

# PHA Name : Medina Metropolitan Housing Authority

**PHA Code :** OH027

**MTW Supplement for PHA Fiscal Year Beginning :** (MM/DD/YYYY): 7/1/2024

**PHA Program Type:** Housing Choice Voucher (HCV) only

**MTW Cohort Number:** Asset Building

**MTW Supplement Submission Type:** Annual Submission

## **B. MTW Supplement Narrative.**

Through our participation in this MTW cohort, Medina Metropolitan Housing Authority (MMHA) plans to help set participants up for their positive financial ability and decisions for their futures. As described below, the Medina Metropolitan Housing Authority's overall vision for its Moving to Work (MTW) program focuses on the three statutory aims of the MTW Demonstration Program – cost effectiveness, self-sufficiency, and housing choice. We make mention below of our HUD approved asset building programs to a segment of our HCV families. These asset building programs, including access to banking, building of emergency savings, and financial coaching, has begun implementation in March 2024, as part of a significant amendment to PHA Plan 2023 per a Cohort Specific Waiver.

**Self-Sufficiency:** MMHA wants to support voucher-assisted tenants in enhancing their families' ability to meet their rent and utility payments but also to invest in their educational and employment needs with an eye towards stability and self-sufficiency. We want tenants to have the chance to be integrated into both private sector financial systems and non-profit credit repair and financial literacy services. Asset building and more cost-effective access to credit will help low-income families have a better financial buffer from unanticipated and expected expenses in their lives as well as to invest in their education, employment, health, training, transportation, etc.

Research has shown that financial coaching and asset building programs have had positive impacts on individuals' credit reports and scores. Some individuals moved into a lower credit score risk tier such that they became eligible for credit, often at cheaper rates. Those with the lowest scores had the most to gain in the improvement of their credit scores. Although increased incomes may not be the explicit or initial goal of these interventions and more robust study is needed, it is our hope that participants' average annual incomes will also increase over time.

**Housing Choice:** MMHA wants to help voucher-assisted tenants increase their housing choices, by virtue of helping them set up and increase their escrow accounts and assets as well as to set up and have good credit. We also see the range of interventions and activities in our proposal, as an effective approach for eviction prevention, housing stability and financial stability, because when households are engaged in costly financial services and instruments instead of the other sound measures and vehicles, they often find they do not have the money needed to pay their rent and/or utilities, water/sewer, and trash pick-up. Eviction records also have a substantial adverse impact on tenants' future housing choices.

**Cost Effectiveness:** Through increased escrow accounts and savings, MMHA hopes to help voucher-assisted tenants increase their on-time rent payments. We see the range of interventions and activities in our proposal as an effective approach to reducing the administrative costs associated with a series of communications and interventions that take place when renters are not current on their rent due to financial instability, insufficient savings and credit or improved credit. Our participation in this MTW cohort to set up and improve households' credit will also help improve families' successful leasing rates. If there are family circumstances that lead to reductions in hours worked or decreased income, without asset development and access to cost effective credit if needed, there could be an associated increase in potential late rent and/or utility payments, eviction, informal reviews, and hearings, etc. that we hope to reduce through the interventions described in our application.

MMHA also wants to further improve our partnership with our voucher-assisted tenants and local community organizations and institutions. We are interested in using our strengths, resources, and partnerships to ensure that we continue meeting the needs of the families we serve.

MMHA has a good history of managing our voucher programs with the available HAP from HUD each year. In the especially challenging years 2020 through the present due to COVID-19 and rapidly rising rental markets, the higher of our voucher lease-up and/or HAP budget utilization rate is conservatively estimated as an annual average for 2022 at 96.8 percent.

However, there are several challenges serving low-income tenants in our communities including a range of impacts on rental housing markets and utility cost inflation stemming in part although not entirely from COVID-19. The comparable private rental housing market data the Medina County shows that rents in April 2022 vs. April 2021 were 11 percent greater, which has been the case since September 2021.

Currently, MMHA does not have all the property owner partners that we could. Incentivizing property owners to take part in our voucher program through the MTW waivers and MMHA's activities described below will help us increase property owner participation and create more housing choice and affordability for voucher holders.

Perhaps compared to other parts of the country, there are a considerable number of single-family homes in Medina County's housing stock. Under the right set of conditions and actions, including utilizing the broader range of SAFMR-based payment standards as well utilizing the escrow account, asset development and rent and credit reporting interventions and partnering with other qualified partners as described in MMHA's proposal, we believe that we have unique challenges and opportunities to help provide accessibility and affordability for rent, lease to purchase and homeownership opportunities to greater numbers of our participants.

Well-calibrated voucher payment standards based on the increased SAFMR-based payment standards has helped MMHA maximize our ability to lease as efficiently and effectively as possible and achieve their other voucher program goals. In the past, MMHA has not received enough Housing Assistance Payment (HAP) funding to fully use the number of authorized vouchers. However, with the MTW expansion flexibility we have selected, including SAFMR-based payment standards, over time MMHA plans to have more cost-effective programs both in terms of rent subsidy and administrative costs that will allow us to serve more households and better serve their needs.

With high demand for affordable housing here in Medina County, it is important for MMHA to serve unassisted households to our full ability. Our existing practices will be enhanced with MMHA's future implementation of MTW flexibility activities, alternative reexamination schedule for households, and SAFMR-based payment standards with MTW flexibility, we believe that participation in HUD's MTW expansion will enable more households to become self-sufficient. By doing so, we will also be able to serve more unassisted households each year.

A combination of the cohort specific and MTW waivers and activities under HUD's MTW Operations Notice that we have selected for future implementation, safe harbor waivers, agency-specific waivers, and our current and future non-MTW activities, will enable MMHA to address the missing pieces and enable us to provide a more comprehensive approach to administering our voucher program. In doing so, we believe that we will be able to achieve a higher voucher lease-up rate all the way to 100 percent. If we can conduct this important goal with the benefit of being selected for HUD's Asset Building Cohort and MTW expansion authority, MMHA sees this as an opportunity for us to be awarded more vouchers in the future, so that we can better reach eligible unassisted applicant households.

**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).**

<b>1. Tenant Rent Policies</b>	
b. Tiered Rent (HCV)	Not Currently Implemented
d. Stepped Rent (HCV)	Not Currently Implemented
f. Minimum Rent (HCV)	Not Currently Implemented
h. Total Tenant Payment as a Percentage of Gross Income (HCV)	Not Currently Implemented
j. Alternative Utility Allowance (HCV)	Not Currently Implemented
l. Fixed Subsidy (HCV)	Not Currently Implemented
n. Utility Reimbursements (HCV)	Not Currently Implemented
o. Initial Rent Burden (HCV)	Currently Implementing
q. Imputed Income (HCV)	Not Currently Implemented
s. Elimination of Deduction(s) (HCV)	Not Currently Implemented
u. Standard Deductions (HCV)	Currently Implementing
w. Alternative Income Inclusions/Exclusions (HCV)	Not Currently Implemented
<b>2. Payment Standards and Rent Reasonableness</b>	
a. Payment Standards- Small Area Fair Market Rents (HCV)	Currently Implementing
b. Payment Standards- Fair Market Rents (HCV)	Not Currently Implemented
c. Rent Reasonableness – Process (HCV)	Not Currently Implemented
d. Rent Reasonableness – Third-Party Requirement (HCV)	Not Currently Implemented
<b>3. Reexaminations</b>	
b. Alternative Reexamination Schedule for Households (HCV)	Currently Implementing
d. Self-Certification of Assets (HCV)	Currently Implementing
<b>4. Landlord Leasing Incentives</b>	
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
<b>5. Housing Quality Standards (HQS)</b>	
a. Pre-Qualifying Unit Inspections (HCV)	Currently Implementing
b. Reasonable Penalty Payments for Landlords (HCV)	Not Currently Implemented
c. Third-Party Requirement (HCV)	Not Currently Implemented
d. Alternative Inspection Schedule (HCV)	Not Currently Implemented
<b>6. Short-Term Assistance</b>	
b. Short-Term Assistance (HCV)	Not Currently Implemented
<b>7. Term-Limited Assistance</b>	
b. Term-Limited Assistance (HCV)	Not Currently Implemented
<b>8. Increase Elderly Age (PH &amp; HCV)</b>	
Increase Elderly Age (PH & HCV)	Not Currently Implemented
<b>9. Project-Based Voucher Program Flexibilities</b>	
a. Increase PBV Program Cap (HCV)	Currently Implementing
b. Increase PBV Project Cap (HCV)	Currently Implementing
c. Elimination of PBV Selection Process for PHA-owned Projects Without Improvement, Development, or Replacement (HCV)	Currently Implementing
d. Alternative PBV Selection Process (HCV)	Currently Implementing
e. Alternative PBV Unit Types (Shared Housing and Manufactured Housing) (HCV)	Currently Implementing
f. Increase PBV HAP Contract Length (HCV)	Currently Implementing
g. Increase PBV Rent to Owner (HCV)	Plan to Implement in the Submission Year
h. Limit Portability for PBV Units (HCV)	Not Currently Implemented
<b>10. Family Self-Sufficiency Program with MTW Flexibility</b>	
a. HCV Waive Operating a Required FSS Program (HCV)	Not Currently Implemented
b. HCV Alternative Structure for Establishing Program	

