

PHA Name : Asheville

PHA Code : NC007

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

PHA Program Type: Combined

MTW Cohort Number: Stepped and Tiered Rent

MTW Supplement Submission Type: Annual Submission

B. MTW Supplement Narrative.

Asheville Housing Authority – Proposed 2023 MTW Supplement

Introduction

Asheville Housing Authority is an approved Moving to Work (MTW) agency and as such has broad authority to propose regulatory waivers designed to incentivize family self-sufficiency, promote housing choice, and improve cost effectiveness through regulatory simplification.

In 2023, Asheville Housing will continue these MTW Activities proposed and approved in its 2022 MTW Supplement.

- 2022-1 – Stepped Rent: This initiative will incentivize self-sufficiency by eliminating the “rent cliff” for certain Asheville Housing families who choose to go to work. The required HUD study is projected to begin on January 1, 2023.
- 2022-2 – Family Self Sufficiency with MTW Flexibilities: We have retooled the FSS incentive program to be more effective for both stepped and standard rent families and the changes will be implemented as soon as our new FSS Action Plan is approved by HUD.
- 2022-3 – Self Certification of Assets: This simplification and cost effectiveness measure has been approved and began implementation in October 2022.
- 2022-4 – Landlord Incentives: These new incentives to encourage landlord participation and maximize housing choice for Asheville Housing families began implementation in October 2022.
- 2022-5 – HQS Inspections – Third Party Requirement: This cost effectiveness initiative began implementation in October 2022.
- 2022-6 – Verification Hierarchy: This agency-specific waiver to increase cost effectiveness by simplifying the verification process has been approved and it will be implemented concurrently with the stepped rent study in January 2023.

We also will submit these new MTW Activities for approval and implementation in 2023. Details of these new policy proposals are included in this 2023 MTW Supplement.

- 2023-1 – Payment Standards – Fair Market Rents: This housing choice initiative will ensure long term authority to set payment standards at or near 120% of the HUD Fair Market Rent, so our families can compete in the challenging local rental market.
- 2023-2 – Rent Reasonableness – Third Party Requirement: This cost effectiveness measure will ensure a simple process for ensuring that rents in our project-based voucher communities are reasonable compared to the local market.
- 2023-3 – Local Non-Traditional Activity – Rental Subsidy Program: This local non-traditional activity will promote housing choice through innovative sponsor-based rental subsidy programs with local shelters and service providers serving people experiencing homelessness.
- 2023-4 – Local Non-Traditional Activity – Housing Development Program: This local non-traditional activity will expand housing choice by allowing us to use federal HAP funds to help finance critical development and redevelopment activities.
- 2023-5 – Agency-Specific Waiver – HCV Homeownership: This locally-designed housing choice initiative will expand our HCV Homeownership program and give participating families the flexibility they need to become homeowners and build generational wealth in a highly competitive housing market.

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) | Currently Implementing |
| 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) | Currently Implementing |
| i. Alternative Utility Allowance (PH) | Not Currently Implemented |
| j. Alternative Utility Allowance (HCV) | Not Currently Implemented |
| 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) | Not Currently Implemented |
| 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) | Not Currently Implemented |
| w. Alternative Income Inclusions/Exclusions (HCV) | Not Currently Implemented |
| 2. Payment Standards and Rent Reasonableness | |
| a. Payment Standards- Small Area Fair Market Rents (HCV) | Not Currently Implemented |
| b. Payment Standards- Fair Market Rents (HCV) | Plan to Implement in the Submission Year |
| c. Rent Reasonableness – Process (HCV) | Not Currently Implemented |
| d. Rent Reasonableness – Third-Party Requirement (HCV) | Plan to Implement in the Submission Year |
| 3. Reexaminations | |
| a. Alternative Reexamination Schedule for Households (PH) | Not Currently Implemented |
| b. Alternative Reexamination Schedule for Households (HCV) | Currently Implementing |
| c. Self-Certification of Assets (PH) | Not Currently Implemented |
| d. Self-Certification of Assets (HCV) | Currently Implementing |
| 4. Landlord Leasing Incentives | |
| a. Vacancy Loss (HCV-Tenant-based Assistance) | Currently Implementing |
| b. Damage Claims (HCV-Tenant-based Assistance) | Currently Implementing |
| c. Other Landlord Incentives (HCV- Tenant-based Assistance) | Currently Implementing |
| 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) | Not Currently Implemented |
| 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) | Currently Implementing |
| 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) | Currently Implementing |
| 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 | Plan to Implement in the Submission Year |
| b. Service Provision | Not Currently Implemented |

C. MTW Activities Plan that Asheville Plans to Implement in the Submission Year or Is Currently Implementing**1.d. - Stepped Rent (HCV)**

Asheville Housing MTW Activity No. 2022-1 – Stepped Rent Study

Asheville Housing is implementing a new rent policy known as “stepped rent.” Under stepped rent, your rent is not tied to your income. Rent will start at \$50/month or your income-based rent at the time of implementation, whichever is greater. Then it will increase by a set monthly amount each year, based on your bedroom size.

Stepped rent will allow you to work – or add a working family member to your lease – without that income increasing your rent. Instead, your rent will step up each year, allowing you to plan for the future. When you go to work, stepped rent will let you keep more of your earnings for other expenses and savings.

Stepped rent will not apply if you are elderly, disabled, participating at the time of implementation in the Family Self-Sufficiency Program, or if you have a special purpose voucher such as a HUD-VASH, Mainstream, Non-Elderly Disabled, or Emergency Housing Voucher. For these groups we will continue to calculate your rent based on income.

HUD and Asheville Housing must study the impacts of this policy for six years. For study purposes, during the first year of implementation, eligible families will be selected randomly, and approximately half will be assigned to the stepped rent and half to the traditional income-based rent. After the first year of implementation, we will continue assigning approximately one half of eligible new families to the stepped rent for internal evaluation purposes.

See Attachment 3, Page 1, Table 1 for the stepped rent schedule. The step increase amounts each year will be \$25/month for an efficiency, \$30/month for a one-bedroom, \$35/month for a two-bedroom, \$40/month for a three-bedroom, and \$50/month for a four-bedroom or larger dwelling unit.

Measurement of Income. When income is measured under this stepped rent policy it will be based on the traditional calculation of adjusted income, except that we will measure the family’s actual annual income during the 12 months immediately prior to the reexamination notice letter we send to the family.

Initial Rent Determinations. Current program participants selected for the stepped rent will be enrolled in the program at a rent (total tenant payment) equal to 28% of their annual adjusted income, or a \$50 minimum rent, whichever is higher. These amounts will be set at the family’s next recertification date after study implementation, currently projected to begin January 1, 2023. Depending on the circumstances, a hardship adjustment may be available (see Stepped Rent Hardship Policy). The initial total tenant payment for new applicants from the waiting list will be based on 28% of the current adjusted income projected forward, rather than prior year income.

Utility Allowance. The stepped rent will include a utility allowance and we will continue to provide utility reimbursements. If the family is required to pay utilities in their lease, their total tenant payment includes a utility allowance. That combined rent and utility allowance is known as the gross rent. For example, if the family’s total tenant payment is \$300 and they are required to pay for utilities, they will pay the landlord an amount equal to \$300 minus the utility allowance.

Annual Stepped Rent Increase. At the beginning of the second year and each year after that, the monthly total tenant payment will automatically increase by the amount in Table 1, without the need for an annual income reexamination. This gradual step increase will be applied each year as long as the family is a program participant, allowing families to plan for increases over time.

Triennial Income Reexaminations. Every three years, we will document the stepped-rent family’s income and any changes in family composition, but those later triennial income reexaminations will not affect the total tenant payment. Income calculated at the triennial reexamination will be based on actual adjusted income during the 12 months prior to the reexamination notice. Stepped rent families are encouraged but not required to report employment successes and income changes between these triennial reexaminations for informational purposes only.

Payment Standard. The payment standard is the maximum allowed for each bedroom size and is established annually. If the family decides to use a tenant-based voucher for a unit where the gross rent is higher than the payment standard, the family is responsible for paying any amount above the payment standard.

Moves. When a stepped-rent family moves, adjustments may be made based on the bedroom size and utility allowance changes, but we will not adjust the total tenant payment based on income. The family's total tenant payment will continue as it was prior to the move, with annual increases from Table 1.

This MTW activity serves the following statutory objectives:

Self-sufficiency

This MTW activity has the following cost implications:

Neutral (no cost implications)

An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently assisted households.

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

This MTW activity applies to:

New admissions and currently assisted households

An MTW activity may apply to all family types or to selected family types (i.e., non-elderly/non-disabled, elderly, disabled, other).

The MTW activity applies only to selected family types

This MTW activity applies to the following housing choice voucher unit types: Activity applies to non-exempt households selected via randomized assignment to the Stepped Rent Study Group.

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 MTW activity requires a Hardship Policy. The Hardship Policy is attached.

Attached Hardship policy applies to:

1.d. - Stepped Rent (HCV);1.h. - Total Tenant Payment as a Percentage of Gross Income (HCV);3.b. - Alternative Reexamination Schedule for Households (HCV)}

No hardship were requested in the most recent fiscal year.

In the prior year, under this activity, Asheville MTW agency

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

This MTW activity requires an Impact Analysis. The Impact Analysis is attached.

The Impact Analysis that applies to this MTW activity also applies to the following MTW activities:

1.d. - Stepped Rent (HCV);1.h. - Total Tenant Payment as a Percentage of Gross Income (HCV);2.b. - Payment Standards- Fair Market Rents (HCV);3.b. - Alternative Reexamination Schedule for Households (HCV)

Rent will start at \$50/month or income-based rent at the time of implementation, whichever is greater. Then it will increase by a set monthly amount each year, based on bedroom size.

Current program participants selected for the stepped rent will be enrolled in the program at a rent (total tenant payment) equal to 28% of their annual adjusted income, or a \$50 minimum rent, whichever is higher. These amounts will be set at the family's next recertification date after study implementation, currently projected to begin August 1, 2022. Depending on the circumstances, a hardship adjustment may be available. The initial total tenant payment for new applicants from the waiting list who are assigned to the Stepped Rent Study Group will be based on 28% of the current adjusted income projected forward, rather than prior year income.

At the beginning of the second year and each year after that, the monthly total tenant payment will automatically increase by the predetermined amount based on bedroom size, without the need for an annual income reexamination. This gradual step increase will be applied each year as long as the family is a program participant, allowing families to plan for increases over time. Table 1, found in Attachment 3, breaks down the increases as currently scheduled per bedroom size.

Annual stepped rent increases will end when the total tenant payment reaches the gross rent for the leased unit, covering both the contract rent and utility allowance, or when the total tenant payment reaches the payment standard, whichever limit is lower.

Please see the attached stepped rent schedule.

Please see the attached stepped rent schedule.

If a household progresses all the way through the stepped rent schedule

Other\Not Applicable.

They will no longer receive a subsidy, but may continue to reside in the dwelling unit paying the full contract rent.

1.h. - Total Tenant Payment as a Percentage of Gross Income (HCV)

Asheville Housing MTW Activity No. 2022-1 – Stepped Rent Study

Initial rents for families assigned to the Stepped Rent Study Group will not exceed 28% of a family's adjusted income or \$50 minimum rent, whichever is greater. This will be calculated based on 12-month retrospective actual income received for families entering Stepped Rent on recertification, and current income for new admissions to the program.

This MTW activity serves the following statutory objectives:

Self-sufficiency

This MTW activity has the following cost implications:

Neutral (no cost implications)

An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently assisted households.

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

This MTW activity applies to:

New admissions and currently assisted households

An MTW activity may apply to all family types or to selected family types (i.e., non-elderly\non-disabled, elderly, disabled, other).

The MTW activity applies only to selected family types

This MTW activity applies to the following housing choice voucher unit types: Activity applies to non-exempt

households selected via randomized assignment to the Stepped Rent Study Group.

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 MTW activity requires a Hardship Policy. The Hardship Policy is attached.

No hardship were requested in the most recent fiscal year.

In the prior year, under this activity, Asheville MTW agency

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

This MTW activity requires an Impact Analysis. The Impact Analysis is attached.

Percentage of income will equal 28.00% of the Total Tenant Payment (TTP)

Income basis for calculating Total Tenant Payment is :

This activity uses adjusted annual income as defined in 24 CFR 5.611 (as required for non-MTW PHAs)

2.b. - Payment Standards- Fair Market Rents (HCV)

Asheville Housing MTW Activity No. 2023-1 – Payment Standards – Fair Market Rents

Asheville Housing Authority will adjust its payment standards to between 80% and 120% of the Fair Market Rent for standard tenant-based rentals in its Housing Choice Voucher (HCV) Program. This waiver will serve the statutory goal of increasing housing choice by making our families more competitive on the private rental market.

The payment standard is the maximum amount we can pay for gross rent (including both rent and utilities) in the private rental market. In a rapidly increasing rental market, as Asheville has seen over the last decade and particularly since the pandemic, restricted payment standards result in lower success rates for our families, because owners can make more money with less paper work from a non-voucher rental.

The standard HUD Fair Market Rent (FMR) has lagged significantly behind the Asheville market over the last decade. We have requested reevaluation and submitted data to successfully increase the FMR twice since 2019. We have also requested and received approval from the HUD Field Office to use the 50th Percentile Rents based on our low success rate using the standard HUD FMR. As a result, we have increased our success rate and voucher utilization.

