

PHA Name : Middletown Housing Authority

PHA Code : CT009

MTW Supplement for PHA Fiscal Year Beginning : (MM/DD/YYYY): 4/1/2023

PHA Program Type: Combined

MTW Cohort Number: Landlord Incentives

MTW Supplement Submission Type: Annual Submission

B. MTW Supplement Narrative.

There are five (5) major goals for the Middletown Housing Authority (MHA) in its participation in the MTW Program:

- 1) Increase utilization of Housing Choice Vouchers (HCV) especially in census tracts outside the four most impacted tracts representing over 50% of current program utilization. Efforts to meet this goal will rely on incentives targeted to landlords that own units outside the most concentrated census tracts. These non-concentrated remaining census tracts will be targeted using several scaled payment standards based on up to 150% of the Small Area Fair Market Rent (SAFMR). In addition, as units in these targeted census tracts are added, incentives to assure the long term availability of these units to program participants such as: incentive payment for re-leasing a unit in the program; a vacancy payment for the brief period between the prior occupant and the new occupant; an initiative for landlords to require the smallest amount of advance payments at lease execution to reduce the cost burden on low income households leasing in higher cost census tracts. Increased utilization requires "opening up" market rate landlords into being HCV landlords. Market rate landlords consider payment of an initial month's rent plus two additional payments for security deposit and last month's rent a standard operating practice. The MHA wants to educate and incentive not collecting a last month's rent from a Program Participant to remove an impediment to housing access.
- 2) Expand the supply of affordable housing using mixed-income, mixed-use, mixed-finance models. The MHA has plans to aggressively use (re)development to create socially and economically integrated housing in Middletown and to the extent permitted under State Law, on a regional basis. This would include eventual development of approximately 22 acres of land under MHA controls, conversion of the remaining Low Income Housing Program (LIPH) through RAD or other redevelopment options to Project-based Vouchers resulting in termination of the MHA's LIPH Program but retaining all existing units, and "niche" development opportunities coordinated with the City's efforts. While units to be developed will be across all units sizes, at least 60% will be targeted to families with children.
- 3) Convert the remainder of the MHA's Low Income Public Housing (LIPH) Program into HVC project-based units and terminate the MHA's LIPH Program. Over time, the MHA's relationship with 1937 Act Housing Programs would change. The MHA or an affiliated entity would continue to manage affordable housing in a variety of forms, but the HCV Program would grow and become the sole direct relationship with HUD.
- 4) Streamline administrative requirements to contain and streamline the reporting burden on program participants and in the case of the HCV Program, landlords. A goal is administrative cost containment while supporting redirection of resources to our MTW initiatives AND at the same time remaining within the existing appropriation funding footprint -- in other words, figuring out how to do more in meeting the above three objectives with the same level of resources as the MHA would otherwise have access.
- 5) Our final major goal is to implement our MTW Program in a manner that does no or minimal harm to our Program Participants. In HUD's Operating Notice for the MTW Program there is clearly a great concern with the well-being of program beneficiaries. This is understandable as the tools of MTW especially in the area of rent reform can be economically harmful -- shift costs or attenuate or reduce the value of benefits -- relative to the current baseline for non-MTW administration. While in future years the MHA may find alternative methods through deeper analytics to determine a Program Participant's share of rent than we are now capable, we would rather abandon an initiative than make it work on the backs of Program Participants. Unless or until Congress redefines the Program Participants rent burden as greater than 30% of adjusted gross income (AGI), the MHA intends to maintain that standard. This will not preclude a Program Participant voluntarily taking on additional rent burden as a matter of housing choice.

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

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

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

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

1.j. - Alternative Utility Allowance (HCV)

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

The MHA wants to permit an owner to provide an "engineered" Utility Allowance for a specific property for ALL unit types at that property. Units types will be based on s/f AND bedroom count. We see this as an incentive to landlords to invest in their properties to lower utility costs AND to include utilities in rent. Landlords are better positioned to use tax and other incentives that can obtain lower utility rates OR obtain tax benefits only available to owners. Certain households that may have problematic histories with utility companies would benefit as they might sidestep mandatory security deposits for service as well as the household administrative burden of managing their own utilities. The MHA's administrative burden would be reduced in administering either direct payments on behalf of HCV Households to utility companies or payments based on imprecise allowances directly to the household. The MHA would still determine comparable rent based on the local housing market, so in some cases overall monthly Total Tenant Payment (TTP) will be more precise avoiding some albeit small "bubbles" when rent and utilities are not closely coordinated.

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.

Increased revenue; 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 to all family types

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

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

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

The alternative is an "owner's choice" for each of their properties in which units are under lease within the HCV Program. The status of the units as tenant-based or project-based is not a factor. Any unit may be covered but the schedule has to cover the entire property. It is primarily an owner incentive to promote use of "green" technology and investment in building systems. It requires an owner to commission the analysis by a licensed professional. It mirrors the requirement for LIHTC utility allowances. The key incentive to the owner is that if the utility portion of a Total Tenant Payment (TTP) is lower, then more of the payment standard may be available as unit rent.

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.

No prior year information yet available.

