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**YEAR 22**

# Moving to Work

**ANNUAL REPORT**

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**YEAR 22**

# FY2021 Moving to Work ANNUAL REPORT

January 1, 2021 – December 31, 2021

# Table of Contents

|                                                                                                                        |           |
|------------------------------------------------------------------------------------------------------------------------|-----------|
| <b>Introduction</b>                                                                                                    | <b>1</b>  |
| Long-Term Goals and Objectives.....                                                                                    | 1         |
| FY2020 Goals and Objectives.....                                                                                       | 2         |
| Non-MTW Activities .....                                                                                               | 7         |
| <b>General Housing Authority Operating Information</b>                                                                 | <b>15</b> |
| A. Housing Stock Information .....                                                                                     | 15        |
| B. Leasing Information.....                                                                                            | 19        |
| C. Wait List Information .....                                                                                         | 22        |
| D. Information on Statutory Objectives and Requirements .....                                                          | 23        |
| <b>Proposed MTW Activities</b>                                                                                         | <b>26</b> |
| <b>Approved MTW Activities</b>                                                                                         | <b>28</b> |
| <b>Implemented Activities</b>                                                                                          |           |
| 01 Rent Reform .....                                                                                                   | 28        |
| 02 GOALS – Home Forward's Family Self-Sufficiency Program.....                                                         | 37        |
| 03 Local Blended Subsidy .....                                                                                         | 42        |
| 06 Alternate Inspection Requirements for Partner-Based Programs .....                                                  | 45        |
| 07 Landlord Self-Certification of Minor Repairs .....                                                                  | 47        |
| 08 Inspection and Rent Reasonableness at Home Forward-Owned Properties.....                                            | 49        |
| 09 Measures to Improve the Rate of Voucher Holders Who Successfully Lease-Up .....                                     | 51        |
| 10 Local Project-Based Voucher Program (Modification to Previously Approved Activity).....                             | 54        |
| 11 Align Utility Allowance Adjustment Process.....                                                                     | 60        |
| 13 Broaden Range of Approved Payment Standards.....                                                                    | 62        |
| 14 Program Based Assistance .....                                                                                      | 65        |
| 15 Tenant-Based Voucher Set Aside Policies .....                                                                       | 69        |
| 16 Affordable Housing General Obligation Bond Project Based Voucher Allocation.....                                    | 72        |
| 17 Mod Rehab and Mod Rehab SRO Rent Assistance Demonstration Rent Reform .....                                         | 74        |
| 18 Transfer of Project-Based Voucher Contract to Support Local Preservation or Development of Affordable Housing ..... | 79        |

|                                             |            |
|---------------------------------------------|------------|
| 19 Program Transfer Flexibility Bridge..... | 83         |
| 20 Local Inspection Policies .....          | 85         |
| 21 Self Certification of Income .....       | 87         |
| 22 Modernizing HCV/PBV Oral Briefings ..... | 90         |
| <b>Not Yet Implemented Activities</b>       |            |
| Not Yet Implemented MTW Activities .....    | 92         |
| <b>Closed Out Activities</b>                |            |
| Closed Out Activities Chart .....           | 92         |
| <b>Sources and Uses of Funds</b>            | <b>94</b>  |
| Sources and Uses of MTW Funds .....         | 94         |
| Local Asset Management Plan.....            | 101        |
| <b>Administrative</b>                       | <b>102</b> |
| Reviews, Audits, and Inspections.....       | 102        |
| Agency-Directed Evaluations .....           | 102        |
| Certification .....                         | 104        |
| MTW EPC Flexibility .....                   | 105        |
| <b>Appendixes</b>                           | <b>106</b> |



# Section I. Introduction

Moving to Work (MTW) is a demonstration program that offers public housing authorities (PHAs), like Home Forward, the opportunity to develop and pilot innovative, locally designed housing and self-sufficiency strategies for low-income families by allowing exemptions from existing public housing and tenant-based Housing Choice Voucher regulations. The program also permits PHAs to combine operating, capital, and tenant-based assistance funds into a single agency-wide funding source.. The purposes of the MTW program are to give PHAs and HUD the flexibility to design and test various approaches for providing and administering housing assistance that accomplish three primary goals:

- Reduce cost and achieve greater cost effectiveness in Federal expenditures;
- Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and
- Increase housing choices for families earning low incomes.

