

PHA Name : Housing Authority of the City of Salem

PHA Code : OR011

MTW Supplement for PHA Fiscal Year Beginning : (MM/DD/YYYY): 10/1/2026

PHA Program Type: Combined

MTW Cohort Number: Asset Building

MTW Supplement Submission Type: Annual Submission

B. MTW Supplement Narrative.

Salem Housing Authority (SHA) is pleased to submit this Fiscal Year (FY) 2025 Moving to Work Supplement component of the Annual PHA Plan. HUD designated SHA as a Moving to Work (MTW) Agency in September 2022, through the MTW Asset Building Cohort, to test asset building initiatives to encourage growth of savings accounts, increased economic mobility, and/or credit building for assisted households. SHA's MTW Plan and Application selected the HUD-defined "Opt-Out Savings Account" as the initial MTW asset building activity. SHA looks forward to working with HUD and the evaluation team to develop and implement asset building activities and to better understand perspectives and experiences of households participating in the "Opt-Out Savings Account" initiative through the program evaluation process. Additionally, SHA will actively participate in the Community of Practice with HUD, the evaluation team, and other MTW agencies in the Asset Building Cohort to further develop and implement best practices related to this initiative.

This supplement identifies the MTW waivers and activities that SHA will implement in its first MTW Fiscal Year to achieve the three MTW statutory objectives, as well as the goals of the asset building cohort, which are outlined in more detail below.

During the coming Fiscal Year, the Salem Housing Authority (SHA) will use MTW flexibility to advance the three statutory objectives by strengthening financial stewardship, supporting family economic self-sufficiency, and maintaining meaningful housing choice within current market and funding constraints. To reduce cost and achieve greater cost effectiveness in federal expenditures, SHA will implement cost-saving measures and closely manage Housing Assistance Payments (HAP) through monthly budget authority monitoring and internal Two-Year Tool meetings to track trends, forecast obligations, and make timely program adjustments. SHA will also strengthen internal controls by ensuring billing on ports is reviewed consistently and accurately, completing rent reasonableness determinations to prevent approval of rents above market comparables, and limiting voucher issuance as necessary based on budget authority and leasing performance to avoid over-commitment of federal funds. Additionally, SHA will not enter into new PBV contracts during the coming Fiscal Year in order to avoid adding long-term financial obligations and to preserve program flexibility. To support the objective of providing incentives to families with children whose heads of household are working, seeking work, or participating in job training, education, or other employment-related activities, SHA will continue to promote resident stability and economic mobility by encouraging connection to workforce development, education, training, and supportive service resources, with targeted outreach to families with children to increase participation in activities that support employment and self-sufficiency. To increase housing choices for low-income families, SHA will prioritize sustainable tenant-based assistance by balancing voucher issuance and leasing activity with available funding so families can lease successfully, maintaining market-appropriate rent approvals through rent reasonableness testing, and preserving flexibility to respond to local market conditions and participant needs by focusing on tenant-based strategies while refraining from new PBV commitments this year.