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

No

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

An alternative Utility Allowance commissioned by an owner requires a sign-off by a licensed mechanical engineer or other appropriate professional for a specific property and its actual utility systems or choice of fuel sources. It may provide an incentive to some owners as it would permit them to "capture" the benefits of newer and greener systems by reducing utility costs and freeing up \$ under the applicable payment standard for rent payments. This mirrors utility allowances permitted under Section 42 of the IRS Code for LIHTC Properties. In the absence of a property specific allowance schedule that meets the characteristics described for this safe harbor, the MHA will continue to rely on the schedule created and used by the CT Department of Housing (CT DOH) for its state-wide HCV Program, which includes the City of Middletown.

1.n. - Utility Reimbursements (HCV)

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

Cost effectiveness; Housing choice

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.

No prior year information yet available.

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

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

Roughly fifty-four percent (54%) of the MHA's HCV Program is utilized in four (4) census tracts (5411, 5412, 5416 and 6802). This issue of HCV program concentration reflects an impediment to housing choice. The MHA sees the use of payment standards based on SAFMRs as a key landlord incentive AND a way to use payment standards by census tracts groupings as a means to address geographic impediments to housing choice, which has both AFFH and utilization benefits. There will be one payment standard for the four (4) most concentrated census tracts by utilization with a cap at 120% of the applicable SAFMR. Outside of these core census tracts, there may be up to three other schedules. The "topmost" schedule would have a cap of 140% of the applicable SAFMR but with a 5% bonus for fully compliant accessible units and a potential additional bonus for a combination of amenities on the property for a top rent amount at 150% for an accessible unit at a property with extensive recreational and other site amenities.

This payment standard approach is tied to the MHA's AFFH goals concerning housing choice. Our intent is to use tiered payment standard(s) for precise targeting of subsidy to housing products in a manner that promotes housing choice (geographic dispersion) and mitigates rent costs as an impediment to location/quality of a dwelling unit.

The MHA does not consider the manner in which this initiative is to be implemented as be able to trigger a hardship for current program participants. The MHA does not intend to establish a payment standard whose bottom standard is lower than 100% of the SAFMR or which would otherwise require a rent reduction for a current Program Participant under lease at the time of implementation. The only instance in which a reduction in subsidy would occur would be the same as a non-MTW Program -- an appropriation by Congress that is not sufficient to cover historic subsidy levels. There are preexisting HUD regulations and guidance found in 24 CFR 982 that the MHA would model its administrative practices to address a need to reduce subsidy to a household caused by Congressional actions.

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.

Increased revenue; 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 only to a subset or subsets of assisted households

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

New admissions and currently assisted households

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

The MTW activity applies to all family types

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

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

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

All tenant-based units outside of the four (4) most concentrated census tracts will be able to access one of the tiered payment standards with the census tracts with the best "profile" being assigned to the schedule with the highest "topline". A "topline" census tract would have an ample supply of rental units but which has been relatively untouched by the MHA's Program due to lack of a payment standard sufficient to make our Program Participants "competitive" for consideration by a landlord.

to some degree with those census tracts with higher average incomes being at the high end of the range (up to 150% including bonuses for accessible features).

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.

No prior year information yet available.

Does this MTW activity require a hardship policy?

Yes

This document is attached.

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

Yes

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

2.a. - Payment Standards- Small Area Fair Market Rents (HCV); 3.a. - Alternative Reexamination Schedule for Households (PH); 3.b. - Alternative Reexamination Schedule for Households (HCV)

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

No

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

No hardship were requested in the most recent fiscal year.

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

No

Does the MTW activity require an impact analysis?

Yes

This document is attached.

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

2.a. - Payment Standards- Small Area Fair Market Rents (HCV); 3.a. - Alternative Reexamination Schedule for Households (PH); 3.b. - Alternative Reexamination Schedule for Households (HCV)

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

SAFMRs are published by HUD using a zip code as the geographic definition. Middletown has only one zip code. We will develop up to four (4) payment standard schedules and assign specific census tracts to each. Assignments may not be contiguous census tracts.

Payment standards will be by census tract .

We want to be able to analyze and adjust payment standards to fine tune use of program resources to maximize housing choice in a way that promotes our AFFH goals.

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

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

The MHA is seeking greater flexibility in evaluating an appropriate rent for a unit which has never previously been under lease in the HCV Program All market rent comparisons are by a backward looking or retrospective method. One of things that the MHA observed during the last several years, is the classic rent reasonableness methods do not capture what could be happening in a changing local housing market. We believe that historic information, while useful as brakes on rents being requested can, in some situations result in very short tenancies (12 month max) for program participants among other shortcomings as a landlord seeks to capture market changes that may not be gradual. We see a need to be more anticipatory of housing market trends to both bring in new units and owners to the HCV Program and to KEEP these units available for new program participants as their occupancy changes.

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.

No prior year information yet available.

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

No

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

We will continue to use the existing method as one data point. But we will also review local market trends based our HCV Program history as well as periodic 3rd party market studies. The goal will be to "triangulate" for a "best value rent" taking into account the specific product and its amenities, local and larger market trends as well as the MHA's AFFH and expanded utilization goals. In a manner of speaking, we view a reasonable rent as a business decision within our larger operating context and not just a bench-marking exercise. We want to be prospective and not retrospective, which is the inherent flaw in studies that rely on past information. We want to encourage and reward landlord investment. We want to encourage and reward landlords who will participate in our program bringing a quality product that enhances our program. Our HCV Program is financially bounded by appropriation. Its success can be measured by both utilization and geographic dispersion. Having to consider the "standard method" and the "standard method" only creates a circular logic not that much different from the old salary comparability studies where a housing authority compared positions to the municipality's thus creating a closed circle divorced from an actual job market and labor conditions.

