

PHA Name : Asheville

PHA Code : NC007

MTW Supplement for PHA Fiscal Year Beginning : (MM/DD/YYYY): 1/1/2024

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 2024 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 2024, Asheville Housing will continue these MTW Activities proposed and approved in its 2022 and 2023 MTW Supplements.

- 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 began enrollments on January 1, 2023 for recertifications with a June 1 effective date. It is set to conclude its enrollment period on May 31, 2024.
- 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 new FSS Awards-based model began enrollments in June of 2023.
- 2022-3 – Self Certification of Assets: This simplification and cost effectiveness measure was 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 was implemented concurrently with the stepped rent study in January 2023.
- 2023-1 – Payment Standards – Fair Market Rents: This housing choice initiative established 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 ensures 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.

This Agency-Specific Waiver is still pending final approval from HUD, but will be implemented as soon as it is received.

- 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.

We also will submit these new MTW Activities for approval and implementation in 2024. Details of these new policy proposals are included in this 2023 MTW Supplement.

2024-1 - Triennial Recertifications for Non-Study Households: This amendment to one of the waivers already granted for 2022-1 will expand triennial reexaminations to all households not participating in the Stepped Rent Study, allowing for a greater degree of cost effectiveness by reducing staff workload and administrative burden.

2024-2 - Work Requirement: This initiative will increase self-sufficiency by creating a minimum threshold for employment to a notable percentage of families receiving assistance as well as offering additional employment-seeking resources to households both subject and not subject to the requirement.

2024-3 - Local Non-Traditional Activity – Housing Development Program: This amendment to the waiver granted for 2023-4 will expand housing choice for families seeking to secure long-term ownership of their homes in an increasingly difficult housing market where financial and institutional barriers prevent them from accessing quality housing units despite qualifying for Homeownership assistance with their vouchers. By purchasing, renovating, and building units specifically for the purpose of then selling to these households, they will receive more favorable terms and fewer obstacles to building generational wealth and stability.

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)	Currently Implementing
c. Rent Reasonableness – Process (HCV)	Not Currently Implemented
d. Rent Reasonableness – Third-Party Requirement (HCV)	Currently Implementing
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)	Not Currently Implemented
d.HCV Modify or Eliminate the Contract of Participation (HCV)	Currently Implementing
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)	Plan to Implement in the Submission Year
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	Currently Implementing
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)****Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

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, rent is not tied to income. 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.

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

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

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 are 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 are set at the family's next recertification date after study implementation, which began with recertifications scheduled to go into effect June 1, 2023. Depending on the circumstances, a hardship adjustment is available (see Stepped Rent Hardship Policy). The initial total tenant payment for new applicants from the waiting list is 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 Asheville Housing 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, Asheville Housing 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 Asheville Housing 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.

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

Self-sufficiency

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

Neutral (no cost implications)

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

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

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies only to selected family types

Please select the family types subject to this MTW activity.

Non-elderly, non-disabled families

Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?

The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers

Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.

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.

Asheville Housing began the implementation of Stepped Rent with Recertifications and New Admissions effective June 1, 2023 onward. The rollout has thus far been successful, with residents completing their random assignments and enrollments into the study, QC of Stepped Rent recertifications showing minimal issues, and a study consent rate consistently over 80%. We anticipate these trends to continue through the end of the enrollment period.

Does this MTW activity require a hardship policy?

Yes

This document is attached.

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

Yes

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

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

Reexamination Schedule for Households (HCV)

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

No

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

6.00

How many hardship requests were approved?

6

How many hardship requests were denied?

0

How many are pending?

0

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

No

Does the MTW activity require an impact analysis?

Yes

This document is attached.

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

Yes

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

1.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); 12.b. - Work Requirement (HCV)

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

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 are 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 are set at the family's next recertification date after study implementation. 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 upload a document that presents the stepped rent schedule in the form of a table.

This document is attached.

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

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

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)

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

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

Initial rents for families assigned to the Stepped Rent Study Group do not exceed 28% of a family's adjusted income or \$50 minimum rent, whichever is greater. This is 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.

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

Self-sufficiency

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

Neutral (no cost implications)

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

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

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies only to selected family types

Please select the family types subject to this MTW activity.

Non-elderly, non-disabled families

Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?

The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers

Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.

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.

Retrospective income and the 28% TTP have not posed any significant administrative issues for staff, and the latter has resulted in a modest decrease in automatic hardship adjustments for recertifying Stepped Rent Households.

Does this MTW activity require a hardship policy?

Provided Already

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

No

Does the MTW activity require an impact analysis?

Provided Already

What percentage of income will equal the Total Tenant Payment (TTP)?

28.00%

What is the income basis for calculating Total Tenant Payment?

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)

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

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

Asheville Housing Authority has adjusted 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 serves 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.

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

Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

As the payment standards prior to implementation of this waiver were themselves increased due to two successful

requests to increase FMR since 2019 along with approval to use the 50th Percentile Rents based on our low success rate using the standard HUD FMR, the waiver was utilized to extend this increased standard, allowing Asheville Housing to avoid a potential backslide in viability in voucher usage by our families.

Does this MTW activity require a hardship policy?

Yes

This document is attached.

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

No

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

No

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

No hardship were requested in the most recent fiscal year.

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

No

Does the MTW activity require an impact analysis?

Provided Already

Please explain the payment standards by FMR:

See Attachment 4.

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

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

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.

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

Cost effectiveness

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

Neutral (no cost implications)

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

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

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies to all family types

Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?

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.

The waiver has been successfully implemented, creating a modest streamlining in the Rent Reasonableness process and easing some administrative burden.

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

No

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

See Attachment 5.

This document is attached.

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

See Attachment 5.

No document is attached.

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

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

Asheville Housing MTW Activity No. 2024-1 – Triennial Recertifications for Non-Study Households

Asheville Housing will expand its current waiver (see Asheville Housing MTW Activity No. 2022-1 – Stepped Rent Study below) to allow triennial reexaminations of income for all households not exempted under the STRD Study. This waiver will serve the statutory goal of increasing cost effectiveness by reducing the administrative burden of completing annual recertifications for the majority of households currently receiving assistance.

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

Every three years, we will 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.

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

Cost effectiveness; Self-sufficiency

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

Neutral (no cost implications)

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

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

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies only to selected family types

Please select the family types subject to this MTW activity.

Non-elderly, non-disabled families

Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?

The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers

Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.

Original activity applied to non-exempt households selected via randomized assignment to the Stepped Rent Study Group, specifically those assigned to the Stepped Rent Group.

The expanded activity will apply to all household previously exempted from the study enrollment and new admissions moving forward.

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

As this is the first year of implementation for the Stepped Rent, benefits of the reduced workload from not recertifying Stepped Rent Households, or the paused recertifications for non-study households, will not be apparent until June of 2024.

We anticipate a marked reduction in administrative burden after this point.

Does this MTW activity require a hardship policy?

Yes

This document is attached.

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

No

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

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

Yes

What is the status of the Safe Harbor Waiver request?

The waiver was previously approved.

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

The previously approved Safe Harbor Waiver has allowed for a more streamlined process for families in need of hardships to have them processed without a need for as much income documentation, as well creating an easily understood threshold for what will constitute an income-based hardship and what will not. For staff, it has simplified the processing of these requests by allowing for an easy check between current income and rent burden.

Does the MTW activity require an impact analysis?

Provided Already

What is the recertification schedule?

Once every three years

How many interim recertifications per year may a household request?