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

1. Tenant Rent Policies	
a. Tiered Rent (PH)	Not Currently Implemented
b. Tiered Rent (HCV)	Not Currently Implemented
c. Stepped Rent (PH)	Not Currently Implemented
d. Stepped Rent (HCV)	Not Currently Implemented
e. Minimum Rent (PH)	Not Currently Implemented
f. Minimum Rent (HCV)	Not Currently Implemented
g. Total Tenant Payment as a Percentage of Gross Income (PH)	Not Currently Implemented
h. Total Tenant Payment as a Percentage of Gross Income (HCV)	Not Currently Implemented
i. Alternative Utility Allowance (PH)	Currently Implementing
j. Alternative Utility Allowance (HCV)	Currently Implementing
k. Fixed Rents (PH)	Not Currently Implemented
l. Fixed Subsidy (HCV)	Not Currently Implemented
m. Utility Reimbursements (PH)	Not Currently Implemented
n. Utility Reimbursements (HCV)	Not Currently Implemented
o. Initial Rent Burden (HCV)	Currently Implementing
p. Imputed Income (PH)	Not Currently Implemented
q. Imputed Income (HCV)	Not Currently Implemented
r. Elimination of Deduction(s) (PH)	Not Currently Implemented
s. Elimination of Deduction(s) (HCV)	Not Currently Implemented
t. Standard Deductions (PH)	Not Currently Implemented
u. Standard Deductions (HCV)	Not Currently Implemented
v. Alternative Income Inclusions/Exclusions (PH)	Currently Implementing
w. Alternative Income Inclusions/Exclusions (HCV)	Currently Implementing
2. Payment Standards and Rent Reasonableness	
a. Payment Standards- Small Area Fair Market Rents (HCV)	Currently Implementing
b. Payment Standards- Fair Market Rents (HCV)	Not Currently Implemented
c. Rent Reasonableness – Process (HCV)	Currently Implementing
d. Rent Reasonableness – Third-Party Requirement (HCV)	Currently Implementing
3. Reexaminations	
a. Alternative Reexamination Schedule for Households (PH)	Currently Implementing
b. Alternative Reexamination Schedule for Households (HCV)	Currently Implementing
c. Self-Certification of Assets (PH)	Currently Implementing
d. Self-Certification of Assets (HCV)	Currently Implementing
4. Landlord Leasing Incentives	
a. Vacancy Loss (HCV-Tenant-based Assistance)	Not Currently Implemented
b. Damage Claims (HCV-Tenant-based Assistance)	Not Currently Implemented
c. Other Landlord Incentives (HCV- Tenant-based Assistance)	Not Currently Implemented
5. Housing Quality Standards (HQS)	
a. Pre-Qualifying Unit Inspections (HCV)	Not Currently Implemented
b. Reasonable Penalty Payments for Landlords (HCV)	Not Currently Implemented
c. Third-Party Requirement (HCV)	Currently Implementing
d. Alternative Inspection Schedule (HCV)	Not Currently Implemented
6. Short-Term Assistance	
a. Short-Term Assistance (PH)	Not Currently Implemented
b. Short-Term Assistance (HCV)	Not Currently Implemented
7. Term-Limited Assistance	
a. Term-Limited Assistance (PH)	Not Currently Implemented
b. Term-Limited Assistance (HCV)	Not Currently Implemented
8. Increase Elderly Age (PH & HCV)	

