received HUD approval to create an MTW Homeownership Program that will provide Down Payment Assistance grants to mortgage ready families.
- HAWC staff enrolled 20 participants in the Family Self-Sufficiency (FSS) program, including 14 participants in the Foster Youth to Independence Initiatives program.
- HAWC maintained an 80% FSS participation rate among Foster Youth to Independence Initiative program participants.
- HAWC is promoting household asset development as an element of the disposition of 60 single family public housing residences. HAWC has partnered with community based organizations to connect homeownership ready households to downpayment assistance, and offer discounts on the sale of these residences to low-income households.

### **Goal Area: Ensure Equal Opportunity in Housing for all**

- HAWC created a Diversity, Inclusion, and Belonging Council of employees who meet quarterly to review operational practices and offer recommendations for how HAWC can become more culturally responsive to participant and staff needs.
- HAWC achieved 100% staff participation in cultural responsiveness training program that includes workshops and affinity group meetings on a quarterly or more frequent basis. These trainings and meetings support staff in developing individual knowledge and skills that support responsive service to a diverse clientele.

## **B.4: Capital Improvements**

See HUD Form 50075.2 approved by HUD on April 26, 2024.

## **B.5: Most Recent Fiscal Year Audit**

The completed audit for the fiscal year ending June 30, 2023 will be provided to HUD as an attachment to this document. The audit listed no findings. The audit for the fiscal year ending June 30, 2024 is in progress and will be provided to HUD when it is complete.

## **C.1: Resident Advisory Board Comments**

Information on the 2025 PHA Annual Plan was presented to the Resident Advisory Board on January 13, 2025. Members did not have specific questions or comments at that time other than expressing support for the work done by staff.

These documents will be forwarded directly to the Resident Advisory Board during the public comment period. Final comment from the Resident Advisory Board will be invited at the Resident Advisory Board meeting on Monday, March 24, 2025.

## C.2: Certification by State or Local Officials

HAWC provided this document to the local housing and community development department for review. The HUD 50077-SL will be amended to this document when it is complete.

## C.3: Civil Rights Certification

This document will be executed and submitted to HUD after review by the Housing Authority Board of Directors on April 1, 2025

## C.4: Challenged Elements

This proposed PHA Annual Plan will be posted for public review and comment between January 29, 2025, and March 17, 2025. This section will be updated following the Public Comment period and subsequent public hearing on April 1, 2025 to include any challenged elements, and the PHA response.

## D.1: Affirmatively Furthering Fair Housing

HUD does not currently require the Housing Authority of Washington County (HAWC) to complete Section D of the Annual Plan submission.

HAWC remains committed to advancing racial equity and ensuring equal access to housing opportunity to all who face barriers to housing in our community. HAWC's equity statement is included below.

### Equity Statement

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intentional strategies to advance racial equity while working to increase access to housing opportunities for all who face barriers to housing in our community.

# Housing Authority of Washington County

2025 Moving To Work (MTW) Supplement to the Annual Plan

(Form HUD-50075-MTW)

**PROPOSED: January 28, 2025**

Proposed

## Contents

PHA Information .....	4
MTW Supplement Narrative .....	6
MTW Waivers and Associated Activities.....	8
Tenant Rent Policies: Tiered Rent Program .....	8
1.a., 1.b. + Safe Harbor – Tiered Rents .....	8
Tenant Rent Policies: Rent Simplification .....	10
1.i., 1.j. - Utility Allowances.....	10
1.r, 1.s. – Elimination of Deductions .....	11
1.t., 1.u. – Standard Deductions (Calculation of Medical/Disability Expense Deduction).....	12
1.v, 1.w. + Safe Harbor - Alternative Income Inclusions/Exclusions (Calculation of Asset Income)...	14
Payment Standards and Rent Reasonableness.....	15
2.b. – Payment Standards – Fair Market Rents .....	15
2.d. – Rent Reasonableness – Third-Party Requirement .....	16
Reexaminations.....	17
3.a., 3.b. + Safe Harbor – Alternative Reexamination Schedule .....	17
National Standards for Physical Inspection of Real Estate .....	20
5.a. – Pre-Qualifying Unit Inspections.....	20
5.c. – HQS Third-Party Requirement.....	20
5.d. – Alternative Inspection Schedule .....	21
Local Project-Based Voucher Program .....	22
9.a. – Increase PBV Program Cap.....	23
9.b. – Increase PBV Project Cap .....	23
9.c. – Eliminate PBV Selection Process for PHA-owned projects.....	24
9.h. – Limit Portability for PBV Units.....	25
Family Self-Sufficiency Program (FSS) with MTW Flexibility (Traditional).....	25
10.d Modify or Eliminate the Contract of Participation (HCV and Public Housing).....	26
10.e Policies for addressing increases in Family Income: Goal-Based Incentives (HCV and Public Housing) .....	27
Moving On Program.....	30
14.a: Waive Initial HQS Requirement .....	30
Safe Harbor Waivers .....	31

Agency-Specific Waivers .....	31
Agency-Specific Waivers for HUD Approval.....	31
Agency-Specific: Program Extension for Households Receiving Zero HAP .....	31
Agency-Specific Waiver(s) for which HUD Approval has been Received.....	33
Agency Specific: Income Verification .....	33
Agency Specific: Discontinue Earned Income Disallowance (EID) .....	34
Agency Specific: Waiver of Waitlist Requirements.....	35
Agency Specific: Strategic Waitlists .....	36
Agency Specific: Homeownership Program .....	38
Public Housing Operating Subsidy Grant Reporting .....	41
MTW Statutory Requirements.....	41
Public Comment.....	42
Evaluations.....	42
Attachments:.....	43
Tiered Rent Program Attachments .....	43
Triennial Reexamination Schedule Attachments.....	52
Medical/Disability Expense Deduction Attachments.....	53
Standard Hardship Policy.....	57
MTW Hardship Policy.....	59

Proposed

# PHA Information

PHA Name: Housing Authority of Washington County  
PHA Code: OR022  
Fiscal Year Beginning: July 2025  
PHA Program Type: Combined  
MTW Cohort Number: Cohort 2  
Submission Type: Annual Submission

## MTW Activities: Implementation planned in Submission Year

- Family Self Sufficiency Program with Moving to Work (MTW) Flexibility (Pending HUD approval)
  - 10.e – Policies for addressing increases in Family Income: Goal-Based Incentives
- Agency-Specific: Program Extension for Households Receiving Zero Housing Assistance Payment (HAP - Pending HUD approval)
- Agency-Specific: Homeownership Program (Approved, Implementation Pending)

## MTW Waivers: Currently Implemented

- Tiered Rent Program
  - 1.a., 1.b. + Safe Harbor – Tiered Rents
- Rent Simplification
  - 1.i., 1.j. - Utility Allowances
  - 1.r., 1.s. – Elimination of Deductions
  - 1.t., 1.u. - Calculation of Medical Expense Deduction
  - 1.v., 1.w. - Calculation of Asset Income
- Payment Standards and Rent Reasonableness
  - 2.b. – Payment Standards – Fair Market Rents
  - 2.d. – Rent Reasonableness – Third-Party Requirement
- Reexaminations
  - 3.a., 3.b. – Reexamination Schedule
- National Standards for Physical Inspection of Real Estate
  - 5.a. – Pre-Qualifying Unit Inspections
  - 5.c. – Third-Party Inspection Requirement
  - 5.d. – Alternative Inspection Schedule
- Local Project-Based Voucher Program
  - 9.a. – Increase PBV Program Cap
  - 9.b. – Increase PBV Project Cap
  - 9.c. – Eliminate PBV Selection Process for PHA-owned projects
  - 9.h. – Limit Portability for PBV Units
- Moving on Program
  - 14.a. – Moving On Program: Waive Initial HQS Requirement
- Agency Specific: Income Verification
- Agency Specific: Discontinue Earned Income Disallowance (EID)