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

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

Our HCV Program staff has no direct contact with our (re)development or property management functions. As almost all PBV activity is tied to LIHTC transactions or RAD PBV transactions, the third party requirements provides negligible benefit as a form of quality control in actuality and is best a "sound bite". A RAD PBV transaction rents are controlled by an annual Operating Cost Adjustment Factor (OCAF). An LIHTC PBV is subject to a Subsidy Layering Review (SLR) to determine the initial rents. Any property developed under a partnership model has Limited Partners who will do not tolerate disinvestment in the asset. In addition, disinvestment often result in marketability problems including vacancy loss. Our HCV Program has a built-in incentive to maximize utilization. Our agency has a built-in incentives to a maintain wide geographic distribution of program units. Neither is possible if the MHA allows over-subsidy of PBV units or properties in which we are the property manager develop a reputation for poor curb appeal or poorly maintained units. We see keeping these functions within the MHA as cost-effective and subject to self-correcting market conditions.

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

Cost effectiveness

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

No prior year information yet available.

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

No

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

For any RAD PBV whether it be an LIPH Conversion or use of Faircloth subsidies, HUD HQ will approve the initial rents and HUD HQ will issue OCAFs controlling all annual rent increases. In the case of non-RAD PBV, every "deal" will be subject to a Subsidy Layering Review (SLR) by HUD HQ or the Connecticut Housing Finance Authority (CHFA). The only way an SLR is not required is if PBV is the sole source of governmental subsidy of any kind. Non-RAD PBV is still subject

to payment standard limitation. Although the MHA expects to have ground leases, it does NOT anticipate being an "owner" of PBV properties in the manner defined in 24 CFR 983 regulations and related statutes. The MHA does see a need for any additional "quality assurance" administrative methods beyond the requirements already in place and not waive-able.

RAD OCAF's are mandatory and SLR Reviews are not part of Section 8 of the 1937 Housing Act.

No document is attached.

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

See previous item. Issue is mostly moot as RAD PBV relies on an OCAF system. And almost all other uses of PBV are likely LIHTC partnership deals subject to a subsidy layering review whether a 9% or 4% transaction. In other words, almost all PBV properties have initial rents whose final approval sits with HUD HQ. In the case of RAD PBV, rent increases are limited by a HUD published OCAF. Any other aspect of the third party requirement in the regulation is duplicative with other existing quality. Most importantly the MHA's HCV staff reviewing any rent increase request have no direct involvement with development or property management functions and their job performance is based on a primary duty to administer the HCV program in a cost effective and equitable manner.

No document is attached.

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

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

For households for whom a substantial percentage or 100% of their income by source is fixed such as Social Security or Social Security Disability and for which the MHA can apply an annual adjuster or inflation factor an alternative re-exam schedule may be available. Individuals that are most likely to benefit from this safe harbor are elderly and disabled households. What we mean by an alternative re-exam schedule is not doing a FULL annual re-examination with an resident interview and full third party verification of all actual or potential sources of income except ONCE in a three year period.

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 public housing developments?

The MTW activity applies to all developments

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.

No prior year information yet available.

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

No

What is the recertification schedule?

Other

Once every three years or more frequently as a random quality control audit or a program integrity action when determined necessary by the MHA.

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.

This safe harbor is targeted to households with no or very low employment or discretionary income. While a system for selecting random households covered by this schedule target to households with what would be described as "fixed incomes" to be subject to quality controls reexaminations on a more frequent than 3 years basis will be implemented, any covered household may request an additional interim reexamination, just not "by right". They would have to claim and substantiate a materials change in one of their sources of income.

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

For elderly or disabled households whose income is solely or substantially from established and regulated sources such as social security, social security disability or a fixed amount either not subject to an annual inflation factor or an easily verified inflation factor and who do not have any employment income based greater than 16 hours a week on a fixed hourly wage, the MHA will only conduct a confirmatory review and not require fill 3rd party verification. A full re-examination will be conducted one every three years on a staggered schedule for these types of households.

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?

Currently assisted households only

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.

To be determined based on household specifics.

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.

No prior year information yet available.

Does this MTW activity require a hardship policy?

No

No document is attached.

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

No

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.

Changes in sources of household income will change the schedule. Variable sources of income will revert the re-exam process back to an annual certification.

3.c. - Self-Certification of Assets (PH)

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

The MHA will use \$7,500.00 as the threshold for self-certification of assets. In the future, the MHA may increase the amount to encourage savings and set a minimum level of household assets appropriate to current local economic conditions.

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.

No prior year information yet available.

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

No

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

\$7,500.

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

At the current time an HCV Household can self-certify to \$5000 in assets. This change was made to match up to LIHTC permissiveness under Section 42 of the IRS Code. As the MHA want to encourage the accumulation of assets as well as the transparency of identification of types of assets under household control, we believe a higher threshold that is re-baslined every 2 years. Increased saving in a banking or financial institution can help provide a household a safety net for emergencies or unanticipated expanses with commensurate psychological benefits that come with a degree of financial stability. The MHA will want to know the type and/or location of the asset, but we see no benefit to a formal verification. We are proposing an initial level of \$7500 subject to adjustment every 2 years.