Home Forward has been designated an MTW agency since 1998. The 2016 Consolidated Appropriations Act extended the MTW demonstration through fiscal year 2028 for Home Forward. This allowed Home Forward to continue to utilize MTW flexibility to support our mission of assuring that the people of the community are sheltered.

Our Fiscal Year 2021 Moving to Work Report details how Home Forward has used this Moving to Work flexibility to achieve these goals and allowing us to respond quickly and specifically to the needs of our community.

## Overview of the Agency's Long-Term MTW Goals and Objectives

Home Forward continues to implement our strategic plan to guide our work through 2021. The development of the strategic plan included input from staff, the board of directors, our Resident Advisory Committee and partners. The plan focuses on five key areas and includes an emphasis on equity, connection, unity and racial justice.

One Portfolio: We'll continue to build and acquire housing with a goal of adding 500 affordable housing units to Home Forward's portfolio by the end of 2020. We will convert our public housing properties to a Section 8-based subsidy while performing critical rehabs to best position them to be stable for generations to come and to meet the needs of the people and neighborhoods they serve. We will also develop and implement performance standards at the property level and across the portfolio.

One Resource: We will work to create deeper connections and continuity between the types of housing assistance we provide to respond to the evolving needs of the people we serve. We'll make changes to the way we manage our waiting lists to better meet the needs of the community in the current housing market. In an effort to make ourselves more available to the community and to better align staff resources and processes, we'll explore a new model of service delivery that puts more of our staff in the neighborhoods we serve.

One Agency: We will build our skills and work together in ways that help us constantly evolve and improve our ability to serve our community. As we move forward with our public housing conversion through the Rental Assistance Demonstration (RAD) program, we will prepare ourselves for the implications of converting our portfolio to a Section 8-based platform. We will create and implement a values-based communications plan, increase the use of surveys, focus groups and other forms of outreach to get resident input, assess current practices to identify opportunities to integrate a trauma-informed lens to our work, and increase hard skills training and leadership development for staff at all levels of the organization.

One Community: We will continue to define our equity platform with a particular emphasis on racial justice. Identify opportunities and set goals to increase participation of Minority, Women and Emerging Small Businesses (MWESB) in our contracting processes. Optimize our use of technology to increase the community's ability to interact and transact with us, and work to increase resident access to technology. We'll deepen our focus on supporting the needs of East Multnomah County and ensure the region is included in all of our strategic initiatives.

One System: We will leverage our role as the largest provider of affordable housing in Oregon to improve collaboration and efficacy between systems impacting people in poverty. We'll strengthen our engagement with the education and health care systems, and we will work tirelessly to add more affordable housing in our community, regardless of our role or ownership stake.

Home Forward began the planning process for our next strategic plan right before the COVID-19 public health emergency. We decided to pause strategic planning work in order to focus our efforts on COVID-19 response and will resume strategic planning as soon as it is practicable.

While Home Forward works towards housing our community with MTW flexibility, we also strive to hold ourselves accountable to our community, partners, and funders. Our goals reflect the significance and importance of serving our community, currently and for generations to come.

## **Overview of the Agency's MTW Goals and Objectives for the Year**

The Portland metro region continues to experience a challenging housing market in terms of unprecedented rent increases and historically low vacancy rates. As a reaction to the state's housing rental crisis, the Oregon state legislature invested \$400 million in affordable housing and homelessness during the 2022 legislative session. Many households earning low-incomes have been economically impacted by COVID-19 in Multnomah County, and Black, Indigenous, and people of color households have been disproportionately impacted. The economic impacts of COVID-19 exacerbated deep disparities in housing stability by income and race.



Home Forward used our Moving to Work flexibility to respond to the COVID-19 public health emergency. We received approval in our 2021 Moving to Work plan to continue implementing flexibilities that HUD provided temporary waivers for during the pandemic, including: self certification of income (see Activity 21) and modernizing HCV/PBV oral briefings (see Activity 22).