- Agency Specific: Waiver of Waitlist Requirements
- Agency Specific: Strategic Waitlists
- Alternate Payment Standards
  - 2.b. – Payment Standards – Fair Market Rents
- Alternative Utility Allowance Schedule
  - 1.i., 1.j. – Alternative Utility Allowance

Proposed

# 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 2025-2029 Five-Year PHA Plan:

- **Housing Access:** Promote housing access for low-income households in Washington County through accountable and innovative program administration.
- **Supportive Services:** Expand the supports and opportunities needed for households to thrive by responsibly meeting the diverse needs of the communities we serve.
- **Affordable Housing Supply:** Increase the availability of high quality, stable, and affordable homes in Washington County through investment in affordable communities and sustainable property operations.
- **Equity:** Use intentional strategies to advance racial equity, ensure equal access to housing opportunity to all who face barriers to housing in our community
- **Engagement:** Work collaboratively with residents, partners, and community members to ensure HAWC's response to local needs is informed by meaningful citizen engagement, and the lived experience of participating families

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 build partnerships that leverage access to services and affordable housing. We will think creatively on how to proactively increase the number of units available to our low-income households, while also entering 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 focused on strategies for cost reduction and administrative effectiveness:

- **Year One (FY 2022-2023):** HAWC 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.

- **Year Two (FY 2023-2024):** HAWC 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.
- **Year Three (FY 2024-2025):** HAWC focused on fully implementing approved waivers, analysis of activities to determine impact on households, and preparation for upcoming activities. During this year, HUD approved HAWC to implement Agency Specific Homeownership Program waivers that will enable HAWC to create a Downpayment Assistance program in lieu of the traditional mortgage assistance program.
- **Year Four (FY 2025-2026):** In the next fiscal year, HAWC will prioritize full implementation of the MTW Homeownership Program waivers and new waiver requests that will strengthen incentives for participant self-sufficiency.

Proposed



# MTW Waivers and Associated Activities

## Tenant Rent Policies: Tiered Rent Program

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

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

Originally approved in the FY2022 PHA Plan. No new waiver requested.

As part of our MTW designation, HAWC implemented the 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 only applies to a small portion of our households. The initial program is for six years and began enrolling households in FY 2022-2023. The program enrolled current households and newly-admitted households 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 are selected randomly for participation by the research firm's website. Of the households that are eligible, approximately half are selected for the Tiered Rent Program and half are selected as comparison households. Comparison households will continue to have their rents calculated using the standard calculation.

Under the Tiered Rent Program, households 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 and approved. 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.

<p><b>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:</b></p> <p>HAWC began enrolling eligible households in the Tiered Rent Program in January 2023. Enrollment in the tiered rent cohort was completed in April 2024, and HAWC continues to 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.</p>
<p><b>MTW Statutory Objective:</b> Cost effectiveness; Self-sufficiency</p>
<p><b>Cost Implications:</b> Increased expenditures; decreased revenue</p>
<p><b>Different Policy by HH Status / Family types / Sites:</b> This activity applies to a subset of assisted households.</p> <p><b>New &amp; currently assisted households; Select family types – Other:</b> 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.</p>
<p><b>Need Safe Harbor Waiver?</b> Yes - Certain provisions of sections 8(o)(2)(A)-(C) of the 1937 Act and 24 CFR 5.628. Safe Harbor 1.a.i. &amp; 1.b.i.</p> <p>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.</p>
<p><b>Need Hardship Policy?:</b> YES (attached)</p>
<p><b>Hardship Policy applies to more than this activity?:</b> This hardship policy applies to 1.a., 1.b., 1.r., 1.s., 3.a., and 3.b.</p>
<p><b>Has the Hardship Policy been modified since last submission?:</b> No</p>
<p><b>How many hardship requests have been received in the most recent fiscal year? How many approved? How many denied? How many pending?</b></p> <ul style="list-style-type: none"> <li>• Voucher: <ul style="list-style-type: none"> <li>○ 126 hardship requests</li> <li>○ 119 Approved</li> <li>○ 5 Pending</li> <li>○ 2 Denied</li> </ul> </li> <li>• Public Housing <ul style="list-style-type: none"> <li>○ 19 hardship requests</li> <li>○ 19 approved</li> </ul> </li> </ul>
<p><b>Need Impact Analysis?:</b> YES (attached)</p>
<p><b>Impact Analysis applies to more than this activity?:</b> This impact analysis applies to 1.a., 1.b., 1.r., 1.s., 3.a., and 3.b.</p>
<p><b>Custom Questions:</b> Please describe how the income bands are structured:</p>

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:  
Please see Tiered Rent Program Attachments

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

## Tenant Rent Policies: Rent Simplification

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

**Narrative:**

Originally approved in the FY2023 PHA Plan. No new waiver requested.

HAWC created an alternative utility allowance schedule for public housing and voucher units. The traditional 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 created a utility allowance schedule that considers bedroom size, and only whether the household pays heat/electricity and water/sewer/garbage.

	0BR	1BR	2BR	3BR	4BR	5BR	6BR
1. Tenant Pays Water/Sewer (or tenant pays all utilities)	\$	\$	\$	\$	\$	\$	\$
2. Tenant Pays Heat & Electric (Landlord pays water/sewer)	\$	\$	\$	\$	\$	\$	\$
3. Tenant Pays No Utilities (Landlord pays all utilities)	\$	\$	\$	\$	\$	\$	\$

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

<p>agency must maintain information supporting its annual review of utility allowances and any revisions made in its utility allowance schedule.</p> <p>iii. The agency must not include items in the utility schedule that are excluded under HUD regulations.</p>
<p><b>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:</b> HAWC received approval of this waiver in June 2023 and implemented the simplified utility allowance effective October 1, 2023.</p> <p>Program participants report finding the new utility allowance streamlined and intuitive to use. The change has made the shopping process more predictable and transparent for program participants and property managers.</p>
<p><b>MTW Statutory Objective:</b> Cost effectiveness</p>
<p><b>Cost Implications:</b> Cost neutral</p>
<p><b>Different Policy by HH Status / Family types / Sites:</b> All HCV and PH households</p>
<p><b>Need Safe Harbor Waiver?:</b> No</p>
<p><b>Need Hardship Policy?:</b> No</p>
<p><b>Hardship Policy applies to more than this activity?:</b> N/A</p>
<p><b>Need Impact Analysis?:</b> No</p>
<p><b>Impact Analysis applies to more than this activity?:</b> N/A</p>
<p><b>Custom Questions:</b></p> <p>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.</p> <p>HAWC created a simplified utility allowance schedule that considers 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.</p>