Coordinating Committee (HCV)	Not Currently Implemented
c.HCV Alternative Family Selection Procedures (HCV)	Not Currently Implemented
d.HCV Modify or Eliminate the Contract of Participation (HCV)	Not Currently Implemented
e.HCV Policies for Addressing Increases in Family Income (HCV)	Not Currently Implemented
<b>11. MTW Self-Sufficiency Program</b>	
a.HCV Alternative Family Selection Procedures (HCV)	Not Currently Implemented
b.HCV Policies for Addressing Increases in Family Income (HCV)	Not Currently Implemented
<b>12. Work Requirement</b>	
b. Work Requirement (HCV)	Not Currently Implemented
<b>13. Use of Public Housing as an Incentive for Economic Progress (PH)</b>	
<b>14. Moving on Policy</b>	
a. Waive Initial HQS Inspection Requirement (HCV)	Currently Implementing
b.HCV Allow Income Calculations from Partner Agencies (HCV)	Not Currently Implemented
c.HCV Aligning Tenant Rents and Utility Payments Between Partner Agencies (HCV)	Not Currently Implemented
<b>15. Acquisition without Prior HUD Approval (PH)</b>	
<b>16. Deconcentration of Poverty in Public Housing Policy (PH)</b>	
<b>17. Local, Non-Traditional Activities</b>	
a. Rental Subsidy Programs	Not Currently Implemented
b. Service Provision	Not Currently Implemented
c. Housing Development Programs	Currently Implementing

**C. MTW Activities Plan that Medina Metropolitan Housing Authority Plans to Implement in the Submission Year or Is Currently Implementing**

<b>1.o. - Initial Rent Burden (HCV)</b>
<p><b>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</b></p> <p>Description:</p> <p>MMHA may waive the maximum family share at initial occupancy of 40% of the family's monthly income, but not to exceed 50% of their monthly income.</p> <p>Agency goals for MTW Activity:</p> <p>MMHA's goal for this activity is to increase family choice at initial occupancy by allowing households to pay more than 40% of their income towards rent for their initial occupancy. This may assist households choosing to move to relatively higher cost opportunity areas, and eligible applicant households leasing in-place who may have income to housing cost burdens of that are greater than 40% of income. Studies have also show that eligible applicant households' first move may involve higher income to house cost burdens, but after their initial year of occupancy with the benefit of voucher assistance their subsequent moves tend to be at relatively lower income to housing cost burdens an in areas with greater neighborhood opportunities for them.</p>
<p><b>Which of the MTW statutory objectives does this MTW activity serve?</b></p> <p>Self-sufficiency; Housing choice</p>
<p><b>What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</b></p> <p>Increased expenditures</p>
<p><b>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of</b></p>

**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.**

Fully implemented 7/1/2023. This waiver has been utilized by a few families thus far in the current fiscal year and provided a path for these families to utilize a voucher to lease up an apartment that a landlord would have leased to a non-HCV family.

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

No

**Does the MTW activity require an impact analysis?**

Provided Already

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

50.00%

**1.u. - Standard Deductions (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****Description:**

For the following households, MMHA proposes replacing the expense deductions in Activity: 1.s. Elimination of Deduction(s) described above with the following standard expense deductions:

- the head of household, co-head, and/or spouse is elderly or disabled,
- the only current income in the household is fixed income (e.g., social security, pension), and
- there are no minors in the household.

In determining adjusted income, for elderly/disabled households, MMHA must deduct \$700 from annual gross income of record. This single deduction accounts for both medical/disability expenses as well as the former elderly/disabled household allowance. The \$700 elderly/disabled household deduction will be tied to inflation and applied at triennial reexamination effective dates for each fixed-income household when the inflation adjusted elderly/disabled household deduction reaches an increase of \$25, that increased increment will be added to the deduction and applied to their gross income.

This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus.

To the extent a household's medical/disability expenses (defined below) exceed \$2,000, they may file a hardship.

Medical / Disability Expenses: (i) Unreimbursed medical expenses of any elderly family or disabled family; and (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed.

**Agency goals for MTW Activity:**

MMHA's goal with this activity for all parties involved, is a simpler method to calculate tenant rent and to eliminate original and third-party documentation for two out of the three years of triennial reexaminations.

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

Cost effectiveness
<b>What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</b> Neutral (no cost implications); Decreased expenditures
<b>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</b> The MTW activity applies only to a subset or subsets of assisted households
<b>Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?</b> New admissions and currently assisted households
<b>Does the MTW activity apply to all family types or only to selected family types?</b> The MTW activity applies only to selected family types
<b>Please select the family types subject to this MTW activity.</b> Elderly families; Disabled families (to the extent those families are not exempt via a reasonable accommodation)
<b>Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?</b> The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers
<b>Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.</b> This activity applies to all tenant-based units and properties with project-based vouchers.
<b>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.</b> This waiver was fully implemented on 7/1/23. This waiver has greatly reduced administrative burden for both HCV clients and MMHA HCV staff. Many of the HCV clients that MMHA serves are either aged or disabled. Virtually all these HCV clients were able to utilize the deduction and simplify reporting of medical expenses, which resulted in a slightly lower tenant share (TTP).
<b>Does this MTW activity require a hardship policy?</b> Provided Already
<b>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</b> No
<b>Does the MTW activity require an impact analysis?</b> Provided Already
<b>How much will the single standard deduction be in the Fiscal Year?</b> \$700

<b>2.a. - Payment Standards- Small Area Fair Market Rents (HCV)</b>
<b>Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW</b>

**activity contributes to a larger initiative****Description:**

This activity allows MMHA to adopt and implement a reasonable policy to establish payment standards based upon applicable Small Area Fair Market Rents (SAFMRs). MMHA may use this flexibility to establish payment standards for grouped ZIP code areas between 80% and 150% of the applicable SAFMRs, based on a range of voucher programmatic outcomes, private market unassisted rents, census data, etc., or may establish payment standards for each ZIP code within its jurisdiction. Among the geographic considerations is grouping ZIP codes within SAFMRs.

**Agency Goals for the MTW Activity:**

MMHA's goal is to utilize a comprehensive approach to expand housing opportunities for HCV participants and to increase landlord participation in the HCV Program.

For MMHA to increase the number of families served, maintaining affordable income to housing cost burdens overall, ensuring good housing quality stock and providing opportunities to lease in opportunity areas, utilizing SAFMRs as the basis for MMHA's payment standards within the 80% to 150% range, in conjunction with its "rent reasonableness" system is intended to help achieve these goals. Over time, the use of SAFMR-based payment standards that are more finely attenuated to submarkets within MMHA's service area. This will result in relatively greater HAP expenditures in some areas and relatively lower HAP expenditures in other areas, with modest HAP cost savings. In all instances, MMHA's payment standards will provide equal access and affordability to all submarkets to its voucher holders / voucher-assisted households.

Ultimately, the MMHA will provide HCV participants with information about housing opportunity areas and bargains. This will be done through SAFMRs and the provision/access to information to families with neighborhood data and information to exercise their choices about where to live. Through the measures above, MMHA plans to increase housing choice and opportunities and deconcentrating poverty for HCV participants in neighborhoods that have access to jobs, good schools, healthcare, a healthy environment, healthy foods, safe neighborhoods, and transportation services.

**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.**

Increased expenditures

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

The MTW activity applies to all assisted households

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

This waiver was fully implemented for new lease-ups on 12/1/23 and annual renewals on 1/1/2024. MMHA created four regions within Medina County and computed our payment standard as 115% of average region SAFMR. This has resulted in MMHA utilizing a competitive and more accurate payment standard that has been well received by area landlords in many instances. The SAFMR implementation has attracted new landlords, and helped retain current, landlords for our local HCV Program.

**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

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

Grouped ZIP codes based on a range of voucher programmatic outcomes, private market unassisted rents, census data, etc.,

Through this activity, MMHA plans to increase housing choice and opportunities and deconcentrating poverty for HCV participants in neighborhoods that have access to jobs, good schools, healthcare, a healthy environment, healthy foods, safe neighborhoods, and transportation services.

MMHA has implemented four intra-county regions - Region 1: 44235, 44253, 44254, 44275; Region 2: 44280, 44251; Region 3: 44212, 44215, 44256, 44258; Region 4: 44233, 44273, 44274, 44281, 44282. These groupings substantially define the geographic considerations is grouping ZIP codes within HUD's published SAFMRs for Medina County.

**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**

**Description:**

MMHA will implement a triennial reexamination schedule for some elderly and disabled households. If a household meets the following three criteria, it will be enrolled in triennial reexaminations.

- the head of household, co-head, and/or spouse is elderly or disabled,
- the only current income in the household is fixed income (e.g., social security, pension), and
- there are no minors in the household.

If a household is enrolled in triennial reexaminations and no longer meets these criteria, they will return to annual reexaminations.