2 or more

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

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 and Attachment 6 for additional circumstances and hardship remedies.

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

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

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

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

In doing so, the agency has alleviated 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 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 is required to satisfy verification requirements for the family.

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

Cost effectiveness

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

The waiver has made for a modest reduction in delays on recertifications for the purpose of verifying asset income, reducing the burden on families that would need to provide it and on staff needing to verify it.

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

No

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

\$50,000.

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

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

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

To incentivize new and continued participation from landlords in an increasingly difficult market, Asheville Housing authorizes a series of additional payments to individual landlords outlined below. These payments are 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 was 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 is 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 is paid to the landlord after the next HAP contract is executed between the owner and

Asheville Housing.

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

Housing choice
What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today. Neutral (no cost implications)
Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households? The MTW activity applies to all assisted households
Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation. This incentive has yet to be requested by any of Asheville Housing's landlords. We intend to make additional efforts to advertise this incentive going into 2024 as a means to continue furthering Housing Choice options for our residents.
Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described? No
Does this policy apply to certain types of units or to all units all HCV units or only certain types of units (for example, accessible units, units in a low-poverty neighborhood, or units/landlords new to the HCV program?) To all units
What is the maximum payment that can be made to a landlord under this policy? The vacancy payment is equal to no more than one month of the new contract rent and is prorated if the vacancy period is less than one month
How many payments were issued under this policy in the most recently completed PHA fiscal year? 0
What is the total dollar value of payments issued under this policy in the most recently completed PHA fiscal year? \$0

4.b. - Damage Claims (HCV-Tenant-based Assistance)
Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative Asheville Housing MTW Activity No. 2022-4 – Landlord Incentives
To incentivize new and continued participation from landlords in an increasingly difficult market, Asheville Housing has authorized a series of additional payments to individual landlords outlined below. These payments are 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 was 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.

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

Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

Asheville Housing issued four damage claim payments in 2023, comprised of three individual landlords and one apartment complex. The individual landlords were particularly meaningful: while apartment complexes and other large-scale business landlords are capable of housing large quantities of tenants, it is our individual landlords with only one or two units to rent who represent some of the greatest opportunities for our residents to experience positive quality-of-life changes and personal rental relationships. This group is also one of the least likely to rent to our tenants again after a poor experience, and this mitigation allowed for us to combat that stigma and create future opportunities with these valuable community partners.

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

No

Does this policy apply to certain types of units or to all units all HCV units or only certain types of units (for example, accessible units, units in a low-poverty neighborhood, or units/landlords new to the HCV program?)

To all units

What is the maximum payment that can be made to a landlord under this policy?

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

How many payments were issued under this policy in the most recently completed PHA fiscal year?

4

What is the total dollar value of payments issued under this policy in the most recently completed PHA fiscal year?

\$8,773

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

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

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

To incentivize new and continued participation from landlords in an increasingly difficult market, Asheville Housing has authorized a series of additional payments to individual landlords outlined below. These payments are 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 was updated to reflect these landlord incentive policies.

Landlord Incentives – Incentives are 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 previous two years.

- a. Each incentive payment will be equal to \$1000.
- 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.

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

Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

As of submission date, 63 incentive payments have been completed to a total of 59 different landlords, 27 of whom were brand new to the program. These represent 63 individual new units brought into the program with each new landlord carrying the potential to become a long-term partner in assisting our households.

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

No

Does this policy apply to certain types of units or to all units all HCV units or only certain types of units (for example, accessible units, units in a low-poverty neighborhood, or units/landlords new to the HCV program?)

To all units

What is the maximum payment that can be made to a landlord under this policy?

Each individual payment will be equal to \$1,000. There is 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

How many payments were issued under this policy in the most recently completed PHA fiscal year?

63

What is the total dollar value of payments issued under this policy in the most recently completed PHA fiscal year?

\$63,000

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

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

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.

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

Cost effectiveness

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

Decreased expenditures

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

The MTW activity applies to all assisted households

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

Due to staffing shortages, Asheville Housing has been delayed in implementation of this waiver, but intends to utilize it as soon as a qualified candidate is hired.

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

No

Please explain or upload the description of the quality assurance method:

Following will explain the quality assurance method

See Attachment 7 for quality assurance method.

This document is attached.

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

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

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

Contract of Participation. Asheville Housing developed a 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 at 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.

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

Self-sufficiency

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

The modified FSS Contract has been positively received by FSS Participants and staff as it has been gradually implemented. Current FSS Participants are continuing to be moved to either the new Contract or to the modified awards-based model, or else graduated from the program, and reporting will be updated following the first full year of implementation.

Does this MTW activity require a hardship policy?

No

No document is attached.

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

No

Does the MTW activity require an impact analysis?

No

No document is attached.

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

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

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

Escrow Accounts. Asheville Housing has changed 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 are awarded based on specific accomplishments, rather than calculation of income and rent. This change makes 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, 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.

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

Self-sufficiency

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

As of submission date, 27 new FSS Participants have enrolled into the new awards-based model. Nine existing participants elected to convert from the traditional model to the awards-based one, and one of these individuals has successfully graduated the program. We consider these numbers to be a promising start for the first year of implementation.

Does this MTW activity require a hardship policy?

No

No document is attached.

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

No

Does the MTW activity require an impact analysis?

No

No document is attached.

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

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

12.b. - Work Requirement (HCV)

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

Asheville Housing will implement a Work Requirement for eligible households, mandating a minimum of 15 hours per week per eligible household member over the age of 18. This will not apply to elderly/disabled households, households in which the sole eligible adult or the primary caretaker to at least one child under six years of age, households receiving assistance under a Special-Purpose Voucher, or households enrolled in the Stepped and Tiered Rent Demonstration. This waiver will increase self-sufficiency by creating a minimum threshold for employment to a notable percentage of tenants receiving assistance, as well as offering additional employment-seeking resources to households both subject and not subject to the requirement.

See Attachment 8 for Additional Policy Provisions as well as the Hardship Policy.

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

Self-sufficiency

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

Neutral (no cost implications)

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

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

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies to all family types

Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?

The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers

Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.

The waiver will not apply to households for which one or more of the following applies:

- i. Head of Household qualifies as Elderly or Disabled under HUD's current definitions.
- ii. Head of Household is the primary caretaker for a child or children under the age of six. Adults who are classified as full-time students may request an exemption from the requirement.
- iii. Special-Purpose Voucher Household (including HUD-VASH, Emergency Housing Vouchers, Mainstream, Non-Elderly Disabled, Enhanced Vouchers, and Homeownership).
- iv. Households currently participating in the STRD Study.

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

N/A

Does this MTW activity require a hardship policy?

Yes

This document is attached.

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

No

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

No

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

No hardship were requested in the most recent fiscal year.

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

No

Does the MTW activity require an impact analysis?

Provided Already

Does the work requirement MTW activity exempt any type of household or individual other than those required to be excluded through the MTW Operations Notice or those excluded as a reasonable accommodation?

Yes

Please describe the conditions for exemption.

The Work Requirement will not apply to households for which one or more of the following applies:

- i. Head of Household qualifies as Elderly or Disabled under HUD's current definitions.
- ii. Head of Household is the primary caretaker for a child or children under the age of six. Adults who are classified as full-time students may request an exemption from the requirement.
- iii. Special-Purpose Voucher Household (including HUD-VASH, Emergency Housing Vouchers, Mainstream, Non-Elderly Disabled, Enhanced Vouchers, and Homeownership).
- iv. Households currently participating in the STRD Study.