## 1.r, 1.s. – Elimination of Deductions

<p><b>Narrative:</b></p> <p>Originally approved in the FY2022 PHA Plan. No new waiver requested.</p> <p>As described in 1.a. and 1.b., the Tiered Rent Program utilizes a rent schedule based on \$2,500 bands of the household's gross income. Households selected for this program have their rent calculated using gross income from the prior twelve months (except for new admissions, who have their rent calculated using current gross income). As a part of the policy, deductions and allowances are not included in the calculation of gross income.</p> <p>Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:</p> <p>i. Agency must conduct an impact analysis.</p>
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<p>ii. Agency must exempt elderly and disabled families from rent policy.</p> <p>iii. Agency must implement a hardship policy.</p>
<p><b>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:</b></p> <p>HAWC began enrolling eligible households in the Tiered Rent Program in January 2023. Enrollment to the program was completed in April 2024. 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.</p>
<p><b>MTW Statutory Objective:</b> Cost effectiveness</p>
<p><b>Cost Implications:</b> Increased expenditures; decreased revenue</p>
<p><b>Different Policy by HH Status / Family types / Sites:</b> This activity applies to a subset of assisted households.</p> <p><b>New &amp; currently assisted households; Select family types – Other:</b> 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.</p>
<p><b>Need Safe Harbor Waiver?:</b> No</p>
<p><b>Need Impact Analysis?:</b> YES (attached)</p>
<p><b>Hardship Policy applies to more than this activity?:</b> This hardship policy applies to 1.a., 1.b., 1.r., 1.s., 3.a., and 3.b.</p>
<p><b>Has the Hardship Policy been modified since last submission?:</b> 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? 127 hardships requested; 127 hardships approved, None Denied or Pending.</p>
<p><b>Need Impact Analysis?:</b> YES (attached)</p>
<p><b>Impact Analysis applies to more than this activity?:</b> This impact analysis applies to 1.a., 1.b., 1.r., 1.s., 3.a., and 3.b.</p>
<p><b>Custom Questions:</b> 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.</p>

Tiered Rent Program

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

**Narrative:**

Originally approved in the FY2022 PHA Plan. No new waiver requested.

HAWC is using MTW flexibility to simplify the calculation of the medical or disability expense deduction, the process of verifying expenses, and how those expenses impact a household's rent.

HAWC uses a simplified table (below) to calculate allowances related to a household's medical or disability expenses. We no longer use a varying medical or disability expense threshold for households. In essence, we 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.

Medical /disability expense information can only be submitted once every 12 months. Interim reviews will not recalculate medical expenses. Households 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.

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 applies 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 the simplified calculations 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:**

Decreased expenditures / Increased revenue

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 – The MTW Hardship Policy applies to 1.t., 1.u., 2.b. and any other MTW activity
<b>Has the Hardship Policy been modified since last submission?:</b> No
<b>How many hardship requests have been received in the most recent fiscal year? How many approved? How many denied? How many pending?:</b> No Hardship Requests
<b>Need Impact Analysis?:</b> Yes – See attachment
<b>Impact Analysis applies to more than this activity?:</b> No
<b>Custom Questions:</b> How much will the single standard deduction be in the fiscal year? N/A - \$0

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

<p><b>Narrative:</b> Originally approved in the FY2022 PHA Plan. No new waiver requested.</p> <p>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.</p> <p>HAWC has implemented a 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.</p> <p>Out of 2,256 households reporting assets in 2022, only 21 households (or 1%) had assets of \$100,000 or more. The total impact of those assets represented 65% of the difference in final rent calculations across the agency. Continuing to include assets of \$100,000 or more ensured that households with significant asset income use a portion of that income toward their rent.</p> <p>This activity is applied 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 and approved.)</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 in March 2023 and implemented in the following months. The waiver has been helpful in streamlining the asset verification process.</p>
<p><b>MTW Statutory Objective:</b> Cost effectiveness</p>
<p><b>Cost Implications:</b> Decreased revenue, increased expenditures</p>

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.
<b>Different Policy by HH Status / Family types / Sites:</b> 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.
<b>Need Safe Harbor Waiver?:</b> Yes – This activity will apply to both work-able and elderly and/or disabled households.
<b>Need Hardship Policy?:</b> No
<b>Hardship Policy applies to more than this activity?:</b> No
<b>Need Impact Analysis?:</b> No
<b>Impact Analysis applies to more than this activity?:</b> No
<b>Custom Questions:</b> 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.

## Payment Standards and Rent Reasonableness

### 2.b. – Payment Standards – Fair Market Rents

<p><b>Narrative:</b> Originally approved in the FY2023 PHA Plan. No new waiver requested.</p> <p>To best meet the local needs of our community, the Housing Authority of Washington County has adopted and implemented local policies to establish payment standards based on Fair Market Rents (FMR).</p> <p>In FY2023-24, HAWC created and applied two different voucher payment standards:  <b>Market Rate Voucher Payment Standard</b> will apply to units in the private rental market. These payment standards will generally be set between 100% and 110% of area Fair Market Rents.  <b>Affordable Housing Voucher Payment Standards</b> will generally apply to units with a nonprofit or tax credit status. These payment standards will be set between 80% and 100% of area Fair Market Rents.</p> <p>At adoption of these differing payment standards, the Affordable Housing Voucher Payment Standard started at our current rate so no household will have a reduction of VPS.</p> <p>Adjustments to payment standards will be applied at the household’s move in, recertification, or contract rent increase.</p> <p>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.</p>
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<p>Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:</p> <ul style="list-style-type: none"> <li>i. Payment standard must be between 80% and 120% of the FMR.</li> <li>ii. Agency must implement an impact analysis.</li> <li>iii. Agency must implement a hardship policy.</li> </ul>
<p><b>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:</b> HAWC received approval of this waiver in June 2023 and implemented the updated payment standards effective October 1, 2023.</p>
<p><b>MTW Statutory Objective:</b> Increase housing choice; Cost effectiveness</p>
<p><b>Cost Implications:</b> Cost neutral</p>
<p><b>Different Policy by HH Status / Family types / Sites:</b> All HCV households</p>
<p><b>Need Safe Harbor Waiver?:</b> No</p>
<p><b>Need Hardship Policy?:</b> Yes</p>
<p><b>Hardship Policy applies to more than this activity?:</b> Yes – see MTW Hardship Policy</p>
<p><b>Need Impact Analysis?:</b> Yes</p>
<p><b>Impact Analysis applies to more than this activity?:</b> No</p>
<p><b>Custom Questions</b>  Please explain the payment standards by FMR.  <b>Market Rate Voucher Payment Standard</b> will apply to units in the private rental market. These payment standards will generally be set between 100% and 110% of area Fair Market Rents.  <b>Affordable Housing Voucher Payment Standards</b> will generally apply to units with a nonprofit or tax credit status. These payment standards will be set between 80% and 100% of area Fair Market Rents.</p>