For these households, the standard rent calculation method will be used, and households will continue to receive the elderly/disabled allowance and be eligible to claim unreimbursed medical/disability expenses, if certified and claimed by the household. Annual household income will be determined as current and as anticipated once every three years. If a household's income increases in between triennial reexaminations, the household's total tenant payment (TTP) will not increase. While TTP will not increase, the household's rent may increase if their unit's gross rent is above their payment standard. At their annual lease anniversary, MMHA will not apply the applicable Cost-of-Living Adjustments for fixed-income households. However, as described in Activity: 1.u. - Standard Deductions (HCV), fixed-income households will also be given an opportunity to certify their medical and/or disability expenses and to qualify for the MTW standard expense deduction. If a fixed-income household claims a hardship, they may go through the process outlined in the hardship and grievance policy if applicable, by providing proof of medical/disability expenses above the MTW standard deduction. Households may continue to request interim reexaminations due to a decrease in income, and/or increases in eligible expenses through the hardship policy. Applicable households will be able to file one interim reexamination for decreases in income and/or increases in eligible expenses. MMHA must allow at least one interim adjustment per year at the request of the household, if the household gross income has decreased 10 percent or more. MMHA must conduct an interim reexamination of family income when it becomes aware that the family's adjusted income has changed by an amount that it estimates will result in an increase of ten percent or more in annual adjusted income or such other amount established by HUD through notice, except MMHA may not consider any increase in the earned income of the family when estimating or calculating whether the family's adjusted income has increased, unless the family has previously received an interim reduction at their request because of any changes in income since the last examination during the certification period; and MMHA may choose not to conduct an interim reexamination in the last three months of a certification period. In other words, MMHAs may not consider a family's increases in earned income for the purposes of an interim reexamination unless the family had previously undergone an interim reexamination during the year for any decrease in income. If the family has undergone an interim reexamination for a decrease in income after the completion of the last reexamination, MMHA also has discretion regarding whether or not to count increases in earned income when estimating or calculating whether the family's adjusted income has increased. In determining the income for any family, MMHA may make other adjustments as it considers appropriate to reflect current income, taking into consideration any redetermination of income during such prior year(s).

If a household believes they have another circumstance that qualifies as a financial hardship, they may request a hardship. An impact analysis and full hardship policy are included with this Supplement. In determining the income for any family, MMHA may make other adjustments as it considers appropriate to reflect current income, taking into consideration any redetermination of income during such prior year(s). Triennial reexaminations for these households are expected to begin with reexamination processing begin 7/1/2023. When triennial reexaminations begin for these current households, all newly admitted households who meet the above criteria will also be enrolled in triennial reexaminations. This schedule will

also include only reviewing the EIV at the triennial recertification rather than annually, implementing a release form that is valid for 45 months, and updating the payment standard and utility allowance at the time of a rent increase for the affected households. In addition, households on a triennial recertification schedule will not utilize the IVT Report as this reporting requirement is not consistent with the triennial reporting of income.

Agency goals for MTW Activity: Reduce the administrative burden for MMHA and clients we serve.

**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 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.**

Elderly families; Disabled families (to the extent those families are not exempt via a reasonable accommodation)

**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 MTW activity applies to all tenant-based units and properties with project-based voucher units.

**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 waiver was fully implemented 7/1/2023 as defined. MMHA anticipates a large degree of relief from administrative burden for both the clients we serve and MMHA HCV staff in FY 2024 and FY 2025.

**Does this MTW activity require a hardship policy?**

Provided Already

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

No

**Does the MTW activity require an impact analysis?**

Provided Already

**What is the recertification schedule?**

Once every three years

**How many interim recertifications per year may a household request?**

1

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

Family circumstances may change throughout the period between triennial reexaminations and between applicable households' annual lease anniversaries. HUD and MMHA policies dictate what kinds of information about changes in family circumstances must be reported, and under what circumstances the MMHA must process interim reexaminations to reflect those changes. HUD regulations also permit the MMHA to conduct interim reexaminations of income or family composition at any time. When an interim reexamination is conducted, only those factors that have changed are verified and adjusted [HCV GB, p. 12-10]. In addition to specifying what information the family must report, HUD regulations permit the family to request an interim determination if other aspects of the family's income or composition change. The MMHA must complete the interim reexamination within a reasonable time after the family's request. In determining the income for any family, MMHA may make other adjustments as it considers appropriate to reflect current income, taking into consideration any redetermination of income during such prior year(s).

At their annual lease anniversary between triennial reexaminations, MMHA will not apply the applicable Cost-of-Living Adjustments for fixed-income households based on the source of fixed-income, where fixed income households will also be given an opportunity to certify their medical and/or disability expenses and provide proof of changes in those amounts if applicable.

There will be a limit of one to the number of interim reexaminations allowed to be requested. If a household believes they have another circumstance that qualifies as a financial hardship, they may request a hardship. An impact analysis and full hardship policy are included with this Supplement.

**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****Description:**

MMHA will allow participants and applicants (through a safe harbor waiver) to self-certify their assets up to \$50,000.

**Agency goals for MTW Activity:**

Decrease administrative time and costs required to follow up and secure documents, allowing staff to focus on other priorities. This may also lower barriers to participants in obtaining asset verification.

This waiver may improve cost effectiveness in our effort to reduce the administrative burden while still maintaining the integrity of the rent calculation process. Staff spend substantial amounts of administrative time verifying assets that do not impact participants' rent portions. Participants know the approximate balances in their accounts and rarely receive interest payments. By allowing them to self-certify, MMHA will free up staff time to accomplish other tasks and require less burdensome documentation of participants.

**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
<p><b>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.</b></p> <p>This waiver was fully implemented 7/1/23 and relieved a large amount of administrative burden immediately for both our HCV clients and MMHA HCV staff.</p>
<p><b>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</b></p> <p>No</p>
<p><b>Please state the dollar threshold for the self-certification of assets.</b></p> <p>\$50,000.</p>

<b>4.a. - Vacancy Loss (HCV-Tenant-based Assistance)</b>
<p><b>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</b></p> <p>Description: MMHA will offer vacancy loss payments to landlords in MMHA's service area that re-lease a unit to a voucher holder after a previous voucher holder has vacated the unit. The payment amount will be no more than one month's contract rent of the previous tenant. The landlord must re-lease the unit to a new voucher holder within 3 months of the MMHA recorded move-out date of the previous tenant and will be paid when the new HAP contract is executed between the owner and MMHA.</p> <p>Agency goals for MTW Activity: The goal of this activity is to incentivize landlords to continue their participation in the HCV program and to maintain the availability of units in zip codes of opportunity. The vacancy loss payments are part of a larger landlord incentives initiative to increase the supply of affordable housing, maintain quality landlords and units, and increase housing options in areas of opportunity. The vacancy loss payments will offer compensation when landlords keep units available during the Request for Tenancy Approval and inspection process (a deterrent for some landlords) and encourage landlords to seek out additional voucher tenants rather than relying on the open market, thereby maintaining housing in zip codes of opportunity.</p>
<p><b>Which of the MTW statutory objectives does this MTW activity serve?</b></p> <p>Cost effectiveness</p>
<p><b>What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</b></p> <p>Increased expenditures</p>
<p><b>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</b></p> <p>The MTW activity applies to all assisted households</p>
<p><b>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.</b></p> <p>This waiver was fully implemented 7/1/23. This waiver, along with other landlord incentive waivers approved, has led to landlord retention and addition of new landlords, despite a market of fast rising rents and inflationary costs. MMHA issued two vacancy loss payments through 3/31/2024 in the amount of \$1980.</p>
<p><b>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</b></p> <p>No</p>

**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?)**

Certain types of units only

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

The payment amount will be no more than one month's contract rent of the previous tenant.

**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**

Description:

MMHA offers a limited damage claim not to exceed one month's contract rent to owner in cases where an MTW tenant-based voucher participant's tenancy ends and there is tenant-caused damage to the unit that exceeds the security deposit collected by the owner. The damage claim would be verified by a special inspection conducted by an MMHA NSPIRE Certified inspector. The special inspection will be required to be conducted within 30 calendar days of the MTW tenant-based HCV participant's move-out date. The landlord must re-lease the unit to a new voucher holder within 3 months of the MMHA recorded move-out date of the previous tenant and will be paid when the new HAP contract is executed between the owner and MMHA.

Agency goals for MTW Activity:

The goal of this activity is to incentivize landlords to continue their participation in the HCV program. The limited damage claim payments are part of a larger landlord incentives initiative to increase the supply of affordable housing, maintain quality landlords and units, and increase housing options in areas of opportunity. The limited damage claim payments will offer compensation when landlords keep units available during the Request for Tenancy Approval and inspection process (a deterrent for some landlords) and encourage landlords to seek out additional voucher tenants rather than relying on the open market.

**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.**

Increased expenditures

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

The MTW activity applies to all assisted households

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

This waiver was fully implemented on 7/1/23. This waiver, along with other approved landlord incentive waivers, have helped MMHA retain landlords and add new landlords despite the challenging rental market in Medina County. This

incentive has been used two times for \$1980 through 3/31/24.