What counts as "work" under this the work requirement MTW activity?

Gainful employment averaging 15 hours or more per week per eligible household member over the age of 18. This may come from one employer, or several, and hours worked by different household members may be added together to constitute the household average.

A minimum of nine credit-hours (or equivalent if using a non-credit-based institution) at an accredited university, community college, technical college, or active enrollment in a jobs training or high school equivalency program may serve as an acceptable substitution for the minimum employment threshold. This must be renewed on an annual basis and will apply only to Head of Household or their spouse.

Households that are self-employed and properly report income from their active business will also be considered in compliance without attestation of specific hours worked.

How will the MTW agency monitor compliance with the work requirement MTW activity?

In order to meet the Safe-Harbor requirement of six months of notice prior to the sanction policy for non-compliance, implementation is expected to take place no earlier than June 1, 2024. Assuming this date, a program-wide mail-out will be made to all assisted households during the month of December 2023. This timing will also prevent the possibility of cross-communication for New Admission households into the program who may potentially be eligible for the STRD Study, but would otherwise have the Work Requirement apply.

During the month of April 2024 (or roughly 60-90 days prior to the implementation date), non-exempt households currently listed as working fewer than 15 hours per week will receive a follow-up notice informing them that Asheville Housing's records show them as currently in non-compliance with the new Work Requirement, and listing available options before their initial Action Period is scheduled to begin on June 1st.

Upon entering non-compliance status with the Work Requirement (defined as a non-exempt household failing to report a cumulative minimum of 15 hours per week of work, or a sufficient substitute), the household will enter an Action Period of three calendar months, beginning the first of the month following confirmation of the status.

During the Action Period, the household will continue to receive subsidy while they attempt to regain minimum employment or an acceptable substitute. They may also complete Unit Transfers, receive Utility Assistance, request Reasonable Accommodations, and generally utilize all voucher privileges as usual during this time.

The Action Period may be extended an additional three months if the household enrolls in the Family Self-Sufficiency Program or to receive assistance from Residence Services prior to the expiration of the initial Action Period. If the household enrolls early in the period, or if they are already actively enrolled in FSS, the six-month period will be granted from the outset. Households may also utilize a different supportive service, such as the VA, County, or a similarly resourced local agency, and may request to have this agency counted under the condition that they can provide written verification of active enrollment and participation, and as subject to Director Approval.

An additional three-month extension may be available if the tenant continues to demonstrate consistent and diligent effort to obtain employment or a suitable substitute and have just not been successful. This would need to be requested in writing, be accompanied by written verification from the supportive services representative working with the household attesting to their continued efforts, and subject to Director Approval.

What supportive services are offered to support households to comply with the work requirement?

Asheville Housing will aid all assisted households seeking employment or an acceptable substitute via Residence Services and the Family Self-Sufficiency program. These services will be available to all households regardless of whether they are in compliance, not in compliance, or exempt from the Work Requirement altogether.

Services will include but not be limited to: screening and addressing current barriers to employment, access to computers and internet on-site to assist in applications, resume and cover-letter writing, interview strategies, networking, and agency referrals. Asheville Housing may also provide on-site services at some of our developments for households needing childcare assistance in order to work or seek work.

Households may also pursue supportive services from other local agencies or providers. In order for these services to qualify for the extension of the Action Period for households in non-compliance status, the household will need to provide written verification from the provider confirming active enrollment and participation. This verification will be submitted to one of the Directors of the Housing Choice Voucher Program, and only qualify if approved. Participation with another provider will not preclude the household from also utilizing assistance provided by Residence Services or FSS.

How does the agency address noncompliance with the work requirement policy?

Failure to comply will result in three warnings over a three month period of time. After three months of non-compliance, tenants will be subject to eviction. The household's voucher assistance will be terminated with appropriate notice and opportunity for an appeal hearing with the Directors of the Housing Choice Voucher Program.

How many households are currently subject to the policy?

0

How many households in the most recently completed PHA fiscal year were sanctioned for non-compliance with the work requirement?

0

17.a. - Rental Subsidy Programs

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

Asheville Housing MTW Activity No. 2023-3 – LNT– 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.

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

Self-sufficiency

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

Due to a recent shift Board-approved shift in the Memoranda of Agreement with Asheville Housing's partner agencies, the original initiative for 2023-3 was delayed in implementation.

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

No

Does the MTW activity apply to all LNT units/properties?

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
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17.c. - Housing Development Programs

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

Asheville Housing MTW Activity No. 2024-3 – LNT– Homeownership Development Program

Asheville Housing has already received conditional approval for use of MTW Funding to acquire, renovate, and build affordable units for low-income families (see original text below). This activity will amend that previous initiative to also include specific utilization towards the purchasing, renovation, and building of units specifically for our Homeownership Program. This waiver adjustment will serve the statutory goal of increasing Housing Choice by reducing the barriers between low-income households that have met all requirements to qualify for Homeownership but struggle to procure quality long-term homes at affordable rates in an increasingly competitive housing market.

All original designations and commitments will remain in effect, including compliance with PIH Notice 2011-45, section 30 of the 1937 Housing Act, and the awarding of any funds to third-party contractors through a competitive process. No more than 10% of the annual HAP budget will be cumulatively spent on this and all other LNT projects altogether, and all households benefiting through this waiver will meet the HUD definition of low-income (income at or below 80% of AMI).

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.

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

Self-sufficiency; Housing choice

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

Neutral (no cost implications)

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

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

Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?

New admissions and currently assisted households

Does the MTW activity apply to all family types or only to selected family types?

The MTW activity applies to all family types

Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?

The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers

Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.

Homeownership Voucher Participants, 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.

Due to unexpected setbacks in securing the additional funding necessary beyond the HAP funding granted by the original waiver, construction processes have been delayed on the initial Deaverview project outlined in 2023-4. Current intentions are to begin construction in 2024, pending the securing of alternative funding sources.

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

No

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

Name of Development and Address	MTW Role: Acquisition, Rehabilitation, New Construction?	Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other	Number of Affordable Units	Total Number of Units	Number of Units by Affordability - 80% of AMI	Number of Units by Affordability - 50% of AMI	Number of Units by Affordability - 30% of AMI	Number of Units by Affordability - Other
Pisgah View Redevelopment - Phase 1	New Construction	Pre-development costs	0.00	0.00	0.00	0.00	0.00	0.00
Gaston Street Apartments	New Construction	Construction costs	3.00	3.00	3.00	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
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Housing Development Programs that the MTW Agency spent funds on in prior Fiscal Year

Name of Development and Address	MTW Role: Acquisition, Rehabilitation, New Construction?	Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other	Number of Affordable Units	Total Number of Units	Number of Units by Affordability - 80% of AMI	Number of Units by Affordability - 50% of AMI	Number of Units by Affordability - 30% of AMI	Number of Units by Affordability - Other
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D.	Safe Harbor Waivers.
D.1	<p>Will the MTW agency submit request for approval of a Safe Harbor Waiver this year?</p> <p>No Safe Harbor Waivers are being requested.</p>

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, flexibilities beyond those provided for in Appendix I may be needed. Agency-Specific Waivers may be requested if an MTW agency wishes to implement additional activities, or waive a statutory and/or regulatory requirement not included in Appendix I.</p> <p>In order to pursue an Agency-Specific Waiver, an MTW agency must include an Agency-Specific Waiver request, an impact analysis, and a hardship policy (as applicable), and respond to all of the mandatory core questions as applicable.</p> <p>For each Agency-Specific Waiver(s) request, please upload supporting documentation, that includes: a) a full description of the activity, including what the agency is proposing to waive (i.e., statute, regulation, and/or Operations Notice), b) how the initiative achieves one or more of the 3 MTW statutory objectives, c) a description of which population groups and household types that will be impacted by this activity, d) any cost implications associated with the activity, e) an implementation timeline for the initiative, f) an impact analysis, g) a description of the hardship policy for the initiative, and h) a copy of all comments received at the public hearing along with the MTW agency's description of how the comments were considered, as a required attachment to the MTW Supplement.</p> <p>Will the MTW agency submit a request for approval of an Agency-Specific Waiver this year?</p> <p>No Agency-Specific Waivers are being requested.</p>
E.2	<p>Agency-Specific Waiver(s) for which HUD Approval has been Received:</p> <p>Does the MTW agency have any approved Agency-Specific Waivers?</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
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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.
Has the MTW agency established a rent reform policy to encourage employment and self-sufficiency? Yes	

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?
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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.	