Increase Elderly Age (PH & HCV)	Not Currently Implemented
9. Project-Based Voucher Program Flexibilities	
a. Increase PBV Program Cap (HCV)	Not Currently Implemented
b. Increase PBV Project Cap (HCV)	Not Currently Implemented
c. Elimination of PBV Selection Process for PHA-owned Projects Without Improvement, Development, or Replacement (HCV)	Not Currently Implemented
d. Alternative PBV Selection Process (HCV)	Not Currently Implemented
e. Alternative PBV Unit Types (Shared Housing and Manufactured Housing) (HCV)	Not Currently Implemented
f. Increase PBV HAP Contract Length (HCV)	Not Currently Implemented
g. Increase PBV Rent to Owner (HCV)	Not Currently Implemented
h. Limit Portability for PBV Units (HCV)	Currently Implementing
10. Family Self-Sufficiency Program with MTW Flexibility	
a.PH Waive Operating a Required FSS Program (PH)	Not Currently Implemented
a.HCV Waive Operating a Required FSS Program (HCV)	Not Currently Implemented
b.PH Alternative Structure for Establishing Program Coordinating Committee (PH)	Not Currently Implemented
b. HCV Alternative Structure for Establishing Program Coordinating Committee (HCV)	Not Currently Implemented
c.PH Alternative Family Selection Procedures (PH)	Not Currently Implemented
c.HCV Alternative Family Selection Procedures (HCV)	Not Currently Implemented
d.PH Modify or Eliminate the Contract of Participation (PH)	Not Currently Implemented
d.HCV Modify or Eliminate the Contract of Participation (HCV)	Not Currently Implemented
e.PH Policies for Addressing Increases in Family Income (PH)	Not Currently Implemented
e.HCV Policies for Addressing Increases in Family Income (HCV)	Not Currently Implemented
11. MTW Self-Sufficiency Program	
a.PH Alternative Family Selection Procedures (PH)	Not Currently Implemented
a.HCV Alternative Family Selection Procedures (HCV)	Not Currently Implemented
b.PH Policies for Addressing Increases in Family Income (PH)	Not Currently Implemented
b.HCV Policies for Addressing Increases in Family Income (HCV)	Not Currently Implemented
12. Work Requirement	
a. Work Requirement (PH)	Not Currently Implemented
b. Work Requirement (HCV)	Not Currently Implemented
13. Use of Public Housing as an Incentive for Economic Progress (PH)	
Use of Public Housing as an Incentive for Economic Progress (PH)	Not Currently Implemented
14. Moving on Policy	
a. Waive Initial HQS Inspection Requirement (HCV)	Not Currently Implemented
b.PH Allow Income Calculations from Partner Agencies (PH)	Not Currently Implemented
b.HCV Allow Income Calculations from Partner Agencies (HCV)	Not Currently Implemented
c.PH Aligning Tenant Rents and Utility Payments Between Partner Agencies (PH)	Not Currently Implemented
c.HCV Aligning Tenant Rents and Utility Payments Between Partner Agencies (HCV)	Not Currently Implemented
15. Acquisition without Prior HUD Approval (PH)	
Acquisition without Prior HUD Approval (PH)	Not Currently Implemented
16. Deconcentration of Poverty in Public Housing Policy (PH)	
Deconcentration of Poverty in Public Housing Policy (PH)	Not Currently Implemented
17. Local, Non-Traditional Activities	
a. Rental Subsidy Programs	Not Currently Implemented
b. Service Provision	Not Currently Implemented

C. MTW Activities Plan that Housing Authority of the City of Salem Plans to Implement in the Submission Year or Is Currently Implementing

1.i. - Alternative Utility Allowance (PH)

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

SHA has created and implemented a utility allowance schedule that considers location, bedroom size, housing type (multifamily/shared wall or single family detached). The simplified schedule will be based on an average expense of the most common fuel types for heating, cooking, and water heating (electric and natural gas) from the utility suppliers within SHA's jurisdiction.

Updates to the household's utility allowance are applied at the next review or update, whether interim (including changes in contract rent for HCV households) or annual re-examination of eligibility.

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

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

Cost effectiveness

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

Alternative Utility Allowance schedule was created and implemented as of 01/01/2024.

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

No

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

Instead of providing a separate allowance for each fuel type, we average the most common fuel scenarios (for example, all electric, electric with gas heat, electric with gas heat and cooking, electric with gas heat, water heating and cooking) to create simplified figures for each bedroom size within multifamily (duplex, triplex, apartments) and single family units. Amounts for water, sewer, and garbage will also be determined. A flat figure, based upon 50% of the average of water and sewer, will be established for multifamily units with utility chargebacks. All of these figures will be rounded to the nearest \$5 to make them easier to add without the use of a calculator. Seldom-used fuel types (propane, heating oil, and wood) will not be considered in the determination of these averages.

Program participants and residents with higher utility needs may request reasonable accommodation to have additional expenses considered in the determination of their utility allowance.

1.j. - Alternative Utility Allowance (HCV)

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

SHA has created a utility allowance schedule that considers location, bedroom size, housing type (multifamily/shared wall or single family detached). The simplified schedule will be based on an average expense of the most common fuel types for heating, cooking, and water heating (electric and natural gas) from the utility suppliers within SHA's jurisdiction.