We are also intentionally dedicating organizational capacity towards the U.S. Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. Home Forward is in the process of converting our public housing portfolio to a Section 8-based platform through RAD, a tool that enables the preservation of this critical affordable housing infrastructure for generations to come. This effort will create a significant body of work for the entire organization for years to come. The subsidy conversion transitions the public housing portfolio to a more stable funding source and will give Home Forward the ability to rehabilitate buildings and address long-standing capital needs while continuing to serve the same vulnerable population. We recognize RAD impacts our current residents who call our buildings home and additional organizational capacity will be required to effectively communicate and prepare them for the transition.

Of the nineteen ongoing activities included in Home Forward's 2021 MTW Report, all have been implemented.

Home Forward's ongoing MTW activities continue to increase housing choice in our challenging rental market. The vacancy rate in the Portland metro region is up around 5.1% after hovering between 1-2% for several years while private market rents increase, on average, by 8.9%<sup>[1]</sup>. Our broader payment standard range allows us to tailor payment standards more closely to the reality of the market in different neighborhoods. The number of families in FY2021 living in high opportunity neighborhoods increased by over 1,500 households from FY2016.

Based in part on Home Forward's MTW status and the flexibility it provides, A Home For Everyone, a regional coalition of jurisdictional and community partners that we are a part of, received certification from the U.S. Interagency Council on Homelessness' of meeting the White House Mayors Challenge to End Veterans Homelessness<sup>[2]</sup>. We were the first west coast community to receive this certification.

Using single-fund flexibility, Home Forward continues to partner with a local non-profit, Metropolitan Public Defenders, to provide legal consulting to participants and residents. The Record Relief and Expungement program helps reduce barriers for communities that are historically and currently disproportionately affected by the criminal justice system. This Home Forward pilot project is now being replicated locally and recognized nationally.

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<sup>[1]</sup> Co Star Market Analysis, December 2021

<sup>[2]</sup> The challenge asks communities to get to "functional zero" which means veterans experiencing homelessness are housed within 90 days of identification, no veterans are searching for housing in a 90-day period, and that the number of veterans entering housing exceeds the number becoming homeless.

Our Alternative Initial Housing Assistance Payment (HAP) Policy was never implemented. The policy was designed to attract new landlords to the program by making the lease up process easier but once we began vetting the activity for implementation, it became clear that it would be too administratively burdensome and confusing for participants and landlords to administer. This activity is now considered closed.