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 2024 Impact Analysis – Stepped Rent and Payment Standards

This impact analysis covers all aspects of Asheville Housing Authority’s 2024 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
- 2024-1 - Triennial Recertifications for Non-Study Households
- 2024-2 Work Requirement

These agency-specific waiver requests included 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
- 2024-3 – 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 the policies implemented in the 2022 MTW Supplement, at least \$200,000 in additional tenant payments are estimated by the end of 2023, reducing agency HAP expenses for those families. This is primarily attributable to an increase in our minimum rent from \$27 to \$50 for all program participants. After the first year of stepped rent implementation, which began with recertifications effective June 1, 2023, 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

and non-study families, which will offset increased MTW-related staffing expense increases as well as costs associated with expanding FSS and Resident Services in anticipation of implementing the new work requirement in June of 2024.

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 made the rent significantly more affordable for families who were already working and have high deductions for dependents and/or child care.

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

The work requirement, which families involved in the Stepped Rent Study are exempted from until the conclusion of the six-year study period, should further these gains by bringing more families into the workforce. The 15-hour per week per eligible household member over the age of 18 threshold is not considered burdensome, meaning households that comply with it at a minimal level will be able to enter the workforce without immediately over-burdening themselves with suddenly increased rent, while maintaining that employment over time will increase long-term opportunities for advancement and self-sufficiency.

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 have made it easier for our families to compete in the private rental and homeownership markets, so we expect there 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 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.

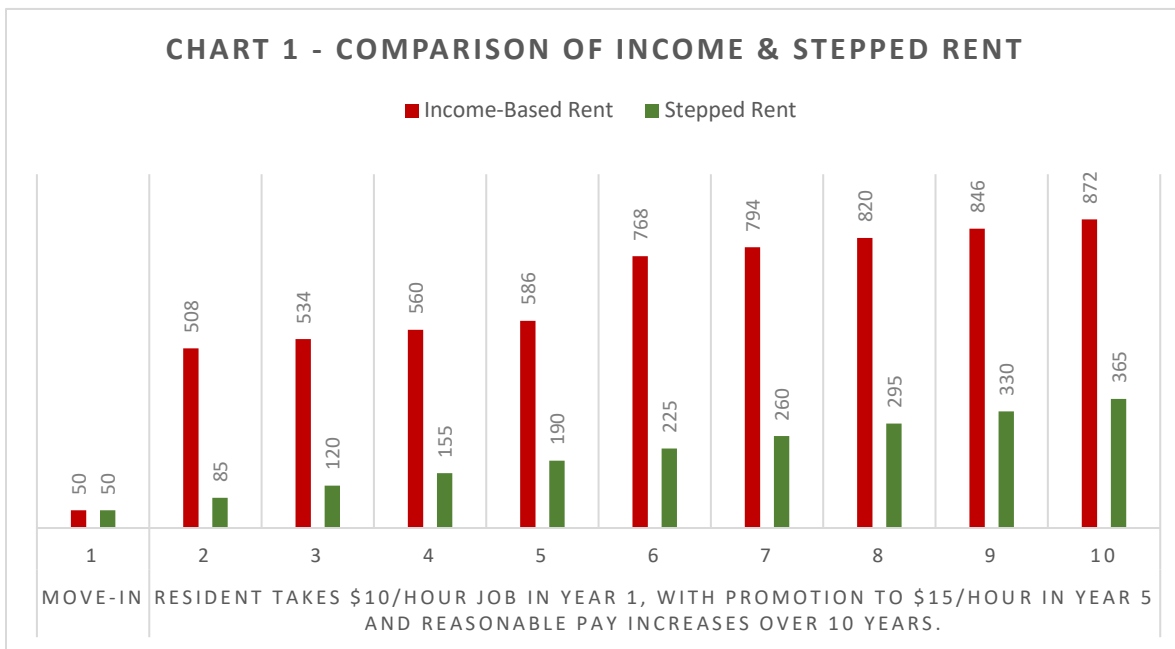
Self Sufficiency: The traditional income-based rent creates a significant barrier for families who want to join the work force. In listening sessions over several years, we have identified consistent messages from our residents. The most essential is that 30% of adjusted gross income results in a rent 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 have developed 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.

Families entering the work force under the work requirement will also be able to take advantage of many of these opportunities. While it is recognized that they will not receive the same advantage of going to work without a concern for their rent being immediately increased, the combination of the low, 15-hour-per-week per household threshold and the triennial recertification schedule will mean that the rent-cliff effect on these households will be minimized, as those not in compliance will be able to take job opportunities at relatively small amounts to start and build their income, savings, and work histories over time.

The stepped rent policy and the implementation of triennial recertifications for non-study households 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, and encourage residents to access supportive services, including the expanded Resident Services that will be available to all residents regardless of whether or not they will be subject to the work requirement.

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 helps 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 is supported by our 2024 Housing Development Program proposal to utilize HAP funds for the purchase, renovation, and building of Housing units for new participants in our Homeownership program. By increasing the housing stock for these families, and providing it to them with more favorable rates and terms than they might otherwise find in the highly competitive and increasingly expensive market in Buncombe County, the opportunity for them to secure long term housing that builds generational wealth is greatly increased.

Housing choice is also supported by our 2023 proposals to increase payment standards up to 120% of the Fair Market Rent. These higher payment standards make our families more competitive in the rapidly rising rental and homeownership markets. The landlord incentives approved in 2022 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 and non-study households. 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, and through the new work requirement.

- *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 (which commenced with recertifications effective June 1), we successfully avoided a large number of specific hardship requests by implementing the automatic transition hardship adjustment. As of October of 2023, 376 families were enrolled into Stepped Rent. Of those, 53 qualified for the automatic hardship, representing only 14% of Stepped Rent Households, and only five have requested extensions of their initial hardships. While these numbers are admittedly from early in the process, they are well below expectations.

We do expect a modest increase in hardship 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 and non-study households. 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 MTW Activities proposed in 2023 and 2024. For payment standards flexibility, we do not anticipate any significant number of hardships, because we set our payment standards at or near the upper limit so our families can be competitive in the local market.

For triennial recertifications for non-study households, we intend to maintain a policy of not picking up income on an interim basis except under very specific circumstances (see Hardship Policy for 2024-1). As such, we do not anticipate hardship requests for this activity.