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

<p><b>Narrative:</b>  Originally approved in the FY2022 PHA Plan. No new waiver requested.</p> <p>HAWC has eliminated the requirement for a third party to conduct rent reasonableness on units our agency owns or controls, assisted with project-based vouchers. HAWC previously engaged a third-party contractor to conduct rent reasonableness in these cases, and it was time consuming and costly. Conducting rent reasonableness calculations internally streamlines processes and creates cost effectiveness. HAWC utilizes 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.</p> <p>Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:</p> <ul style="list-style-type: none"> <li>i. The agency shall establish and make available a quality assurance method to ensure impartiality.</li> </ul>
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<p>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.</p> <p>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.</p>
<p><b>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:</b> During implementation, rent reasonableness has been completed for all PHA owned units utilizing the Affordable Housing/GoSection8 website.</p>
<p><b>MTW Statutory Objective:</b> Cost effectiveness</p>
<p><b>Cost Implications:</b> Decreased expenditures</p>
<p><b>Different Policy by HH Status / Family types / Sites:</b> All assisted households</p>
<p><b>Need Safe Harbor Waiver?:</b> No</p>
<p><b>Need Hardship Policy?:</b> No</p>
<p><b>Hardship Policy applies to more than this activity?:</b> N/A</p>
<p><b>Need Impact Analysis?:</b> No</p>
<p><b>Impact Analysis applies to more than this activity?:</b> No</p>
<p><b>Custom Questions:</b>  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>

## Reexaminations

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

<p><b>Narrative:</b>  Originally approved in the FY2022 PHA Plan. No new waiver requested.</p> <p>HAWC is utilizing 3.a. and 3.b 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.</p> <p>Tiered Rent Program  As described in 1.a. and 1.b., the Tiered Rent Program utilizes a rent schedule based on \$2,500 bands of the household’s gross income. Households who are selected for this program 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</p>
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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 do 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 has implemented 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 were 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 is 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 and approved 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:**

Tiered Rent Program: HAWC began enrolling eligible households in the Tiered Rent Program in January 2023. Enrollment was completed in April 2024.

Triennial Reviews: HAWC received approval for this waiver in June 2022 and began transitioning households to a triennial review schedule in December 2022.

**MTW Statutory Objective:** Cost effectiveness, Self-Sufficiency

**Cost Implications:**

Neutral (no 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.]

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

New admissions and currently assisted households

**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 – Households have access to our standard hardship policy and our MTW Hardship Policy

**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.

Tiered Rent: 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.

Triennial Reviews: 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.

## National Standards for Physical Inspection of Real Estate

### 5.a. – Pre-Qualifying Unit Inspections

<p><b>Narrative:</b> Originally approved in the FY2022 PHA Plan. No new waiver requested.</p> <p>HAWC has implemented the option to allow pre-qualifying unit inspections, within 90 days of the participant occupying the unit. Allowing pre-qualifying inspections streamlines the process and allows 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"> <li>i. The pre-inspection must have been conducted within 90 days of the participant occupying the unit.</li> <li>ii. The participant must be able to request an interim inspection.</li> <li>iii. HQS inspection standards must not be altered as found at 24 CFR 982.401.</li> </ul>
<p><b>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:</b> 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><b>MTW Statutory Objective:</b> Cost effectiveness</p>
<p><b>Cost Implications:</b> Neutral</p>
<p><b>Different Policy by HH Status / Family types / Sites:</b> All</p>
<p><b>Need Safe Harbor Waiver?:</b> None</p>
<p><b>Need Hardship Policy?:</b> No</p>
<p><b>Hardship Policy applies to more than this activity?:</b> N/A</p>
<p><b>Need Impact Analysis?:</b> No</p>
<p><b>Impact Analysis applies to more than this activity?:</b> N/A</p>
<p><b>Custom Questions:</b> What is the pre-inspection period: The pre-inspection period will be valid for 90 days.</p>

Local Project-Based Voucher Program

### 5.c. – HQS Third-Party Requirement

<p><b>Narrative:</b> Originally approved in the FY2022 PHA Plan. No new waiver requested.</p> <p>HAWC has eliminated 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 previously engaged a third-party contractor to conduct HQS inspections in these cases, and it was time consuming and costly. Using HAWC staff to conduct these HQS inspections streamlines processes and creates cost effectiveness. HAWC will continue to have a sampling of inspections done by our auditor to ensure quality control and transparency in the process.</p> <p>Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:</p> <ul style="list-style-type: none"> <li>i. The agency shall establish and make available a quality assurance method to ensure an objective analysis.</li> <li>ii. The participant must be able to request an interim inspection.</li> <li>iii. HQS inspection standards must not be altered as found at 24 CFR 982.401.</li> <li>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.</li> </ul>
<p><b>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:</b> Upon approval, HAWC implemented the waiver in FY2022. This waiver has helped to streamline HQS processes and create cost effectiveness.</p>
<p><b>MTW Statutory Objective:</b> Cost effectiveness</p>
<p><b>Cost Implications:</b> Decreased expenditures</p>
<p><b>Different Policy by HH Status / Family types / Sites:</b> None</p>
<p><b>Need Safe Harbor Waiver?:</b> No</p>
<p><b>Need Hardship Policy?:</b> No</p>
<p><b>Hardship Policy applies to more than this activity?:</b> N/A</p>
<p><b>Need Impact Analysis?:</b> No</p>
<p><b>Impact Analysis applies to more than this activity?:</b> N/A</p>
<p><b>Custom Questions:</b> What is the Quality Assurance Method?: HAWC will continue to utilize our internal quality control process of HQS audits, ensuring that a minimum number 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.</p>

## 5.d. – Alternative Inspection Schedule

**Narrative:**

Originally approved in the FY2022 PHA Plan. No new waiver requested.

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 may self-certify adherence to HQS inspection standards. This policy allows 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 review and if approved, place the PBV unit on an annual inspection cycle.

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 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 employs 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 also tracks 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: 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? N/A

Custom Questions (None)

## Local Project-Based Voucher Program

## 9.a. – Increase PBV Program Cap

<p><b>Narrative:</b> Originally approved in the FY2022 PHA Plan. No new waiver requested.</p> <p>HAWC has increased 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.</p> <p>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.</p>
<p><b>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:</b> 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.</p>
<p><b>MTW Statutory Objective:</b> Increase housing choice</p>
<p><b>Cost Implications:</b> Neutral</p>
<p><b>Different Policy by HH Status / Family types / Sites:</b> All</p>
<p><b>Need Safe Harbor Waiver?:</b> No</p>
<p><b>Need Hardship Policy?:</b> No</p>
<p><b>Hardship Policy applies to more than this activity?:</b> N/A</p>
<p><b>Need Impact Analysis?:</b> No</p>
<p><b>Impact Analysis applies to more than this activity?:</b> N/A</p>
<p><b>Custom Questions:</b> What percentage of total authorized units will be authorized for project-basing?: 50%</p>

## 9.b. – Increase PBV Project Cap

<p><b>Narrative:</b> Originally approved in the FY2022 PHA Plan. No new waiver requested.</p> <p>HAWC has increased 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.</p> <p>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.</p>
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<b>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:</b> 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.
<b>MTW Statutory Objective:</b> Increase housing choice
<b>Cost Implications:</b> Neutral
<b>Different Policy by HH Status / Family types / Sites:</b> All
<b>Need Safe Harbor Waiver?:</b> No
<b>Need Hardship Policy?:</b> No
<b>Hardship Policy applies to more than this activity?:</b> N/A
<b>Need Impact Analysis?:</b> No
<b>Impact Analysis applies to more than this activity?:</b> N/A
<b>Custom Questions:</b> (None)