This MTW activity serves the following statutory objectives:

Housing choice

This MTW activity has the following cost implications:

Neutral (no cost implications)

An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently 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 MTW activity requires a Hardship Policy. The Hardship Policy is attached. |
| No hardship were requested in the most recent fiscal year. |
| In the prior year, under this activity, Asheville MTW agency Received 0 hardship requests Approved hardship requests Denied hardship requests There is\are hardship requests pending. |
| This MTW activity requires an Impact Analysis. The Impact Analysis is attached. |
| Following will explain the payment standards by FMR: See Attachment 4. |

| |
|---|
| 2.d. - Rent Reasonableness – Third-Party Requirement (HCV) |
| Asheville Housing MTW Activity No. 2023-2 – Rent Reasonableness – Third Party Requirement Asheville Housing will use its own trained employees in the Housing Choice Voucher (HCV) Program to perform rent reasonableness determinations for project-based voucher units that we own, using AffordableHousing.com or another similar independent third-party online comparability site to gather appropriate data. Quality Assurance Method: For quality assurance purposes, we will utilize an online rent comparability service (currently AffordableHousing.com) to pull at least three comparable rental units and ensure that rent reasonableness is based on objective third-party data regarding comparable rents in our market. Unit description data will be entered and results determined by our trained inspection staff. Rent reasonableness will not be determined by staff on the property management team. At least 10% of the resulting rent reasonableness determinations will be reviewed for accuracy and reasonableness by a senior HCV staff member. We will make available the method used to determine that rents charged by owners to voucher participants are reasonable when compared to similar unassisted units in the market area. At HUD request, Asheville Housing will obtain the services of a third-party entity to determine rent reasonableness of PHA-owned units. |
| This MTW activity serves the following statutory objectives: Cost effectiveness |
| This MTW activity has the following cost implications: Neutral (no cost implications) |
| An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently assisted households. The MTW activity applies only to a subset or subsets of assisted households |
| This MTW activity applies to: New admissions and currently assisted households |
| An MTW activity may apply to all family types or to selected family types (i.e., non-elderly\non-disabled, elderly, disabled, other). The MTW activity applies to all family types |
| The MTW activity applies to all properties with project-based vouchers |

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

No hardship were requested in the most recent fiscal year.

In the prior year, under this activity, Asheville MTW agency

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

Following will explain quality assurance method:

See Attachment 5. **and attached for quality assurance method**

Following will explain rent reasonableness determination method:

See Attachment 5. **and attached for rent reasonableness determination method**

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

Asheville Housing MTW Activity No. 2022-1 – Stepped Rent Study

Every three years, we will the document the stepped-rent family's income and any changes in family composition, but income changes in these later triennial income reexaminations will not affect the total tenant payment. Income calculated at the triennial reexamination will be based on actual adjusted income during the 12 months prior to the reexamination notice. Stepped rent families are encouraged but not required to report employment successes and income changes between these triennial reexaminations for informational purposes only.

In moving to triennial recertifications, Asheville Housing seeks to ease some of the administrative burden on staff and families alike. Staff will be freed of a significant amount of time and effort contacting and following up with families and employers, processing paperwork, and assessing rent. Families will similarly be freed from the often stressful and difficult process of gathering months of financial information and can instead focus on attaining gainful employment with an already understood, manageable rent increase to come.

This MTW activity serves the following statutory objectives:

Cost effectiveness;Self-sufficiency

This MTW activity has the following cost implications:

Neutral (no cost implications)

An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently assisted households.

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

This MTW activity applies to:

New admissions and currently assisted households

An MTW activity may apply to all family types or to selected family types (i.e., non-elderly\non-disabled, elderly, disabled, other).

The MTW activity applies only to selected family types

This MTW activity applies to the following housing choice voucher unit types: Activity applies to non-exempt

households selected via randomized assignment to the Stepped Rent Study Group.

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 MTW activity requires a Safe Harbor Waiver.

The waiver was previously approved.

The Waiver applies to the Stepped Rent Study, which we anticipate will begin January 1, 2023.

This MTW activity requires a Hardship Policy. The Hardship Policy is attached.

No hardship were requested in the most recent fiscal year.

In the prior year, under this activity, Asheville MTW agency

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

This MTW activity requires an Impact Analysis. The Impact Analysis is attached.

Recertification Schedule is

Once every three years

Household may request 0 interim recertifications per year.

Families participating in the stepped rent will be eligible for a temporary hardship exemption if the stepped rent causes a rent burden above 40%. The rent burden may be caused by a reduction in income, an increase in eligible deductions or allowances, the annual stepped rent increase, or a combination of factors.

See Attachment 1 for additional circumstances and hardship remedies.

3.d. - Self-Certification of Assets (HCV)

Asheville Housing MTW Activity No. 2022-3 – Self Certification of Assets

The Asheville Housing Authority will allow participants with asset income to self-certify the value of family assets up to \$50,000.

In doing so, the agency expects to alleviate some of the administrative burden falling both to voucher participants and to agency staff who spend time reviewing and calculating the effects of asset income on the individual family.

All other provisions concerning asset income will remain in place, including what types of assets qualify for inclusion in family income, the means of assessing and applying actual or imputed income from the asset, and all additional

regulations currently in place pertaining to asset income.

For assets totaling \$50,000 or less, the participant may submit a written declaration of the type of asset, its current cash value, and either interest rates for payable dividends or expected payments and their frequency to be received from the asset (if applicable).

For assets valued \$50,001 or more, an appropriate form of third-party documentation will be required to satisfy verification requirements for the family.

This MTW activity serves the following statutory objectives:

Cost effectiveness

This MTW activity has the following cost implications:

Neutral (no cost implications)

An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently 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

No hardship were requested in the most recent fiscal year.

In the prior year, under this activity, Asheville MTW agency

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

The dollar threshold for the self-certification of assets is

\$50,000.

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

Asheville Housing MTW Activity No. 2022-4 – Landlord Incentives

To incentivize new and continued participation from landlords in an increasingly difficult market, Asheville Housing is authorizing a series of additional payments to individual landlords outlined below. These payments will be paid from Asheville Housing's HAP funding, but are not to be considered payment for rent or substitution for any tenant-incurred fees or charges allowable under the lease. The Administrative Plan will be updated to reflect these landlord incentive policies.

Vacancy Loss – Following the end of a family's lease and HAP Contract, a landlord may offer the unit for lease to another qualified voucher holder and request a vacancy payment for the time between the end of the former lease and the beginning of the next.

- a. The vacancy payment will be equal to no more than one month of the new contract rent and will be prorated if the vacancy period is less than one month.
- b. The vacancy loss payment will be paid to the landlord after the next HAP contract is executed between the owner and Asheville Housing.

This MTW activity serves the following statutory objectives:

Housing choice

This MTW activity has the following cost implications:

Neutral (no cost implications)

An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently 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

No hardship were requested in the most recent fiscal year.

In the prior year, under this activity, Asheville MTW agency

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

This policy applies to

To all units

The types of units policy applies to:

Maximum payment to the landlord is

\$The vacancy payment will be equal to no more than one month of the new contract rent and will be prorated if the vacancy period is less than one month..

0 payments were issued under this policy y in the most recently completed PHA fiscal year.

\$0 issued under this policy in the most recently completed PHA fiscal year.

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

Asheville Housing MTW Activity No. 2022-4 – Landlord Incentives

To incentivize new and continued participation from landlords in an increasingly difficult market, Asheville Housing is authorizing a series of additional payments to individual landlords outlined below. These payments will be paid from Asheville Housing's HAP funding, but are not to be considered payment for rent or substitution for any tenant-incurred fees or charges allowable under the lease. The Administrative Plan will be updated to reflect these landlord incentive policies.

Damage Claims – Following the end of a tenant's lease and HAP Contract, the landlord may submit claims for reimbursement of damages caused by the former tenant that are beyond normal wear and tear.

- a. The amount of damages reimbursed will not exceed the cost of repairs or two months contract rent, whichever is lower.
- b. The family's security deposit must first be used to cover damages. We will provide up to two months of contract rent minus the security deposit to cover the documented repairs.

- c. The damage claim payment will be paid to the landlord when the next HAP contract is executed between the owner and Asheville Housing.
- d. To qualify, landlords must contact staff for an inspection of the unit prior to beginning repairs. Following completion of the repairs, they must request a second inspection to verify repairs. The second inspection may coincide with the initial inspection for the new HAP Contract.
- e. The landlord must provide thorough documentation of actual costs for the repairs via invoices and receipts for services and materials.

This MTW activity serves the following statutory objectives:

Housing choice

This MTW activity has the following cost implications:

Neutral (no cost implications)

An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently 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

No hardship were requested in the most recent fiscal year.

In the prior year, under this activity, Asheville MTW agency

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

This policy applies to

To all units

The types of units policy applies to:

Maximum payment to the landlord is

\$The amount paid may not exceed the cost of repairs or two months contract rent, minus the security deposit, whichever is lower..

0 payments were issued under this policy y in the most recently completed PHA fiscal year.

\$0 issued under this policy in the most recently completed PHA fiscal year.

4.c. - Other Landlord Incentives (HCV- Tenant-based Assistance)

Asheville Housing MTW Activity No. 2022-4 – Landlord Incentives

To incentivize new and continued participation from landlords in an increasingly difficult market, Asheville Housing is authorizing a series of additional payments to individual landlords outlined below. These payments will be paid from Asheville Housing's HAP funding, but are not to be considered payment for rent or substitution for any tenant-incurred fees

or charges allowable under the lease. The Administrative Plan will be updated to reflect these landlord incentive policies.

Landlord Incentives – Incentives will be paid to new landlords renting units on the program for the first time, and existing landlords executing HAP contracts for units that have not previously been rented to voucher holders within the last two years.

- a. Each incentive payment will be equal to one month of the contract rent.
- b. The incentive payment will be paid to the landlord after the HAP contract is executed between the owner and Asheville Housing.
- c. A landlord may receive either the new landlord incentive or new unit incentive, but may not receive both for a single unit lease-up.
- d. Each landlord may receive no more than five incentive payments in a calendar year, except that there is no annual limit on the number incentive payments a landlord may receive for units that are located in high opportunity areas, defined as census tracts with a poverty rate of 20% or less.

This MTW activity serves the following statutory objectives:

Housing choice

This MTW activity has the following cost implications:

Neutral (no cost implications)

An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently 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

No hardship were requested in the most recent fiscal year.

In the prior year, under this activity, Asheville MTW agency

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

This policy applies to To all units (Display selected and additional Pop up is complex logic.)

The types of units policy applies to:

Maximum payment to the landlord is

\$Each individual payment will be equal to one month of the new contract rent. There will be an annual cap of five payments per landlord. An exception will be made for units located in high opportunity areas (defined as census tracts with a poverty rate of 20% or less). These units will have no limit on individual payments to landlords, and will not count towards the five-payment limit..

20 payments were issued under this policy y in the most recently completed PHA fiscal year.

\$26,624 issued under this policy in the most recently completed PHA fiscal year.

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

Asheville Housing MTW Activity No. 2022-5 – HQS Inspections

Asheville Housing Authority will begin using its own trained employees in the Housing Choice Voucher Program to perform regular and interim HQS Inspections of project-based voucher units that Asheville Housing owns and manages.

This provision will in no way alter any aspect of HQS Inspection requirements as pertains to frequency of inspections, performance requirements, acceptability criteria, or certification standards for the individual inspectors completing the assessments as defined by HUD. Inspectors will report directly to the HCV Director and will in no way be under the supervision or direction of property management staff or leadership.

This MTW activity serves the following statutory objectives:

Cost effectiveness

This MTW activity has the following cost implications:

Decreased expenditures

An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently 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

No hardship were requested in the most recent fiscal year.

In the prior year, under this activity, Asheville MTW agency

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

The quality assurance method:

Following will explain the quality assurance method – See Attachment 6.

If [Upload file] options- Display 'Attached for quality assurance method'

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

MTW Activity No. 2022-2 – Family Self-Sufficiency Program with MTW Flexibility

Contract of Participation. Asheville Housing will develop a new or modified MTW FSS Contract of Participation including the following provisions:

- i. The Contract will have an initial term of 5 years, and for good cause in the discretion of Asheville Housing, may be extended between 1 and 5 additional years.
- ii. Any adult member of an eligible FSS family may sign the Contract and work to complete the individualized training and services plan, not just the head of household, but there will be only one Contract per family.
- iii. If the Contract is ended for any reason other than the participant's failure or refusal, without good cause, to comply with the terms of the Contract, then the Contract will be considered nullified rather than terminated, and the FSS escrow funds earned to that date will be distributed to the family.
- iv. If the person who signed the Contract becomes permanently disabled and unable to work or dies during the period of

the Contract and it is not possible to modify the Contract to designate a new adult in the FSS family, then the Contract will be nullified and escrow funds will be disbursed to the family.

v. If the FSS family's income grows to a point that the standard HUD rent calculation (30% of income) would exceed the Fair Market Rent, the family will not be required to end their FSS participation, so long as they continue to be an HCV program participant.

vi. If an FSS family joins the HCV Homeownership Program and purchases a home with an HCV homeownership voucher before the end of the Contract, the family will be eligible to continue FSS participation for the then remaining Contract term.

vii. Interest earned in Asheville Housing's combined bank account for FSS escrow funds will be retained for FSS program purposes, including supportive services for FSS participants and training for FSS staff.

viii. In order to successfully graduate from the FSS program the family must be independent from applicable welfare assistance at the time of graduation, but it will not be necessary for that independence to be demonstrated for 12 months.

Safe Harbor Provisions:

i. We have reviewed the HUD FSS guidance as required by the Operations Notice including the Promising Practices Guidebook and Online Training.

ii. We will execute a Contract of Participation, or other locally developed agreement, that is at least five years and no more than ten years, with each participant in our FSS program.

iii. Prior to implementation, we will ensure that we have an up-to-date approved FSS Action Plan in accordance with 24 CFR 984.201 that incorporates all modifications to the FSS program approved through this waiver.

iv. We will not require MTW FSS Program participation as a condition for housing subsidy for elderly and disabled families.

v. We do not plan to require MTW FSS Program participation as a condition for receiving a housing subsidy at this time, but if that changes in the future, we will prepare and submit the required impact analysis first.

vi. We do not plan to require MTW FSS Program participation as a condition for housing subsidy at this time, but if that changes in the future, we will prepare and submit the required hardship policy first.

vii. We will not make MTW FSS Program participation mandatory for individuals who 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)(A-E) of the 1937 Act.

viii. We do not plan to require MTW FSS Program participation as a condition for housing subsidy at this time, but if we adopt a mandatory MTW FSS Program in the future and a decision is made to terminate 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 HCV informal hearing process (24 CFR part 982.555; Chapter 16 of the Administrative Plan).

ix. We will 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 of public housing or HCV assistance.

This MTW activity serves the following statutory objectives:

Self-sufficiency

This MTW activity has the following cost implications:

Neutral (no cost implications)

An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently 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

No hardship were requested in the most recent fiscal year.

In the prior year, under this activity, Asheville MTW agency

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

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

MTW Activity No. 2022-2 – Family Self-Sufficiency Program with MTW Flexibility

Escrow Accounts. Asheville Housing will change the calculation of HAP funds deposited to escrow for FSS participants. For FSS escrow accounts established after the effective date of this policy change, escrow funds will be awarded based on specific accomplishments, rather than calculation of income and rent. This change will make the escrow account process more equitable, reducing the variability of escrow awards based on factors beyond the family's control, such as family income at the time they join FSS and differences in earning potential between families. The initial schedule of awards is listed in Table 2, and may be amended from time to time with approval of the Board of Commissioners.