A separate Hardship Policy has been drafted for the Work Requirement allowing for case-by-case considerations for those who are making an effort to comply with its requirements, but are experiencing significant barriers. This combined with the low threshold for minimal working hours per household, three-month Action Period to reach compliance, and generous extension policy should result in minimal hardship circumstances following implementation.

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 are 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 as well as the 2024 Housing Development Program for Homeownership.

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 are set at the family’s next recertification date after study implementation. 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.

In 2023, MTW flexibility allowed 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

In 2024, MTW flexibility allows payment standards within these ranges:

MTW Payment Standard Range					
	OBR	1BR	2BR	3BR	4BR
2023 FMR	1,428	1,496	1,680	2,160	2,851
80%	1,142	1,196	1,344	1,728	2,280
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. 2024-1 – Triennial Recertifications for Non-Study Households

Waivers approved:

- MTW Activity 3.b. - Alternative Reexamination Schedule

Asheville Housing will expand its current waiver for MTW Activity 3.b. (see Asheville Housing MTW Activity No. 2022-1 – Stepped Rent Study) to allow for triennial reexaminations of income and household composition for all households not exempted under the Stepped and Tiered Rent Demonstration. This waiver will serve the statutory goal of increasing cost effectiveness by reducing the administrative burden of completing annual recertifications for the majority of households currently receiving assistance.

Additional Policy Provisions

- Exemptions.** Triennial reexaminations will apply to all households receiving assistance from Asheville Housing with the exception of those assigned to the Standard Rent, or Control Group, of the STRD Study. These households will continue annual reexaminations until the conclusion of the study period in 2029, after which, they will be placed on a triennial schedule in a manner that will maintain an approximate balance of total reexaminations between each year in the cycle.
- Implementation.** In order to avoid conflict with the STRD Study screening process, implementation will be delayed until at least June 1, 2024 so that there will be no overlap with the initial enrollment period.

For the first 12 months of implementation (June 2024-May 2025), there will be a pause on all non-exempted annual reexaminations. For the following twelve months (June 2025-May 2026), approximately one-third of total non-exempt households—a total which will include Stepped Rent households that were already placed on a triennial schedule the year before—will receive their first reexamination on the triennial schedule. For the following twelve months (June 2026-May 2027), another third which includes all households on Stepped Rent will recertify. Finally, in the last twelve months (June 2027-May 2028), the remaining third will recertify.

- Interim Adjustments.** Households may continue to request an Interim reexamination of income at any time. This will not replace the Triennial reexamination, nor will it affect the scheduling of the triennial reexamination at any point.

- d. Unit Transfers.** In instances where a non-exempt Tenant-Based Voucher household completes a Unit Transfer, the processing of the transfer will include and constitute a Triennial reexamination. This will hold whether they are a Project-Based Voucher household completing a Tenant Mobility Voucher move into a TBV unit or a TBV household moving to another TBV unit (even if that includes a change in voucher type, such as to Homeownership). Households that complete this process will have their next reexamination scheduled for the first of the anniversary month three years after the transfer's effective date.

PBV households transferring to another PBV unit will continue to not include a reexamination, or update to the next scheduled reexamination date.

- e. Zero Income Households.** Should a household reach Zero Income status prior to either a Triennial or Interim reexamination, Asheville Housing will monitor the household's income status using a quarterly review of EIV. When the household's income status changes, either as shown on EIV or per the household's own reporting on the matter, the income will be picked up via Interim adjustment with an appropriate 30 days' notice of the change. At this point, the household will cease to be in Zero Income status, and monitoring will be discontinued.

In instances where a household repeatedly enters and exits Zero Income status within a short period of time, suggesting a pattern of deliberately manipulating the Interim adjustment policy to artificially minimize rent responsibility while still receiving income, Asheville Housing reserves the right to limit the household to one interim adjustment per year if the household's gross income has decreased 10% or more, in keeping with Safe Harbor Provisions. This limitation will not apply if no such pattern is apparent.

Households with extended Zero Income status which are not subject to the Work Requirement Policy detailed Asheville Housing MTW Activity 2024-2 will not be terminated because they are Zero Income under this policy.

Waiver requested: MTW Activity 3.b. - Alternative Reexamination Schedule

Statutory Objective(s): Cost Effectiveness

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 – Alternative Reexamination Schedule

Interim Reexaminations. As a matter of current policy, Asheville Housing does not typically pick up new income in between regularly scheduled reexaminations except in cases of fraud or unless they come with an addition to household.

Under this policy, that will remain largely remain the case such that following an Interim adjustment, the household’s rent portion will not increase again until the triennial reexamination except under the following circumstances:

- i. The household reached Zero Income status as a result of the income change precipitating the Interim adjustment, and has since regained income in such a manner as to remove the Zero Income status (see section e. under “Additional Policy Provisions” above).
- ii. The household adds a new member with income.
- iii. A change in the household’s deductions, such as with the passing of an elderly family member or a child turning 18 and losing dependent status.
- iv. A change in Payment Standard, Utility Allowance, or Gross Rent occurring out of cycle with the Triennial reexamination.
- v. The household requests in writing that increased income be picked up prior to Triennial Recertification.

Any Interim adjustment in which the household’s rent portion will increase will include a minimum 30 days’ notice of the change.

Note that these guidelines will not necessarily apply to Stepped Rent households, which will still recertify on a triennial basis, but will be governed under the Hardship Policy outlined in Asheville Housing MTW Activity 2022-1.

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. 2024-2 – Work Requirement

Asheville Housing will implement a Work Requirement for eligible households, mandating a minimum of 15 hours per week per eligible household member over the age of 18. This will not apply to elderly/disabled households, households in which the sole eligible adult or the primary caretaker to at least one child under six years of age, households receiving assistance under a Special-Purpose Voucher, or households enrolled in the Stepped and Tiered Rent Demonstration. This waiver will increase self-sufficiency by creating a minimum threshold for employment to a notable percentage of tenants receiving assistance, as well as offering additional employment-seeking resources to households both subject and not subject to the requirement.

Additional Policy Provisions:

a. Exemptions. The Work Requirement will not apply to households for which one or more of the following applies:

- i. Head of Household qualifies as Elderly or Disabled under HUD’s current definitions.
- ii. Head of Household is the primary caretaker for a child or children under the age of six. Adults who are classified as full-time students may request an exemption from the requirement.
- iii. Special-Purpose Voucher Household (including HUD-VASH, Emergency Housing Vouchers, Mainstream, Non-Elderly Disabled, Enhanced Vouchers, and Homeownership).
- iv. Households currently participating in the STRD Study.

If a household previously covered under one of these exemption requirements has a change in circumstance such that they no longer qualify for exemption, the Work Requirement will subsequently apply and the household’s Action Period will begin on the first of the month after the change is verified (or in line with the effective date of the 50058 Action if change occurs in the course of triennial reexamination, Unit Transfer, etc.). Similarly, if a household’s circumstances change such that one of these exemptions would apply, the Work Requirement will immediately be suspended.

b. New Admissions. Within 3-6 months of signing their lease, households will become subject to the work requirement.

c. Action Periods. Upon entering non-compliance status with the Work Requirement (defined as a non-exempt household failing to report a cumulative minimum of 15 hours per week of work, or a sufficient substitute as defined in section (d) below), the household will enter an Action Period of three calendar months, beginning the first of the month following confirmation of the status.

During the Action Period, the household will continue to receive subsidy while they attempt to regain minimum employment or an acceptable substitute. They may also complete Unit Transfers, receive Utility Assistance, request Reasonable Accommodations, and generally utilize all voucher privileges as usual during this time.