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

Cost effectiveness; Self-sufficiency

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.

No prior year information yet available.

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

No

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

\$7,500.

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

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

For an owner that intends to re-lease a unit to another household in the HCV Program, the MHA will pay up to ONE

MONTH'S rent to cover a period of vacancy between lease-ups. The landlord will only receive the payment when the unit is leased up to another HCV Household. The payment will be divided by a 1/12 payment per month over the course of the new lease year. Should a unit become vacant earlier than at the end of a 12 month period by either mutual consent or by court action, the landlord will be entitled to a full amount of the unpaid vacancy payment amount. This benefit will only be available to landlords in targeted census tracts.

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 only to a subset or subsets of assisted households

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

New admissions and currently assisted households

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

The MTW activity applies to all family types

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

The MTW activity applies to all tenant-based 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.

No prior year information yet 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?)

Certain types of units only

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

One month's rent of a unit whose most immediately prior renter was an HCV Program participant based on the monthly rent of the prior lease to be paid in equal amounts across a 12 month lease unless the unit is vacated early by mutual consent or court action. If terminated early, the landlord is entitled to payment of any remaining amount.

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

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

Landlords in lower poverty and minority concentration census tracts or Census Blocks to receive incentives

1. The induce a landlord in not requiring a last month's rent at initial leasing, which would burden the household and creates a problem for the HVC Program, the MHA will offer a Last Month's rent guarantee program. The cap is no more than one month's rent and as part of additional design for this initiative the amount may be lower. It is standard practice in Connecticut to request a month's rent for a security deposit and one month's rent for a last month. The rationale for this is driven by concerns about market rate renter's. Because of the consequences for a Program Participant to "skip out" on their lease without proper notice, this is not a real issue. The guarantee is an inducement to get the landlord to not require a last month's rent thus lowering the financial threshold for the household. We believe that as newer landlords come to understand the program, that this barrier will become less and less an issue. This incentive is only available to landlord who are considered "responsible" or "very responsible" under the Good Landlord Program [See below]

Details of the Good landlord Program are as follows:

A. Basic eligibility threshold is a landlord who has had a unit in the program for three years or upon vacancy of a unit and without a history of rent abatements and compliance issues re-lets the unit to another HCV Program Participant

1. Relief can include:

- a. Modified inspection schedules (less frequent)
- b. Priority returns of telephone calls and emails to HCV Staff
- c. Ability to attend landlord education events without any registration fee
- d. Reference letters to third parties concerning quality of landlord services
- e. Access to short term (< 12 months) zero interest micro loans for code and accessibility improvements.

2. Landlord will be granted status as either a "standard", "responsible" or "very responsible" owner. Basis for designation will be defined and publicly available. More responsible landlords will obtain increased flexibility and access to the type of relief items described above.

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.

No prior year information yet 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?)

Certain types of units only

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

See description above

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

For units that are now vacant but were rented by HCV households as the most recent tenant, the MHA will conduct at the landlord request a move-out inspection that may serve as a "pre-qualifying" inspection if the unit is leased to another HCV Program Household within 60 days.

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.

Neutral (no cost implications)

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

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

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

New admissions (i.e., applicants) only

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

The MTW activity applies to all family types

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

The MTW activity applies to all tenant-based 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.

No prior year information yet available.

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 60 days.

5.d. - Alternative Inspection Schedule (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

We view the Unit Inspection requirements of the HCV Program as an important but at times onerous requirement. What we have in mind would be both a landlord incentive and change intended engage the Program Participant more directly in taking responsibility for their tenancy. We want the Program Participant to THINK about the physical condition of their unit, the building and the immediate surrounding area just like a market rate tenant. Based on the MHA's history with the specific landlord as a responsive and responsible owner with an existing program history, a unit might not be inspected on a "once every 12 month basis". In some cases, with a Landlord that the MHA has determined to be a Very Responsible Owner (VRO) under a Good Landlord Program rating system, the unit inspection may be only once every three years. The Landlord Rating system to be developed will be a status granted based on actual history with the landlord and specific criteria that easily documented. Landlords unable to obtain Very Responsible or Responsible status will be considered Standard, which is essential as a landlord under a non-MTW version of the HCV Program. The MHA will work with Program Participants to train them to use their eyes and contact the MHA when a condition exists that requires repair or they that believe no longer meets local code and for which the owner is not being responsive to a documented repair request . We will also permit an owner to request an inspection when, s/he is concerned about the program participant's treatment and care of the unit. Elsewhere in the MTW Addenda, the MHA has proposed a Security Deposit Guarantee Program to help address the fact that in Connecticut is common for a landlord to request 2 months rent in addition to an initial month's rent. The two months additional are often labeled "security deposit" and "last month's rent". This "on demand" approach to unit visits to review a physical condition relies on Program Participants to take responsibility for monitoring the unit and building conditions with the MHA backing them up when the issue is legitimate or reminding the Program Participant of their obligations and the risks to their tenancy of mistreatment of their unit or other behaviors contrary to their lease. Depending upon the owner's status under the Good Landlord Program, the unit's official inspection could be once every 36, 24 or 12 months.

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.

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.

No prior year information yet available.