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

<p><b>Narrative:</b> Originally approved in the FY2022 PHA Plan. No new waivers requested.</p> <p>HAWC has eliminated 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"> <li>i. A subsidy layering review must be conducted.</li> <li>ii. The agency must complete site selection requirements.</li> <li>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.)</li> <li>iv. The agency is subject to Notice PIH 2013-27 where applicable, or successor.</li> <li>v. Property must be owned by a single-asset entity of the agency, see Notice PIH 2017-21.</li> </ul>
<b>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:</b> 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.
<b>MTW Statutory Objective:</b> Increase housing choice
<b>Cost Implications:</b> Neutral
<b>Different Policy by HH Status / Family types / Sites:</b> All

<b>Need Safe Harbor Waiver?:</b> No
<b>Need Hardship Policy?:</b> No
<b>Hardship Policy applies to more than this activity?:</b> N/A
<b>Need Impact Analysis?:</b> No
<b>Impact Analysis applies to more than this activity?:</b> N/A
<b>Custom Questions:</b> (None)

## 9.h. – Limit Portability for PBV Units

<p><b>Narrative:</b> Originally approved in the FY2022 PHA Plan. No new waiver requested.</p> <p>HAWC has changed 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"> <li>i. Portability under this activity must not be restricted for more than 24 months.</li> <li>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.</li> <li>iii. Participants must still retain the ability to request a tenant-based voucher for reasonable accommodation according to existing rules.</li> </ul> <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><b>MTW Statutory Objective:</b> Increase housing choice</p> <p><b>Cost Implications:</b> Neutral</p> <p><b>Different Policy by HH Status / Family types / Sites:</b> All</p> <p><b>Need Safe Harbor Waiver?:</b> No</p> <p><b>Need Hardship Policy?:</b> No</p> <p><b>Hardship Policy applies to more than this activity?:</b> N/A</p> <p><b>Need Impact Analysis?:</b> No</p> <p><b>Impact Analysis applies to more than this activity?:</b> N/A</p> <p><b>Custom Questions:</b> (None)</p>
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## Family Self-Sufficiency Program (FSS) with MTW Flexibility (Traditional)

## 10.d Modify or Eliminate the Contract of Participation (HCV and Public Housing)

### **Narrative:**

The Housing Authority of Washington County will modify the FSS Contract of Participation to include provisions related to the implementation of waiver 10.e “goal-based incentives”.

Specifically, the section on “FSS Escrow Account” will be modified to include the following provisions:

- Increases in the family’s rent due to increases in earned income, and goal-based incentives will be credited to the FSS escrow account, up to any applicable program cap.
- Escrow credits will be made in accordance with 24 CFR parts 887 and 984 (as applicable), The HAWC FSS Action Plan, the MTW supplement, and any other HUD requirements.

If approved, this waiver will be implemented in FY 2026. This activity will only impact Contracts of Participation executed on or after the implementation of this waiver.

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

- Agency must have reviewed FSS Guidance.
- The agency must execute a Contract of Participation, or other locally developed agreement, that is at least five years but not more than ten years, with each participant participating in their FSS program.
- The agency, if implementing an FSS program, even with MTW modifications, must have an up to date, approved FSS Action Plan in accordance with 24 C.F.R. 984.201 that incorporates all modifications to the FSS program approved under the MTW Contract.\*
- The agency must not require MTW FSS Program participation as a condition for housing subsidy for elderly and disabled families.
- If the agency requires MTW FSS Program participation as a condition for housing subsidy, an impact analysis must be developed and adopted in accordance with MTW guidance prior to the implementation of the activity.
- If the agency requires MTW FSS Program participation as a condition for housing subsidy, a hardship policy must be developed and adopted in accordance with MTW guidance prior to the implementation of the activity.
- The agency must not make MTW FSS Program participation mandatory for individuals that do not meet the definition of an eligible family at section 23(n)(3) of the 1937 Act, and those exempted from the Community Service Requirement under section 12(c)(2)(A), (B), (D) and (E) of the 1937 Act.\*
- If an agency terminates the housing subsidy or tenancy of a family for alleged violation of mandatory MTW FSS Program participation, the family will be entitled to a hearing under the agency’s Grievance Procedure (24 C.F.R. part 966, subpart B) or the HCV informal hearing process (24 C.F.R. part 982.555).
- The agency must not use income increases during participation in the MTW FSS Program to change a family’s eligibility status for purposes of participation in the MTW FSS Program or for the receipt public housing or HCV assistance.

<b>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:</b>
This is a new waiver request and has not been implemented.
<b>MTW Statutory Objective:</b> Self-Sufficiency
<b>Cost Implications:</b> Neutral
<b>Different Policy by HH Status / Family types / Sites:</b> Applies to all households enrolled in FSS after the effective date of this activity.
<b>Need Safe Harbor Waiver?:</b> No
<b>Need Hardship Policy?:</b> No
<b>Hardship Policy applies to more than this activity?:</b> N/A
<b>Need Impact Analysis?:</b> No
<b>Impact Analysis applies to more than this activity?:</b> N/A
<b>Custom Questions:</b> N/A

## 10.e Policies for addressing increases in Family Income: Goal-Based Incentives (HCV and Public Housing)

<p><b>Narrative:</b> HAWC will modify the FSS program to create goal-based escrow incentives.</p> <p>The traditional FSS program features case management services, coupled with a financial incentive in the form of deposits into an escrow savings account. Under the traditional FSS escrow calculation only household goals that result in increased earned income generate any escrow funds. Households that focus on education, training, or personal and family goals may not receive escrow funds as a reward for goal progress.</p> <p>HAWC currently has 84 households participating in the FSS program. 44 of these households (52%) have accrued zero escrow during their program participation, while 5 households have accrued escrow funds exceeding \$25,000. Of the 29 Special Purpose Voucher households participating FSS, 27 (93%) have zero escrow. This points to the inaccessibility of the escrow incentive in its current form, for individuals exiting homelessness, experiencing disabilities, or for youth exiting foster care.</p> <p>HAWC will make escrow incentives more accessible by creating a goal-based incentive program to supplement the traditional FSS program. Under this activity, earned income increases will continue to generate escrow, but funds will also be awarded based on specific accomplishments and milestones of FSS participation outside of earned income increases.</p> <p>If approved, this waiver will be implemented in FY 2026. This activity will only impact Contracts of Participation executed on or after the implementation of this waiver.</p>
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To ensure this activity remains cost neutral, HAWC will establish a cap on goal-based escrow awards, and a cap on total FSS escrow accrual for FSS enrollments after the effective date of this activity. Households already enrolled will be permitted to continue accruing escrow under the traditional calculation, or to switch to goal based-escrow awards by entering an amended contract of participation.

Goal based escrow awards will be limited to \$6,000 initially, and the maximum escrow accrual will set initially be set to \$25,000. These maximums will be published in the FSS action plan and subject to change through the FSS action plan review process. These changes are subject to HUD approval.

A proposed schedule of goal-based incentives is included below for illustrative purposes only. If approved, final incentives will be determined in consultation with the FSS Program Coordinating Committee. The incentives will be published in the FSS Action Plan and subject to HUD approval.