The Action Period may be extended if the household enrolls in the Family Self-Sufficiency Program or to receive assistance from Residence Services prior to the expiration of the initial Action Period.

An additional three-month extension may be available if the tenant continues to demonstrate consistent and diligent effort to obtain employment or a suitable substitute and have just not been successful. This would need to be requested in writing, be accompanied by written verification from the supportive services representative working with the household attesting to their continued efforts, and subject to Director Approval.

- d. Substitutions for Employment.** A minimum of nine credit-hours (or equivalent if using a non-credit-based institution) at an accredited university, community college, technical college, or active enrollment in a jobs training or high school equivalency program may serve as an acceptable substitution for the minimum employment threshold. This must be renewed on an annual basis and will apply only to Head of Household or their spouse. Households that are self-employed and properly report income from their active business will also be considered in compliance without attestation of specific hours worked.
- e. Non-compliance.** Failure to comply will result in three warnings over a three month period of time. After three months of non-compliance, tenants will be subject to eviction. The household's voucher assistance will be terminated with appropriate notice and opportunity for an appeal hearing with the Directors of the Housing Choice Voucher Program.
- f. Implementation.** In order to meet the Safe-Harbor requirement of six months of notice prior to the sanction policy for non-compliance, implementation is expected to take place no earlier than June 1, 2024. Assuming this date, a program-wide mail-out will be made to all assisted households during the month of December 2023. This timing will also prevent the possibility of cross-communication for New Admission households into the program who may potentially be eligible for the STRD Study, but would otherwise have the Work Requirement apply.

During the month of April 2024 (or roughly 60-90 days prior to the implementation date), non-exempt households currently listed as working fewer than 15 hours per week will receive a follow-up notice informing them that Asheville Housing's records show them as currently in non-compliance with the new Work Requirement, and listing available options before their initial Action Period is scheduled to begin on June 1st.

- g. Supportive Services.** Asheville Housing will aid all assisted households seeking

employment or an acceptable substitute via Residence Services and the Family Self-Sufficiency program. These services will be available to all households regardless of whether they are in compliance, not in compliance, or exempt from the Work Requirement altogether.

Services will include but not be limited to: screening and addressing current barriers to employment, access to computers and internet on-site to assist in applications, resume and cover-letter writing, interview strategies, networking, and agency referrals. Asheville Housing may also provide on-site services at some of our developments for households needing childcare assistance in order to work or seek work.

Households may also pursue supportive services from other local agencies or providers. In order for these services to qualify for the extension of the Action Period for households in non-compliance status, the household will need to provide written verification from the provider confirming active enrollment and participation. This verification will be submitted to one of the Directors of the Housing Choice Voucher Program, and only qualify if approved. Participation with another provider will not preclude the household from also utilizing assistance provided by Residence Services or FSS.

Waiver requested: MTW Activity 12.b. – Work Requirement (HCV – Tenant-Based Assistance)

Statutory Objective(s): Self Sufficiency

Cost Implications: Increased expenditures

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 – Work Requirement

Action Periods. As a matter of course, households found in non-compliance with the Work Requirement will be given a three-month Action Period in which to regain employment, procure an acceptable substitute, or otherwise demonstrate a circumstance qualifying the household for an exemption. An additional three-month extension will be offered should the household sign up for assistance with Residence Services, the Family Self-Sufficiency program, or another agency (verification and Director approval required for the lattermost option to qualify).

In the event that at the conclusion of this six-month Action Period, the household has still been unable to secure adequate employment to meet the minimum threshold for compliance, the household may apply for an additional three-month extension. This request will need to be submitted in writing and be accompanied by a written statement from a representative of the program or agency with which the household has been working attesting to the consistent efforts over the Action Period to secure said minimum employment. Supplemental documentation, such as copies of submitted applications or additional statements from other providers, may also be submitted. Further extensions of the Action Period will be granted at the discretion of the Directors of the Housing Choice Voucher Program only after these minimum requirements have been met.

Pending Disability. For those seeking a determination in disability status, Asheville Housing will apply a temporary suspension of the Work Requirement pending the determination. Upon successful verification that the household has applied for disability benefits, the work requirement will be suspended for a period of either twelve months, or the time until the households next scheduled reexamination (whichever is shorter). Upon expiration of the suspension, the household will be required to either provide updated documentation showing that disability status is still pending, verification that a new application has been submitted and is pending, or proof of employment meeting minimum requirements or an acceptable substitute. In the former two cases, a new suspension will be put into place. Inability to do so will result in the commencement of the Action Period.

For cases where a household demonstrates a clear pattern of repeatedly gaining and losing employment or applying and reapplying for disability benefits despite repeated rejections for not meeting disability criteria, in such a manner to be judged as manipulating the hardship policy and Action Periods to artificially minimize rent responsibility for the household, extensions to the Action Period may be withheld at the discretion of the Housing Support Specialist assigned to the Household. Such withholdings may be appealed to the Directors of the Housing Choice Voucher Program in writing within 10 days of receipt of notification from the Specialist. Notifications will include instructions on how to file said appeals.

Appeals. In the event that a household's assistance is terminated for failure to comply with the Work Requirement, the household may appeal the termination using the procedures already in place for terminations of assistance. The household will need to request in writing a hearing with

the Directors of the Housing Choice Voucher Program within ten days of receipt of the termination notice. A hearing will then be scheduled within two weeks of the request submission. Following the hearing, a decision will be made by the Directors as to whether the termination will be upheld or overturned. If upheld, the voucher will remain terminated and the household will be required to re-apply to receive assistance in the future.

If overturned, the household will remain on the program. If at the decision point, the household is still not in compliance with the Work Requirement, a new three-month Action Period will commence on the first of the month following the decision.

2024 MTW Supplement – Resident Input Sessions

Deaverview Apartments

07/25/2023

1. So I'm going to ask up front—I have a 17-year-old disabled child. Is this program or any of what your talking about here going to affect us? Because you're talking about a work requirement, and I don't know that I can necessarily handle that and take care of my kid at the same time.
 - a. That makes sense. I will say that the requirement specifically doesn't apply to cases of a disabled head of household or their spouse. I think we could always look at considerations for disabled needs for children. There's definitely going to be a hardship policy in place so that we can have space to work with special cases like yours.
2. I think that's important. It's not that I don't want to work. I just can't right now.
 - a. Understood. And it's good for us to be aware of circumstances like that.
3. For your idea to build houses for people, are going to be offering three- or four-bedroom houses?
 - a. Yes, we're interested in all sizes. The Homeownership Program is available to anyone who qualifies regardless of bedroom size, and we'll want to address the needs for all of the different sizes of household we might encounter. Obviously, this is early stages, there might be some zoning restrictions or space limitations where two-beds might be easier to place in one spot, three-beds in another, etc., but we're interested in pursuing all of it.
4. What about townhouses? Have you all considered building some of those?
 - a. It's definitely an option. Remember that the idea is to buy existing units to rehabilitate, as well as to build brands new. One idea that's been thrown around is possibly some duplexes with shared yards and maybe utility water, though of course still owned by the household. We're basically looking to tackle homeownership from all possible angles.
5. How about five bedrooms? I went out to a realtor in Alexander to try and find one, and we just plain couldn't. I'm paying \$3,000 a month to rent a four-bedroom right now, and it took forever to even find that. Everybody wants to push three-bedrooms, but I have too many kids for that.
 - a. Five-bedrooms aren't outside of the realm of possibility. Again, it might be trickier. That takes a lot of space just in terms of land. I know there are a small number—maybe two or three—on the rental program right now, but there aren't that many on the market, especially with a voucher, I'm sad to say. As far as

building one goes though, I can't promise anything for sure, but if it's a need for one of our Homeownership tenants, that's kind of the entire point of this waiver—to try and meet your needs and increase your Housing Choice options.