Upon implementation and moving forward, updates to the household's utility allowance will be applied at the next review or update, whether interim (including changes in contract rent for HCV households) or annual re-examination of eligibility.

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

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

Cost effectiveness

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

The Alternative Utility Allowance Schedule was created and implemented as of 01/01/2024.

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

No

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

Instead of providing a separate allowance for each fuel type, we average the most common fuel scenarios (for example, all electric, electric with gas heat, electric with gas heat and cooking, electric with gas heat, water heating and cooking) to create simplified figures for each bedroom size within multifamily (duplex, triplex, apartments) and single family units. Amounts for water, sewer, and garbage will also be determined. A flat figure, based upon 50% of the average of water and sewer, will be established for multifamily units with utility chargebacks. All of these figures will be rounded to the nearest \$5 to make them easier to add without the use of a calculator. Seldom-used fuel types (propane, heating oil, and wood) will not be considered in the determination of these averages.

Program participants and residents with higher utility needs may request reasonable accommodation to have additional expenses considered in the determination of their utility allowance.

1.o. - Initial Rent Burden (HCV)

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

SHA has used MTW flexibility to increase housing choice by changing the Initial Rent Burden from 40% of Adjusted Monthly Income to 50% of Adjusted Monthly Income, allowing participating families greater choice for the communities they seek to reside in. The result will be an increased burden to the family should they choose to utilize this, but the effect on Housing Assistance Payment (HAP) will remain neutral.

Families will be advised at briefing, and at Voucher issuance, of the increased affordability threshold and the risks of choosing a higher rent burden.

This activity operates within the Safe Harbor requirements of the MTW Operations Notice:

- i. Agency must implement an impact analysis.
- ii. Agency must not allow the family share at initial occupancy to exceed 60% of the family's monthly income.

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

Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

Initial Rent Burden of 50% Adjusted Monthly Income was implemented effective 01/01/2024.

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

No

Does the MTW activity require an impact analysis?

Provided Already

If the MTW agency plans to implement a new maximum income-based rent percentage (higher than 40% of adjusted monthly income), what is that maximum?

50.00%

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

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

HUD regulations require the inclusion of regular non-cash contributions to the household (excluding food or reimbursement for medical expenses). In some cases, the inclusion of non-cash contributions to the household may result in tenant rent responsibility when the household has no cash resources with which to pay rent, resulting in a situation that puts the household at risk for eviction for non-payment of rent, or having to seek other means of obtaining cash contributions, which could then be considered unreported income. This is especially challenging for tenants of Permanent Supportive Housing (PSH) projects where there are typically no tenant-paid utilities, so any amount of income creates a rent obligation for the family.

Tracking and verifying these contributions is an administrative burden for staff and is often challenging for program participants. Friends and family are hesitant to turn over cellular phone bills and other documentation of their contributions since these documents often contain details that are not directly related to the assisted household. In most cases, the contributions are minimal (typically less than \$100/month). The amount of administrative time spent documenting the contributions offsets the small amount of tenant rent that results by including them in the income calculation.

SHA excludes from income regular contributions made by someone outside of the assisted household that are not cash paid directly to a member of the household. "Regular" is defined as any contribution occurring three (3) or more times in a 12-month period. To be considered "regular," contributions do not need to come from the same individual or organization.

For example:

- A friend or family member outside of the assisted household pays for cellular phone service for the head of the household by paying the bill directly to the cellular company. Such contribution would be excluded from the income calculation.
- The household receives an average of four (4) deposits from friends and family members outside of the assisted household directly into the checking account of the head of the household. Because these contributions are regular (occurring 3 or more times in a 12-month period) and are cash, they would be annualized and included in the income calculation for the household.

Self-certification of non-cash contributions to the household will be accepted as verification of these amounts, which also provides relief to program participants from cumbersome reporting requirements and brings administrative relief to staff who will no longer have to spend time attempting to verify contributions, which is often administratively burdensome and requires multiple attempts.