## Overview of Home Forward's MTW Activities

|                                                                                                                                    |    |
|------------------------------------------------------------------------------------------------------------------------------------|----|
| 01 Rent Reform .....                                                                                                               | 28 |
| Home Forward has implemented large scale reform of our rent calculation.                                                           |    |
| 02 GOALS – Home Forward's family self-sufficiency program .....                                                                    | 37 |
| Home Forward has aligned its self-sufficiency programs into one consolidated, locally tailored program.                            |    |
| 03 Local Blended Subsidy .....                                                                                                     | 42 |
| Home Forward has created a local blended subsidy program, blending Section 8 and public housing funds to subsidize units.          |    |
| 06 Alternate inspection requirements for partner-based programs .....                                                              | 45 |
| Home Forward uses alternate inspection standards for programs where we contract our resources to be administered by partners.      |    |
| 07 Landlord self-certification of minor repairs .....                                                                              | 47 |
| In cases where we deem it appropriate, Home Forward may accept an owner's certification that repairs have been made.               |    |
| 08 Inspection and rent reasonableness at Home Forward-owned properties .....                                                       | 49 |
| Home Forward sets rent reasonableness and inspects the unit when a voucher holder selects a unit we own.                           |    |
| 09 Measures to improve the rate of voucher holders who successfully lease up .....                                                 | 51 |
| Home Forward has implemented measures to improve landlord acceptance of Section 8 vouchers in the community.                       |    |
| 10 Local Project-Based Voucher program .....                                                                                       | 54 |
| Home Forward has created a local project-based voucher program that is tailored to meet the needs of our community.                |    |
| 11 Align utility allowance adjustment process .....                                                                                | 60 |
| Home Forward has aligned the utility allowance adjustment process for public housing and Section 8.                                |    |
| 13 Broaden range of approved payment standards .....                                                                               | 62 |
| Home Forward will have the flexibility to establish payment standards between 80% and 160% of Fair Market Rents.                   |    |
| 14 Program Based Assistance .....                                                                                                  | 65 |
| Home Forward has designed a program that offers time limited rent assistance to help families access and/or retain stable housing. |    |
| 15 Tenant-Based Voucher Set Aside Policies .....                                                                                   | 69 |
| Home Forward sets aside vouchers with limited preferences which are aligned with supportive services for increased success.        |    |
| 16 Affordable Housing General Obligation Bond Project Based Voucher Allocation .....                                               | 72 |
| Home Forward allocated up to 400 project-based vouchers to support the 2016 Portland Housing General Obligation Bond.              |    |
| 17 Mod Rehab and Mod Rehab SRO Rent Assistance Demonstration Rent Reform .....                                                     | 74 |
| Home Forward implemented a reform of rent calculations for Mod Rehab single room occupancy units.                                  |    |
| 18 Transfer of Project-Based Voucher Contract to Support Local Preservation or Development of Affordable Housing .....             | 79 |
| Home Forward will have the flexibility to permit property owners under a PBV contract to transfer their contract to another site.  |    |
| 19 Local Inspection Policies .....                                                                                                 | 83 |
| Temporary changes to inspection protocols during emergencies.                                                                      |    |
| 20 Program Transfer Flexibility Bridge .....                                                                                       | 85 |
| Streamlines transfers between Public Housing and Housing Choice Voucher program.                                                   |    |
| 21 Self Certification of Income .....                                                                                              | 87 |
| Allows temporary self-certification of income during emergencies.                                                                  |    |
| 22 Modernizing HCV/PBV Oral Briefings .....                                                                                        | 90 |
| During emergencies, HCV/PBV briefings may be done electronically.                                                                  |    |



## Overview of Non-MTW Activities

Home Forward's goals and objectives for FY2021 also included several activities that do not require MTW flexibility but are key to continuing to be innovative in the ways we serve our community.

### Regional Efforts

Home Forward worked closely with our three neighboring housing authorities, as well as with the three local Workforce Investment Boards. The goal was to identify and pursue strategies that are regional in nature and increase residents' abilities to view the Portland Metro area as a single region with respect to housing, jobs, and education. We have several activities under this umbrella:

- **Mobility Counseling and Transportation Toolkit** – In 2013, Home Forward was awarded a grant from Metro, a regional governmental planning agency, to work collaboratively with the three metro-area housing authorities to develop tools to provide mobility counseling to Housing Choice Voucher participants. The goal is to help reduce participants' combined housing and transportation costs and assist them in identifying housing locations with affordable transit options to further Fair Housing goals. Since April 2014, each housing authority introduced the transportation toolkit to participants as a part of transfer briefings or attend the initial program orientation.
- **Expanding employment and training for housing authority residents** – Home Forward, in partnership with the three other local housing authorities and the three local Workforce Investment Boards in our region, received a \$5.5 million, multi-year Workforce Innovation Fund grant from the Department of Labor in 2012 to provide training and employment opportunities to housing authority residents. This grant built upon a model that Home Forward and Worksystems, Inc. had been operating for several years. Home Forward received \$1.1 million to fund case management staff to support 270 residents as they accessed training and employment opportunities through the local WorkSource system in high demand occupations. Funds were also available to provide employment supports (such as assistance with transportation and childcare) for participating families. This grant funded project ended in April 2016.

We will continue to consider ways to partner and collaborate with our regional housing authorities and other community providers to maximize resources and efficiency in programs to help our residents and participants increase opportunity in housing, jobs, and education.