6. Can I just say, I love the idea of doing the recertifications every three years. I know you need to do them, but they're such a pain, and I just really support that.
 - a. Thank you. It's a pretty popular idea with our staff as well.
7. I remember back in 2007, you all had a work requirement, and it didn't really work. You need to put in something to really get people working. Maybe help people go into a field or a craft and really learn it.
 - a. So we're doing a little of that right this moment—not tied to this actual work requirement, but we're doing a trainee program where we're hiring residents for different positions with the Housing Authority with training. Painters, Grounds Crew, General Labor.
8. I love that idea. So they're volunteering for that, and then getting certified or something?
 - a. Not volunteer. Our idea for it is to pay people. They are full-on jobs.
9. That's great.
 - a. Separately of that, we're also expanding our Resident Services and FSS program to help people with getting training, and with getting jobs. We're not interested in the Work Requirement to put people out. We want to also give them resources to meet it.

Klondyke Homes

08/01/2023

1. I have a question about the Homeownership part. So the Housing Authority is going to purchase and rebuild some houses and sell them to the residents at low cost?
 - a. That is the general idea. We would take some of our HAP reserves and use that to build, purchase, and rehabilitate. Might be that we buy some land to build on, might be that we fix up some fixer-uppers, but that's the idea. If anyone here is in the Homeownership Program, you'll know that it's not usually a very quick option—we tend to quote that it can be about five years for most people to get their credit scores and savings and everything else to be where it needs to be. Building will still take time, but our hope is that it'll lower some of the barriers for people who go through all of this, but would still otherwise have a lot of trouble finding a quality home to purchase.

2. So, I hear this, and I'm thinking about how there's this entire project going on where we're building units at Deaverview. Would it be possible to maybe sell some of those apartments to the residents as condos?
 - a. I'll be honest, I have never thought about that option. I think it would likely not be possible, since those units are specifically earmarked for project-based housing. The idea behind that is that the voucher lives with that particular unit, and that as people leave that unit, whether because they HAP out or move onto a tenant-based voucher, or pass away, or move, we can then move another family in. We wouldn't necessarily want to take one of those off of the market like that. The idea here, however, is that we have a lot of empty housing stock here in Buncombe County—we've all seen them—the idea is that we can use our fund to buy and turn them over to our residents.
3. So where is this money coming from? Is this just money that Housing has tucked away?
 - a. So these are HAP reserves. The short explanation is that we have a certain amount of funds set aside that we are required to have on hand should they be needed. Now, we have this and we need to keep a certain amount on hand, but we don't necessarily need to keep the amount on hand that we currently have. This waiver does carry a limit on how much of those funds we can use. It's 10%. So we can't spend more than 10% of our reserves between this and our other Local, Non-Traditional Activities, but that is still money sitting there that we are hoping to put into this project.
4. I think that three-year recertification sounds great.
 - a. Thank you, yes. The hope is it's less paperwork for all of you, less for us, and just better for everyone all around. And it'll also free us up to spend more time serving all of you when needed, talking to landlords, developing those relationships.
5. I have a question. I'm in the Family Self-Sufficiency Program, and I have a job right now, and I'm thinking of quitting because I'm just not physically able to do it. How would that affect my voucher, and how would that work with this requirement you're doing?
 - a. So there's a lot of mitigating factors involved with that. I'm assuming that if you're in FSS, you're probably not in the Stepped Rent Study, so you would be subject to the Work Requirement. If you were to quit your job, to keep your voucher, you would need either work on finding on a new one, or an appropriate substitute, like maybe going to school or getting some training. Now, you say you can't physically do the job you're in now, so an option for you might be to use the services provided by FSS to find something that maybe suits you better physically. I don't want to assume what that would be, but I want to say that the resources would be there. We want you to be able to work, and to do so comfortably.

6. I have a question about the three-year recertifications. I know people who can't keep a job even two months. How would that work for people like that, who are always losing them?
 - a. Honestly, it kind of depends. We can't just throw in triennial recertifications and do nothing else. The way it works right now, if somebody recertifies in say, September, and they're working, and then say six months later they lose the job and report it to us, we'd remove the income, and they'd pay the reduced rent for the next six months until the following recertification where we'd look at their income again. Obviously, we don't want that to happen with the triennial recerts, since that could mean that that same person could lose their job and pay the minimum rent for two-and-a-half years even if they start working again. Now, some of that will be handled by the checks on the work requirement for the people who aren't exempted from it—they'll already be flagged and we'll be working with them. For others who are exempted because of maybe being on a special purpose voucher or something like that, we'll be checking in periodically if they're in our system as Zero-Income, and picking up their income if they do start receiving Social Security or wages or something along those lines. It won't be the entire process of recertification, but it will be something.

7. So on the Work Requirement, how many hours are you looking at for people?
 - a. So we have some options with that, and we're definitely interested in input on it. The Safe Harbors for this waiver give us certain maximums we can work with. Their numbers are no more than 15 hours per eligible individual in the household, or 30 hours per household in total, and both of those are per week. Our current idea is to do just 15 hours per household total. So that could look like one person working 15 hours, or maybe two people, one working ten the other working five, but the point is that it's 15 hours minimum to be in compliance. Our logic is that gives people more flexibility if say you have one person who works and another who stays home to provide childcare. If you think that should be higher or lower or maybe per household, we're interested in knowing.

8. That sounds okay, but I have a question: would you need everybody in the house to have a job?
 - a. Not if we go by the household rule. If we do go by the individual rule, then yes, all eligible adults would need to be working. Ineligible adults would be someone who is maybe elderly or disabled, or a full-time student. We obviously know there are households where a head isn't disabled or elderly and could maybe work, but they have an 18-year-old in college, or an elderly parent living with them. Head of household would be subject to it, but the student or elderly person wouldn't. And if we go by the household rule, then it's just adding up between all of the adults in the household. Could be one person, or all of them.

9. So I don't know about this idea of the Stepped Rent.

- a. Could you elaborate on that?
10. I don't know about it. You said in your presentation that it's a thing you're trying out with this study. But you don't know how it's going to work for everybody, and you want to do it for everybody.
- a. That is the idea, yes. On paper at least, we definitely think that Stepped Rent has the potential to do a lot of good for people, and we are running a study to test it against the normal way we've been doing rent calculations. Are you saying that you don't want it to expand to other people outside of the study?
11. I just think that if you're testing it out, I'd want to see how it works before you just do it across the board. How long is this study supposed to be?
- a. Six years.
12. I just don't know. I'm not saying you should wait for six years to do anything, but you haven't even been doing it for a year yet, right? My neighbor just started in it, and she says nothing's different for her right now. I just think maybe you should wait a year or two, just to see if it's a disaster, you know?
- a. That's much appreciated. There's certainly no reason we have to implement it across the board this year. Can I ask if anyone else has strong thoughts on that?
13. I think there isn't any harm in letting it go for another year. I just found out what this was today, and it sounds good, but if it's so new and untested, I kind of want to see what happens before I just dive into it.
- a. Okay, thank you for that.