This modification puts families on a level playing field for escrow earnings and emphasizes the importance of specific FSS goals. It also makes the calculation of escrow deposits simpler, more transparent, and more reliable.

FSS families with existing escrow accounts calculated in the traditional manner on the effective date of the policy change, and new families joining FSS who are assigned to the income-based rent, will have the option to be grandfathered in to the traditional escrow calculation process. In other words, an FSS family with an established escrow account, or a family assigned to the income-based rent newly joining FSS, will continue to receive escrow deposits calculated in the traditional way, unless they choose the new model voluntarily. If a family chooses to transition to the new model, they will retain escrow account balances previously earned under the traditional calculation and will earn new escrow awards in Table 2 for goals that are achieved after that transition.

Safe Harbor Provisions:

- i. We have reviewed the HUD FSS guidance as required by the Operations Notice including the Promising Practices Guidebook and Online Training.
- ii. We will execute a Contract of Participation, or other locally developed agreement, that is at least five years and no more than ten years, with each participant in our FSS program.
- iii. Prior to implementation, we will ensure that we have an up-to-date approved FSS Action Plan in accordance with 24 CFR 984.201 that incorporates all modifications to the FSS program approved through this waiver.
- iv. We will not require MTW FSS Program participation as a condition for housing subsidy for elderly and disabled families.
- v. We do not plan to require MTW FSS Program participation as a condition for receiving a housing subsidy at this time, but if that changes in the future, we will prepare and submit the required impact analysis first.
- vi. We do not plan to require MTW FSS Program participation as a condition for housing subsidy at this time, but if that changes in the future, we will prepare and submit the required hardship policy first.
- vii. We will not make MTW FSS Program participation mandatory for individuals who 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)(A-E) of the 1937 Act.
- viii. We do not plan to require MTW FSS Program participation as a condition for housing subsidy at this time, but if we adopt a mandatory MTW FSS Program in the future and a decision is made to terminate 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 HCV informal hearing process (24 CFR part 982.555; Chapter 16 of the Administrative Plan).
- ix. We will 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 of public housing or HCV assistance.

This MTW activity serves the following statutory objectives:

Self-sufficiency

This MTW activity has the following cost implications:

Neutral (no cost implications)

An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently 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

No hardship were requested in the most recent fiscal year.

In the prior year, under this activity, Asheville MTW agency

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

Following is how increased earnings is treated:

Rather than calculating escrow on increased earnings, the following Table will be used to determine escrow contributions based on accomplishments by the participant.

Table 2. FSS Escrow Awards

FSS Engagement:

Signed COP & ITSP (Enrollment) \$250

Active Participation (Quarterly) \$75

Graduation from FSS \$2,000

Education/Training:

Complete High School Equivalency (GED) \$500

Complete Training/Certificate Program \$750

Earn Associate Degree or Higher \$2,000

Employment:

New Employment (1st entry after enrollment) \$500

Employment Promotion \$750

Employment Retention (awarded annually) \$500

Childcare (voucher or other reliable) \$250

State Issued Driver's License \$250

Reliable Transportation (personal vehicle) \$500

Lease:

Timely Rent Payments (awarded annually) \$250

No Lease or Housekeeping Violations (awarded annually) \$250

Resident Association Leadership (awarded annually) \$250

Financial Strength/ Asset Building:

Engage in Financial Education/Counseling Program \$250

Improve credit score to 640 \$1,000

Increase Personal Savings (variable, match up to \$2,000 at graduation)

Homeownership:

Complete Homeownership Training Program \$500

Closing on Purchase of Home \$2,500

Transition off of HCV Homeownership Subsidy \$2,500

17.a. - Rental Subsidy Programs

Asheville Housing MTW Activity No. 2023-3 – Local Non-Traditional Activity – Rental Subsidy Program

Asheville Housing will initiate an MTW sponsor-based program to provide rental subsidies to third-party entities (other than a landlord and tenant). Selected entities will manage intake and administration of the subsidy program to implement supportive housing programs and services to help individuals and families experiencing homelessness reach independence. This flexibility may include either shallow subsidies for families who need short-term assistance, or deeper long-term subsidies for families who need permanent supportive housing, or both.

We will implement this initiative in collaboration with the Asheville-Buncombe Continuum of Care (NC-501) and its member agencies to prioritize needs appropriately. Through that collaboration, we will ensure that families, as well as individuals, experiencing homelessness receive appropriate support, and that implementation is reviewed through a racial-equity lens so that members of protected groups experiencing homelessness receive fair housing opportunities.

Asheville Housing will not spend more than 10% of its annual HAP budget on this program, alone or in combination with other local, non-traditional activities. Families receiving housing through this local, non-traditional activity shall meet the HUD definition of low-income (income at or below 80% of AMI). Activities will be subject to PIH Notice 2011-45 or any successor notice/guidance from the HUD MTW Office. MTW funds awarded to a third-party provider will be through a competitive procurement process.

This MTW activity serves the following statutory objectives:

Self-sufficiency;Housing choice

This MTW activity has the following cost implications:

Neutral (no cost implications)

An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently 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

No hardship were requested in the most recent fiscal year.

In the prior year, under this activity, Asheville MTW agency

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

The MTW activity applies to all units/properties

Table 17.a.1 - For each third-party partner, please complete the information in the following table.

| Third-party Partner | Type of Services the Partner Provides | # of Units Allocated to that Partner for the Fiscal Year |
|--|---------------------------------------|--|
| To be determined after approval of LNT Waiver and request for proposals from third-party | TBD | 0.00 |

providers.

17.c. - Housing Development Programs

Asheville Housing MTW Activity No. 2023-4 – Local Non-Traditional Activity – Housing Development Program

Asheville Housing will initiate an MTW Housing Development Program to use HAP funding to acquire, renovate and/or build affordable units for low-income families that are not public housing units. Activities will include gap financing for development of affordable housing, development of project-based voucher units and tax credit partnerships.

The initial development projects include:

- Reimagining Deaverview, a tax-credit partnership that will include the phased redevelopment of Deaverview Apartments, an Asheville Housing project-based voucher community. New residential buildings will be constructed on vacant land before demolition of any existing units is required, ensuring that families will only have to relocate once, directly into their new apartments. When all phases are complete, the existing 160 apartments will be replaced by 320 new apartments and townhomes, including a combination of tax credit, PBV, and homeownership units.
- A similar phased redevelopment of Pisgah View Apartments, another Asheville Housing PBV community, in the future.
- Development of three new affordable housing apartments on Gaston Street, across the street from the Arthur Edington Career & Education Center.

Asheville Housing will not spend more than 10% of its annual HAP budget on this program, alone or in combination with other local, non-traditional activities. Families receiving housing through this local, non-traditional activity shall meet the HUD definition of low-income (income at or below 80% of AMI). Activities will be subject to PIH Notice 2011-45 or any successor notice/guidance from the HUD MTW Office. Asheville Housing will comply with any applicable provisions of Section 30 of the 1937 Housing Act. Any MTW funds awarded to a third-party provider will be through a competitive procurement process.

These activities will be funded initially from unused HAP funds currently in HUD-Held Reserves to minimize any impact on voucher utilization.

This MTW activity serves the following statutory objectives:

Self-sufficiency;Housing choice

This MTW activity has the following cost implications:

Neutral (no cost implications)

An MTW activity may apply to new admissions only, to currently assisted households only, or to both new admissions and currently assisted households.

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

This MTW activity applies to:

New admissions and currently assisted households

An MTW activity may apply to all family types or to selected family types (i.e., non-elderly\non-disabled, elderly, disabled, other).

The MTW activity applies to all family types

This MTW activity applies to the following housing choice voucher unit types:

Deaverview Apartments, Pisgah View Apartments, and three future apartments on Gaston Street.

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.

No hardship were requested in the most recent fiscal year.

In the prior year, under this activity, Asheville MTW agency

Received 0 hardship requests

Approved hardship requests

Denied hardship requests

There is\are hardship requests pending.

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

| Name of Development and Address | MTW Role: Acquisition, Rehabilitation, New Construction? | Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other | Number of Affordable Units | Total Number of Units | Number of Units by Affordability - 80% of AMI | Number of Units by Affordability - 50% of AMI | Number of Units by Affordability - 30% of AMI | Number of Units by Affordability - Other |
|-------------------------------------|--|--|----------------------------|-----------------------|---|---|---|--|
| Gaston Street Apartments | New Construction | Construction costs | 3.00 | 3.00 | 3.00 | 0.00 | 0.00 | 0.00 |
| Pisgah View Redevelopment - Phase 1 | New Construction | Pre-development costs | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

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

| Name of Development and Address | MTW Role: Acquisition, Rehabilitation, New Construction? | Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other | Number of Affordable Units | Total Number of Units | Number of Units by Affordability - 80% of AMI | Number of Units by Affordability - 50% of AMI | Number of Units by Affordability - 30% of AMI | Number of Units by Affordability - Other |
|----------------------------------|--|--|----------------------------|-----------------------|---|---|---|--|
| Reimagining Deaverview - Phase 1 | New Construction | Gap Financing, Tax-Credit Partnership | 82.00 | 82.00 | 0.00 | 22.00 | 21.00 | 39.00 |

Table 17.c.2 - Housing Development Programs that the MTW Agency committed funds to in prior Fiscal Year

| Name of Development and Address | MTW Role: Acquisition, Rehabilitation, New Construction? | Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other | Number of Affordable Units | Total Number of Units | Number of Units by Affordability - 80% of AMI | Number of Units by Affordability - 50% of AMI | Number of Units by Affordability - 30% of AMI | Number of Units by Affordability - Other |
|---------------------------------|--|--|----------------------------|-----------------------|---|---|---|--|
|---------------------------------|--|--|----------------------------|-----------------------|---|---|---|--|

Housing Development Programs that the MTW Agency spent funds on in prior Fiscal Year

| Name of Development and Address | MTW Role: Acquisition, Rehabilitation, New Construction? | Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other | Number of Affordable Units | Total Number of Units | Number of Units by Affordability - 80% of AMI | Number of Units by Affordability - 50% of AMI | Number of Units by Affordability - 30% of AMI | Number of Units by Affordability - Other |
|---------------------------------|--|--|----------------------------|-----------------------|---|---|---|--|
|---------------------------------|--|--|----------------------------|-----------------------|---|---|---|--|

| | |
|------------|---|
| D. | Safe Harbor Waivers. |
| D.1 | Safe Harbor Waivers seeking HUD Approval: No Safe Harbor Waivers are being requested. |

| | |
|------------|--|
| E. | Agency-Specific Waiver(s). |
| E.1 | <p>Agency-Specific Waiver(s) for HUD Approval:</p> <p>The MTW demonstration program is intended to foster innovation and HUD encourages MTW agencies, in consultation with their residents and stakeholders, to be creative in their approach to solving affordable housing issues facing their local communities. For this reason, Agency-Specific Waivers may be requested.</p> <p>Please see attached for Agency-Specific Waiver(s) requested this year.</p> |
| E.2 | <p>Agency-Specific Waiver(s) for which HUD Approval has been Received:</p> <p>The MTW agency should describe any changes in how the waiver is being implemented now compared to when it was originally approved.</p> <p>MTW Agency does not have approved Agency-Specific Waivers</p> |

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

| Federal Fiscal Year (FFY) | Total Operating Subsidy Authorized Amount | How Much PHA Disbursed by the 9/30 Reporting Period | Remaining Not Yet Disbursed | Deadline |
|----------------------------------|--|--|------------------------------------|-----------------|
|----------------------------------|--|--|------------------------------------|-----------------|

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

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

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

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

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

| PROPERTY NAME/ ADDRESS | 0/1 BR | 2 BR | 3 BR | 4 BR | 5 BR | 6+ BR | TOTAL UNITS | POPULATION TYPE* | if 'Population Type' is Other | # of Section 504 Accessible (Mobility)** | # of Section 504 Accessible (Hearing/ Vision) | Was this Property Made Available for Initial Occupancy during the Prior Full Calendar Year? | What was the Total Amount of MTW Funds Invested into the Property? |
|------------------------|--------|------|------|------|------|-------|-------------|------------------|-------------------------------|--|---|---|--|
|------------------------|--------|------|------|------|------|-------|-------------|------------------|-------------------------------|--|---|---|--|

| | |
|---|--|
| G.4 | Comparable Mix (by Family Size) – Local, Non-Traditional. |
| To demonstrate compliance with the statutory requirement to continue serving a 'comparable mix' of families by family size to that which would have been served without MTW, the MTW agency will provide the number of families occupying local, non-traditional units by household size for the most recently completed Fiscal Year in the provided table. | |

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

| H. | Public Comment |
|-----------|---|
| | Attached you will find a copy of all of the comments received and a description of how the agency analyzed the comments, as well as any decisions made based on those comments. |
| | Please see attached for an additional public hearing held for Agency-Specific Waiver(s) and/or Safe Harbor Waiver(s) |

| I. | Evaluations. |
|-----------|-----------------------|
| | No known evaluations. |

Asheville Housing MTW Supplement 2022

Stepped Rent Hardship Policy

As a general rule, each family's rent (total tenant payment) will increase by the stepped rent increase each year after the first year. The sole exception will be if the family is granted a hardship under this policy.

- i. Hardship Process:
 - a. Hardships must be requested by the family in writing, with the exception of the automatic transition hardship described below.
 - b. When a hardship request is received and it states a valid reason for a hardship, staff will provide a temporary adjustment, consistent with the guidelines below, effective the first day of the next month after the request is received. This temporary adjustment will apply only during the first month.
 - c. The family must provide written third-party documentation to support the hardship request within 14 days, to enable staff to verify the hardship. Staff will decide whether to grant the hardship within 14 days after receiving the required third-party documentation.
 - d. If staff determine that a verified hardship exists, they will provide hardship relief as outlined in the guidelines below.
 - e. If the family does not provide third-party documentation or staff determines that the request does not meet the hardship requirements, the temporary relief will end on the last day of that first month, and the family may be required to enter into a repayment agreement.
 - f. If a family is approved for a hardship, and later experiences another adverse event while still in hardship status, they may request an additional hardship that might further reduce their total tenant payment.
 - g. If a family is approved for a hardship, they are not required to report subsequent income increases during the period of their approved hardship. Once staff approves a hardship, the hardship will not end early.
 - h. When a family is approved for a temporary hardship, they will be notified when the hardship expires. Prior to that expiration date, the family may request an extension in writing.
 - i. When a hardship expires, the family will return to paying the stepped rent, including any annual stepped rent increases that were scheduled to take effect during the period of the hardship.