Per the MTW Operations notice, safe harbor requirements require the agency to exempt elderly and disabled individuals from this rent determination policy; however, the exclusion of non-cash contributions to the household is beneficial to all participating households. Exempting elderly and disabled individuals would have a negative effect on those households.

SHA seeks a waiver from the requirement to exempt these individuals from this policy.

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

Cost effectiveness; Self-sufficiency

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

Alternative Income Inclusions/Exclusions was implemented as of 01/01/2024.

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

Yes

What is the status of the Safe Harbor Waiver request?

The waiver was previously approved.

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

Application of the Safe Harbor for this initiative (exempting elderly and disabled individuals from

alternative income exclusions) would have a negative disparate impact on participant households that include individuals who are elderly or disabled. The waiver of this requirement allows us to apply this benefit to all of our participants equally.

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

SHA excludes from income regular contributions made by someone outside of the assisted household that are not cash paid directly to a member of the household. "Regular" is defined as any contribution occurring three (3) or more times in a 12-month period. To be considered "regular," contributions do not need to come from the same individual or organization.

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

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

HUD regulations require the inclusion of regular non-cash contributions to the household (excluding food or reimbursement for medical expenses). In some cases, the inclusion of non-cash contributions to the household may result in tenant rent responsibility when the household has no cash resources with which to pay rent, resulting in a situation that puts the household at risk for eviction for non-payment of rent, or having to seek other means of obtaining cash contributions, which could then be considered unreported income. This is especially challenging for tenants of Permanent Supportive Housing (PSH) projects where there are typically no tenant-paid utilities, so any amount of income creates a rent obligation for the family.

Tracking and verifying these contributions is an administrative burden for staff and is often challenging for program participants. Friends and family are hesitant to turn over cellular phone bills and other documentation of their contributions since these documents often contain details that are not directly related to the assisted household. In most cases, the contributions are minimal (typically less than \$100/month). The amount of administrative time spent documenting the contributions offsets the small amount of tenant rent that results by including them in the income calculation.

SHA excludes from income regular contributions made by someone outside of the assisted household that are not cash paid directly to a member of the household. "Regular" is defined as any contribution occurring three (3) or more times in a 12-month period. To be considered "regular," contributions do not need to come from the same individual or organization.

For example:

- A friend or family member outside of the assisted household pays for cellular phone service for the head of the household by paying the bill directly to the cellular company. Such contribution would be excluded from the income calculation.
- The household receives an average of four (4) deposits from friends and family members outside of the assisted household directly into the checking account of the head of the household. Because these contributions are regular (occurring 3 or more times in a 12-month period) and are cash, they would be annualized and included in the income calculation for the household.

Self-certification of non-cash contributions to the household will be accepted as verification of these amounts, which also provides relief to program participants from cumbersome reporting requirements and brings administrative relief to staff who will no longer have to spend time attempting to verify contributions, which is often administratively burdensome and requires multiple attempts.

Per the MTW Operations notice, safe harbor requirements require the agency to exempt elderly and disabled individuals from this rent determination policy; however, the exclusion of non-cash contributions to the household is beneficial to all participating households. Exempting elderly and disabled individuals would have a negative effect on those households.

SHA seeks a waiver from the requirement to exempt these individuals from this policy.

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

Cost effectiveness; Self-sufficiency

What are the cost implications of this MTW activity? Pick the best description of the cost implications based on

what you know today.

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

The alternative income exclusions were implemented 01/01/2024.

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

Yes

What is the status of the Safe Harbor Waiver request?

The waiver was previously approved.

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

Application of the Safe Harbor for this initiative (exempting elderly and disabled individuals from alternative income exclusions) would have a negative disparate impact on participant households that include individuals who are elderly or disabled. The waiver of this requirement allows us to apply this benefit to all of our participants equally.