### A Home for Every Veteran

In January 2015, the Executive Committee of a Home for Everyone adopted a plan (A Home for Every Veteran) that aimed to achieve the goal of functionally ending veteran homelessness. This plan was rooted in a belief that local initiative coupled with a meaningful increase in federal supports for affordable housing can result in a system that has the capacity to ensure that when veterans in our community experience homelessness it is rare, brief, and one-time. On December 9th, 2016, the United States Interagency Council on Homelessness

(USICH) together with the US Department of Housing and Urban Development and the Department of Veteran Affairs confirmed the City of Portland and Multnomah County were the first community on the west coast to meet the USICH criteria and benchmarks for functionally ending Veteran homelessness. While this certification does not mean there are no Veterans experiencing homelessness in our community, it does mean that we have a system with 1) the capacity to quickly identify and engage Veterans experiencing homelessness; 2) the ability to ensure that every newly discovered veteran living on the streets is offered immediate access to shelter and crisis services, while permanent stable housing and appropriate supports are being secured; and 3) the ongoing capacity to place Veterans into permanent housing at a faster pace than new Veterans are becoming homeless in our community.

Home Forward, across departments, committed to working with our jurisdictional and community partners to achieve the goal of A Home for Every Veteran:

- Increased supply and utilization of Veterans Affairs Supportive Housing Vouchers (VASH): Home Forward started with 70 VASH vouchers in 2009. This number has steadily increased since our initial award. With the addition this year of 75 additional tenant-based VASH, we now have 1,045 authorized VASH vouchers, including 61 project-based VASH. Our average utilization for the year for VASH is 68%. Our utilization of VASH started the year at 70% but dropped with the addition of VASH vouchers in May. Our ability to aggressively utilize VASH vouchers in the face of increasingly challenging market conditions is the result of significant effort, investment, and coordination amongst our jurisdictional and community partners. Home Forward continues to provide security deposit assistance, and Multnomah County funds additional flexible placement and retention assistance which can be used for any costs related to removing barriers related to lease-up, such as application fees, utility and housing debt, and transportation costs associated with housing search.
- Access to Units in our Affordable Housing Portfolio for Veterans with Tenant-Based Subsidies: The bulk of new housing resources in our community for Veterans have been in the form of tenant-based subsidies that require Veterans to find units where they can utilize the assistance. In response to A Home for Every Veteran, Home Forward committed to provide priority access to 50 units within our affordable housing portfolio, as they became vacant, for veterans with VASH vouchers or other veteran assistance, such as Supportive Services for Veteran Families. We surpassed our initial commitment, opening nearly 100 units to Veterans through this effort.
- Prioritized Access to Low-Barrier Permanent Supportive Housing: Home Forward created prioritized access for five units at the Apartments at Bud Clark Commons. These units provide a necessary resource for highly vulnerable Veterans experiencing homelessness who would be unlikely to find success in less supported housing environments.
- Permanent Housing Assistance for Veterans ineligible for VASH: Home Forward implemented a limited preference for our Housing Choice Voucher program for veteran households ineligible for VA health care. This preference for fifty households is matched with resources from the City of Portland to provide supportive services for the assisted Veterans.

## **General Obligation (GO) Bonds – City of Portland and Metro Regional Government**

**City of Portland GO Bond:** In November 2016, Portland voters passed the city's first housing bond, dedicating \$258.4 million to create 1,300 units of permanently affordable homes. In early 2017, the Portland Housing Bureau began acquiring properties to transform into affordable homes for Portlanders. 2019 saw the most progress under the Bond so far, with nine new projects announced, another moving into predevelopment, and two more that are already providing hundreds of homes for Portlanders.

Over the next several years the Portland Bond will meet the following goals: 1424 new units, 600 units for households at or below 30% of Area Median Income (AMI), 658 family sized units, 313 Permanent Supportive Housing units. Most of the 400 vouchers Home Forward has dedicated to Bond funded units have been allocated to projects.

Home Forward is participating in the Portland GO Bond in two ways:

- 1) Asset Management – Home Forward's asset management team is overseeing third-party property management on behalf of the City of Portland. As of December 31, 2019, five properties have been included in Home Forward's asset management portfolio:
  - a) Ellington – 262 units
  - b) East Burnside – 51 units
  - c) Fairfield – 82 units
  - d) Westwind – 70 SRO units
  - e) Headwaters – 100 units

2) **Development of City- Purchased Site on SE 30<sup>th</sup> and SE Powell-** During a pre-development phase, Home Forward contracted with a design firm to provide analysis of options for development of a site at SE 30<sup>th</sup> and SE Powell in Portland. After confirming the viability of the site, Home Forward is proceeding as the owner/developer and has contracted with a design team and construction contractor. As of mid-July 2020, approximately 210 units are anticipated. At least 30 of the total units will be designated as Permanent Supportive Housing for families who have previously experienced homelessness. Financial closing and the start of construction are anticipated in August 2021, followed by approximately 22 months of construction.