- j. The total tenant payment will never be adjusted below the \$50 minimum rent.
 - k. Hardship decisions are subject to second level review under the informal review and hearings procedures in Chapter 16 of the Administrative Plan.
- ii. Hardship Guidelines:
- a. Hardship Due to High Rent Burden: Families participating in the stepped rent will be eligible for a temporary hardship exemption if the stepped rent causes a rent burden above 40%. The rent burden may be caused by a reduction in income, an increase in eligible deductions or allowances, the annual stepped rent increase, or a combination of factors.
 - i. *Automatic Transition Hardship:* For families already receiving assistance at the time of enrollment in the stepped rent, when we conduct the transition income examination, we will compare the family’s current adjusted income with their prior year adjusted income. If the current adjusted income is lower than their prior year adjusted income, staff will automatically determine if the family is eligible for this hardship, and, if so, apply the hardship adjustment.
 - ii. *Hardship Requested by Family:* At any other time, this hardship must be requested in writing by the family.
 - iii. *Eligibility:* A family will be eligible for this hardship adjustment if their rent burden (total tenant payment divided by their current monthly adjusted income) exceeds 40%.
 - iv. *Remedy:* The family’s total tenant payment will be adjusted downward to 40% of their current monthly adjusted income, or the \$50 minimum rent, whichever is higher.
 - v. *Duration:* Three months, which may be extended in three-month increments, if the family requests an extension and provides appropriate verification.
 - b. Stepped Rent Reset for Sustained Hardships. If a family receives a temporary hardship due to a rent burden above 40%, and the hardship condition persists after 12 consecutive months, the family may request that we reset their stepped rent. Staff will consider these requests on a case-by-case basis and decisions will be made in consultation with a senior Housing Support Specialist.
 - i. *Eligibility:* The family has been approved for a hardship due to high rent burden, above, and remains in hardship status with approved extensions for at least 12 consecutive months. The family requests a reset, and we determine this remedy would be better than renewing temporary income-based hardships. Except in extraordinary circumstances, this reset will be available only once for each family.

- ii. *Remedy:* Staff will calculate a new stepped rent total tenant payment at 28% of prior year adjusted income, or the \$50 minimum rent, whichever is higher. This will not be a temporary hardship; the reset total tenant payment will apply for 12 months and will establish a new base on which future annual step increases will be applied.

- c. Retirement/Disability. If the head of household, spouse or co-head becomes elderly or disabled, or if a family member becomes disabled requiring full-time home care by the sole head of household, the family may request a hardship.
 - i. *Eligibility:* The head of household, spouse or co-head reaches age 62 and decides to retire, or becomes disabled, or a family member becomes disabled requiring full-time home care by the sole head of household.

 - ii. *Remedy:* Transition to the income-based rent.

- d. Other Changed Circumstances. A family may request a hardship for other circumstances not outlined above, such as the death of a family member, a significant increase in reasonable and necessary out-of-pocket expenses (for example, a large medical bill that the family is required to pay), or if the family is facing eviction due to inability to pay rent. We will consider these requests on a case-by-case basis.
 - i. *Eligibility:* Staff determine that circumstances beyond the family’s control make it difficult for the family to pay the stepped rent total tenant payment, and temporary rent relief is necessary.

 - ii. *Remedy:* Staff will set the family’s total tenant payment to the \$50 minimum rent for up to two months.

Asheville Housing MTW Supplement 2023
Impact Analysis – Stepped Rent and Payment Standards

This impact analysis covers all aspects of Asheville Housing Authority’s 2023 MTW Supplement to the PHA Plan, except the two agency specific waivers listed below.

These MTW Activities are covered by this combined impact analysis:

- 2022-1 – Stepped Rent (including safe harbor waiver)
- 2023-1 – Payment Standards – Fair Market Rents

These agency-specific waiver requests include(d) their own separate impact analyses:

- 2022-6 – Verification Hierarchy
- 2023-5 – HCV Homeownership

These MTW activities do not require an impact analysis:

- 2022-2 – Family Self Sufficiency with MTW Flexibilities
- 2022-3 – Self Certification of Assets
- 2022-4 – Landlord Incentives
- 2022-5 – HQS Inspections – Third Party Requirement
- 2023-2 – Rent Reasonableness – Third Party Requirement
- 2023-3 – Local Non-Traditional – Rental Subsidy Program
- 2023-4 – Local Non-Traditional – Housing Development Program

1. Agency Finances.

The impact on agency finances is projected to be neutral both in the short and long term. In the first year of stepped rent implementation currently scheduled to begin on November 1, 2022, the policies implemented in the 2022 MTW Supplement are estimated to generate at least \$200,000 in additional tenant payments, reducing agency HAP expenses for those families. That includes an increase in our minimum rent from \$27 to \$50 for all program participants, After the first year, we project that annual stepped rent increases will generate approximately \$215,000 in additional tenant rent each year, progressively reducing HAP expenses for stepped-rent families.

These HAP savings will offset projected increases in other areas, including gradual increases in per unit costs due to higher payment standards and steady increases in Family Self Sufficiency participation. Once the initial year of stepped rent implementation is behind us, we also project there will be some savings in staffing costs based on triennial reexaminations for stepped rent families, which will offset increased MTW-related staffing expenses increases.

2. Impact on Affordability for Affected Families.

The stepped rent approved in 2022 will significantly enhance affordability, because stepped-rent families will have the ability to join the workforce without experiencing the penalty of a huge rent increase. The sample family shown in Chart 1 below would be paying between 5 and 15 percent of their income for rent over the first ten years of their participation. We also appreciate HUD’s decision to modify the initial year stepped rent calculation from gross to adjusted income, which will make the rent significantly more affordable for families who are already working and have high deductions for dependents and/or child care.

The payment standard increases proposed for 2023 will also enhance affordability by making more homes in our highly competitive market affordable to renters and homeowners seeking to use their vouchers.

3. Impact on Waitlists.

We do not anticipate any major impact either positive or negative on waitlist times as a result of these policy changes. Based on the RAD requirement to provide PBV residents with priority for tenant mobility vouchers, we project that our current PBV turnover rates of approximately 20-25% annually will continue. This will allow regular processing of project-based waitlist applications by opening up homes for families on the wait list. Because of the RAD tenant mobility preference, the tenant-based wait list currently has multi-year wait times for most applicants, and we expect that will continue.

4. Impact on the Termination Rate for Families.

We expect that families will welcome the stepped rent opportunity to work without experiencing a significant rent burden and will be better able to afford their share of the rent over time, reducing evictions for non-payment of rent. The termination rate for non-payment of rent should be reduced significantly over time. With the gradual rent increases provided under this stepped rent initiative, we do not expect the termination rate for families approaching zero-HAP status to increase significantly over the six-year stepped rent study period.

Payment standard increases proposed for 2023 will make it easier for our families to compete in the private rental and homeownership markets, so we expect there will be fewer new vouchers terminated because the family could not find an affordable apartment or home.

5. Impact on the Occupancy Rate for Project-Based Voucher Communities and Utilization Rate in the HCV Program Generally.

We have healthy project- and tenant-based waiting lists and do not anticipate any adverse impact on our occupancy or utilization rates. The stepped rent may help control turnover and

thereby support strong occupancy in PBV communities by encouraging families to increase income without a sudden income-based increase in their rent.

Payment standard increases will not impact PBV communities but will definitely support utilization in the HCV program generally by making our families more competitive in the private rental and homeownership markets, boosting the success rates both for renters and home buyers.

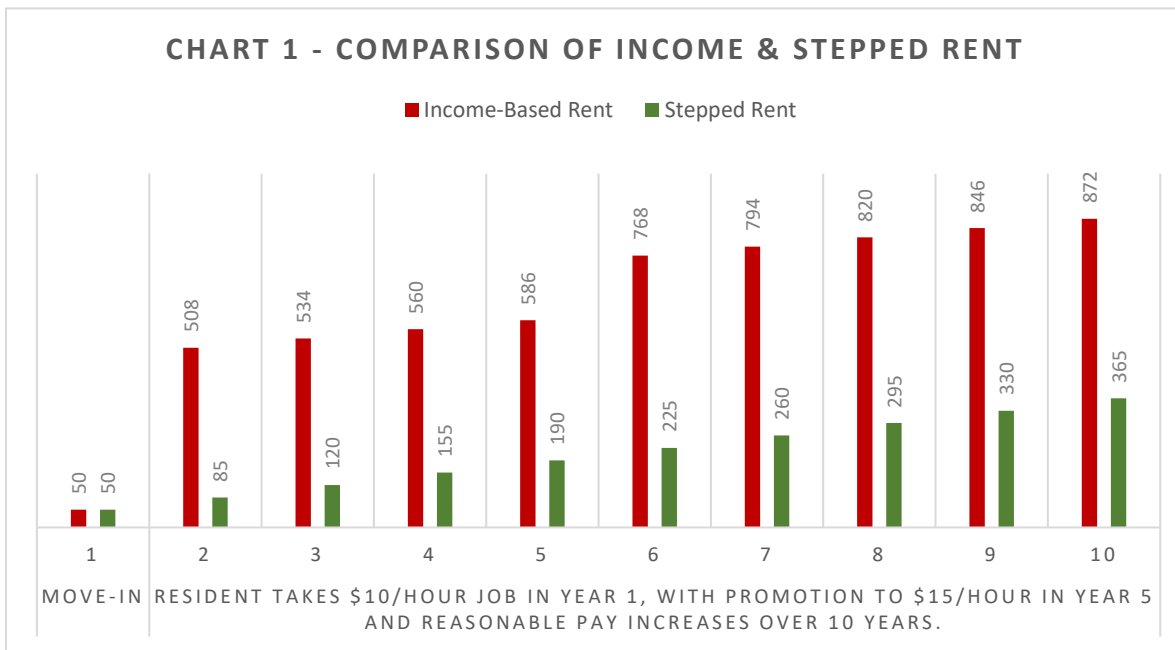
6. Impact on MTW Statutory Goals of Cost Effectiveness, Self-Sufficiency, and Housing Choice.

Self Sufficiency: The traditional income-based rent creates a significant barrier for families who want to join the work force. In listening sessions over several years, we have identified consistent messages from our residents. The most essential is that 30% of adjusted gross income results in a rent that is approximately 45% of the family’s take home pay. That means, essentially, that one out of two paychecks they receive every month goes to rent. That harsh reality is compounded by the fact that a job often means loss of SNAP benefits needed to feed the family, along with increased transportation, child care, and other work-related expenses.

The current rent structure results in a rent cliff that families have to climb to accomplish a basic first step toward self-sufficiency – taking a job. In our resident input sessions, participants have described the rent cliff as “unfair” and “unsustainable” and pointed out that working families often “have to choose between paying rent and putting food on the table.”

We have confirmed with residents in our input sessions that the current income-based rent structure results in many residents feeling forced to make choices that are contrary to long-term self-sufficiency. First, many residents who could work simply do not, getting by on family or public assistance to pay the minimum rent. Second, some employed family members choose to live elsewhere to avoid their income being counted toward rent, depriving the children of the benefits of two parents living in the home. Third, some residents work under-the-table in jobs that are difficult or impossible to detect in income verification systems, which puts them at risk of a program-fraud termination and prevents them from receiving credit toward Social Security benefits. Finally, some of those families working under-the-table choose to earn a living from criminal activity, putting themselves and their children at even greater risk and undermining the safety of the entire community.

Asheville Housing’s stepped rent study is focused on replacing this destructive system of negative incentives with one that decouples rent from income and encourages work, through reasonable annual step increases. Chart 1 below demonstrates the difference between the stepped and income-based rent. The sample family is a single parent with one child (typical of many of our families) who moves in without a job, gets settled in a two-bedroom apartment. The parent then takes a full-time \$10/hour job in Year 1, with a promotion to \$15/hour in Year 5 and reasonable hourly pay increases in other years. Under the current income-based calculation (represented by the red bars), the rent for this family would increase more than 1,000%, from \$50/month in Year 1 to over \$500/month in Year 2 and continue increasing annually based on later wage increases.



Under the MTW stepped rent study (represented in green), the rent for this family will start at the same level and increase predictably each year by \$35/month regardless of income. In our resident input sessions, this model was strongly favored as the most fair and sustainable for families. The stepped rent allows a family to better meet their expenses and to plan and save for future self-reliance. It eliminates the economic and psychological barriers to climbing the income-based rent cliff. At the same time the predictable rent steps, which the family knows are scheduled each year, provide encouragement to increase earned income over time.

The stepped rent policy is supported by important modifications to the Family Self Sufficiency Program. We are developing a modified Contract of Participation to make the program benefits more secure for all participants. We are also offering the option to make escrow account deposits based on awards for specific accomplishments, rather than a calculation of income and rent. This change will make the escrow process more equitable, reducing the variability of escrow awards based on factors beyond the family's control. The new model places families on a level playing field for escrow earnings, emphasizes the importance of specific FSS goals, and makes the calculation of escrow deposits simpler, more transparent, and more reliable.

Families enrolled in the stepped rent will experience a number of other positive benefits. They will be able to take jobs in the regular economy without having to pay 45% of their take-home pay for rent. Those jobs will, over time, qualify them for Social Security benefits, earning the family credit toward a more sustainable retirement. Depending on the level of pay, the additional earnings may also qualify a family for the IRS Earned Income Tax Credit. Regular economy jobs are more likely to offer health insurance coverage for the employee and family. Family members with earned income, who currently live elsewhere so their income does not count toward the rent, could move in without economic penalty, providing a more stable environment for the family. The psychological benefits of earning a living to support the family, save for the future, and have a real opportunity for economic self-reliance, including

possible homeownership, will release families over time from feeling bound to a government housing program. When families successfully graduate from the program, that will free up opportunities for others who need assistance to begin the process of stabilizing their lives, going to work, and moving their families toward self-reliance.

The stepped rent policy will also foster more productive relationships between Asheville Housing staff and participating families. Employees who currently spend each day processing income reevaluations, then verifying that income and calculating rent changes, will see significant changes in their workload when they are able to simply gather income information from residents every three years for data evaluation purposes. That will free up time to focus on building relationships, encourage residents to access supportive services, and reduce the perception and reality that staff are policing people's incomes.