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

SHA excludes from income regular contributions made by someone outside of the assisted household that are not cash paid directly to a member of the household. "Regular" is defined as any contribution occurring three (3) or more times in a 12-month period. To be considered "regular," contributions do not need to come from the same individual or organization.

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

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

Prior to receiving the MTW designation, the Salem Housing Authority had implemented Small Area Fair Market Rents on 10.1.2019.

The following Safe Harbors have been met:

2a.i: Payment standard must be between 80% and 150% of the SAFMR.

2.a ii. The payment standard in effect for each grouped ZIP code area must be within the basic range of the SAFMR for each ZIP code area in the group.*

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

N/A - This practice has been in place since 10.1.2019

Does this MTW activity require a hardship policy?

No

No document is attached.

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

No

Does the MTW activity require an impact analysis?

No

No document is attached.

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

The Zip codes are identified as follows:

97301

97302

97303

97304

97305

97306

97317

2.c. - Rent Reasonableness – Process (HCV)

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

Current rent reasonableness practices require the PHA to maintain a database of comparable units. The administrative burden of maintaining such a database and keeping information regarding comparable units up to date is overwhelming, especially in a volatile rental market where prices change almost daily.

SHA seeks to implement a unit-to-market rent reasonableness process, using semi-annual market studies conducted by a contracted organization. The market study will consider: location of the unit (zip code and neighborhood), type of unit (single family detached and multifamily/shared wall), age of unit (defined as pre-1990 and post-1990). Contract rent for the assisted unit will be compared against the most recent study, and if it falls within the range defined in the market study it will be considered reasonable. Housing Inspectors and other knowledgeable PHA staff may use their market knowledge on a case-by-case basis to approve requested rents above the amount stated in the study for the particular housing type in its area (for example, if a pre-1990 unit has been renovated and is closer in condition to a post-1990 unit, the post-1990 amount may be used to determine reasonableness). Likewise, staff may use market knowledge to disapprove of a requested rent amount if the assisted unit is known to be in poor condition or have sub-standard upkeep. In these cases, staff must clearly document the reasoning behind the decision and Manager review and approval will be required. SHA will not approve requested rents for units that it owns or controls that exceed the applicable amount reflected in the rent survey.

Because rental listings for single family homes are much less common than for multifamily units within SHA's jurisdiction, the contracted organization may calculate a reasonable rent for single family homes within areas for which no data exists at the time of the publication of the study, based upon their professional experience and opinion.

On a quarterly basis, SHA shall randomly select fifteen (15) units for a detailed rent reasonableness quality control review,

which is equivalent to approximately 2% of Voucher households assisted in a 12-month period. If a unit that is randomly selected is PHA-owned, the rent reasonableness quality control review will be conducted by a partnering organization (such as a neighboring PHA with which SHA has entered into an agreement for this service).

The proposed activity meets all safe harbor requirements:

- 1) Through the Administrative Plan, 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.
- 2) At the Department's request, the agency must obtain the services of a third-party entity to determine rent

reasonableness for PHA-owned units.

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

Cost effectiveness

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

SHA is in the process of implementing the unit-to-market rent reasonableness process, due to delays in obtaining timely and adequate rent market surveys.

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

No

Describe the method used to determine rent reasonableness and the motivations for using a method different from the standard method.

SHA seeks to implement a unit-to-market rent reasonableness process, using semi-annual market studies conducted by a contracted organization. The market study will consider: location of the unit (zip code and neighborhood), type of unit (single family detached and multifamily/shared wall), age of unit (defined as pre-1990 and post-1990). Contract rent for the assisted unit will be compared against the most recent study, and if it falls within the range defined in the market study it will be considered reasonable. Housing Inspectors and other knowledgeable PHA staff may use their market knowledge on a case-by-case basis to approve requested rents above the amount stated in the study for the particular housing type in its area (for example, if a pre-1990 unit has been renovated and is closer in condition to a post-1990 unit, the post-1990 amount may be used to determine reasonableness). Likewise, staff may use market knowledge to disapprove of a requested rent amount if the assisted unit is known to be in poor condition or have sub-standard upkeep. In these cases, staff must clearly document the reasoning behind the decision and Manager review and approval will be required. SHA will not approve requested rents for units that it owns or controls that exceed the applicable amount reflected in the rent survey.