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

No
<b>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?)</b>  To all units
<b>What is the maximum payment that can be made to a landlord under this policy?</b> MMHA offers a limited damage claim not to exceed one month's contract rent to owner in cases where an MTW tenant-based voucher participant's tenancy ends and there is tenant-caused damage to the unit that exceeds the security deposit collected by the owner.
<b>How many payments were issued under this policy in the most recently completed PHA fiscal year?</b>  0
<b>What is the total dollar value of payments issued under this policy in the most recently completed PHA fiscal year?</b>  \$0

<b>4.c. - Other Landlord Incentives (HCV- Tenant-based Assistance)</b>
<b>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</b> Description:  MMHA offers a one-time incentive HAP payment of \$1,000.00 to new landlords, upon the execution of a new HAP contract for an MTW tenant-based HCV participant. Landlords would be eligible for this payment yearly, based on a new contract with a new tenant. A "new landlord" would be defined as a landlord who has not rented to a tenant-based voucher participant within the past twelve (12) months. The landlord would not be eligible for the \$1,000.00 incentive HAP payment if the contract is executed for a transfer of units with the same landlord, or if the contract is executed due to a lease renewal or change. Additionally, properties owned or managed by MMHA would be ineligible for this incentive. Authority for this incentive is provided by HUD through PIH 2022-18.  Agency goals for MTW Activity:  The goal of this activity is to incentivize landlords to continue their participation in the HCV program. The New Landlord Incentive payments are part of a larger landlord incentives initiative to increase the supply of affordable housing, maintain quality landlords and units, and increase housing options in areas of opportunity. The New Landlord Incentive `will offer compensation when landlords keep units available during the Request for Tenancy Approval and inspection process (a deterrent for some landlords) and encourage landlords to seek out additional voucher tenants rather than relying on the open market.  Description:  MMHA offers of a one-time \$500.00 incentive HAP payment to existing landlords who execute a new HAP contract for an MTW tenant-based HCV participant. An "existing landlord" would be defined as a landlord who has rented to a tenant-based voucher participant at any time within the past twelve (12) months. The landlord would not be eligible for the \$500.00 incentive HAP payment if the contract is executed for a transfer of units with the same landlord, or if the contract is executed due to a lease renewal or change. Additionally, properties owned or managed by MMHA would be ineligible for this incentive HAP payment.  Agency goals for MTW Activity:  The goal of this activity is to incentivize landlords to continue their participation in the HCV program. The Existing Landlord Incentive payments are part of a larger landlord incentives initiative to increase the supply of affordable housing, maintain quality landlords and units, and increase housing options in areas of opportunity. The Existing Landlord Incentive `will offer

compensation when landlords keep units available during the Request for Tenancy Approval and inspection process (a deterrent for some landlords) and encourage landlords to seek out additional voucher tenants rather than relying on the open market.

**Description:**

MMHA offers a one-time rent affordability payment when rent must be negotiated down for the unit to be affordable for the MTW tenant-based voucher participant. "Affordable" would be defined as an initial rent burden of no more than 50% of the household's monthly income. The rent affordability payment would be equal to the amount the proposed monthly rent is reduced by to make it affordable and allow the voucher holder to qualify, multiplied by 12.

**Agency goals for MTW Activity:**

The goal of this activity is to incentivize landlords to continue their participation in the HCV program. The Rent Affordability Incentive payments are part of a larger landlord incentives initiative to increase the supply of affordable housing, maintain quality landlords and units, and increase housing options in areas of opportunity. The Existing Landlord Incentive will offer compensation when landlords keep units available during the Request for Tenancy Approval and inspection process (a deterrent for some landlords) and encourage landlords to seek out additional voucher tenants rather than relying on the open market.

**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.**

Increased expenditures

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

The MTW activity applies to all assisted households

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

These landlord incentive waivers were fully implemented on 7/1/2023. This waiver has resulted in the following through 3/31/2024: 10 new landlords added, with \$10,000 in incentive paid out; 19 existing landlords retained, with \$ 9,500 in incentive paid out; 7 HCV families able to lease up with Rent Affordability incentive paid for each totaling \$11,518. These families likely would not have utilized the HCVP without this incentive available.

**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?**

\$1,000 for first "Other Landlord Incentive"

\$500 for second "Other Landlord Incentive"

Third "Other Landlord Incentive" - The rent affordability payment would be equal to the amount the proposed monthly rent is reduced by to make it affordable and allow the voucher holder to qualify, multiplied by 12.

**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

**5.a. - Pre-Qualifying Unit Inspections (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**

Description:

Medina Metropolitan Housing Authority will allow prequalifying unit NSPIRE inspections (also known as a pre-inspection). Passing pre-qualifying inspections will be valid for 90 days from the passed inspection date. Participants will be able to request an interim inspection after move-in as needed.

Agency goals for MTW Activity:

The apartment industry relies on a seamless turnover to meet its overhead costs and the financial implications of such delays are sufficient to deter them from participating in the program. Property owners lose rental revenue trying to get an HQS inspection scheduled for the individual apartment units...when in fact the family is ready to move in immediately. So not only do they lose but the voucher holder loses too because they are anxious to move in and find housing.

This activity will accelerate the lease-up process and minimize property owners' lost revenue during a period of vacancy and make the process closer to the unassisted rental market, which will incentivize their participation and/or retention in the voucher program all in service of increasing housing choice for voucher holders/households.

The goal of these inspections is to lessen the time it takes for a voucher holder to move into a unit and encourage participation from new landlords in MMHA's service area, by offering additional customer service. New landlords can understand the current HUD inspection standards through a pre-qualifying inspection, quickly make their repairs, and then be ready for a voucher holder tenant. The voucher holder will be able to move into the unit faster because they will not be waiting for an inspection, which may fail the first time and take more time to pass a re-inspection. Landlords will decrease their vacancy time and income lost. The pre-qualifying unit inspections are part of a larger landlord incentives initiative to increase the supply of affordable housing, maintain quality landlords and units, and increase housing options in areas of opportunity. Pre-qualifying unit inspections will shorten the timeframe landlords must wait during the Request for Tenancy Approval and normal inspection process (a deterrent for some landlords) and ensure more quality units are available to voucher holders.

**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.**

Decreased expenditures

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

The MTW activity applies to all assisted households

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

This waiver was fully implemented on 7/1/23 and resulted in one prequalifying inspection to be utilized, thus saving administrative burden for both MMHA staff and the assisted family.

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

No

**How long is the pre-inspection valid for?**

The pre-inspection is valid for 90 days.

**9.a. - Increase PBV Program Cap (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**

Description:

Medina Metropolitan Housing Authority will increase the number of authorized units it project-bases.

Agency goals for MTW Activity:

Sometimes, people do not necessarily associate affordable housing at 30% of low-income households' monthly adjusted income in both tenant-based voucher and project-based assistance programs as directly relating to self-sufficiency. However, the PBV program offers households housing costs at a 30% affordability threshold. With the right type of wrap around services pertinent to each population type and household, coupled with this activity and safe harbor waiver, MMHA believes that significantly greater numbers of households will be able to become self-sufficient.

**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.**

recently implemented, no activity to date or accomplishments to report as a complete FISCAL YEAR has not yet elapsed.

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

No

**What percentage of total authorized HCV units will be authorized for project-basing?**

50.00%

**9.b. - Increase PBV Project Cap (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**

Description:

Medina Metropolitan Housing Authority raised the Project Based Voucher cap within a project up to 100%.

Agency goals for MTW Activity:

Create family stability in an environment with support to encourage family self-sufficiency and increase housing choice through more affordable units available.
<b>Which of the MTW statutory objectives does this MTW activity serve?</b> Self-sufficiency; Housing choice
<b>What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</b> Neutral (no cost implications)
<b>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</b> The MTW activity applies to all assisted households
<b>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.</b> recently implemented, no activity or accomplishments to report as a complete FISCAL YEAR has not yet elapsed.
<b>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</b> No

<b>9.c. - Elimination of PBV Selection Process for PHA-owned Projects Without Improvement, Development, or Replacement (HCV)</b>
<b>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</b> Description: Medina Metropolitan Housing Authority eliminated the selection process in the award of PBV to properties owned by the agency that are not public housing without engaging in an initiative to improve, develop, or replace a public housing property or site.  Agency goals for MTW Activity: Streamline the selection process for PBV. This waiver supports Medina Metropolitan Housing Authority's larger goal of using MTW flexibility to streamline administrative processes and increase housing choice.
<b>Which of the MTW statutory objectives does this MTW activity serve?</b> Cost effectiveness; Housing choice
<b>What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</b> Decreased expenditures
<b>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</b> The MTW activity applies to all assisted households
<b>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.</b> recently implemented, no activity or accomplishments to report as a complete FISCAL YEAR has not yet elapsed.

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

No

**9.d. - Alternative PBV Selection Process (HCV)**

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

Description:

The agency established an alternative selection process in the award of PBVs that are owned by non-profit, for-profit housing entities, or by the agency that are not public housing. This selection process includes proposals with or without competitive selection requirements. MMHA will use the following selection criteria via a ranking system as follows.