Similarly, in Asheville Housing's residential communities, we expect that families who go to work under a stepped rent policy will have a much easier time paying their rent each month, which will reduce staff time currently focused on rent collection and eviction processing. That will allow staff to focus more on supporting residents as they move toward the future. Reduced evictions will also benefit families seeking housing choice with a tenant-mobility voucher by avoiding an eviction record that disqualifies them in many credit screening processes.

We believe this supportive rent and incentive structure will ultimately begin to heal relationships inside and outside our affordable housing communities, by reducing the stigma experienced by families living in Asheville Housing communities and changing the broader community narrative about the work our families are doing to move toward self-reliance.

In addition to the stepped rent, our 2023 proposal to increase payment standards will help families work toward self-sufficiency by successfully moving to the private rental market. Our safe harbor waiver request to raise certain families' payment standards as high as 140% of the Fair Market Rent will strongly support self-sufficiency by making it possible for more working families to build equity through the HCV Homeownership program. The safe harbor waiver should also support self-sufficiency for working families with tenant-based vouchers who choose to move their families to low-poverty areas of opportunity.

Housing Choice will be supported by our 2023 proposals to increase payment standards up to 120% of the Fair Market Rent. These higher payment standards will make our families more competitive in the rapidly rising rental and homeownership markets.

Housing choice is also supported by the landlord incentives approved in 2022 to encourage landlord participation in the program, and will be supported by the housing development program proposed in 2023.

Cost Effectiveness will be supported by triennial reexaminations for stepped rent families. Spreading that annual process out over three years will reduce staff time required for that function and allow staff to focus on supporting families in other more productive ways.

Cost effectiveness is also supported by other MTW activities approved in 2022 and proposed in 2023, including new simplified FSS escrow account calculations, self-certification of assets,

HQS inspections and rent reasonableness determinations conducted by independent internal staff rather than outside contractors, and streamlined verification procedures.

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

The initiatives covered by this impact analysis will enhance our ability to meet the five statutory requirements:

- *Very Low-Income Requirement:* We will continue to ensure that at least 75% of families assisted are very low-income (at or below 50% of AMI). As a 100% HCV agency, Asheville Housing is required to ensure that all new admissions meet that income requirement.
- *Reasonable Rent Policy:* The stepped rent model approved in 2022 is a reasonable rent policy designed to encourage employment and self-sufficiency. We believe the rent study will demonstrate that result and/or suggest modifications that will be even more effective in the long term. The goal of employment and self-sufficiency will be enhanced for all residents through the MTW FSS policy modifications approved in 2022.
- *Substantially the Same Requirement:* We will continue to assist substantially the same total number of eligible low-income families as would have been served without MTW flexibility. We anticipate revenue neutrality as described above, which will ensure that the same number of families are served going forward, so long as HUD funding continues to grow to meet the increasingly competitive housing market.
- *Comparable Mix Requirement:* We will maintain a comparable mix of families by family size as would have been provided otherwise. The demographics of our applicant pool over the last two decades have trended toward smaller family sizes and we expect that trend to continue. The stepped rent model will serve all family sizes well.
- *Housing Quality Standards:* We will of course continue to ensure that our assisted housing under MTW meets the Secretary’s housing quality standards, by assigning well trained staff to carry out those inspections with appropriate quality control review.

8. Impact on Hardship Requests.

In the initial stepped rent study enrollment year (currently projected to begin November 1, 2022), we are seeking to avoid a large number of specific hardship requests by implementing the automatic transition hardship adjustment. We do expect a modest increase in such requests after that implementation year, which should be manageable with the reduced burden on staff resulting from the shift to triennial reexaminations for stepped rent families. We appreciate HUD’s decision to allow the use of adjusted income in setting the first year stepped rents, which will significantly reduce the number of hardships needed.

We have developed hardship policies where required for the new MTW Activities proposed in 2023. For payment standards flexibility, we do not anticipate any significant number of hardships, because we will need to set our payment standards at or near the upper limit so our families can be competitive in the local market.

9. Impact on Protected Classes.

We acknowledge our role in the adverse structural impacts of the real estate market and federal housing policy generally on Black, Indigenous and other People of Color. The income-based rent in particular, over the last 50 years, has adversely impacted communities of color who reside in disproportionate numbers in federally assisted housing. This basic structural component has established a major barrier, making it difficult for families to go to work and separating working family members who could otherwise be living with their loved ones. The stepped rent is a purposeful action intended to replace that structure and begin repairing the lives impacted by that structure.

Additionally, in our review and input sessions for the stepped rent, we identified potential impacts on families with children, particularly those who are already working and/or have a number of dependents and childcare costs. To address those concerns, we adjusted the rent steps lower than originally projected for larger bedroom sizes and negotiated with HUD to allow use of adjusted rather than gross income in setting the initial rent.

With the payment standard increases proposed in 2023, we working to make our families, including the large proportion who are families of color, more competitive in the local rental and home ownership markets. We also seek to promote racial and gender equity for our families through the agency specific waiver we are proposing to expand on HCV Homeownership success.

Asheville Housing MTW Activity No. 2022-1 – Stepped Rent Study

Waivers approved:

- MTW Activity 1.d. – Stepped Rent (HCV)
- MTW Activity 1.h. – Tenant Payment as a Modified Percentage of Income (HCV)
- MTW Activity 3.b. and Safe Harbor Waiver – Alternative Reexamination Schedule

1. Introduction

Asheville Housing is implementing a new rent policy known as “stepped rent.” Under stepped rent, your rent is not tied to your income. Rent will start at \$50/month or your income-based rent at the time of implementation, whichever is greater. Then it will increase by a set monthly amount each year, based on your bedroom size. See Table 1, below for the increase amounts.

Stepped rent will allow you to work – or add a working family member to your lease – without that income increasing your rent. Instead, your rent will step up each year, allowing you to plan for the future. When you go to work, stepped rent will let you keep more of your earnings for other expenses and savings.

Stepped rent will not apply if you are elderly, disabled, participating at the time of implementation in the Family Self-Sufficiency Program, or if you have a special purpose voucher such as a HUD-VASH, Mainstream, Non-Elderly Disabled, or Emergency Housing Voucher. For these groups we will continue to calculate your rent based on income.

HUD and Asheville Housing must study the impacts of this policy for six years. For study purposes, during the first year of implementation, eligible families will be selected randomly, and approximately half will be assigned to the stepped rent and half to the traditional income-based rent. After the first year of implementation, we will continue assigning approximately one half of eligible new families to the stepped rent for internal evaluation purposes.

Table 1 shows the current Fair Market Rent, the minimum and maximum annual rent increases allowed by HUD, and Asheville Housing’s annual rent increase amounts.

| Table 1. Stepped Rent Increase Amounts | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|
| | 0BR | 1BR | 2BR | 3BR | 4BR+ |
| 2022 HUD Fair Market Rent | 1,188 | 1,209 | 1,378 | 1,879 | 2,359 |
| Minimum Rent Increase (2%) | 24 | 25 | 28 | 38 | 48 |
| Maximum Rent Increase (4%) | 47 | 48 | 55 | 75 | 94 |
| Annual Stepped Rent Increases | \$25 | \$30 | \$35 | \$40 | \$50 |

Prior to implementation, we will review the latest Fair Market Rent and may update this Table. Once we set the annual rent steps, they will be fixed until further notice. We will review the Table annually and may make changes to improve the effectiveness of stepped rent in encouraging work and self-sufficiency, to maintain budget neutrality, or for other reasons.

Additional Policy Provisions

- a. **Measurement of Income.** When income is measured under this stepped rent policy it will be based on the traditional calculation of adjusted income, except that we will measure the family’s actual annual income during the 12 months immediately prior to the reexamination notice letter we send to the family.
- b. **Initial Rent Determinations.** Current program participants selected for the stepped rent will be enrolled in the program at a rent (total tenant payment) equal to 28% of their annual adjusted income, or a \$50 minimum rent, whichever is higher. These amounts will be set at the family’s next recertification date after study implementation, currently projected to begin August 1, 2022. Depending on the circumstances, a hardship adjustment may be available (see Stepped Rent Hardship Policy, below). The initial total tenant payment for new applicants from the waiting list will be based on 28% of the current adjusted income projected forward, rather than prior year income.
- c. **Utility Allowance.** The stepped rent will include a utility allowance and we will continue to provide utility reimbursements. If the family is required to pay utilities in their lease, their total tenant payment includes a utility allowance. That combined rent and utility allowance is known as the gross rent. For example, if the family’s total tenant payment is \$300 and they are required to pay for utilities, they will pay the landlord an amount equal to \$300 minus the utility allowance.
- d. **Annual Stepped Rent Increase.** At the beginning of the second year and each year after that, the monthly total tenant payment will automatically increase by the amount in Table 1, without the need for an annual income reexamination. This gradual step increase will be applied each year as long as the family is a program participant, allowing families to plan for increases over time.
- e. **Triennial Income Reexaminations.** Every three years, we will document the stepped-rent family’s income and any changes in family composition, but those later triennial income reexaminations will not affect the total tenant payment. Income calculated at the triennial reexamination will be based on actual adjusted income during the 12 months prior to the reexamination notice. Stepped rent families are encouraged but not required to report employment successes and income changes between these triennial reexaminations for informational purposes only.
- f. **Payment Standard.** The payment standard is the maximum allowed for each bedroom size and is established annually. If the family decides to use a tenant-based voucher for a unit where the gross rent is higher than the payment standard, the family is responsible for paying any amount above the payment standard.
- g. **Moves.** When a stepped-rent family moves, adjustments may be made based on the bedroom size and utility allowance changes, but we will not adjust the total tenant payment based on income. The family’s total tenant payment will continue as it was prior to the move, with annual increases from Table 1.
- h. **HUD Safe Harbor Provisions.**
 - i. Stepped rent increases will not occur more than once per year.

- ii. Asheville Housing will conduct an annual impact analysis of this stepped rent initiative. See the initial Impact Analysis below.
- iii. Elderly and disabled families are excluded from this rent policy. If the family is not currently elderly or disabled, but becomes elderly or disabled in the future, they may request to change to the standard income-based rent.
- iv. See Hardship Policy below.
- v. Services will be available through the Family Self Sufficiency Program to support families preparing for eventual termination of assistance when their rent reaches maximum levels in the future.
- vi. Documentation of rent reasonableness will be provided to HUD upon request.
- vii. Initial rents will not exceed 28% of a family's adjusted income, and rent step increases will not be more than 4% of the applicable Fair Market Rent.

i. Stepped Rent Hardship Policy.

As a general rule, each family's rent (total tenant payment) will increase by the stepped rent increase each year after the first year. The sole exception will be if the family is granted a hardship under this policy.

- i. Hardship Process:
 - a. Hardships must be requested by the family in writing, with the exception of the automatic transition hardship described below.
 - b. When a hardship request is received and it states a valid reason for a hardship, staff will provide a temporary adjustment, consistent with the guidelines below, effective the first day of the next month after the request is received. This temporary adjustment will apply only during the first month.
 - c. The family must provide written third-party documentation to support the hardship request within 14 days, to enable staff to verify the hardship. Staff will decide whether to grant the hardship within 14 days after receiving the required third-party documentation.
 - d. If staff determine that a verified hardship exists, they will provide hardship relief as outlined in the guidelines below.
 - e. If the family does not provide third-party documentation or staff determines that the request does not meet the hardship requirements, the temporary relief will end on the last day of that first month, and the family may be required to enter into a repayment agreement.
 - f. If a family is approved for a hardship, and later experiences another adverse event while still in hardship status, they may request an additional hardship that might further reduce their total tenant payment.

- g. If a family is approved for a hardship, they are not required to report subsequent income increases during the period of their approved hardship. Once staff approves a hardship, the hardship will not end early.
 - h. When a family is approved for a temporary hardship, they will be notified when the hardship expires. Prior to that expiration date, the family may request an extension in writing.
 - i. When a hardship expires, the family will return to paying the stepped rent, including any annual stepped rent increases that were scheduled to take effect during the period of the hardship.
 - j. The total tenant payment will never be adjusted below the \$50 minimum rent.
 - k. Hardship decisions are subject to second level review under the informal review and hearings procedures in Chapter 16 of the Administrative Plan.
- ii. Hardship Guidelines:
- a. Hardship Due to High Rent Burden: Families participating in the stepped rent will be eligible for a temporary hardship exemption if the stepped rent causes a rent burden above 40%. The rent burden may be caused by a reduction in income, an increase in eligible deductions or allowances, the annual stepped rent increase, or a combination of factors.
 - i. *Automatic Transition Hardship*: For families already receiving assistance at the time of enrollment in the stepped rent, when we conduct the transition income examination, we will compare the family's current adjusted income with their prior year adjusted income. If the current adjusted income is lower than their prior year adjusted income, staff will automatically determine if the family is eligible for this hardship, and, if so, apply the hardship adjustment.
 - ii. *Hardship Requested by Family*: At any other time, this hardship must be requested in writing by the family.
 - iii. *Eligibility*: A family will be eligible for this hardship adjustment if their rent burden (total tenant payment divided by their current monthly adjusted income) exceeds 40%.
 - iv. *Remedy*: The family's total tenant payment will be adjusted downward to 40% of their current monthly adjusted income, or the \$50 minimum rent, whichever is higher.
 - v. *Duration*: Three months, which may be extended in three-month increments, if the family requests an extension and provides appropriate verification.

- b. Stepped Rent Reset for Sustained Hardships. If a family receives a temporary hardship due to a rent burden above 40%, and the hardship condition persists after 12 consecutive months, the family may request that we reset their stepped rent. Staff will consider these requests on a case-by-case basis and decisions will be made in consultation with a senior Housing Support Specialist.
 - i. *Eligibility:* The family has been approved for a hardship due to high rent burden, above, and remains in hardship status with approved extensions for at least 12 consecutive months. The family requests a reset, and we determine this remedy would be better than renewing temporary income-based hardships. Except in extraordinary circumstances, this reset will be available only once for each family.
 - ii. *Remedy:* Staff will calculate a new stepped rent total tenant payment at 28% of prior year adjusted income, or the \$50 minimum rent, whichever is higher. This will not be a temporary hardship; the reset total tenant payment will apply for 12 months and will establish a new base on which future annual step increases will be applied.
- c. Retirement/Disability. If the head of household, spouse or co-head becomes elderly or disabled, or if a family member becomes disabled requiring full-time home care by the sole head of household, the family may request a hardship.
 - i. *Eligibility:* The head of household, spouse or co-head reaches age 62 and decides to retire, or becomes disabled, or a family member becomes disabled requiring full-time home care by the sole head of household.
 - ii. *Remedy:* Transition to the income-based rent.
- d. Other Changed Circumstances. A family may request a hardship for other circumstances not outlined above, such as the death of a family member, a significant increase in reasonable and necessary out-of-pocket expenses (for example, a large medical bill that the family is required to pay), or if the family is facing eviction due to inability to pay rent. We will consider these requests on a case-by-case basis.
 - i. *Eligibility:* Staff determine that circumstances beyond the family's control make it difficult for the family to pay the stepped rent total tenant payment, and temporary rent relief is necessary.
 - ii. *Remedy:* Staff will set the family's total tenant payment to the \$50 minimum rent for up to two months.