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

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

SHA seeks to eliminate the requirement for a third-party to conduct rent reasonableness determinations for units that our agency owns or controls. SHA has a partnership with a neighboring PHA to conduct Housing Quality Standards and rent reasonableness determinations for units that it owns, which is time-consuming for both organizations. Conducting rent reasonableness determinations internally, using the unit-to-market method described under 2.c. will streamline processes and create cost effectiveness.

For quality control purposes, two percent of units owned or controlled by SHA and leased under the Section 8 program will

be randomly selected for rent reasonableness review by a partnering organization (such as a neighboring PHA with which SHA has entered into an agreement for this service).

The proposed activity meets all safe harbor requirements:

- i. The agency shall establish and make available a quality assurance method to ensure impartiality.
- ii. The agency shall make available the method used to determine that rents charged by owners to voucher participants are reasonable when compared to similar unassisted units in the market area.
- iii. At the Department's request, the agency must obtain the services of a third party entity to determine rent reasonableness for PHA-owned units.

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

Cost effectiveness

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

Decreased expenditures

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

The MTW activity applies to all assisted households

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

This activity was implemented 01/01/2024.

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

No

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

For quality control purposes, two percent of units owned or controlled by SHA and leased under the Section 8 program will be randomly selected for rent reasonableness review by a partnering organization (such as a neighboring PHA with which SHA has entered into an agreement for this service).

No document is attached.

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

SHA seeks to implement a unit-to-market rent reasonableness process, using semi-annual market studies conducted by a contracted organization. The market study will consider: location of the unit (zip code and neighborhood), type of unit (single family detached and multifamily/shared wall), age of unit (defined as pre-1990 and post-1990). Contract rent for the assisted unit will be compared against the most recent study, and if it falls within the range defined in the market study it will be considered reasonable. Housing Inspectors and other knowledgeable PHA staff may use their market knowledge on a case-by-case basis to approve requested rents above the amount stated in the study for the particular housing type in its area (for example, if a pre-1990 unit has been renovated and is closer in condition to a post-1990 unit, the post-1990 amount may be used to determine reasonableness). Likewise, staff may use market knowledge to disapprove of a requested rent amount if the assisted unit is known to be in poor condition or have sub-standard upkeep. In these cases, staff must clearly document the reasoning behind the decision and Manager review and approval will be required. SHA will not approve requested rents for units that it owns or controls that exceed the applicable amount reflected in the rent survey.

Because rental listings for single family homes are much less common than for multifamily units within SHA's jurisdiction, the contracted organization may calculate a reasonable rent for single family homes within areas for which no data exists at the time of the publication of the study, based upon their professional experience and opinion.

On a quarterly basis, SHA shall randomly select fifteen (15) units for a detailed rent reasonableness quality control review, which is equivalent to approximately 2% of Voucher households assisted in a 12-month period. If a unit that is randomly

selected is PHA-owned, the rent reasonableness quality control review will be conducted by a partnering organization (such as a neighboring PHA with which SHA has entered into an agreement for this service).

No document is attached.

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

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

SHA seeks to conduct recertifications of program eligibility on a biennial (every 2 years) basis rather than annually.

Reducing the frequency of recertifications allows participants to keep more of their income as their income increases. It also reduces the burden for staff and participants in acquiring, submitting, and processing paperwork. This change provides program participants with a longer time with stable rent to allow for better financial planning, budgeting, and housing security. Participants will have a greater ability to save for, and accomplish, goals such as pursuing education and rent independence.

Households reporting zero income will be required to report increases in income between reexaminations.