**Metro Regional GO Bond:** Voters in the three-county area (including Multnomah County which is served by Home Forward) approved an affordable housing bond in November 2018. The Metro GO Bond plans to create 3,900 affordable units with 1,600 of these homes deeply affordable to households at or below 30% AMI. Half of the homes created will have two or more bedrooms to ensure access by families.

As of July 2020, it is anticipated that Home Forward will receive allocations in two areas:

1) Redevelopment of Dekum Court – Approved as a “Phase 1 project” for use of Metro bond funds, Dekum Court. Home Forward selected Dekum Court as the site for major redevelopment which leverages the Section 18 disposition which HUD approved for the site (October 2018) and utilizes a proposed transfer of 27 units of RAD assistance from Cora Park, Chateau Apartments, and Scattered East A. Metro approved the Phase I project and an allocation of approximately \$22 million in bond funds in July 2019. Redevelopment will be completed in two phases, with Phase I ensuring that existing residents (40 units) have the choice to relocate into the new building (Spring 2022) prior to demolition of the current buildings. After completion of Phase II by fall 2023, a total of 187 apartments will be located on the site.

2) Troutdale property utilizing funds for Eastern Multnomah County projects – Due to smaller population sizes, the three cities in eastern Multnomah County did not qualify for individual allocations of bond funding. Instead, Multnomah County and Metro have designated Home Forward as the jurisdictional partner to receive the bond allocation to cover approximately 111 units of affordable housing in this area. Multnomah County has identified county-owned property in Troutdale that is in an area suitable for development as affordable housing. Home Forward is working from staff from the City of Troutdale to develop an initial design concept. Formal transfer of ownership from the County to Home Forward is anticipated during 2021 along with the beginning of an official design process.

### **The Louisa Flowers**

Home Forward successfully completed construction of the Louisa Flowers in October 2019. Lease up continued into 2020.

Rents are affordable in the following income ranges:

- 217 homes for households with incomes at or below 60% Median Family Income (MFI), and
- 23 homes for households with incomes at or below 50% MFI.

Of the 240 total, 20 homes have been assigned Section 8 project-based vouchers to assist with rental subsidy for those recovering from domestic violence.

### **Portland Community College (PCC) Partnership (NE 42nd and Killingsworth)**

Home Forward has selected a design team and construction contractor for the development of affordable housing on approximately one acre of a three-acre site owned by PCC. The college will be redeveloping an existing workforce training center and parking lot with the goal to include approximately 100 new apartment homes.



## **Hattie Redmond (formerly Baldwin Site) Redevelopment**

Home Forward successfully competed for funding from the State of Oregon to redevelop 12 units of market-rate housing currently located on NE Interstate and Baldwin into 60 studio apartments which will serve as Permanent Supportive Housing for people who have experienced homelessness. Home Forward is partnering with the Urban League of Portland to ensure culturally sensitive services are provided on site. Construction began in 2021.

## **Public Housing Strategy**

Home Forward operates 644 apartment homes as public housing, a specific subset of affordable housing that receives federal operating subsidy and capital funding. The buildings, and the deep rent subsidies they provide, are an important resource for Home Forward and the people we serve. Unfortunately, given waning federal support, mounting capital needs, and growing demand for affordable housing, the public housing program itself severely limits our ability to reinvest in these homes and meet the preservation challenges each apartment community faces. The reality is that the ongoing viability of this community resource is in jeopardy.