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

No

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

The expansion of housing choice through use of Project-based Vouchers (PBV) will address program utilization and AFFH issues. Targeted housing production that avoids undue concentrations of units in specific census tracts or mixing of

affordable and market units is to be encouraged and is important for the MHA in addressing AFFH goals. Given the twenty (20) year duration of the MtW ACC and the substantial opportunities with the City of Middletown to develop mixed income housing, we see project-based units as an essential tool to meeting our AFFH and increased utilization goals.

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.

Increased revenue; 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.

No prior year information yet available.

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?

100.00%

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

Each (re)development is unique as there is the project and then there is the neighborhood. A housing development in a less dense area may be appropriate for a very high percentage of PBV as very little if any affordable housing is present in the census tract or neighborhood. In different census tracts, a low percentage of PBV may be more appropriate. The MHA believes it is well qualified to make a determination of what the appropriate development program is for a specific location and sees no larger public policy benefit to the existing on size fits all cap. In fact, with some housing development opportunities, the cap could easily function as an impediment to AFFH goals.

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

Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

No prior year information yet available.

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

No

9.c. - Elimination of PBV Selection Process for PHA-owned Projects Without Improvement, Development, or Replacement (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

In order to address AFFH goals or to improve utilization, the MHA might from time to time have an opportunity to acquire a property that requires minimal rehabilitation. The ability to move with alacrity without waiting months for HUD review and approval as well as the expense of developing the complex set of evidentiary materials required by HUD in advance of the standard housing market due diligence that is appropriate for most property acquisitions can result in reasonable savings, cost avoidance, or risk of losing an opportunity to purchase or acquire in a cost effective manner. Low land acquisition costs with proper protections on such issues as environmental and title insurance are essential when relying on financing mechanisms such as LIHTC whose value is tied to improvements and not land value.

The MHA intends to implement this MTW Initiative within the parameters set forth in the Safe Harbor's description in the MTW Operations Notice. Should at some future point the MHA determine that change to the initiative that moves it outside the safe harbor limitations (e.g., a two-year time period being extended), the MHA will request a "Safe Harbor Waiver" and provide additional information as required in that portion of the MTW Supplement Module.

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.

Increased revenue

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.

No prior year information yet available.

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

The MHA controls a 20 acre parcel (1000 Silver Street) for which it envision functioning in the role as master developer under a yet to be developed Master Phasing Plan. The Master Phasing Plan will place requirements on developers who may be either non-profit or for profit. The entire 20 acres will be subject to one or more ground leases. The complexity of phasing and coordination of development teams with the parameters of the Phasing Plan become much more complex with the potential for lengthy and costly delays if every phase requires it own procurement process. This is not to say that the MHA will not require a certain level of pre-qualification of developers, a certain amount of short list competition, as well as direct negotiation, but we consider the most effective method to develop this very large parcel within our current 10 year

window assumption will require a streamlined process. The MHA will not be "giving away" this asset to any entity. It will be partnering with qualified developers most following the requirements of Chapter 16 of the PIH Procurement Handbook to designate developers and assign development rights that will include a certain number of PBV subsidies based on the Master Phasing Plan.

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.

Increased revenue; 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 (i.e., applicants) only

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

The MTW activity applies to all family types

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

The MTW activity applies to all properties with project-based vouchers

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

No prior year information yet available.

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

While the MHA does not envision Manufactured Housing as a major component of the local housing stock, "Mobile Home Park" are a source of affordable housing throughout New England. Its preservation can be essential to certain low income households. On the other hand, there are certain population for whom shared housing is a useful housing option especially those individual with cognitive limitations that may no longer have parents or still may have parents but are ready to live on their own with roommates. The MHA sees no downside as a matter of public policy to having these two options, which are already allowed for the tenant-based program, in our "tool box". This initiative will enhance the preservation of affordable housing or provide better housing options for certain individuals with disabilities.

The MHA intends to implement this MTW Initiative within the parameters set forth in the Safe Harbor's description in the MTW Operations Notice. Should at some future point the MHA determine that change to the initiative that moves it outside the safe harbor limitations (e.g., a two-year time period being extended), the MHA will request a "Safe Harbor Waiver" and provide additional information as required in that portion of the MTW Supplement Module.

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.

Neutral (no cost implications)

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

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

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

New admissions (i.e., applicants) only

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.

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 all properties with project-based vouchers

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

No prior year information yet available.

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

The MHA wants the ability to dovetail the use of PBV to either longer term affordability obligations by the owner and/or financial structuring that may require longer PBV HAP contracts for underwriting purposes. In some cases, funding

sources may possess time frames longer than 20 years but less than 50 years in aggregate, per the limits on the Safe Harbor. The MHA sees no policy downside to this initiative as the subject to appropriation caveat is present in all PBV HAP Agreements.

The MHA intends to implement this MTW Initiative within the parameters set forth in the Safe Harbor's description in the MTW Operations Notice. Should at some future point the MHA determine that change to the initiative that moves it outside the safe harbor limitations (e.g., a two-year time period being extended), the MHA will request a "Safe Harbor Waiver" and provide additional information as required in that portion of the MTW Supplement Module.

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.

Increased revenue; 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.

No prior year information yet available.