Participants experiencing a 10% or greater loss of gross income may request an interim adjustment to their income calculation. The number of interim adjustments that may be requested is not limited, however SHA will not adjust the income calculation in the event of less than a 10% loss of gross income.

The proposed activity meets all safe harbor requirements:

- 1) Reexaminations must occur at least every three years.
- 2) 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.
- 3) Agency must implement an impact analysis.
- 4) Agency must include a hardship policy.

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

Cost effectiveness; Self-sufficiency

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

Increased expenditures

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

The MTW activity applies to all assisted households

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

The alternative reexamination schedule was implemented 01/01/2024.

Does this MTW activity require a hardship policy?

Provided Already

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

No

Does the MTW activity require an impact analysis?

Provided Already

What is the recertification schedule?

Once every two years

How many interim recertifications per year may a household request?

2 or more

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

SHA will conduct reexaminations for all families at least every two (2) years.

Between reexaminations, participants may request an interim adjustment when they experience a decrease in gross income of 10% or greater.

Additionally, SHA will conduct interim adjustments to redetermine subsidy when the household experiences a qualifying event. Qualifying events will be described in the Housing Choice Voucher Administrative Plan and will include decreases in income of 10% or greater, increases in income (for households at zero/minimal income who are required to report changes in income or when requested by the household), changes in household composition, and changes to the contract rent or utility responsibility. When interim adjustments are conducted, SHA will apply payment standards and utility allowances in effect on the effective date of the adjustment.

SHA will reserve the right to conduct reexaminations more frequently either for administrative or other financial reasons.

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

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

SHA conducts recertifications of program eligibility on a biennial (every 2 years) basis rather than annually.

Reducing the frequency of recertifications allows participants to keep more of their income as their income increases. It also reduces the burden for staff and participants in acquiring, submitting, and processing paperwork. This change provides program participants with a longer time with stable rent to allow for better financial planning, budgeting, and housing security. Participants will have a greater ability to save for, and accomplish, goals such as pursuing education and rent independence.

Households reporting zero income will be required to report increases in income between reexaminations.

Participants experiencing a 10% or greater loss of gross income may request an interim adjustment to their income calculation. The number of interim adjustments that may be requested is not limited, however SHA will not adjust the income calculation in the event of less than a 10% loss of gross income.

SHA will apply the most recent Payment Standard in effect when processing contract rent increases between reexaminations to reduce the impact / rent burden on participating families (without completing a full income reexamination).

The proposed activity meets all safe harbor requirements:

- 1) Reexaminations must occur at least every three years.
- 2) 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.
- 3) Agency must implement an impact analysis.
- 4) Agency must include a hardship policy.

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

Cost effectiveness; Self-sufficiency

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

Increased expenditures

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

The MTW activity applies to all assisted households

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

N/A - this is the first year of MTW implementation.

Does this MTW activity require a hardship policy?

Provided Already

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

No

Does the MTW activity require an impact analysis?

Provided Already

What is the recertification schedule?

Once every two years

How many interim recertifications per year may a household request?

2 or more

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

SHA will conduct reexaminations for all families at least every two (2) years.

Between reexaminations, participants may request an interim adjustment when they experience a decrease in gross income of 10% or greater.

Between reexaminations, SHA will apply the most recent Payment Standard that is in effect when processing changes in contract rent without requiring a full income reexamination.

Additionally, SHA will conduct interim adjustments to redetermine subsidy when the household experiences a qualifying event. Qualifying events will be described in the Housing Choice Voucher Administrative Plan and will include decreases in income of 10% or greater, increases in income (for households at zero/minimal income who are required to report changes in income or when requested by the household), changes in household composition, and changes to the contract rent or utility responsibility. When interim adjustments are conducted, SHA will apply payment standards and utility allowances in effect on the effective date of the adjustment.

SHA will reserve the right to conduct reexaminations more frequently either for administrative or other financial reasons.