It is in the best interests of our residents, and the properties they call home, for Home Forward to pursue a transition from public housing subsidy to a type of Section 8 rent assistance for all of Home Forward's public housing communities. Section 8 provides more stable operating funding and allows Home Forward to use a conventional real estate model that leverages equity and debt to make vital and significant capital improvements. The process to convert public housing properties to Section 8 began with our **85 Stories** effort to preserve our ten high-rise public housing communities. The ten high-rises provide 1,232 housing units, which account for almost half of Home Forward's total public housing supply. They serve some of our most vulnerable community members: seniors and persons with disabilities. The buildings are well located and worthy of preservation. In May 2012, the critical needs in these ten high-rise buildings totaled \$80 million in capital improvements. If these properties were to continue to provide safe, decent, and affordable homes, work needed to begin soon and to continue at an accelerated pace.

Several important policies continue to guide us as we undertake this complex and challenging initiative. We have developed these policies because of our work over the last 15 years, starting with our first HOPE VI redevelopment, to preserve this vital community resource.

### **Policy Guidelines for Subsidy Conversion**

- 1) Continue to serve very low-income populations in these communities
- 2) Maintain ownership or control of the properties
- 3) Improve the physical and financial condition of the properties

#### 4) Partner to optimize public and private resources on behalf of the properties and our residents

Home Forward has formulated a financing strategy for the improvements, grouping the work into multiple phases with the most critical needs addressed first.

**Phase 1:** HUD approved our proposal to change the operating subsidy at four of the buildings from public housing to project-based Section 8 funding. This subsidy change occurred in September 2013 and transfer to the LIHTC partnership (and the accompanying affordable housing lease up) was completed during FY2015. Construction completed in FY2016 at each of the first four properties: Northwest Tower & Annex, Gallagher Plaza, Hollywood East, and Sellwood Center.

**On-going Phases:** We are continuing our plans to make the change for the rest of our public housing portfolio. Home Forward is proposing two options to convert the public housing properties to Section 8 rent assistance: HUD's Section 18 demolition and disposition process or the Rental Assistance Demonstration (RAD), which could transition properties to project-based vouchers.

Home Forward submitted RAD applications for six properties (285 units) in May 2015 and received approval for RAD conversion in September 2015. An additional application for 31 properties (1,008 units) was submitted in July 2015 and HUD-issued CHAPs (Commitments to Enter into a Housing Assistance Payment) were received in August and October 2016.

For seven of these 37 total properties, Home Forward also submitted Section 18 requests to the Special Applications Center (SAC). Six of these applications requested disposition approval based on a demonstration of obsolescence; these requests were a key element of plans to preserve the properties as affordable housing with rental subsidy. The seventh requested demolition/disposition approval, also based on a demonstration of obsolescence, to redevelop a site in a conjunction with Metro GO Bond discussed above.

The Special Applications Center (SAC) approved all seven applications in 2018. As of December 31, 2021, Home Forward completed Section 18 dispositions for Tamarack Apartments, Schunk Riverview Tower, Medallion Apartments, Williams Plaza Apartments, and Dekum Court. These dispositions, in conjunction with Low Income Housing Tax Credit in which Home Forward serves as the general partner, resulted in the rehabilitation and preservation of 544 units of affordable housing with rental subsidy.

Two of the six properties that received RAD approval in September 2015 are Bud Clark Commons (130 units) and Madrona Place (45 units). We propose to project-base 100% of the units at these properties since the units serve Qualifying Families. Bud Clark Commons provides permanent supportive housing for highly vulnerable, formerly homeless individuals, as screened by four medical clinics using a vulnerability index tool. Services include advocacy and case management; medical, mental health and substance abuse treatment; and vocational, employment, money management and life skills training. Madrona Place is a family property with many Spanish-speaking households that include many children as well as many single parent households. Home Forward provides a .5 FTE Resident and Community Service Coordinator with services focused on housing stability, increasing economic opportunity, and creating a sense of community for the entire family.