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

No

9.h. - Limit Portability for PBV Units (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

The MHA intends to rely in an increasing manner on its Project-based Voucher Program to increase utilization and the geographic dispersion of HCV. The MHA does not want to encourage PBV Program "churning" which will occur once program participants and applicants realize they can obtain a tenant-based voucher and by-pass the tenant-based waiting list households by availing themselves of the "12 months then gone" allowed under current regulations. At this time 24 months is better than 12, but as the MHA expands its use of PBV and the need for HCV HAP to cover the cost of landlord incentives, we anticipate asking for a "safe harbor waiver" to extend the tolling or to balance PBV portability with waiting list program access but not at this time.

The MHA intends to implement this MTW Initiative within the parameters set forth in the Safe Harbor's description in the MTW Operations Notice. Should at some future point the MHA determine that change to the initiative that moves it outside the safe harbor limitations (e.g., a two-year time period being extended), the MHA will request a "Safe Harbor Waiver" and provide additional information as required in that portion of the MTW Supplement Module.

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

Cost effectiveness

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

Decreased expenditures

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

The MTW activity applies to all assisted households

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

No prior year information yet available.

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

No

15. - Acquisition without Prior HUD Approval (PH)

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

The MHA has 426 Faircloth subsidies within its control. The MHA is developing a business plan for the utilization of some or all of these subsidies to assist with preservation and regional expansion of affordable housing. Under Connecticut Statute, the MHA can partner with any PHA established pursuant to state law for the (re)development of affordable housing. The MHA sees the ability to move swiftly seeking opportunities to use Faircloth subsidies as another means to meet our AFFH goals. We would not be looking to establish LIPH properties but rather follow HUD's roadmap for the use of Faircloth to create RAD PBV affordable housing that either preserves at risk units or expands the supply of affordable units in communities with low poverty and low minority concentrations.

The MHA intends to implement this MTW Initiative within the parameters set forth in the Safe Harbor's description in the MTW Operations Notice. Should at some future point the MHA determine that change to the initiative that moves it outside the safe harbor limitations (e.g., a two-year time period being extended), the MHA will request a "Safe Harbor Waiver" and provide additional information as required in that portion of the MTW Supplement Module.

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

Cost effectiveness; 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 revenue

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 (i.e., applicants) only

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

The MTW activity applies to all family types

Does the MTW activity apply to all public housing developments?

The MTW activity applies to specific developments

Which developments participate in the MTW activity?

This is not a relevant question as these would be "new" developments.

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.

No prior year information yet available.

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

The MHA has at the current time approximately 22 acres of vacant land available for development on two different parcels. Given just these resources, the MHA could develop between 450 to 500 units of which at least 25% could be targeted to very low-income households, another roughly 40% could be targeted to households between 50% and 80% of AMI, and the remainder to market rate households thus creating economically and socially integrated housing. Of course, economic, market conditions, land use, and design constraints will impact the actual income and unit type mixes, but (re)development (housing production) is a major "plank" in the MHA's MTW and AFFH goals and objectives. All development projects are subject to the fact that any MTW funds can only provide for units affordable to household with annual incomes at or below 80% of AMI at the time of initial occupancy. HUD's Office of Private Investments (OPI) has established an administrative approach to evaluate mixed income development using the annually published Total Development Cost (TDC) Guidelines to allocate use of HUD funds in mixed finance development resulting in mixed income occupancy.

The MHA does anticipate using any MTW funds to support the direct provision of supportive services, but if merited will do so within the Safe Harbor limits of 10% and other parameters that apply to the this specific Safe Harbor. Otherwise the MHA has wide latitude for use of MTW funds for the construction of affordable housing with use of MTW funds in proportion the number of household at or below 80% of AMI that will be served at initial occupancy.

The MHA intends to implement this MTW Initiative within the parameters set forth in the Safe Harbor's description in the MTW Operations Notice. Should at some future point the MHA determine that change to the initiative that moves it outside the safe harbor limitations (e.g., a two-year time period being extended), the MHA will request a "Safe Harbor Waiver" and provide additional information as required in that portion of the MTW Supplement Module.

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.

Increased revenue

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.

No prior year information yet available.

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 |
|---------------------------------|---|--|----------------------------|-----------------------|---|---|---|--|
| Silver Street Master Plan | The MHA intends to function as a master developer for a full build-out of the site. All activity will be new construction of a mixed use, mixed income, mixed finance phased build-out resulting in an estimated 400 to 450 units plus appropriate retail and community amenities. The MHA plans to commission a master planning study to determine streetscape, building massing and land use, utility distribution systems and a phasing plan during the year covered by this submission. | Financing is to be determined | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | | | | | | | | |
|------------------------|---|-------------------------------|------|------|------|------|------|------|
| Spear Park Master Plan | The MHA already owns the land, which front Main Street immediately adjacent to the Middletown Historic Society. The project would be new construction of housing over street level retail of between 35 and 45 units in a mix of bedroom units. The property is currently covered by an LIPH Program ACC and will require an application to HUD's Special Application Center pursuant to 24 CFR 970 requirements to remove the land for development of a mixed use, mixed income, mixed finance property. | Financing is to be determined | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
|------------------------|---|-------------------------------|------|------|------|------|------|------|

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

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

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 |
|---------------------------------|--|--|----------------------------|-----------------------|---|---|---|--|
|---------------------------------|--|--|----------------------------|-----------------------|---|---|---|--|