- The housing must promote one of MMHA's priorities for its PBV program; (15 maximum points earnable)
- The proposal must comply with all HUD program regulations and requirements; (10 maximum points earnable)
- The property must be eligible housing in accordance with 24 CFR 983.53 and 983.54. MMHA is also approved to serve shared housing and manufactured housing per approved MTW waiver. (5 maximum points earnable)
- The proposal must comply with the HUD cap on PBV units per building at 24 CFR 983.56; MMHA is approved to raise the cap to 100% per building per approved MTW waiver. (5 maximum points earnable)
- The housing site must meet the site selection standards detailed at 24 CFR 983.57; (5 maximum points earnable)
- Proposals for new construction or rehabilitation projects must demonstrate capacity, experience, and successful outcomes in prior projects that indicate their ability to complete the construction work effectively and within the proposed schedule; (10 maximum points earnable)
- Proposals for all housing must demonstrate capacity, experience, and successful outcomes in property management, particularly management of housing targeted to low-income persons and families; (15 maximum points earnable)
- Proposals for supportive housing must demonstrate the capacity, experience, and successful outcomes of the supportive services provider that indicate its ability to effectively provide sufficient supportive services. More detailed information about minimum supportive services guidelines is provided later in this addendum. (15 maximum points earnable)
- Proposals must provide evidence of sufficient financing commitments (for construction, operations, and supportive services if applicable) to demonstrate the project's long-term viability. (15 maximum points earnable)
- The owner is good standing with HUD and MMHA. (5 maximum points earnable)

MMHA will follow its HCV administration plan to award PBV contracts accordingly.

Agency goals for MTW Activity:

MMHA's goal for this request is to increase cost effectiveness by eliminating this process and increase housing choice.

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

Cost effectiveness; 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.**

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.**

recently implemented, no changes or activity to report as a complete FISCAL YEAR has not yet elapsed.

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

No

**9.e. - Alternative PBV Unit Types (Shared Housing and Manufactured Housing) (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**

Description:

MMHA may attach and add PBV assistance to shared housing and/or manufactured housing. PBV units must comply with HQS. PBV units must comply deconcentration and desegregation requirements under 24 CFR part 903. A subsidy layering review must be conducted and if MMHA allows shared housing, the units may not be owner occupied.

Agency goals for MTW Activity:

The goal is to increase housing choice options for families.

**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.**

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.**

recently implemented, no changes or accomplishments to report as a complete FISCAL YEAR has not yet elapsed.

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

No

**How many shared housing units does the MTW agency anticipate assisting in the Fiscal Year?**

0

**How many shared housing units did the MTW agency assist in the most recently completed PHA Fiscal Year?**

0

**How many manufactured housing units does the MTW agency anticipate assisting in the Fiscal Year?**

0

**How many manufactured housing units did the MTW agency assist in the most recently completed PHA Fiscal Year?**

0

**9.f. - Increase PBV HAP Contract Length (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**

Description:

Medina Metropolitan Housing Authority may lengthen the PBV HAP contract length up to 50 years.

Agency goals for MTW Activity:

This waiver supports Medina Metropolitan Housing Authority's larger goal of using MTW flexibility to both streamline administrative processes in the PBV HAP contract length terms that can be offered for cost effectiveness and to provide greater affordability in voucher-assisted households' income to housing cost burdens which directly impacts their long-term self-sufficiency.

**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.**

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.**

recently implemented, no changes or accomplishments to report.

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

No

#### **9.g. - Increase PBV Rent to Owner (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**

Description:

MMHA would develop a local process to determine the initial and re-determined rent to owner. The agency may increase rents up to the lesser of 150 percent of Small Area Fair Market Rents or rent reasonableness. MMHA will be implementing this activity within the Safe Harbor limits established by the MTW Operations Notice. MMHA may increase PBV rent to the owner to make it more attractive for landlords to participate in the program.

Agency goals for MTW Activity:

The goal of this activity is to increase the availability of housing choices and makes it more likely that existing and new landlords will want to participate.

**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.**

Increased expenditures

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

The MTW activity applies to all assisted households
<p><b>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.</b></p> <p>Currently request this waiver in 2024 PHA Plan.</p>
<p><b>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</b></p> <p>No</p>

<b>14.a. - Waive Initial HQS Inspection Requirement (HCV)</b>
<p><b>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</b></p> <p>Description: For participants who will continue leasing the same unit, the agency is authorized to accept the most recent NSPIRE inspection from the partner agency in place of an initial NSPIRE inspection. In instances when low-income households participating in the Shelter Plus Care (PSH) program who are able and want to move on from into MMHA's HCV program while continuing to live in the same dwelling unit that previously passed our partner agency's housing inspection, will have that passed inspection honored by MMHA in lieu of our performing an initial NSPIRE inspection.</p> <p>Agency goals for MTW Activity: This waiver supports Medina Metropolitan Housing Authority's larger goal of using MTW flexibility to increase voucher-assisted households' self-sufficiency, housing choice and program cost effectiveness.</p>
<p><b>Which of the MTW statutory objectives does this MTW activity serve?</b></p> <p>Cost effectiveness; Self-sufficiency; Housing choice</p>
<p><b>What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</b></p> <p>Decreased expenditures</p>
<p><b>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</b></p> <p>The MTW activity applies only to a subset or subsets of assisted households</p>
<p><b>Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?</b></p> <p>New admissions (i.e., applicants) only</p>
<p><b>Does the MTW activity apply to all family types or only to selected family types?</b></p> <p>The MTW activity applies only to selected family types</p>
<p><b>Please select the family types subject to this MTW activity.</b></p> <p>Other – another specifically defined target population or populations.</p>
<p><b>If Other Selected in Previous Question: Please describe this target population in the text box.</b></p> <p>The MTW activity applies to the subset of assisted households in the Shelter Plus Care (PSH) who are able and want to move on from into MMHA's HCV program.</p>

**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 MTW activity applies to the subset of assisted households in the Shelter Plus Care (PSH) who are able and want to move on from into MMHA's HCV program.

**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.**

recently implemented, no changes or accomplishments to report. Please note the MMHA HCV inspection standard will transform from HQS standard to NSPIRE standard as of 7/1/2024. SPC will implement NSPIRE as of 7/1/24 as well.

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

No

#### 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**

Description:

Under this activity, MMHA will utilize MTW funding to acquire, renovate and/or build affordable housing units that meet HUD requirements for MTW "local, non-traditional housing" as defined in HUD PIH Notice 2011-45 or successor notices. MMHA will utilize this activity to provide gap financing (grants or loans) to affordable housing developments including, but not limited to, PBV developments, Low Income Housing Tax Credit developments and/or other eligible development activities, subject to approval by the MMHA's Board of Commissioners. MMHA may also use MTW funds as gap financing to support local nonprofits in the acquisition, rehabilitation, or development of small- to medium-sized properties in Medina County. MTW funds likely would be provided in the form of a loan or recoverable grant. MMHA may also use MTW funds for gap financing and to support its other owned or substantially controlled developments to leverage third-party debt in the form of tax-exempt bond financing, LIHTC equity, and other local sources. MMHA may expend MTW funds including Housing Assistance Payments and/or HCV Administrative Fee reserves on such activities if it shall not expend more than 10% of its Housing Assistance Payments budget on local, non-traditional activities including this housing development activity.

In implementing this activity, MMHA shall: 1) ensure that families assisted meet the HUD definition of "low-income"; 2) comply with PIH Notice 2011-45 as applicable; 3) comply with Section 30 of the US Housing Act of 1937; and 4) Competitively bid any MTW funding awarded through this activity to a third-party provider.

Agency goals for MTW Activity:

This activity supports the goals to increase housing choices for low-income households and to leverage additional funds for affordable housing development.

**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.**

Increased expenditures

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

The MTW activity applies to all assisted households

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

\$ 150,000 has been committed to a new construction PSH project "The Lafayette". MMHA expects to obligate these funds in Calendar Year 2024, pending approval of Ohio Housing Finance Agency Application.

**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
The Lafayette	New Construction	Gap Financing - OHFA	10.00	11.00	2.00	8.00	0.00	1.00

**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

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

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

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

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

<b>D.</b>	<b>Safe Harbor Waivers.</b>
<b>D.1</b>	<p><b>Will the MTW agency submit request for approval of a Safe Harbor Waiver this year?</b></p> <p>No Safe Harbor Waivers are being requested.</p>

<b>E.</b>	<b>Agency-Specific Waiver(s).</b>
<b>E.1</b>	<p><b>Agency-Specific Waiver(s) for HUD Approval:</b></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><b>Will the MTW agency submit a request for approval of an Agency-Specific Waiver this year?</b></p> <p>No Agency-Specific Waivers are being requested.</p>
<b>E.2</b>	<p><b>Agency-Specific Waiver(s) for which HUD Approval has been Received:</b></p> <p><b>Does the MTW agency have any approved Agency-Specific Waivers?</b></p> <p>MTW Agency does not have approved Agency-Specific Waivers</p>

<b>F.</b>	<b>Public Housing Operating Subsidy Grant Reporting.</b>
<b>F.1</b>	<p>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.</p>

<b>Federal Fiscal Year (FFY)</b>	<b>Total Operating Subsidy Authorized Amount</b>	<b>How Much PHA Disbursed by the 9/30 Reporting Period</b>	<b>Remaining Not Yet Disbursed</b>	<b>Deadline</b>
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<b>G.</b>	<b>MTW Statutory Requirements.</b>
<b>G.1</b>	<p><b>75% Very Low Income – Local, Non-Traditional.</b></p> <p>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.</p>
<b>Income Level</b>	<b>Number of Local, Non-Traditional Households Admitted in the Fiscal Year*</b>
80%-50% Area Median Income	0
49%-30% Area Median Income	0
Below 30% Area Median Income	0
Total Local, Non-Traditional Households	<b>0</b>

\*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.