Asheville Housing MTW Activity No. 2023-1 – Payment Standards – Fair Market Rents

Asheville Housing Authority will adjust its payment standards to between 80% and 120% of the Fair Market Rent for standard tenant-based rentals in its Housing Choice Voucher (HCV) Program. This waiver will serve the statutory goal of increasing housing choice by making our families more competitive on the private rental market.

The payment standard is the maximum amount we can pay for gross rent (including both rent and utilities) in the private rental market. In a rapidly increasing rental market, as Asheville has seen over the last decade and particularly since the pandemic, restricted payment standards result in lower success rates for our families, because owners can make more money with less paper work from a non-voucher rental.

The standard HUD Fair Market Rent (FMR) has lagged significantly behind the Asheville market over the last decade. We have requested reevaluation and submitted data to successfully increase the FMR twice since 2019. We have also requested and received approval from the HUD Field Office to use the 50th Percentile Rents based on our low success rate using the standard HUD FMR. As a result, we have increased our success rate and voucher utilization. For 2023, MTW flexibility will allow payment standards within these ranges:

| MTW Payment Standard Range | | | | | |
|----------------------------|-------|-------|-------|-------|-------|
| | OBR | 1BR | 2BR | 3BR | 4BR |
| 2023 FMR | 1,270 | 1,298 | 1,466 | 1,949 | 2,497 |
| 80% | 1,016 | 1,039 | 1,173 | 1,560 | 1,998 |
| 120% | 1,524 | 1,557 | 1,759 | 2,338 | 2,996 |

To maximize our families’ competitiveness in the market, we expect to establish payment standards at or near the high end of that range. If necessary to achieve an appropriate leasing success rate, we may also seek Field Office approval to continue using the 50th percentile rents as the baseline FMR for these calculations.

Waiver requested: MTW Activity 2.b. – Payment Standards – Fair Market Rents (HCV – Tenant-Based Assistance)

Statutory Objective(s): Housing Choice

Cost Implications: Neutral

Applies to: New admissions and currently assisted households; all family types; tenant-based voucher families only.

Safe Harbor Waiver Required? No

Impact Analysis or Hardship Policy Required? Yes

Hardship Policy – Payment Standards

Hardship Due to Reduced Payment Standard: Because Asheville Housing will be setting payment standards at or near the high end of the approved range and we do not as a matter of policy reduce established housing assistance payments downward as a result of a subsequent reduction in the payment standard, we do not anticipate many hardships. However, if payment standards are reduced in the future and that reduction results in a family rent burden exceeding 40% of adjusted income, the family may request a hardship.

- i. *Eligibility:* A family will be eligible for this hardship adjustment if a reduction in the payment standard causes a rent burden (total Family Share divided by current monthly adjusted income) that exceeds 40%.
- ii. *Remedy:* The payment standard reduction will be limited to an amount that results in a total Family Share of 40% of monthly adjusted income.
- iii. *Duration:* The hardship adjustment will remain in effect until the family's next interim or annual recertification, at which time it will be reassessed based on family composition and income at that time.

Asheville Housing MTW Activity No. 2023-2 – Rent Reasonableness – Third Party Requirement

Asheville Housing will use its own trained employees in the Housing Choice Voucher (HCV) Program to perform rent reasonableness determinations for project-based voucher units that we own, using AffordableHousing.com or another similar independent third-party online comparability site to gather appropriate data.

Quality Assurance Method: For quality assurance purposes, we will utilize an online rent comparability service (currently AffordableHousing.com) to pull at least three comparable rental units and ensure that rent reasonableness is based on objective third-party data regarding comparable rents in our market. Unit description data will be entered and results determined by our trained inspection staff. Rent reasonableness will not be determined by staff on the property management team. At least 10% of the resulting rent reasonableness determinations will be reviewed for accuracy and reasonableness by a senior HCV staff member.

We will make available the method used to determine that rents charged by owners to voucher participants are reasonable when compared to similar unassisted units in the market area. At HUD request, Asheville Housing will obtain the services of a third-party entity to determine rent reasonableness of PHA-owned units.

Waiver requested: MTW Activity 2.d. – Rent Reasonableness - Third-Party Requirement

Statutory Objective(s): Cost Effectiveness

Cost Implications: Neutral

Applies to: All family types in PHA-owned project-based voucher properties.

Safe Harbor Waiver Required? No

Impact Analysis or Hardship Policy Required? No.

Asheville Housing MTW Activity No. 2022-5 – HQS Inspections

Asheville Housing Authority will begin using its own trained employees in the Housing Choice Voucher Program to perform regular and interim HQS Inspections of PBV units that Asheville Housing owns and manages.

Quality Assurance Plan:

1. Asheville Housing will in no way alter any aspect of HQS Inspection requirements as pertains to frequency of inspections, performance requirements, acceptability criteria, or certification standards for the individual inspectors completing the assessments as defined by HUD.
2. Inspectors will report directly to the HCV Director and will in no way be under the supervision or direction of property management staff or leadership.
3. To ensure objective analysis in the completion of the HQS Inspections, Authority-owned units will be folded into the existing quality control metrics currently utilized for HQS inspections generally. This will include an auditing of a minimum sample of units completed within a three-month window following the original inspection. These audits will be conducted by a staff member certified in HQS Inspections, including but not limited to the HCV Director or Assistant Director, a senior inspector, former inspector, or any other sufficiently qualified agency employee.
4. The table below shows the standard minimum number of quality control inspections to be completed based on the number of units under contract at the end of the agency’s fiscal year.

| Number of Units | Minimum number of audits to be completed |
|-----------------|---|
| 50 or fewer | 5 |
| 51-600 | 5 plus 1 for each 50 (or part of 50) over 50 |
| 601-2000 | 16 plus 1 for each 100 (or part of 100) over 600 |
| Over 2000 | 30 plus 1 for each 200 (or part of 200) over 2000 |

For Authority-owned units, we will conduct quality control inspections at twice these standard rates.

5. Families who request an interim inspection will be provided one.
6. At HUD request, Asheville Housing will obtain the services of a third-party entity to determine if PHA-owned units pass HQS.

Asheville Housing MTW Activity No. 2023-5 – Agency Specific Waiver – HCV Homeownership

Asheville Housing sees HCV Homeownership as an essential tool for racial and economic equity, with a goal of repairing decades of wealth disparity dating back to the Federal redlining program of the 1930s and beyond. HUD recently reaffirmed the critical value of homeownership for HUD-assisted families:

Homeownership is a pillar of wealth building and for most families, it remains a critical way to build a source of wealth that can be passed down to future generations. Therefore, it needs to be attainable for more families, especially families of color. However, racial disparities in homeownership remain significant. Recent research shows that in 2020, the Black-White homeownership gap reached 31 percentage points, the greatest gap in decades. Notably, this is an even larger disparity than in 1968 when the Fair Housing Act was passed. [*Bridging the Wealth Gap*](#), U.S. Department of Housing and Urban Development, 8-4-2022, p. 11.

To date, Asheville Housing has assisted 76 families in achieving the goal of homeownership through HCV Homeownership. That goal, however, is threatened by rapid increases in the cost of homes in recent years, especially since the pandemic, and recent interest rate increases. As of July 2022, [Zillow](#) reported that the typical home value for the middle price tier of homes in Asheville has increased 20.8% over the last year, to \$437,626. This agency specific waiver will expand opportunities in our highly competitive market for HCV Homeownership families. To support expansion of HCV Homeownership, we seek the following regulatory flexibilities:

1. For HCV Homeownership families only, we seek to implement a monthly payment standard as necessary up to 140% of the Fair Market Rent (24 CFR 982.503).
2. If needed to bring an HCV Homeownership family's monthly homeownership expenses (24 CFR 982.635(c)) within the approved payment standard, Asheville Housing may also use HAP funds for assistance in the form a deferred second mortgage that will begin to amortize when the primary mortgage is paid in full. Such a deferred loan will be due and payable if the property is sold and will not be forgiven. Repayment proceeds will be used to fund homeownership assistance for future home buyers.
3. During the final year of the initial 10- or 15-year term of assistance (24 CFR 982.634(a)), we will allow an HCV Homeownership family to request an extension of the term. If we determine that the family, through no fault of their own, needs an extension to continue building equity in their home, we will grant the extension for an additional term of one to 20 years. In no event will the term of the monthly HCV Homeownership assistance, including all extensions, exceed 30 years.

With this MTW flexibility, we seek to expand our HCV Homeownership initiative gradually over time to approximately 10% of our total voucher families, supporting them for the long term as they build home equity and generational wealth.

Waivers requested: 24 CFR 982.503 and related regulations; parts of 24 CFR Part 982; Subpart M, Homeownership Option, including 24 CFR 982.634 and 982.643

Statutory Objective(s): Self-Sufficiency and Housing Choice

Cost Implications: Neutral

Applies to: HCV Homeownership families

Safe Harbor Waiver Required? No

Impact Analysis and Hardship Policy Required? Yes

Hardship Policy – HCV Homeownership

Because Asheville Housing will be expanding support and protections for HCV Homeownership families, and we do not as a matter of policy reduce payment standards for families already participating in the program, we do not anticipate many situations that would require a hardship adjustment. However, if a payment standard is reduced in the future or another policy change is implemented that results in a family rent burden exceeding 40% of adjusted income, the family may request a hardship.

- i. *Eligibility:* A family will be eligible for this hardship adjustment if a reduction in the payment standard or other change in policy causes a rent burden (total Family Share divided by current monthly adjusted income) that exceeds 40%.
- ii. *Remedy:* The payment standard or other policy change will be adjusted to an amount that results in a Family Share of 40% of monthly adjusted income.

Duration: The hardship adjustment will remain in effect until the family’s next interim or annual reexamination, at which time it will be reassessed based on family composition and income at that time.

Impact Analysis – HCV Homeownership Agency-Specific Waiver

1. **Agency Finances.** We project that this agency specific waiver, in combination with other approved MTW activities will result in overall revenue neutrality. Although this waiver will likely result in increased HAP payments for future HCV Homeownership families, those increases will occur gradually over time. The relatively small number of homeownership families as compared to our overall HCV program will moderate the impact of those additional payments. We project these gradual increases will be offset by reductions in federal expenditures outlined in our primary impact analysis submitted with this 2023 MTW Supplement.
2. **Impact on affordability for affected families.** This activity will have a significant positive impact on affordability for HCV Homeownership families, making it possible for them to achieve the dream of building equity in a home of their own, rather than being lifetime renters.
3. **Impact on waitlists.** We do not expect any positive or negative impact on the length of our waitlists or the amount of time families are on an admissions waitlist as a result of this activity. HCV Homeownership participation is filled from within our project-based and tenant-based voucher programs as people complete the necessary prerequisites.
4. **Impact on the termination rate for families.** We expect that this waiver will modestly reduce the termination rate for families participating in HCV Homeownership, by extending the time they can be assisted under the program, and by reducing turnover once they are invested in preparing for and achieving homeownership.
5. **Impact on the occupancy rate for project-based voucher communities and utilization rate in the HCV Program generally.** This activity will not impact the occupancy rate for PBV communities. It may have a modest positive impact on HCV utilization due to the projected reduction in turnover discussed above.
6. **Impact on MTW statutory goals of cost effectiveness, self-sufficiency, and housing choice.** Expansion and improvement of HCV Homeownership will have a significant positive impact on *self-sufficiency*, because families are required to work and improve their credit scores to participate in HCV Homeownership and because building wealth through homeowner equity will increase their overall asset building and financial stability over time. It will also expand *housing choice* by making it possible for more families to pursue and attain the dream of homeownership. We do not anticipate any significant impact either positive or negative on *cost effectiveness*.
7. **Impact on the agency’s ability to meet the MTW statutory requirements.** Implementation of these HCV Homeownership waiver activities will not adversely impact our ability to meet the five statutory requirements:
 - *Very Low-Income Requirement:* We will continue to ensure that at least 75% of families assisted are very low-income (at or below 50% of AMI). As a 100% HCV

agency, Asheville Housing is required to ensure that all new admissions meet that income requirement.

- *Reasonable Rent Policy:* We established a reasonable rent policy in our 2022 MTW Supplement with planning for and implementation of the Stepped Rent, which will support families seeking to become homeowners by allowing them to save more of their earned income as they prepare for homeownership.
 - *Substantially the Same Requirement:* We will continue to assist substantially the same total number of eligible low-income families as would have been served without MTW flexibility. We anticipate revenue neutrality as described above, which will ensure that the same number of families are served going forward, so long as HUD funding continues to grow to reflect the increasingly competitive housing market.
 - *Comparable Mix Requirement:* We will maintain a comparable mix of families by family size as would have been provided otherwise. The demographics of our applicant pool over the last two decades have trended toward smaller family sizes and we expect that trend to continue. HCV Homeownership is designed to serve all family sizes well.
 - *Housing Quality Standards:* We will of course continue to ensure that our assisted housing, including HCV Homeownership units, under MTW meets the Secretary’s housing quality standards, by assigning well trained staff to carry out those inspections with appropriate quality control review.
8. **Impact on hardship requests.** We do not anticipate that this waiver will generate additional hardship requests. Because all of the policy recommendations are intended to expand HCV Homeownership opportunities, we have not identified any potential hardships for participating families.
9. **Impact on protected classes.** We seek to promote racial and gender equity by expanding HCV Homeownership success for our families. In [*Bridging the Wealth Gap*](#), HUD has emphasized, “Homeownership is a pillar of wealth building and for most families, it remains a critical way to build a source of wealth that can be passed down to future generations. Therefore, it needs to be attainable for more families, especially families of color.” That is exactly what we seek to accomplish with this MTW Activity.