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

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| E. | Agency-Specific Waiver(s). |
| E.1 | <p>Agency-Specific Waiver(s) for HUD Approval:</p> <p>The MTW demonstration program is intended to foster innovation and HUD encourages MTW agencies, in consultation with their residents and stakeholders, to be creative in their approach to solving affordable housing issues facing their local communities. For this reason, flexibilities beyond those provided for in Appendix I may be needed. Agency-Specific Waivers may be requested if an MTW agency wishes to implement additional activities, or waive a statutory and/or regulatory requirement not included in Appendix I.</p> <p>In order to pursue an Agency-Specific Waiver, an MTW agency must include an Agency-Specific Waiver request, an impact analysis, and a hardship policy (as applicable), and respond to all of the mandatory core questions as applicable.</p> <p>For each Agency-Specific Waiver(s) request, please upload supporting documentation, that includes: a) a full description of the activity, including what the agency is proposing to waive (i.e., statute, regulation, and/or Operations Notice), b) how the initiative achieves one or more of the 3 MTW statutory objectives, c) a description of which population groups and household types that will be impacted by this activity, d) any cost implications associated with the activity, e) an implementation timeline for the initiative, f) an impact analysis, g) a description of the hardship policy for the initiative, and h) a copy of all comments received at the public hearing along with the MTW agency's description of how the comments were considered, as a required attachment to the MTW Supplement.</p> <p>Will the MTW agency submit a request for approval of an Agency-Specific Waiver this year?</p> <p>No Agency-Specific Waivers are being requested.</p> |
| E.2 | <p>Agency-Specific Waiver(s) for which HUD Approval has been Received:</p> <p>Does the MTW agency have any approved Agency-Specific Waivers?</p> <p>MTW Agency does not have approved Agency-Specific Waivers</p> |

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

| Federal Fiscal Year (FFY) | Total Operating Subsidy Authorized Amount | How Much PHA Disbursed by the 9/30 Reporting Period | Remaining Not Yet Disbursed | Deadline |
|---------------------------|---|---|-----------------------------|------------|
| 2023 | \$1,140,538 | | | 2023-12-31 |

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

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

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| G.2 | Establishing Reasonable Rent Policy. |
| <p>Has the MTW agency established a rent reform policy to encourage employment and self-sufficiency? No</p> <p>Please describe the MTW agency's plans for its future rent reform activity and the implementation timeline. The focus of the MHA's MTW Goals and Objectives is twofold; expand housing choice in a manner that supports the MHA's AFFH goals (and which will be more fully described in its AFFH Equity Plan once HUD issues the AFFH Final Rule and submission schedule). The MHA's MTW Goals Objective are to provide an array of landlord incentives to bring up utilization and improve geographic distribution of units in the HCV Program and to use its MTW Authority to embark on a variety housing production projects over the next decade of not longer.</p> <p>We will be establishing reporting systems to allow us to more closely monitor the financial profiles of our program participants -- sources of income and household expenditures. We may glean from this data ideas to modify things like the array of exclusions and deductions in ways that support access to education and job training, but at this time, the MHA does not have rent reform as an MTW priority. We see housing choice, which is directly tied to AFFH goals, and cost effectiveness as overarching considerations.</p> | |

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

To demonstrate compliance with the statutory requirement to continue serving a 'comparable mix" of families by family size to that which would have been served without MTW, the MTW agency will provide the number of families occupying local, non-traditional units by household size for the most recently completed Fiscal Year in the provided table.

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

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| H. | Public Comment |
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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.

No additional public hearing was held for an Agency-Specific Waiver and/or Safe Harbor waiver

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| I. | Evaluations. |
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No known evaluations.

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

Acting on behalf of the Board of Commissioners of the Moving to Work Public Housing Agency (MTW PHA) listed below, as its Chairperson or other authorized MTW PHA official if there is no Board of Commissioners, I approve the submission of the MTW Supplement to the Annual PHA Plan for the MTW PHA Fiscal Year beginning April 1, 2023, hereinafter referred to as "the MTW Supplement", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the MTW Supplement and implementation thereof:

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

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

Middletown Housing Authority

CT-009

MTW PHA NAME

MTW PHA NUMBER/HA CODE


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

William Vasilou

Executive Director & Secretary to MHA Board of Commissioners

NAME OF AUTHORIZED OFFICIAL

TITLE



January 12, 2023

SIGNATURE

DATE

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

Statement on Public Comments on the MHA's MTW Supplement

The MHA's Moving to Work (MTW) Plan was included as an agenda item in conversations with the City of Middletown, the Resident Advisory Board (RAB), and in other smaller venues as well as a posted and noticed Public Hearing.

No formal comments concerning the MHA's MTW Supplement for Year One were received. We would described the general reaction by program participants such as RAB members as curiosity and a degree of confusion given the lack of simplicity to the benefits of the MTW Program with no specific comments or suggestions.

This is not a surprise to the MHA as none of the selected Safe Harbor's financially benefit or harm existing program participants.

The General Public, despite the MHA's Legal Notice as well as informing the Middletown Press, has expressed no interest in the form of public comments. This is consistent with the history of Public Hearing processes or events for the MHA.

We anticipate that as the MHA implements our MTW initiatives and they become more generally known, that future iterations of the MTW Supplement may garner more interest in the form of comments from the General Public.