<b>G.2</b>	<b>Establishing Reasonable Rent Policy.</b>
<p><b>Has the MTW agency established a rent reform policy to encourage employment and self-sufficiency?</b></p> <p>Yes</p>	

<b>G.3</b>	<b>Substantially the Same (STS) – Local, Non-Traditional.</b>
The total number of unit months that families were housed in a local, non-traditional rental subsidy for the prior full calendar year.	0 # 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.	0 # 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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<b>G.4</b>	<b>Comparable Mix (by Family Size) – Local, Non-Traditional.</b>
<p>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.</p>	

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

<b>H.</b>	<b>Public Comment</b>
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.	

<b>I.</b>	<b>Evaluations.</b>
No known evaluations.	

## Public Comment Summary

### PHA Plan 2024 (FYE 2025) PHA Plan and MTW Supplement and Attachments A, B, and C

An RAB meeting was held on 03/18/2024 at 10 AM at the MMHA offices at 120 W. Washington St. Suite 1-L Medina, Ohio. All RAB members: Doug McClure, Mona Smith, Stacey Marotta, Cindy Maxim, Sam Roten, Jamie Charlton, and Stephanie Morris were notified of this meeting via email on 2/2/2024. Doug, Mona, Cindy, and Sam attended this meeting. All members have previously been made aware of the PHA Plan 2024 and its elements including MTW Supplement, Form 500075-HCV, and Attachments A, B, and C. A Power Point was created and shown to review these elements. There was consensus among the RAB members that adding MTW Waiver 9 G – Increase PBV Rent to Owner (HCV) was a positive step supporting PBV contracts in Medina County. An additional comment was shared that cumulatively our PHA Plan does and should focus on raising utilization to the highest possible rate. MMHA's next steps in the coming months is to continue to maintain our current landlords, adding additional landlords, and executing PBV contracts to support the HCV mission. All members were also notified of the upcoming public hearing to be held on 3/25/2024 at 10AM.

A public hearing was held on 3/25/2024 at the MMHA offices at 120 W. Washington St. Suite 1-L Medina, Ohio for the review of the 2024 PHA Plan, MTW Supplement, and Attachments detailed above. No one from the public attended. Also in attendance was Gary Blake, Deputy Director and Piper Morgan, Program Manager. The public was advised of this public hearing via our MMHA website [www.mmha.org](http://www.mmha.org) and required newspaper publication of the public hearing in the Medina County Gazette on 2/9/2024. A few requests from the public were received for a copy of the PHA Plan and all documents were sent to their attention accordingly. No follow-up comments, questions, or concerns were received.

MMHA's PHA Plan 2024 was presented to the MMHA Board of Commissioners at its monthly meeting 03/27/2024 at 5pm with Resolution 24-08 passed and adopted in support of the plan.



**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**Public Housing**

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Cleveland, OH 44114

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May 9, 2024

Mr. James A. Sipos  
Executive Director  
Medina Metropolitan Housing Authority  
860 Walter Road  
Medina, Ohio 44256-1542

**SUBJECT: Medina MHA 2024 Annual PHA Plan/MTW Supplement**

Dear Mr. Sipos:

This letter is to inform you that the Medina MHA Annual PHA Plan and Moving to Work (MTW) Supplement for the Fiscal Year beginning July 1, 2024 is approved.

The Department's approval of this MTW Supplement to the PHA Plan is limited to approval of policies and actions authorized by the 1937 Act and flexibilities waiving provisions of the 1937 Act as outlined by the MTW Operations Notice. In providing assistance to families under programs covered by this MTW Supplement to the PHA Plan, your PHA must comply with the rules, standards, and policies established in the MTW Supplement to the PHA Plan as well as all applicable federal requirements other than those provisions of the 1937 Act waived by the MTW Operations Notice.

Documents relying upon the approved PHA Plan and MTW Supplement (i.e., Administrative Plan, Admission and Continued Occupancy Plan, etc.) should be updated to reflect those policies. Also, the approved PHA Plan and all required attachments and documents should be available for review and inspection at the PHA's principal office during normal business hours.

Sincerely,

Brian D. Murray, Director  
Office of Public and Indian Housing  
Cleveland Field Office

<b>Activity</b>	<b>Activity 1.o. Initial Rent Burden (HCV)</b>
<b>Fiscal Year</b>	<b>FY 2023</b>
<b>Program</b>	<b>Voucher Program (HCV)</b>
1. Impact on the agency's finances	By waiving the maximum family share at initial occupancy of 40% of the family's monthly income, to go to 50%, there will be no impact on MMHA's HAP expenditures as families who choose to pay a higher percentage of their income towards housing costs will do so at their expense.
2. Impact on the affordability of housing costs for affected families	Applicable households paying more than 40% and up to 50% of their income towards housing costs at initial occupancy, will have their affordability affected. It impossible to know what percentage of households will be affected at this time. However, currently 4% of MMHA's voucher-assisted households pay more than 40% of their monthly adjusted income towards housing costs <u>after</u> the first year of their voucher assisted lease, and an additional 3 percent of voucher-assisted households pay more than 50%.
3. Impact on the agency's waitlist(s)	Over time, this activity is intended to enable MMHA to serve more eligible households from its waiting list enabling voucher-assisted households to move to neighborhoods of opportunity with access to education, employment and other community resources to enable them to become self-sufficient from the voucher program, thereby freeing up vouchers for eligible waiting list applicant households.
4. Impact on the agency's termination rate of families	None
5. Impact on the agency's current utilization rate in the HCV program	This may slightly improve MMHA's voucher success rates, lease-up and HAP budget utilization rates for a small but unknown percentage of voucher holder who would otherwise not lease in opportunity neighborhoods or with their voucher in any neighborhood, but for use of this waiver.
6. Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency and/or housing choice	<p>This activity increases MMHA's ability to meet the statutory goals of housing choice and self-sufficiency.</p> <p>Through this and other measures, MMHA plans to increase housing choice and opportunities and deconcentrating poverty for HCV participants in neighborhoods that have access to jobs, good schools, healthcare, a healthy environment, healthy foods, safe neighborhoods, and transportation services.</p>
7. Impact on the agency's ability to meet MTW statutory requirements	None
8. Impact on the rate of hardship requests and the number granted and denied as a result of this activity	None
9. Impact on protected classes (and any disparate impact)	This activity is expected to have no disparate impact on protected classes.



## **Hardship Policy - 2.a. – Small Area Payment Standards –Fair Market Rents (SAFMR) (HCV)**

In order to qualify for a hardship exemption, households must meet all of the criteria listed below:

1. The household is in compliance with all the program rules and regulations.
2. The household does not owe MMHA any money or is current with a re-payment agreement.
3. The household must be admitted to the program prior to July 1, 2023.
4. The household has not relocated on or after July 1, 2023.
5. The household must experience an increase of 5 percent or more in rent as a direct result of the MTW rent reform initiatives.
6. The household must request the hardship waiver within 10 business days from the date of the letter notifying them of change and giving the timeline in which to request an Informal Hearing or hardship review.
7. The household has not received a rent reform hardship relief for the Payment Standards application at interim recertification previously.

Hardship relief for households who qualify and receive waiver approval may pay their portion of rent based on the calculation under HUD regulations until their next reexamination / recertification or relocation. At the next reexamination / recertification, or relocation, whichever comes first, the household will automatically be subject to the payment standards set by MMHA at that time.

Each household is only eligible for one term of relief for the payment standards initiative.

### **Activity: 3.b. Alternative Reexamination Schedule for Households (HCV)**

MMHA will move to a triennial reexamination schedule for some elderly and disabled households. If a household meets the following three criteria, it will be enrolled in triennial reexaminations.

- the head of household, co-head, and/or spouse is elderly or disabled,
- the only current income in the household is fixed income (e.g., social security, pension), and
- there are no minors in the household.

If a household is enrolled in triennial reexaminations and no longer meets these criteria, they will return to annual reexaminations.

At their annual lease anniversary, MMHA will not apply the applicable Cost-of-Living Adjustments for fixed-income households based on the source of fixed-income, where fixed income households will also be given an opportunity to certify their medical and/or disability expenses and provide proof of changes in those amounts if applicable.

Households may continue to request interim reexaminations due to a decrease in income and/or increases in eligible expenses.