HCV Homeownership is already designed to provide long term mortgage support for other protected classes like seniors and families with disabilities who pursue homeownership. With this waiver, we plan to extend that support to benefit all of our low-income homeowners, especially families of color.

It is important to acknowledge that the Housing Choice Voucher program, designed to benefit very low-income families, who in this country are disproportionately Black, Indigenous and other People of Color, actually results in federal funds flowing to build wealth for private rental property owners, who are disproportionately White. From a racial equity perspective, expanding HCV Homeownership is one of the most important ways we can direct some of that wealth building to the families who need it most.

2023 MTW Supplement - Resident Input Sessions

Zoom Meeting

08/10/2022

1. I'll make a comment. I think it's good information, it's a lot of information, but I also know, being an older person, it's up to each individual to seek out information to educate themselves on what they can do. So I listen to this and I think all of this sounds good, but I personally feel I'm a little too old to be deeply interested, but I hope some of the younger ones listen and learn and they can use this to get out of housing. I don't know how you can make any individual want to do that if they don't want to do it. That's all I've got to say.
 - a. Yes, we want to encourage and we want to give an incentive, particularly for those who are working age, to think about that opportunity, and to take it. But these are all opportunities at this point. We're not making it a work requirement at this point, although that could be something we consider down the road.

Maple Crest Apartments

08/22/2022

1. I have a comment: something that I think you all really need to consider when it comes to your staffing and who you have working out here: the people who work here don't live here. They don't represent us, and they don't really know what goes on out here. They clock in, clock out, and when they leave, they don't seem to register what sometimes happens, whether that's the kids hanging around, getting into trouble, the drugs, the violence. So it would be really nice if we could get some folks out here who live in Housing and know what's up.
 - a. Sure, and we can definitely take that down. We're always encouraging residents to look at and apply for positions when they come available. Maple Crest is a tax credit apartment so we need to contract out the management at least for now, but we do work with the management company to address all concerns we hear about.
2. I've had Section 8 a few times over the last few years, and something I'd love to see if you can do something about is they only give you 90 days to find a new place to live, right now. Around here, that's just not enough time.
 - a. Under the current policies, when you get a voucher, it's good for the 90 days initially, and then for an additional 90 days beyond that with an extension. There can sometimes be additional extensions on top of that, at the discretion of the

program director, but by and large, what we've found is that it's less an issue of how long the voucher is out than how much available housing there is.

3. Yes. There's nothing ever available. I call all of the places on that list you give us, and they always say there's nothing or that there's a two-year waitlist, and that's just not going to work with 90 days, or even with that extension.
 - a. We're aware of waitlist issues too. All of that definitely seems to come back to availability. The wait lists are long because there are a lot of applicants and not a lot of options. That's part of why we put in some of the initial landlord incentives to try and help get more of them on board with the program, and we're looking to increase payment standards now. With 180 days, that's about six months, and you're welcome to sign back up for the tenant mobility list. Currently, we're looking at about a 1-2 month wait on it. Again, it's the question of availability that we're trying to address with our policy changes.
4. I've got a question: I lost my job a few months ago, and my rent is absolutely not manageable. Are you all able to do anything about that?
 - a. Come and talk to me after the meeting and I'll get you the contact info for the person you can report that to. As a rule, right now, if you have a voucher and there is any decrease in income, you should be reporting that to your Housing Support Specialist and they will look to see if you'll qualify for an interim adjustment to lower your rent portion.
5. What happens if my income goes up? Are you going to charge us more rent?
 - a. So as a rule, you should be reporting all income changes. Currently, your rent won't change until your annual recertification. For those of you who are enrolled in the Stepped Rent when that starts, the change in income won't have any effect on your rent at all. You should still report it for tracking purposes, but whether it goes up or not, and by whatever amount, each year, your rent will only step up by the set amount.
6. My son currently works for the Biltmore, and he's seasonal. Is this going to help us out at all?
 - a. It's hard for me to say specifically without opening your particular file and reviewing everything, but most likely, yes. Currently, seasonal employees have kind of an odd set-up—everyone who works for the school district and has summers off, for example, have their income calculated on a ten-month basis instead of 12. That was done to stop the process of running adjustments every summer when everyone went back to work. After the first year with the stepped rent, none of that really factors in. He could get a full time job, a year round job, something that brings in a little more money, and it won't have any impact on your rent.

7. I'm on Social Security, and I'm looking at these numbers your quoting to me, and I'm scared. I can't have my rent going up \$40 every year. I can't afford that.
 - a. Just to be clear, stepped rent will not apply to any households where head of household is elderly or disabled. As long as you're head of household and receiving Social Security retirement or disability, the rent steps won't apply to you, so there will be no change in your rent calculation process.

8. What happens if I get a voucher and I can't find anything before it expires?
 - a. We touched on that a little earlier. but the short answer is that you can get an extension by filing for it before the expiration date and get an extra 90 days. And if it still runs out, you won't be penalized, and can absolutely get back on the wait list and try again. Most of the issues we've identified with folks finding something is related to availability. That is something we are working to fix with MTW. We are looking to permanently increase our Payment Standards to make vouchers more competitive and increase what you all can look for. We're also offering landlords incentives like sign-on bonuses for new units they bring on the program, or of a tenant moves and they agree to lease up with a new voucher participant.

9. What are the requirements from HUD to get into the Homeownership Program?
 - a. For that, I advise you to speak with Eric Robinson, who handles our Homeownership Program. His office is actually here in this building and I'll be happy to direct you over to him, or give you his contact info. The program is a little different for everyone depending on where you're starting in terms of savings and credit, etc., but the goal to work with families over time so they can access bank financing, and then their voucher can help pay the mortgage.

10. Is Habitat Homes what we're talking about right here?
 - a. Yes, but not only Habitat. That's a separate agency that a lot of our homeownership families work with. Again, Eric will have more information on the specifics of the program. Something that we are concerned with for MTWO though is the increase to the Homeownership Program payment standards. We haven't quite settled on a number yet, but we're looking at increasing those to around 140 or 150% of Fair Market Rents, which will hopefully make it a little easier for our folks to find something in this market. Right now, I think the median cost is around \$350,000 for a home—we're hoping that the waiver allowing us to increase what we can pay towards that will help.

11. That sounds really good. Can you help with down payments too?
 - a. Not as of right now, though there's maybe the possibility of using some of the funding towards that. We get a number of flexibilities with this program, and it's possible that is something we could ask for. Thanks for the suggestion.

12. I just want to say that I'm casting an eye on the younger growing up in Housing, and I'm deeply concerned for them. Now, I grew up in Housing, and I've gotten out of Housing and in my old age, I've come back to it. That's me and my struggle and my story, and I'm 82 years old now. My time is coming to a close. But I'm interested in making sure that the younger generation has the tools to get out of the housing program as a whole. It's so hard when you're young and everything is stacked up against you. Do you have anything here in terms of helping these younger families?
 - a. That is part of the idea in separating 'rent' from 'income' in this program -- to try and address the dynamics that make it so hard for anyone to have upward mobility here. The system is designed for the lowest income people to enter into it and become disincentivized to do any number of things that help them make a better living situation for themselves, such as getting jobs, earning credits toward social security, even having working family members in the home when they should be. There's no singular item that makes it so difficult, but rather a big web of factors. To address it, we need to tackle it from multiple angles, and this won't be a magic solution, but we believe it will help.

13. Currently, the child facilities are not enough for all of the children living in this community to utilize to be able to thrive in a safe environment and keep their minds occupied to avoid common pitfalls of delinquency. We should use some of the money to create something for the kids and older teenagers especially. There is a current lack of role models in the community. We need more community programs, playgrounds, safe spaces for them.
 - a. We can definitely take that down. Right now, we're looking at options to use some of this funding to work on redevelopment plans in Deaverview, with a long view to do some more maybe with Pisgah View, and eventually others. Hopefully, that might help with some of this, as will our partnerships with different community agencies.

14. Any chance that you can do some of that out in Hillcrest? Because we really need it.
 - a. In the long term, if we're successful, probably. I don't know of any immediate plans, but this is ultimately something for the next several years.

Pisgah View Apartments

09/06/2022

1. Self-sufficiency: when you go to that—what do you define that as?
 - a. Well, ultimately, the idea there is that a household would eventually be able to afford a unit on their own without a subsidy. To that end, we're looking for input

on how to allow for less need of the subsidy over time, increasing self-sufficiency. What do you think we can do to help that?

2. Well, part of that self-sufficiency would be finding means to help people increase their credit. Banks wouldn't be the best for that, credit unions might.
 - a. So, partnerships with local credit unions maybe?
3. Sure. Another idea: I was involved with the partnership with Green Opportunities, and it resulted in some opportunities for volunteers to use their skills in a useful way. That was really helpful, and it made skills that let people living in housing then apply those to other jobs. It'd be great to encourage programs like that, specifically for people in housing.
 - a. So, the kitchen is up and running again, providing food for the communities, and we're encouraging the new non-profit to start the training program up again, and they have questions about there being significant interest in that. Do you know people who would be interested?
4. Yes, definitely. Also, I heard that you probably have need for people in your maintenance staff here, which is probably really understaffed.
 - a. We've mostly come back up to functional levels, but any openings we have available, anyone is definitely encouraged to apply. Contact the Central Office, and we'll be glad to assist. And we do like to hire from within.
5. When you get into redevelopment, what do you intend to do for the people who are on set income? When these buildings get knocked over, people don't have credit or savings, and what are you going to do to help them?
 - a. So, when we did Maple Crest, we relocated people to other properties and then gave them the opportunity to move back, and about half of them did. With Deaverview, we'll be building a new phase without tearing anything down, then move people into it, then build a second phase, and so on, so people will only have to relocate once.
6. You all are trying to do something here, and it's going to be tough because there's a lot of mistrust. And a lot of that is multi-generational and transitional.
 - a. I'm sorry, could you say more about it being transitional?
7. In this modern setting, job security would have to be something. There would have to be a means of actual job security to allow housing to be transitional. Are there assurances, or help available to help balance out the gaps and give people some security so that they don't need to be in housing forever. As for Housing Choice, let me ask, how many people who are renting with a voucher have houses that are on the bus route? It's tough, and difficult.
 - a. Sure, that makes sense. And we don't know that answer right now but could do some research.

8. So you all are doing a lot of great things. The Wi-Fi installation was honestly a must. And it did so very much for us all. And I've always been on subsidized rents.
 - a. That's good to know about the Wi-Fi, and we hoped that that program would do some good. And rents will continue to be subsidized as long as Congress funds the program.
9. Self-sufficiency and housing choices, it all boils down to money. If there's anything that can be done to get more landlords on board, that would be helpful. I think about some of the landlords who have their property in probate because of the pandemic, isn't there something Housing can do with those?
 - a. So explore opportunities for housing residents through acquiring units in foreclosure?
10. It's a thought.
 - a. Sure, and if those are units in decent shape, there's a chance that could be really useful for our homeownership program.
11. I'm trying to help my son build himself up since the pandemic. My hope is to get him moved out and on his own subsidized housing, which would allow me to either move on to a smaller unit or maybe even move on, not needing to support him.
 - a. Is he currently applying for housing?
12. I'm encouraging him, and he does have a job right now.
 - a. Well, if he's getting in in the next year, he could potentially get on the stepped rent, and that could help him.
13. Going to three-year recertifications might be beneficial, but I'm not sure. I think I might forget about it.
 - a. We'll send reminders and all of the usual correspondence. You don't have to worry about that. Are you on fixed income?
14. I am, and my last increase came late.
 - a. So triennial recertifications could potentially be helpful in that case, lowering the number of rent increases you would experience.
15. One thing that would give a lot more breathing space would be if we could go off of net income instead of gross. Because a lot of us turn in the numbers of paychecks and everything in gross, and its terribly overestimated, considering childcare and taxes and everything else.
 - a. That's not currently in the works but we can think about it and see if there are any options going forward.

16. Recertifying annually, you by habit get caught in a routine, and if you change that routine, they'll need to relearn it. So if you go to every three years, you'll need to remind them. And you say you'll do that. But with the Postal Service being what it is, why not email people around it?
 - a. So, something that we already utilize to an extent with our landlords is an online portal through which they're able to send us messages and see what they're scheduled payments are. That is something we can look into for residents as well.
17. I think that would go a long way in better communication. Including for events like these. Even if people don't check, it definitely helps.

Central Office

09/06/2022

1. With the stepped rent, if the rent goes down because you're out of work, does it go back to where it was?
 - a. Yes at the end of the hardship period. And if the year mark goes by during that hardship period, it will go up to the old amount plus the stepped rent increase.
2. So for the local rental subsidy program, will you be moving homeless people over into your properties out here?
 - a. No, not with this initiative. We will contract with local agency sponsors to provide funding for them to help move their clients out of homelessness and into private market units or other safe settings. The existing supportive services preferences for our project-based voucher units will continue in our properties, but this local non-traditional rent program will specifically allow sponsors to subsidize other units and will not overlap with the existing preference for project-based vouchers.
3. That FSS change is attractive to me. The shift to where just paying my rent on time, that gets me \$250. I really appreciate that, and hopefully it'll encourage people to join FSS. It's a good program and it helped me. When is this expected to start?
 - a. We will be submitting the new FSS Action Plan for HUD approval, and hope to have that before the end of this year.
4. So, living at Larchmont Apartments, I have to do the same thing twice as far as recertifying. Why do I need to do that twice, recertifying with them and with you? Why can't they take your word for it?
 - a. They have to certify income for the NC Housing Finance Agency and IRS, and we have to certify it in connection with the separate HUD voucher program, and

the compliance requirements are different. Because you are using a voucher in a tax-credit property, unfortunately you have to do both. We have decided not to implement it this this year, but we're hoping to eventually implement once every three-year recertifications across the board. That won't totally remove the issue, but it could make it so you only need to recertify with us every few years.