<b>GOAL</b>	<b>INCENTIVE</b>
<b>FSS Participation</b>	
Signed COP and ITSP	\$250
Quarterly Participation	\$50
FSS Graduation	\$1,000
<b>Financial Goals</b>	
Create a budget (twice annually)	\$25.00
Improve your credit score (increase of 50 points, eligible annually)	\$100.00
Engage in credit counseling or financial education program	\$100.00
Increase personal savings	match up to \$1,000 at graduation
<b>Educational Goals</b>	
Earn a GED	\$500.00
Complete associate's degree or Higher	\$1,000.00
Earn an occupational credential	\$500.00
<b>Employment Goals</b>	
New Employment (first new employment since enrollment)	\$500.00
Develop resume	\$50.00
Earn CEU's for work	\$50.00
Employment Retention (annually)	\$500.00
<b>Family Goals - Identified on ITSP</b>	
Family member starts college - As Identified on ITSP	\$100.00

Wellness Goal Achieved - As Identified on ITSP	\$100.00
Family member earns occupational credential - As Identified on ITSP	\$100.00
Family member graduates college - As Identified on ITSP	\$500.00
<b>Self-Sufficiency Goals</b>	
Household exits TANF	\$500.00
Household exits SNAP	\$500.00
<b>ESL Goals</b>	
Take ESL classes (one time)	\$100.00
Increase ESL level (Twice annually)	\$100.00
Complete a VESL training	\$100.00
Achieve ESL level 8	\$100.00

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

- Agency must have reviewed FSS Guidance.
- The agency must execute a Contract of Participation, or other locally developed agreement, that is at least five years but not more than ten years, with each participant participating in their FSS program.
- The agency, if implementing an FSS program, even with MTW modifications, must have an up to date, approved FSS Action Plan in accordance with 24 C.F.R. 984.201 that incorporates all modifications to the FSS program approved under the MTW Contract.\*
- The agency must not require MTW FSS Program participation as a condition for housing subsidy for elderly and disabled families.
- If the agency requires MTW FSS Program participation as a condition for housing subsidy, an impact analysis must be developed and adopted in accordance with MTW guidance prior to the implementation of the activity.
- If the agency requires MTW FSS Program participation as a condition for housing subsidy, a hardship policy must be developed and adopted in accordance with MTW guidance prior to the implementation of the activity.
- The agency must not make MTW FSS Program participation mandatory for individuals that do not meet the definition of an eligible family at section 23(n)(3) of the 1937 Act, and those exempted from the Community Service Requirement under section 12(c)(2)(A), (B), (D) and (E) of the 1937 Act.\*
- If an agency terminates the housing subsidy or tenancy of a family for alleged violation of mandatory MTW FSS Program participation, the family will be entitled to a hearing under the agency's Grievance Procedure (24 C.F.R. part 966, subpart B) or the HCV informal hearing process (24 C.F.R. part 982.555).
- The agency must not use income increases during participation in the MTW FSS Program to change a family's eligibility status for purposes of participation in the MTW FSS Program or for the receipt public housing or HCV assistance.

**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:**

This is a new waiver request and has not been implemented.
<b>MTW Statutory Objective:</b> Self-Sufficiency
<b>Cost Implications:</b> Neutral
<b>Different Policy by HH Status / Family types / Sites:</b> Applies to all households enrolled in FSS after the effective date of this activity.
<b>Need Safe Harbor Waiver?:</b> No
<b>Need Hardship Policy?:</b> No
<b>Hardship Policy applies to more than this activity?:</b> N/A
<b>Need Impact Analysis?:</b> No
<b>Impact Analysis applies to more than this activity?:</b> N/A
<b>Custom Questions:</b> How will the MTW agency treat increased earnings for families participating in the FSS Program with MTW flexibility?  Households enrolled in FSS following the implementation of this activity will accrue escrow based on increased earnings under the traditional FSS escrow calculation. HAWC will establish a maximum escrow accrual limit initially set at \$25,000.  HAWC will also establish goal based incentives for the Family Self Sufficiency program.

## Moving On Program

### 14.a: Waive Initial HQS Requirement

<p>Narrative</p> <p>Originally approved in the FY2022 PHA Plan. No new waiver requested.</p> <p>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 utilizes 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.</p> <p>HAWC anticipates this activity will be cost neutral, with some staff time savings through the policy, but significant improvements in administrative efficiency.</p> <p>Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:</p> <ul style="list-style-type: none"> <li>i. Initial income eligibility must be determined in accordance with 24 CFR 5.609 of the 1937 Act.</li> <li>ii. Agencies must continue to allow participants to request an interim HQS inspection.</li> <li>iii. Any income calculations that are accepted from partner agencies must have been calculated within the last year.</li> </ul>
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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.
<b>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:</b> Upon approval, HAWC implemented the waiver in FY2022. This waiver streamlines the HQS inspection process for households that qualify.
<b>MTW Statutory Objective:</b> Cost effectiveness; Housing choice
<b>Cost Implications:</b> Neutral
<b>Different Policy by HH Status / Family types / Sites:</b> Applies to all
<b>Need Safe Harbor Waiver?:</b> No
<b>Need Hardship Policy?:</b> No
<b>Hardship Policy applies to more than this activity?:</b> N/A
<b>Need Impact Analysis?:</b> No
<b>Impact Analysis applies to more than this activity?:</b> N/A
<b>Custom Questions:</b> N/A

## Safe Harbor Waivers

HAWC is not requesting safe harbor waivers in Fiscal Year 2025-2026.

## Agency-Specific Waivers

### Agency-Specific Waivers for HUD Approval

#### Agency-Specific: Program Extension for Households Receiving Zero HAP

**Full description:**

Housing Choice Voucher Program Housing Assistance Payments (HAP) may stop when the family income increases to cover their household rent. This is called "Zero HAP". Zero HAP Households have a safety net period during which they can report income losses or other changes and start receiving assistance payments again. After the safety-net period they are not eligible for housing assistance. Under current program rules Zero HAP households have a six-month (180 day) safety net of continued program participation.

Households who attain zero-HAP status have made significant steps toward self-sufficiency. But as the end of their safety net draws near, families are forced to choose between a relatively new source of income, and the stability and safety of their housing assistance.



HAWC reviewed zero HAP outcomes in the last five years and found several indicators that the current six-month limit creates an incentive for families to reduce employment or remove sources of income to protect their housing stability:

- 45% of households entering zero HAP status reported an income loss during their safety net period and returned to receiving assistance.
- In the final month of this safety net period income loss reports from Zero HAP households increase by 72% over the average.
- 40% of participants who entered Zero HAP status had *multiple* Zero HAP periods since 2020. This includes 46% of participants who eventually graduated from assistance.

HAWC is requesting a waiver to extend the Zero HAP safety net to one year (365 days). This supports MTW statutory objectives related to household self-sufficiency by allowing households more time to build stability and confidence in their income status before their program exit and removing incentives to reduce employment or other income sources in the fifth month of their Zero-HAP status.

**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:**

This waiver has not been approved.

**Has there been a change in how the waiver is being implemented from when it was originally approved?:** This waiver has not been approved. No changes have been made.