Applicable households will be able to file one interim reexaminations for decreases in income and/or increases in eligible expenses. MMHA must allow at least one interim adjustment per year at the request of the household, if the household gross income has decreased 10 percent or more. MMHA must conduct an interim reexamination of family income when it becomes aware that the family's adjusted income has changed by an amount that it estimates will result in an increase of ten percent or more in annual adjusted income or such other amount established by HUD through notice, except MMHA may not consider any increase in the earned income of the family when estimating or calculating whether the family's adjusted income has increased, unless the family has previously received an interim reduction at their request because of any changes in income since the last examination during the certification period; and MMHA may choose not to conduct an interim reexamination in the last three months of a certification period. In other words, MMHAs may not consider a family's increases in earned income for the purposes of an interim reexamination unless the family had previously undergone an interim reexamination during the year for any decrease in income. If the family has undergone an interim reexamination for a decrease in income after the completion of the last reexamination, MMHA also has discretion regarding whether or not to count increases in earned income when estimating or calculating whether the family's adjusted income has increased. In determining the income for any family, MMHA may make other adjustments as it considers appropriate to reflect current income, taking into consideration any redetermination of income during such prior year(s).

If a household believes they have another circumstance that qualifies as a financial hardship, they may request a hardship.

Triennial reexaminations for these households are expected to begin with reexaminations effective July 1, 2023. When triennial reexaminations begin for these current households, all newly admitted households who meet the above criteria will also be enrolled in triennial reexaminations.

This schedule will also include only reviewing the EIV at the triennial recertification rather than annually and implementing a release form that is valid for 45 months. In addition, households on a triennial recertification schedule will not utilize the Income Validation Tool (IVT) Report as this reporting requirement is not consistent with the triennial reporting of income and will create an administrative burden that does not assist in the establishment of the level of subsidy the family receives and will increase administrative burden of MMHA staff. Unreported income requires no change or rent correction for triennial tiered rent households unless it occurs before their last reexamination, so the IVT Report will not provide any needed information that cannot be gathered from the EIV. MMHA staff will continue to monitor the EIV at households' triennial reexaminations to ensure the proper reporting of income.

### **Hardship Standard**

To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship.

Approval will be for the following reasons only:

- Decrease in income of at least \$200 a month (or \$2,400 as annualized) or more of monthly or annual income because of changed circumstances
- The decrease in income would also have to result in a reduction in the tenant rent portion to be processed
- Increase in expenses of at least \$200 a month (or \$2,400 as annualized) for qualified households including out-of-pocket medical expenses, and/or disability related expenses
- The increase in expenses would also have to result in a reduction in the tenant rent portion to be processed
- Awaiting approval for benefit income
- Such other situations and factors as determined by the agency to be appropriate, such as eviction, or termination of utilities.

### **Grievance Procedure**

MMHA will determine whether an approved hardship exists within 30 days after the request is received.

If the request does not meet MMHA hardship standards outlined above, MMHA will resume the MTW activity and collect any retroactive rent, if applicable, through a reasonable repayment agreement.

If the request meets the hardship standards outlined above, the agency will continue to provide an exemption from the MTW activity for 12 months or until the next triennial reexamination.

If a client requests an additional hardship following the expiration of a previous hardship (or for a hardship renewal), the request will be treated as a new hardship request and undergo a new determination based on current income and information.

If a client disagrees with a hardship determination, they will follow MMHA's informal hearing process outlined in the Administrative Plan.

A family may request for second level review of denied hardship requests. The family must submit a request must be in writing within 30 days the of the PHA written notice. Hardship request may be denied for the following reasons:

1. Failure to provide verification for loss or reduction of benefit income
2. Failure to provide verification for eligibility of benefit income
3. Failure to provide verification of increased expenses
4. Family is not subject to eviction, utility shut off, or wage garnishment
5. Failure to submit verification for decrease or loss of employment
6. Failure to provide supporting documentation related to loss of income due to death in the

family

### **Exemption Period**

If MMHA determines that a financial or other hardship exists, the family will receive exemption from the MTW activity as stated below. The MTW activity will resume after expiration of the exemption period.

1. 210 days for loss of benefits such as, but not limited to, Social Security (SS), SS Disability, SSI, Workman's Compensation, and other income as determined in 24 CFR 5.609(b) and (c) (4)(7)(8).
2. 180 days for temporary reduction of benefits such as, but not limited to, Social Security (SS), SS Disability, SSI, Workman's Compensation, and other income as determined in 24 CFR 5.609(b) and (c) (4)(7)(8).
3. 150 days for loss of income due to death by head, spouse, or co-head
4. 90 days for increased expenses
5. 60 days for break in approval of benefit income
6. 30 days for all other circumstances

### **Hardship Policy - 3.b. Alternative Reexamination Schedule for Households (HCV)**

Households must apply for all hardship types with the exception of automatic hardships given at the time of the triennial recertification. Hardships may last less than the timeframe listed below if a hardship time period overlaps with a triennial recertification. Approval will be for the following reasons only.

#### **Automatic Hardships:**

These hardships may be granted at the time of the triennial recertification for the following reasons.

1. A qualifying household's current gross income is at or exceeds an amount that is 10 percent less than their retrospective (prior actual 12-months) income.
2. MMHA will provide medical and disability expense deductions to those households who successfully claim a hardship or grievance. Medical and disability expenses total more than the dollar equivalent of 15 percent of a qualifying household's gross annual income used for TTP purposes for each elderly/disabled household that demonstrates and certifies that their medical expenses exceed at least three percent of their gross income and have previously provided (or provide in the first year that this medical expense deduction is allowed), documentation of medical appointments, insurance premiums, prescriptions, and other medical bills that are out-of-pocket expenses not covered by their insurance. In other words, if an elderly/disabled household claims and qualifies for a medical and disability expense deduction and provides any/all of the documentation in the categories below that exceeds 3 percent of a qualifying household's gross annual income, MMHA will provide the full amount of their **actual** medical and disability expense deduction as documented minus three percent of their gross annual income. Eligible expenses include:
  - (i) Unreimbursed medical expenses of any elderly family or disabled family; and
  - (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and

#### **Other Hardships:**

- Awaiting approval for benefit income
- Such other situations and factors as determined by the agency to be appropriate, such as eviction, or termination of utilities.

Other circumstances: A household may request a hardship exemption for other circumstances not

outlined in this policy, such as the death of a family member that impacts the family's finances. MMHA will consider these requests and appropriate remedies on a case-by-case basis and decisions will be made by a staff member at the supervisor level or higher.

### **Long Term Hardship:**

1. Death of a household member.

### **Requesting A Hardship:**

To request a hardship, the participant/resident must complete a Hardship Request form and attach the household's current income and proof of hardship. The form will be made available in an accessible format upon request as a reasonable accommodation. Current proof of all income for all current household members will be required. The request will be reviewed and the household notified of the approval or denial in a timely manner.

MMHA will determine whether an approved hardship exists within 30 days after the request is received. Hardship requests may be denied for the following reasons:

- Failure to provide verification for loss or reduction of benefit income
- Failure to provide verification for eligibility of benefit income
- Failure to provide verification of increased expenses
- Family is not subject to eviction, utility shut off, or wage garnishment
- Failure to provide supporting documentation related to loss of income due to death in the family

The hardship request will be denied if the form is not accompanied by documentation of the hardship and/or the request does not meet the above criteria. In the case of hardship denials, the household will be sent a denial letter stating why they did not qualify. Prior to the expiration of the hardship, the household will be notified of their rent portion set at their last triennial recertification or new admission. Households may request a renewal of their hardship. The request will be treated as a new hardship request and undergo a new determination with current income.

If a household is approved for a hardship, and subsequently experiences another adverse event while still in hardship status, they may request an additional hardship. The request will be treated as a new hardship request and undergo a new determination with current income. There is no limit on the number of hardships that a household may receive. If a household is approved for a hardship, they are not required to report subsequent income increases during the period of their approved hardship.

### **Grievance Procedure:**

If a client disagrees with a hardship determination, they will follow MMHA's informal hearing process outlined in the Administrative Plan.

A family may request for second level review of denied hardship requests, which will be conducted by a staff member at the supervisor level or higher. The household must request a grievance review within and including ten (10) business days of the decision to deny or limit their hardship request.

If the request does not meet MMHA hardship standards outlined above, MMHA will resume the MTW activity. If the request meets the hardship standards outlined above, the agency will continue to provide an exemption from the MTW activity until the next reexamination. If a client requests an additional hardship following the expiration of a previous hardship (or for a hardship renewal), the request will be treated as a new hardship request and undergo a new determination based on current income and information.

**Exemption Period:**

If MMHA determines that a financial or other hardship exists, the family will receive exemption from the MTW activity as stated below. The MTW activity will resume after expiration of the exemption period.