Statement on the MHA's MTW Hardship Policy

In the Moving to Work (MtW) Operations Notice published by the U.S. Department of Housing & Urban Development (HUD) in the Federal Register on August 28, 2020, specific Safe Harbor initiatives are mandated as requiring a Hardship Policy should an MTW agency choose to avail themselves of those options.

That HUD would be concerned that certain MtW Initiatives could result in a hardship for current program participants is logical given the wide discretion that comes with MTW authority and that certain public approaches often discussed center on incentives to limit or attention program benefits.

In its MtW overall program design, the Middletown Housing Authority (MHA) has included as one of its five (5) MTW goals that in implementing our program – which is primarily focused on expanding housing choice, increasing Housing Choice Voucher (HCV) Program utilization and secondarily streamlining program administration -- our approach would not at this time nor in the short term include shifting of costs onto Program Participants, limiting access to benefits, or unilaterally increasing housing costs for Program Participants. Unless there are changes in appropriation levels made by Congressional action that result in mandatory or in avoidable reductions in subsidy available to our program.

This Statement on the MHA's MTW Hardship Policy covers three (3) items:

- 1) Payments Standards – Small Area Fair Markets Rents (2.a)
- 2) Alternative Reexamination Schedule for Households (3.a; LIPH)
- 3) Alternative Reexamination Schedule for Households (3.b; HCV)

None of the MHA's approaches to these initiatives should create hardships for current Program Participants.

Payments Standards using the SAFMRS will not result in a reduction of subsidy to any existing Program Participants in the HCV Program under our approach. Households will be either be subject to a payment standard that is at least 100% of the published SAFMR for at least four census tracts for which we want to see deconcentration of utilization. Census tracts not subject to the “baseline” standards will be assigned another payment standard schedule tiered to work more effectively in more expensive housing submarkets.

Alternative Reexamination Schedules for both the LIPH and HCV Program are intended for the benefit of elderly or disabled housing households whose primary sources of income are Social Security or Social Security Disability alone or in combination with one or two additional sources that are non-variable. These latter sources are either subject to an easy to confirm inflation factor, fixed, or easily verified. Our approach is not an extended period between Reexamination but rather a “full” and “lite”, with the “full” version required once every thirty-six (36) months and will include a face-to-face

interview. In between, the MHA will rely on a questionnaire for exclusion and deductions and, if needed because of additional sources of income, third party verification. Income matching programs will still be used as available and applicable. Each household will be entitled to one interim adjustments per year on request and more than one if the household can show good cause in the form of a major change in its economic circumstances.

Although a MtW Program has the authority to develop alternative dispute resolution system(s), the MHA will continue to rely on the existing processes under HUD regulation for a household to request a review of an action by the MHA that the household considers adverse to its interests.

The pre-existing mechanisms are found at 24 CFR 966 Subpart B for the LIPH Program and 24 CFR 982.555 for the HCV Program.

The MHA sees these mechanisms as sufficient and appropriate venues for which Program Participants can raise ANY issue that directly impacts their program participants in an adverse manner,

Neither of these “hearing” administrative procedures substitute for a “reasonable accommodation” should the household believe that the disability of one or more of its members requires an exception to operating procedure(s) to assure their ability to participate or benefit from either the LIPH or HCV Programs.

Statement on the MHA's MTW Impact Analysis Practices

In the Moving to Work (MtW) Operations Notice published by the U.S. Department of Housing & Urban Development (HUD) in the Federal Register on August 28, 2020, specific Safe Harbor initiatives are mandated as requiring an Impact Analysis should an MTW agency choose to avail themselves of those options.

In its MtW overall program design, the Middletown Housing Authority (MHA) has included as one of its five (5) MTW goals that in implementing our program.

Because of the cohort under which the MHA was selected pertain to Landlord Incentives, the issue of financial impact as well as fair housing impact are core consideration as to the success of our MTW priorities.

The MHA at this time has not identified a third party to assess the impact of our initiatives. The reasons are twofold. One reason is that as a HUD mandated component of being selected for the Landlord Initiatives Cohort, we anticipate that HUD has program evaluators for each cohort cover the first 60 months or so of our MtW Program participation.

The second reason is that the MHA has identified the need to develop a more robust data collection and reporting systems especially for our HCV Program. This is in addition to developing reporting capacity for the form HUD 50058-MTW required of all participating PHAs.

We anticipate that along with more detailed program design for our landlord incentives that the MHA's need to manage the cost implications of the incentives against our stated goals of increased utilization and increased geographic dispersion (AFFH goal) will require a reporting system that can capture information at the census tract level that consists of both financial and demographic characteristics.

We anticipate a reporting system that will initially capture basic information on households and their housing searches and on the status of existing and new landlords and how they respond to our dividing our program into "legacy" units – those found in our most concentrated census tracts – and new lease-ups with existing or new landlords outside of the core "legacy" census tracts.

As the MHA increases the role of its HCV Program through increased utilization AND eventually terminates its LIPH Program through RAD or other forms of conversion using the "tools" that HUD has created, the ability to review detailed information on financial and demographic trends in the program will become essential. We believe that analytics will help us keep our program within its resource footprint and help us assure that we serve at least the same number of households as our pre-MtW baseline. It will promote sound financial planning and identify when adjustments of our initiatives are required.