5. It sounds really good—would be great for me and my family.

Deaverview Apartments

10/11/2022

1. Do I understand it right that you are switching some of the developments and making them Section 8?
 - a. No, we already did that several years ago with our RAD conversion. We are looking to improve upon certain developments, adding more units and expanding some of the facilities in them. The new properties will have Low-Income Tax Credits so there will be some technical changes, but everyone who lives in Deaverview now will still have the opportunity to live in the new buildings, so long as they comply with their lease.
2. I was wondering—so if you're in the homeownership program, you can't do MTW. What if you are in MTW and want to join the home ownership program?
 - a. Yes, that is correct. Please who are assigned to the stepped rent will still be able to join the Homeownership Program. Their tenant payment portion will be calculated under stepped rent rules, but they can still go through the process of training and credit score improvement and become homeowners. One of the reasons we're proposing the new Homeownership Payment Standards is because we actively want to invest in the success of that program for all interested families.
3. How many families will participate in this stepped rent study?
 - a. Our estimate is a 50-50 split between about 1000 families. We currently have somewhere around 3,000 households across the entire program, including all of the excluded vouchers and individuals, and of those, around a thousand are potentially eligible. From those thousand, approximately 500 will be randomly assigned to the control group, which will see basically no changes to their rent calculations, and the other 500 will be assigned to the Stepped Rent. In addition all new residents who are eligible to participate will also be randomly assigned.
4. So how will you know when people are making too much money if you're only recertifying people every three years?

- a. That's the purpose of the three-year recertification. We hope that people will report their income changes in between that time, but even if they don't, once every three years, we'll collect all of the income info and it won't have any effect on rent, but it'll tell us a little about how people are doing.
5. Do the families participating in the program have a counselor or anyone helping them turn in paperwork and stay on track? I don't think I can remember to turn all of that in every three years.
 - a. Yes, the Housing Support Specialist, who tenants are already familiar with working with currently regarding recertifications and updates. Those same folks will be the ones continuing to recertify you, they'll be sending you notices before you recertify and for the annual rent increases. You should still try to maintain a relationship with them, but as long as you check your mail regularly we'll send multiple reminders if necessary, and if you are still living in one of our properties, someone will come knock on your door.
6. So at the end of the six years, will the program be adopted and what happens to the MTW families if there is no adoption?
 - a. That's sort of the purpose of the study—to see if this is a viable model long-term for our families. Obviously, it's hard for us to say exactly what will happen at the end of the six years. It'll depend on how the study goes and what HUD and Asheville Housing decide at that time. It's definitely our hope the program is adopted long-term because, at least on paper, it looks like it'll have an overall benefit. Whatever the case, we'll definitely be advocating for the interests of all of our tenants.
7. I just have a comment: those landlord incentives are crucial, especially in Asheville. We are the only Section 8 apartment in our entire complex and every year, we're worried the landlord will kick us out so that they can charge more money for our unit to somebody else not on a voucher. Like, every year, it's a heart attack for us, and this last year, they went up like \$150 and thankfully, Asheville Housing could absorb that, but if they raise it too high, we'll have have no place to go. Last time I talked to one of you about that, you said I have the option to move, but I really don't except maybe to like somewhere closer to Greenville, or Central NC. And even then, there's all this stuff about porting and we still might not find anything. So we really need those incentives to get and keep the landlords on board.
 - a. It's definitely an issue we're aware of, and that's why we started doing the landlord incentives. It's also a big reason we're pushing for the 120% Fair Market Rent Payment Standards. This is a ridiculously competitive market and we don't know when or if that will get better, so we're trying every idea possible to give everyone more of a chance.

8. You say you're increasing the Homeownership Voucher to 140% of the [Fair] Market Rents—can I ask what they're at now?
 - a. Currently 120%, and that's not guaranteed to stay there from year to year. We're hoping to change that with the Homeownership proposal in this years plan.

Resident Advisory Board Meeting

Central Office – 10/18/2022

Note: The Resident Advisory Board meeting covered both the annual PHA Plan and the MTW Supplement. Most comments were related to Asheville Housing general operations, not the MTW Supplement, so they were attached as Resident Advisory Board Comments to PHA Plan generally. They are reprinted here as well.

The Resident Advisory Board met at the Central Office at 6:00 PM on October 18, 2022. David Nash reviewed the highlights of the 2023 Annual Plan and MTW Supplement. Advisory Board members provided the following questions and comments:

1. What is the purpose of the PHA Plan and where does it go?

Response: The PHA Plan is our strategic plan submitted each year to HUD. It is based on a more detailed 5-Year Plan and outlines progress made toward accomplishment of the 5-Year goals and objectives. Now that we are an MTW agency, the MTW Supplement is part of the PHA Plan. When the MTW Supplement is approved by HUD, we can proceed with those policy innovations.

2. When the Resident Council is cleaning out recently vacated apartments they are seeing some serious pest infestations, including both bedbugs and roaches. If the Housing Authority moves too quickly with the unit turnaround, new residents will still have pest issues when they move in. The apartment and others around it really need to be thoroughly treated. Can the Housing Authority do something about that?

Response: Yes, that fits under Goal 3 of the PHA Plan – to make sure that our communities are safe, secure and inviting places for our residents to live, and we'll discuss with management and maintenance staff to make sure those thorough treatments happen.

3. Hillcrest residents expressed appreciation for installation of speed humps on one street. They are still needed on another. The signs for the crosswalks and other communication with residents has really improved the double-parking situation. And the residents who've been there more than five years have been able to get paint to paint their apartments. That's all been really good. Is the paint option for long term residents available in other properties?

Response: Yes, we'll discuss that with the managers and make sure they are all providing it consistently.

4. Could we get those speed humps installed in Deaverview?

Response: Yes, we can look into similar speed humps in Deaverview as part of the replacement reserve budget next year. In other properties, the City owns the streets, so we have to make such requests to them.

5. Residents of Altamont and Bartlett identified a need for increased security.
Response: We are currently expanding security staff at Aston Park, and they will have access to cameras at Altamont and Bartlett. We'll make sure the residents have a way to call security if there is an immediate issue.
6. Southside residents asked for an electrical outlet with the improvements that are being made in Erskine near the City playground. That would help with cook-outs and would keep us from having to run extension cords into the apartments.
Response: We can look into that and see if it is possible.
7. A Southside resident commented that managers need to walk the properties, build relationships with the residents, and address the issues they see, like they used to do when she was growing up.
Response: That is what we currently expect from all managers as part of customer service and property management, so we will reinforce the expectation and hold staff accountable.
8. Asheville Housing also agreed to look into these management requests/suggestions:
 - a. Deaverview mentioned the old \$25 fine for trash outside a unit. Bringing that back would make a difference by making sure that each resident takes the initiative to get things cleaned up.
 - b. Southside requested a more detailed monthly statement of outstanding charges to better track how payments are applied.
 - c. Hillcrest asked about cleaning the DOT interstate footbridge and fixing the lock on the back gate at Hillcrest to allow resident access but reduce trespassing.
 - d. The Resident Council has requested transfer or use of vehicles in the past and needs Asheville Housing to follow through. There are a lot of residents who need transportation, and vehicles parked at the Central Office. They had an assigned van, and it was taken from them.
9. Asheville Housing also agreed to follow through with these maintenance requests from residents:
 - a. Altamont requested attention to recurring roof leaks and recently broken glass in the entryway
 - b. Bartlett Arms asked for installation of a sharps container to cut down on needles
 - c. Deaverview requested replacement of missing or damaged roll-out garbage cans, and regular pressure washing of the buildings as we did at Pisgah View this year.
10. Several concerns also were raised about safety and security at Maple Crest Apartments, and we agreed to hold a separate meeting to gather a list and share it with the management company for that property.

Public Hearings on the 2022 PHA Plan and MTW Supplement

October 26, 2022

These public hearings were scheduled by publication in the Asheville Citizen-Times on September 1, 2022 to be held at Maple Crest Apartments at 6:00 PM on October 26, 2022. Because the Board of Commissioners determined there would not be a quorum for their regular meeting on that date, they designated by unanimous consent **David Nash**, in his capacity as Secretary of the Board, to preside over the public hearings as scheduled. Commissioner **Roy Harris** also attended the public hearings.

1. Public Hearing on the 2023 Annual PHA Plan.

David Nash, Secretary of the Board of Commissioners, opened the Public Hearing on the 2023 Annual PHA Plan at 6:00 pm with a short presentation summarizing the elements of the plan.

Public Comment: None

There being no further public comments, the public hearing was closed at 6:09 pm.

2. Public Hearing on the 2023 MTW Supplement to the PHA Plan.

David Nash, Secretary of the Board of Commissioners, opened the Public Hearing on the 2023 MTW Supplement PHA Plan at 6:10 pm with a short presentation summarizing the elements of the MTW Supplement.

Public Comment:

██████████, a resident of Maple Crest Apartments, asked how this would affect the residents at Maple Crest. Will we be able to participate in any of it?

Response: Maple Crest residents with project-based or tenant-based vouchers will be able to participate in much of this. Everyone will be able to utilize the new FSS program, for example, taking advantage of the advantages there to accrue escrow and train for some new skills. For families who are not elderly or disabled, there's the possibility of being assigned to participate in the stepped rent. Maple Crest residents who have or choose to request a tenant-based voucher, you have the benefit of the landlord incentives and increased payment standards, and there will be the simplifications of your verification process at recertification. Finally, for those who choose to pursue homeownership, the agency-specific waiver to expand that program will be very beneficial as well.

There being no further public comments, the public hearing was closed at 6:20 pm.

3. Public Hearing on the Agency Specific Waiver Regarding HCV Homeownership.

David Nash, Secretary of the Board of Commissioners, opened the Public Hearing on the Agency Specific Waiver regarding HCV Homeownership at 6:21 pm with a short presentation summarizing the proposed agency specific waiver.

Public Comments: None

There being no further public comments, the public hearing was closed at 6:29 pm.

Asheville Housing Authority
2023 MTW Supplement – Public Process
Agency Analysis of Public Input

Asheville Housing’s public process has been extensive, starting before development of the MTW Supplement documentation with two resident input sessions in August 2022. We mailed letters to all tenant-based and project-based voucher holders informing them of those meetings. After the draft 2023 MTW Supplement was prepared and posted, we held three additional public input sessions in September and October 2022. On October 18, 2022, we presented the plan to the Resident Advisory Board and received and incorporated their comments. On October 26, 2022, we held three formal public hearings on the 2023 PHA Plan, the MTW Supplement and the Agency Specific Waiver.

There were recurring themes in the input we received and when we had discretion to adjust policy, resident questions and comments significantly impacted the development of the policy in several important ways:

1. Residents continued to support the innovations approved in our 2022 MTW plan, especially the stepped rent, which will help them better support their families as working residents. This continued positive response from residents, who live with the current rent structure every day, affirms that we are on the right track with this policy, currently set to begin implementation in January 2023.
2. Residents expressed concerns about the difficulty finding an apartment to lease with a tenant-based voucher in the voucher program. We responded with housing choice innovations including the 2023 proposal to permanently authorize payment standards of up to 120% of the HUD Fair Market Rent. We also pointed out the landlord incentives initiative approved in our 2022 MTW Supplement. Residents reaffirmed that these housing choice incentives are crucial for the success of families seeking to rent on the private rental market.
3. Residents were very interested in the HCV Homeownership program and supported innovations to make it more effective, including expanding the payment standards for homeownership to a higher level than 120% and the ability to use funding flexibly for down payment assistance. These comments helped to shape our Agency Specific Waiver for HCV Homeownership. That is a key wealth building initiative, focused on shifting the rental subsidy from HAP payments to a structure that truly builds equity for our families, especially for those who are black, indigenous and other people of color, who need support to overcome the multi-generational wealth gap they experience in our community.

Asheville Housing leadership and staff are truly grateful to all residents and others who participated in the public process. Honest and collaborative dialogue directly impacted our policy design in large and small ways, and the end result is definitively better as a result.

Public Hearings on the 2022 PHA Plan and MTW Supplement

October 26, 2022

These public hearings were scheduled by publication in the Asheville Citizen-Times on September 1, 2022 to be held at Maple Crest Apartments at 6:00 PM on October 26, 2022. Because the Board of Commissioners determined there would not be a quorum for their regular meeting on that date, they designated by unanimous consent **David Nash**, in his capacity as Secretary of the Board, to preside over the public hearings as scheduled. Commissioner **Roy Harris** also attended the public hearings.

1. Public Hearing on the 2023 Annual PHA Plan.

David Nash, Secretary of the Board of Commissioners, opened the Public Hearing on the 2023 Annual PHA Plan at 6:00 pm with a short presentation summarizing the elements of the plan.

Public Comment: None

There being no further public comments, the public hearing was closed at 6:09 pm.

2. Public Hearing on the 2023 MTW Supplement to the PHA Plan.

David Nash, Secretary of the Board of Commissioners, opened the Public Hearing on the 2023 MTW Supplement PHA Plan at 6:10 pm with a short presentation summarizing the elements of the MTW Supplement.

Public Comment:

██████ **Taylor**, a resident of Maple Crest Apartments, asked how this would affect the residents at Maple Crest. Will we be able to participate in any of it?

Response: Maple Crest residents with project-based or tenant-based vouchers will be able to participate in much of this. Everyone will be able to utilize the new FSS program, for example, taking advantage of the advantages there to accrue escrow and train for some new skills. For families who are not elderly or disabled, there's the possibility of being assigned to participate in the stepped rent. Maple Crest residents who have or choose to request a tenant-based voucher, you have the benefit of the landlord incentives and increased payment standards, and there will be the simplifications of your verification process at recertification. Finally, for those who choose to pursue homeownership, the agency-specific waiver to expand that program will be very beneficial as well.

There being no further public comments, the public hearing was closed at 6:20 pm.

3. Public Hearing on the Agency Specific Waiver Regarding HCV Homeownership.

David Nash, Secretary of the Board of Commissioners, opened the Public Hearing on the Agency Specific Waiver regarding HCV Homeownership at 6:21 pm with a short presentation summarizing the proposed agency specific waiver.

Public Comments: None

There being no further public comments, the public hearing was closed at 6:29 pm.

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

Acting on behalf of the Board of Commissioners of the Moving to Work Public Housing Agency (MTW PHA) listed below, as its Chairperson or other authorized MTW PHA official if there is no Board of Commissioners, I approve the submission of the MTW Supplement to the Annual PHA Plan for the MTW PHA Fiscal Year beginning (01/01/2023), hereinafter referred to as "the MTW Supplement", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the MTW Supplement and implementation thereof:

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

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

Housing Authority of the City of Asheville

NC007

MTW PHA NAME

MTW PHA NUMBER/HA CODE

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

Tilman Jackson

Board Chair

NAME OF AUTHORIZED OFFICIAL

TITLE



11/16/2022

SIGNATURE

DATE

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