- 210 days for loss of benefits such as, but not limited to, Social Security (SS), SS Disability, SSI, Workman's Compensation, and other income as determined in 24 CFR 5.609(b) and (c) (4)(7)(8).
- 180 days for temporary reduction of benefits such as, but not limited to, Social Security (SS), SS Disability, SSI, Workman's Compensation, and other income as determined in 24 CFR 5.609(b) and (c) (4)(7)(8).
- 150 days for loss of income due to death by head, spouse, or co-head
- 90 days for increased expenses
- 60 days for break in approval of benefit income
- 30 days for all other circumstances

<b>Activity</b>	<b>Activity: 1.u. - Standard Deductions (HCV)</b>
<b>Fiscal Year</b>	<b>FY 2023</b>
<b>Program</b>	<b>Voucher Program (HCV)</b>
1. Impact on the agency's finances	<p>This activity is expected to reduce administrative costs and to be budget and revenue neutral in Housing Assistance Payments.</p> <p>In 2022, across all programs (regular vouchers plus special purpose vouchers) and household types, MMHA had 1,346 household transactions of which 45 percent were annual reexaminations, and 47 percent were interim recertifications.</p> <p>MMHA proposes the following single standard deduction to be replaced under Activity: 1.u. - Standard Deductions in each of the same types of expense deductions as described.</p> <p>In 2022, approximately 75.2 percent of voucher families leased meet the definition of applicable households for triennial reexaminations:</p> <ul style="list-style-type: none"> <li>the head of household, co-head, and/or spouse is elderly or disabled,</li> <li>the only current income in the household is fixed income (e.g., social security, pension), and</li> <li>there are no minors in the household.</li> </ul> <p>The single standard deduction of \$700 is for the elderly/disabled households (defined above). If however, all applicable households with medical/disability expenses exceeding \$2,000 request a hardship and receive it, the anticipated HAP expense would be approximately \$ \$120,768 per year.</p>
2. Impact on the affordability of housing costs for affected families	None. The 6.4 percent of households that had medical and disability expense deductions over the replacement value, would be able to file hardship and have their documented expenses counted towards their medical and disability expense deductions.
3. Impact on the agency's waitlist(s)	None
4. Impact on the agency's termination rate of families	None
5. Impact on the agency's current utilization rate in the HCV program	None
6. Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency and/or housing choice	This activity increases MMHA's ability to meet the statutory goals of cost effectiveness, through a simpler method to calculate tenant rent and to eliminate original and third-party documentation for medical and disability expense deductions two out of the three years of triennial

	reexaminations.
<b>7.</b> Impact on the agency's ability to meet MTW statutory requirements	None
<b>8.</b> Impact on the rate of hardship requests and the number granted and denied as a result of this activity	This is the initial year of implementation. The MMHA expects a hardship rate up to 6.4%.
<b>9.</b> Impact on protected classes (and any disparate impact)	This activity is expected to have no disparate impact on protected classes.

<b>Activity</b>	<b>Impact Analysis - 2.a. Payment Standards – Small Area Fair Market Rent (HCV)</b>
<b>Fiscal Year</b>	<b>FY 2023</b>
<b>Program</b>	<b>Voucher Program (HCV)</b>
1. Impact on the agency's finances	In order for MMHA to increase the number of families served, maintaining affordable income to housing cost burdens overall, ensuring good housing quality stock and providing opportunities to lease in opportunity areas, utilizing SAFMRs as the basis for MMHA's payment standards within the 80% to 150% range, in conjunction with its "rent reasonableness" system is intended to help achieve these goals. Over time, the use of SAFMR-based payment standards that are more finely attenuated to submarkets within MMHA's service area. This will result in relatively greater HAP expenditures in some areas and relatively lower HAP expenditures in other areas, with modest HAP cost savings. In all instances, MMHA's payment standards will provide equal access and affordability to all submarkets to its voucher holders / voucher-assisted households.
2. Impact on the affordability of housing costs for affected families	None
3. Impact on the agency's waitlist(s)	Over time, this activity is intended to enable MMHA to serve more eligible households from its waiting list by maximizing the use of limited Federal HAP funding efficiently and effectively, but also by helping some families to become self-sufficient from the voucher program.
4. Impact on the agency's termination rate of families	None
5. Impact on the agency's current utilization rate in the HCV program	None
6. Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency and/or housing choice	<p>This activity increases MMHA's ability to meet the statutory goals of housing choice and self-sufficiency. This activity will allow MMHA to adopt and implement a reasonable policy to establish payment standards based upon applicable Small Area Fair Market Rents. MMHA may use this flexibility to establish payment standards for grouped ZIP code areas between 80% and 150% of the applicable SAFMRs, based on a range of voucher programmatic outcomes, private market unassisted rents, census data, etc., or may establish payment standards for each ZIP code within its jurisdiction. Among the geographic considerations in grouping SAFMRs, MMHA may explore the use of school districts.</p> <p>This activity will increase the MMHA's ability to encourage self-sufficiency and increase housing choices for HCV participants by utilizing mobility counseling SAFMR payment standards.</p> <p>MMHA's goal is to utilize a comprehensive approach to expand housing opportunities for HCV participants and to</p>

	<p>increase landlord participation in the HCV Program. Ultimately, the MMHA will provide HCV participants with information about housing opportunity areas and bargains. This will be done through SAFMRs and the provision/access to information to families with neighborhood data and information to exercise their choices about where to live. MMHA will increase housing choices for HCV participants to live in areas of opportunity based on Payment Standards between 80% and 150% of the SAFMRs. Through the measures above, MMHA plans to increase housing choice and opportunities and deconcentrating poverty for HCV participants in neighborhoods that have access to jobs, good schools, healthcare, a healthy environment, healthy foods, safe neighborhoods, and transportation services.</p>
<b>7.</b> Impact on the agency's ability to meet MTW statutory requirements	None
<b>8.</b> Impact on the rate of hardship requests and the number granted and denied as a result of this activity	None
<b>9.</b> Impact on protected classes (and any disparate impact)	This activity is expected to have no disparate impact on protected classes.



<b>Activity</b>	<b>Impact Analysis - 3.b. Alternative Reexamination Schedule for Households (HCV)</b>
<b>Fiscal Year</b>	<b>FY 2023</b>
<b>Program</b>	<b>Voucher Program (HCV)</b>
1. Impact on the agency's finances	<p>This activity is expected to reduce administrative costs and to be budget and revenue neutral in Housing Assistance Payments. By going to triennial reexaminations for elderly and disabled households with fixed-incomes, MMHA estimates that over a three-year period, annual reexaminations will be reduced as follows.</p> <p>In 2022, approximately 75.2 percent of voucher families leased meet the definition of applicable households for triennial reexaminations:</p> <ul style="list-style-type: none"> <li>• the head of household, co-head, and/or spouse is elderly or disabled,</li> <li>• the only current income in the household is fixed income (e.g., social security, pension), and</li> <li>• there are no minors in the household.</li> </ul> <p>HUD's "Housing Choice Voucher Program Administrative Fee Study" (August 2015) found that the average time PHAs spent on annual recertifications was 3.0 hours per voucher per year for elderly households and 2.4 hours per voucher per year for non-elderly disabled households.</p> <p>Annual recertifications include preparing for and scheduling recertification, conducting interviews, verifying income and household composition, reviewing Enterprise Income Verification (EIV), and calculating total tenant payment and housing assistance payment. Based on this study, and the scope of MMHA's proposed activity/waiver, we anticipate significant administrative cost efficiencies.</p> <p>Triennial reexaminations for the elderly and disabled households with fixed-incomes who qualify, where MMHA will not apply Cost of Living Adjustments from applicable sources of fixed-income on their lease anniversary between triennial reexaminations will result in our agency forgoing that income in their Total Tenant Payment calculations, and there will be increased HAP expenditures as follows.</p> <p>Combining both years and averaging them together, the increased tenant rent contribution under the existing non-</p>

	<p>MTW income and rent method was \$73,598 per year. It is estimated to increase HAP expenditures by \$147,196 over the two-year period, when MMHA does not make any COLA adjustments at the annual lease anniversary during years 2 and 3 of the triennial reexamination period.</p> <p>Households on fixed incomes through Social Security received an 8 percent Cost of Living Adjustment due to inflationary costs, and in 2021 the COLA was 1 percent.</p> <p>Because of HUD's unique HAP renewal funding inflation factor in FY 2023 which is greater than MMHA's slowing growth rate in rent increases in 2022, MMHA has a significant amount of HAP and HAP Reserves with which to work in 2023 that will be applied to this activity.</p>
2. Impact on the affordability of housing costs for affected families	None. Qualifying elderly and disabled will be allowed to retain more of their annual COLAs without those increased funds being taxed/counted in their Total Tenant Payment two out of the three years.
3. Impact on the agency's waitlist(s)	None
4. Impact on the agency's termination rate of families	None
5. Impact on the agency's current utilization rate in the HCV program	None
6. Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency and/or housing choice	This activity will increase MMHA's ability to meet the statutory goals of cost-effectiveness.
7. Impact on the agency's ability to meet MTW statutory requirements	None
8. Impact on the rate of hardship requests and the number granted and denied as a result of this activity	This is the initial year of implementation. The MMHA expects a hardship rate up to 0%.
9. Impact on protected classes (and any disparate impact)	This activity is expected to have no disparate impact on protected classes.