**Statute, Regulation or Operations Notice to be waived:**

Certain provisions of 24 CFR 982.455: Automatic termination of HAP contract

Certain provisions of 24 CFR 983.211: Removal of unit from HAP contract based on a family’s increased income.

**MTW Statutory Objective:** Self-Sufficiency

**Population groups and household types impacted by this activity:** All HCV Households

**Cost Implications:** This activity may lead to a minor decrease in Per Unit Costs through continued assistance for households who are at or near zero HAP status. HAWC does not anticipate that these saving will be significant.

**Implementation timeline:** If approved this activity will be implemented immediately upon approval.

**Impact Analysis:**

1. Agency finances – By continuing to assist households at or near zero HAP status, this activity may create a small reduction in per unit costs. HAWC does not anticipate significant savings.
2. Affordability of housing costs – No projected impact.
3. Agency waitlist – No projected impact.
4. Termination rate – This activity will reduce zero HAP program terminations in the next twelve months.
5. Occupancy / Utilization – HAWC does not anticipate an impact on total voucher utilization from this activity.
6. MTW Statutory Goals - This activity supports household self-sufficiency by removing incentives for families to end employment or reduce income to protect their continued eligibility for housing assistance.
7. Statutory Requirements – No projected impact.

- 8. Hardship requests – No projected impact.
- 9. Protected classes / Disparate impact – No projected impact.

**Hardship Policy:**

This activity does not require a hardship policy. Households may choose to voluntarily exit the program at any time.

Comments received + Agency response:

## Agency-Specific Waiver(s) for which HUD Approval has been Received

### Agency Specific: Income Verification

**Full description:**

Originally approved in the FY2022 PHA Plan. No new waiver requested.

HAWC has implemented 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 has implemented 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 helps 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.

## Agency Specific: Discontinue Earned Income Disallowance (EID)

**THIS WAIVER WILL BE DISCONTINUED**

**Full description:**

Originally approved in the FY2022 PHA Plan. No new waivers requested.

HUD has published proposed rules indicating that the Earned Income Disregard (EID) program will be discontinued. In anticipation, HAWC has ended our program and stopped enrolling new households into EID as of August 1, 2022. In accordance with the proposed HUD rules, HAWC allowed current EID participants to continue to receive the benefit until the end of their benefit timeframe, or on July 31, 2023 (whichever was sooner).

The EID program allowed some households to disregard income when calculating rent. However, the program was 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 sought a waiver to discontinue enrollment in advance, providing more time for phasing out the program and exploring other options for supporting households that are increasing their income.

**If this waiver has been discontinued, please provide a description of the final outcomes and lessons learned from implementing this Activity at your PHA:**

Upon approval, HAWC implemented the waiver in FY2022. This has simplified administration of our rent assistance programs, and our implementation of HOTMA provisions effective January 1, 2024.

This activity is being discontinued as it overlaps with HOTMA guidance in effect for all housing authorities.
<b>If the MTW Agency was previously required to prepare an impact analysis, was a final impact analysis prepared at the time of discontinuation?</b>
There were no participants enrolled in EID at the time of discontinuation. Provisions of The Housing Opportunity Through Modernization Act of 2016 (HOTMA) relating to the Earned Income Disregard have rendered this activity obsolete.
No final impact analysis was prepared for this activity.

## Agency Specific: Waiver of Waitlist Requirements

<b>Full description:</b> Originally approved in our FY2022 PHA Plan. No new waiver requested.
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 may set 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.
HAWC intends to work 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 would 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. HAWC had planned to set aside 50 tenant-based vouchers in FY2022-2023 to serve these homeless families and provide housing stability to families with children enrolled in the school district. Unfortunately, delays in HUD approval have slowed program implementation.
<b>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:</b> HAWC received approval for this waiver in November 2023. Implementation is pending.
<b>Has there been a change in how the waiver is being implemented from when it was originally approved?:</b> No.
<b>Statute, Regulation or Operations Notice to be waived:</b> Certain provisions of 24 CFR 982.207
<b>MTW Statutory Objective:</b> Housing choice
<b>Population groups and household types impacted by this activity:</b> Families with children
<b>Cost Implications:</b> Cost neutral
<b>Impact Analysis:</b> 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.

## Agency Specific: Strategic Waitlists

**Full description:**

Originally approved in our FY2022 PHA Plan. No new waiver requested.

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 Waiver of Waitlist Requirements (previously named 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 Set-Aside programs, HAWC uses of strategic waitlist options. HAWC utilizes deliberate waitlist strategies for each PBV or 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.

<p>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.</p> <p>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.</p>
<p><b>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:</b> HAWC received approval for this waiver in November 2023. There have been no changes in implementation.</p>
<p><b>Has there been a change in how the waiver is being implemented from when it was originally approved?:</b> No.</p>
<p><b>Statute, Regulation or Operations Notice to be waived:</b> Certain provisions of 24 CFR 983.251(c) and 983.251(d)</p>
<p><b>MTW Statutory Objective:</b> Reduce cost and achieve greater cost effectiveness in federal expenditures</p>
<p><b>Population groups and household types impacted by this activity:</b> Vouchers</p>
<p><b>Cost Implications:</b> Cost neutral</p>
<p><b>Implementation timeline:</b> HAWC will begin to consider and implement new waitlist processes after July 1, 2022 (pending HUD approval).</p>
<p><b>Impact Analysis:</b></p> <ol style="list-style-type: none"> <li>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.</li> <li>2. Affordability of housing costs – No projected impact.</li> <li>3. Agency waitlist – No projected impact.</li> <li>4. Termination rate – No projected impact.</li> <li>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.</li> <li>6. MTW Statutory Goals - This activity is projected to increase staff efficiency by reducing time spent managing multiple individualized waitlists.</li> <li>7. Statutory Requirements – No projected impact.</li> <li>8. Hardship requests – No projected impact.</li> <li>9. Protected classes / Disparate impact – No project impact.</li> </ol>
<p><b>Hardship Policy:</b> HAWC does not anticipate a negative impact on households through this activity. Therefore, no specific hardship policy is needed.</p>
<p><b>Comments received + Agency response:</b> No comments received.</p>

## Agency Specific: Homeownership Program

**Full description:**

Originally submitted in the FY2023 PHA Plan. Approved in FY2024.

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.

In FY2025 HAWC will implement 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:

- Participation will be limited to households who are already voucher participants or public housing residents at the time of homeownership program enrollment.
- HAWC will establish eligibility at enrollment but will not recertify families before closing. Eligibility will be limited to households earning 80% AMI or less at time of application.
- HAWC will work closely with community partners who provide homeownership education and additional resources to clients. HAWC will partner with Oregon certified Homeownership Centers in Washington County, who also can help buyers access down payment assistance grants and the OHCS Flex Lending program. The Homeownership Centers offer and require homebuyer education courses and can connect buyers to appropriate lenders in the community.
- Homebuyers will be able to combine resources from multiple agencies to establish a substantial down payment.
- In alignment with the HCV “shopping” period, households enrolled in the program will have 120 days of assistance to ascertain eligibility for downpayment assistance and complete their purchase. HAWC will extend the timeline an additional 60 days but will not extend initial eligibility past the 180-day maximum. Households are welcome to engage in homeownership education offered through various community partners at any time before enrollment in the homeownership down payment assistance program.
- HAWC is planning to engage community and service partners to ensure that they are using a downpayment assistance calculation that will efficiently bridge the gap for low-income homebuyers. The downpayment assistance will be calculated as the Market Payment Standard multiplied by a factor between 10-24 months, to be determined annually based on PHA financial position.
- The down payment assistance will be funded and provided by HAWC alone and will not include a repayment agreement. Households may be able to pair this assistance with other programs offered by the state or local partners. HAWC will consult with internal leadership, advisory committees, local partners and impacted residents to determine a final amount that is both cost neutral and effective in helping individuals purchase their first home. The downpayment assistance is in lieu of the monthly subsidy. Once the household completes the purchase transaction, they are no longer participants in HAWC’s programs.