Pisgah View Apartments (Residents Advisory Board)

08/16/2023

- 1) So for that Homeownership Program, what goes into qualifying for that? Can Senior Citizens go into it?
- a. Yes, absolutely. If it's something you're interested in, after the meeting I can provide you with the contact information of the person who heads up that program. But yes, senior citizens on the voucher program could absolutely be eligible for it. It's open to anyone receiving assistance and willing to undertake the process of it.
- 2) Is that true even if you're fixed income?
- a. Yes. Now the process for someone in that situation might look different than it would for someone working or looking to work, but it's different for everyone.

Some people start with higher credit scores or more or less savings than others, and it can affect your starting point. But for eligibility, yes, fixed income does not exclude you.

- 3) I just got my Section 8 voucher—you all call it tenant-based—could that apply to the Homeownership Program?
 - a. Sort of. It's a different program technically, and the way to kind of explain it is that you're using your voucher assistance to be paid over to you to use towards a mortgage rather than paying it to the development or to a private market landlord. People with tenant-based vouchers as well as people in the developments can qualify for it, but it is its own program with its own qualifications. And I want to be clear, this waiver we're discussing here is not to establish Homeownership—that already exists, and I can give anyone interested the contact info to look into it. The waiver is explicitly for using HAP Reserves for the building and rehabbing of units for participants in Homeownership.

- 4) I have a question. What is the able-bodied age range that Moving to Work focuses on for this study?
 - a. Do you mean for qualifying for the Stepped Rent Study, or for the new Work Requirement?

- 5) For entry into the study.
 - a. Sure, so that is any adult head of household age 18 to 56.

- 6) So you talk about using reserves for helping the residents. How much do you all have in reserves?
 - a. So I'll be honest and say that I don't have those exact numbers in front of me. I'd be happy to forward it over to our Controller and see if I can get a correct number for you. Please just give me your contact information before the meeting is over.

- 7) So you said in your presentation that you're thinking about expanding the Stepped Rent, but didn't you also say that it's being studied?
 - a. That's correct. We really like the way that it looks on paper, and really liked the idea of expanding it beyond just the Study Group that we're working with. That said, we're open to hearing if that's something you all think is a good idea or a bad one.

- 8) I just don't know. It seems a little early. I just got enrolled in it the other day, and I'm still not all the way sure that I get how it works.
 - a. Sure, that makes sense. And to be clear, it isn't decided yet. Some feedback that we got on one of our previous sessions was that Stepped Rent is still technically "untested" so to speak. A suggestion was made to maybe wait a year and see how it works for more people before implementing it across the board.

- 9) How long is the study for? And when did it start?
- a. We began implementing it in June of this year, and it's supposed to go on for six years.

- 10) So, I definitely agree with the idea to hold off for at least a few years. Because you just started getting everyone's feet wet with it this year, maybe you give it another year to really figure out how it's going, and then maybe you start putting it through for everybody after three years? Does that make sense? Just to make sure that it works and it's good for people. Six years sounds like a long time, but three doesn't sound too bad.
- a. Thank you for that. So you'd prefer that we hold off on the Stepped Rent across-the-board for a year or two?

- 11) I would.
- a. Okay, thank you.

- 12) I think the triennial recerts are a really good idea because it makes everything a lot more predictable and you're not just changing peoples' rents every year. It was really great when the Housing Authority moved over to recertifying just once a year instead of making us come in a report changes every time they happen and upping the rent immediately because we got a job or whatever. I think this will really help people build some stability and get ahead. And after three years, they'll be able to get savings together and maybe move out of housing, or if not, stay there and be fine.

The other thing, and this is my last point I want to make. With your Work Requirement, I think 13 is a good age for exempting people who have to take care of their kids, because that's a good transition point for going from someone being a kid to a young adult, and going younger, like five or six, they wouldn't be able to handle the childcare part. So 13 is a great cut off.

- a. Thank you. The logic behind doing 13 when HUD only requires age six is because that's the cut off for receiving deductions for childcare, so it made sense to us to use it.

Altamont Apartments (Board of Commissioners Meeting)

08/23/2023

No comment was given by either the Public or the Board of Commissioners following the presentation of the 2024 proposed MTW Waivers.

**Asheville Housing Authority
2024 MTW Supplement – Public Process
Agency Analysis of Public Input**

Asheville Housing’s public process for the 2024 MTW Supplement began with the mailing of notices to all tenant-based and voucher-based residents in July of 2023 informing them of four scheduled input sessions, each taking place at a different project-based housing development. The first was held at Deaverview Apartments on July 25, 2023 followed by one at Klondyke Homes on August 1, 2023. All sessions were open to the public, however the latter two, held at Pisgah View Apartments on August 16, 2023 and Altamont Apartments on August 23, 2023, coincided with the monthly meetings of the Resident Advisory Board and the Board of Commissioners, respectively.

The proposed MTW Waivers included in the posted drafts, as well as presented in the meetings included: triennial recertifications for all non-study households; a work requirement; a local non-traditional activity to use HAP funds for the building, purchasing, and rehabilitation of units for our Homeownership Program; and expanding Stepped Rent to all new admissions and non-study, non-elderly/disabled households.

These meetings also contained a presentation of new Administrative Plan changes presented and commented on separately from the MTW Waivers.

The following observations weighed heavily into Asheville Housing’s final considerations for the 2024 Supplement:

1. Attitudes were mixed on the proposal to apply Stepped Rent beyond the STRD Study Participants. While not outright resisting the idea as a whole, participants seemed to feel that it would be best to wait at least a year for Stepped Rent to be applied beyond the initial study enrollments. Based on this feedback, Asheville Housing elected to rescind the Activity with the intention to revisit the subject in 2025 or 2026.
2. Triennial recertifications were universally popular. Some concern was voiced about how Asheville Housing might handle situations for residents who are frequently experiencing changes in income. While addressed in session with admittance that the current policy of not picking up interim income may prove problematic should a resident use it to pay minimum rent for an extended period of time, and that some degree of monitoring in concert with the work requirement will be necessary, this discussion weighed into the crafting of the policy as it would apply to residents who reach Zero Income status.
3. The Work Requirement received some concern, primarily around the number of hours required for compliance and the need for some Supportive Services. There was no notable resistance to the idea or criticism of the use of the use of FSS and Resident Services to assist those in non-compliance with locating suitable employment. One

resident who was an FSS participant concerned that her current employment was not physically bearable responded positively to being informed that FSS could potentially assist her with finding something more sustainable. This affirmed to us that an emphasis on these supportive services will be critical to the successful implementation of this initiative.

4. Residents continue to have extremely positive responses to the Homeownership Program. A discussion in the first input session yielded an affirmation of the need for diverse housing stock, as different residents expressed interest in three, four, and five-bedroom units, as well as townhouse-style homes. Given the increasingly expensive and gentrified market in Buncombe County which has progressively priced out even our most economically advantaged residents, this stated desire for a variety of unit sizes emphasized that as this new Housing Development Activity is implemented, there should be care to meet the needs of the individual residents as much as possible as they come aboard to the Homeownership Program.

Asheville Housing's leadership and staff wish to again express our thanks to all residents who participated in our public input process. It continues to shape and direct our priorities and our initiatives to serve this community in an honest, transparent, creative, and effective manner.

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.

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 (01/01/2024), 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).

Monique Pierre

President and CEO

NAME OF AUTHORIZED OFFICIAL

TITLE

Monique L. Pierre
SIGNATURE

11/1/2023
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.*