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:**

This activity was approved in Fiscal Year 2024 and implementation is planned for Fiscal Year 2025. HAWC intends to modify this activity so that the downpayment assistance grant will be calculated based on a multiple of the payment standard between 10-24 determined annually based on PHA financial position.

This will allow HAWC more flexibility in determining grant amounts and will make this activity more sustainable despite variability in funding conditions and financial circumstances.

**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:**

This activity was approved in 2024 and is planned for implementation in Fiscal Year 2025.

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 2025-2026.

**Impact Analysis:**

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.

## 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	\$ 1,024,536	\$ 1,024,536	\$ -	09/30/2032
2025	\$ 229,155	\$ 76,385	\$ 152,770	09/30/2033

## MTW Statutory Requirements

### 75% Very Low Income – Local, Non-Traditional

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

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.

## Public Comment

The 45-day public comment period will run from January 29, 2025 to March 17, 2025. 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 January 29, 2025.

### **Resident Advisory Board**

Information on this supplement was presented to the Resident Advisory Board on January 13, 2025. Members did not have specific questions or comments at that time other than expressing support for the work done by staff. These documents will be forwarded directly to the Resident Advisory Board during the public comment period. Final comment from the Resident Advisory Board will be invited at the Resident Advisory Board meeting on Monday, March 24<sup>th</sup>.

### **Public Hearing for Safe Harbor Waivers and Agency Specific Waivers**

The Housing Authority of Washington County will hold a Public Hearing to review the Agency Specific Waive Request during the comment period. This section will be updated to include any relevant public comment prior to HUD submission.

### **Housing Advisory Committee**

The Housing Advisory Committee will review the PHA Plan and MTW Supplement in March of 2025. This document will be updated to reflect their comments.

### **Public Hearing**

The Housing Authority Board of Directors will hold a hearing on Tuesday, April 1, 2025. Notice of Public Hearing will be published in the Oregonian prior to the hearing.

## 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](mailto:Nina.Castells@mdrc.org)

## Attachments:

### Tiered Rent Program Attachments Rent 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

\*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.

## 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%
<b>Rent Increase Increments</b>		
\$5-\$10	29	5%
\$11-\$25	65	11%
\$26-\$50	79	13%
\$51 or more	8	1%

	<b>Amer Ind/ Alaska Nat</b>	<b>Asian</b>	<b>Black/ African Amer</b>	<b>Hispanic</b>	<b>Native HI/ Pac Island</b>	<b>White</b>
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
<b>Rent Increase Increments</b>						
\$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.

<b>Original Policy</b>	Rent Increases	72%	Highest Increase: \$415
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Rents based on 30% of income

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

	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% Highest Increase: \$98  
No change (\$4 to -\$4) 18%  
Rent Decreases 52%

	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% Highest Increase: \$61  
No change (\$4 to -\$4) 18%  
Rent Decreases 52%

	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 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 Policy

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 <b>current</b> 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 <b>current</b> 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"> <li>• This hardship will be reviewed by and require approval from a supervisor.</li> <li>• The household will be asked to provide documentation demonstrating the expense.</li> <li>• The hardship may last for 3 months, 6 months, or 12 months depending on remedy.</li> <li>• The household may request that the hardship be renewed.</li> </ul>

#### 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 20<sup>th</sup> of the month. If the request is made after the 20<sup>th</sup>, 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](mailto: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 Attachments

## 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 Attachments

## 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

Proposed

# Impact Analysis

This impact analysis applies to the following waivers:

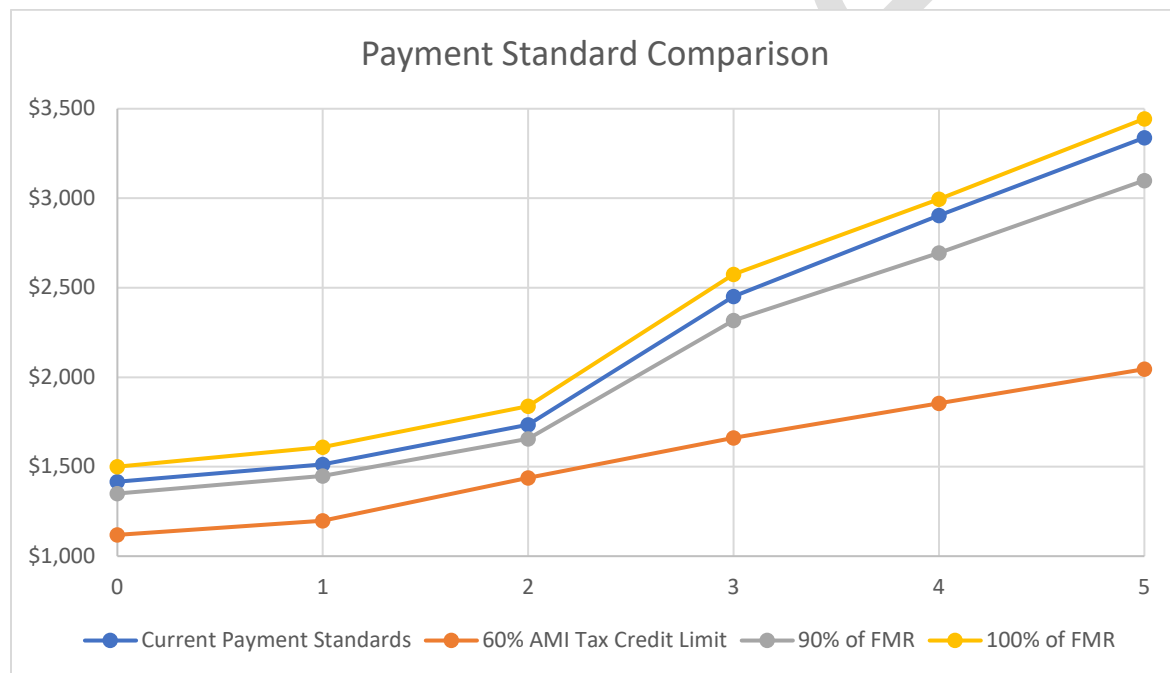
2.b. – Payment Standards – Fair Market Rents

### 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

Proposed

## 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.

<b>Example: Impact of Minimum Rent Exemption</b>			
Assume the PHA has established a minimum rent of \$50.			
<b>Family Share – No Hardship</b>		<b>Family Share – With Hardship</b>	
\$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 20<sup>th</sup> of the month. If the request is made after the 20<sup>th</sup>, 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.