### Remaining RAD Conversions Schedule

| AMP (PH units) | Property Name    | Total Public Housing Units in CHAPS | Conversion Post FY19 | 85 Stories Group |
|----------------|------------------|-------------------------------------|----------------------|------------------|
| OR002000124    | Lexington Court  | 20                                  | 20                   | Group 8          |
| OR002000131    | Slavin Court     | 24                                  | 24                   | Group 8          |
| OR002000336    | Cora Park        | 10                                  | 10                   | Group 8          |
| OR002000436    | Chateau Apt.     | 10                                  | 10                   | Group 8          |
| OR002000705    | Scattered East A | 7                                   | 7                    | Group 8          |
| OR002000108    | Peaceful Villa   | 70                                  | 70                   | Group 8          |

### Remaining RAD Section 18 Conversions

| AMP         | Property Name      | Total Public Housing ACC Units | Units in Section 18 | 85 Stories Group |
|-------------|--------------------|--------------------------------|---------------------|------------------|
| OR002000111 | Dekum Court        | 40                             | 40                  | Group 9          |
| #N/A        | Dekum Addition     |                                | 20                  | Group 9          |
| OR002000115 | Holgate House      | 80                             | 80                  | Group 8          |
| OR002000140 | Ruth Haefner Plaza | 73                             | 73                  | Group 8          |

## Section II. General Housing Authority Operating Information

### A. Housing Stock Information

#### i. Actual New Project Based Vouchers

Tenant-based vouchers that the MTW PHA project-based for the first time during the Plan Year. These include only those in which at least an Agreement to enter into a Housing Assistance Payment (AHAP) was in place by the end of the Plan Year. Indicate whether the unit is included in the Rental Assistance Demonstration (RAD).

| PROPERTY NAME    | NUMBER OF VOUCHERS NEWLY PROJECT-BASED |        | STATUS AT END OF PLAN YEAR** | RAD? | DESCRIPTION OF PROJECT                                                                                                                                       |
|------------------|----------------------------------------|--------|------------------------------|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  | Planned*                               | Actual |                              |      |                                                                                                                                                              |
| Alberta Alive    | 25                                     | 0      | Committed                    | No   | New construction with Community Development Partners. Will include 25 Project-Based VASH                                                                     |
| Findley Project  | 20                                     | 0      | Committed                    | No   | New construction with Do Good Multnomah. Will include 20 Project-Based VASH                                                                                  |
| Las Adelitas     | 8                                      | 0      | Committed                    | No   | New construction with Hacienda CDC. Will include 8 Project-based Vouchers for families leaving homelessness and communities of color                         |
| Anna Mann House  | 12                                     | 0      | Committed                    | No   | Substantial Rehab and New construction with Innovative Housing Inc. Will include 12 Project-based Vouchers for low-income families and seniors               |
| The Susan Emmons | 48                                     | 0      | Committed                    | No   | New construction with Northwest Housing Alternatives. Will include 48 Project-based Vouchers for chronically homeless individuals, seniors with a disability |
| Joyce Hotel      | 66                                     | 0      | Committed                    | No   | New construction with CPAH. Will include 66 Project-based Vouchers for chronically homeless individuals                                                      |
| Westwind Apts    | 70                                     | 0      | Committed                    | No   | New construction with Central City Concern. Will include 70 Project-based Vouchers for chronically homeless individuals                                      |
| NE Prescott      | 9                                      | 0      | Committed                    | No   | New construction with CDP/NAYA. Will include 9 Project-based Vouchers for low-income families and communities of color                                       |

|              |     |   |           |    |                                                                                                                      |
|--------------|-----|---|-----------|----|----------------------------------------------------------------------------------------------------------------------|
| Stark Street | 16  | 0 | Committed | No | New construction with Human Solutions. Will include 16 Project-based Vouchers for families experiencing homelessness |
| SE Powell    | 50  | 0 | Committed | No | New construction with Home Forward. Will include 50 Project-based Vouchers for families experiencing homelessness    |
|              | 324 | 0 |           |    |                                                                                                                      |

\* Figures in the "Planned" column should match the corresponding Annual MTW Plan. \*\* Select "Status at the End of Plan Year" from: Committed, Leased/Issued

**Please describe differences between the Planned and Actual Number of Vouchers Newly Project-Based:**

All committed project-based vouchers have an executed AHAP contract in place and are currently under construction.

**ii. Actual Existing Project Based Vouchers**

Tenant-based vouchers that the MTW PHA is currently project-basing in the Plan Year. These include only those in which at least an AHAP was in place by the beginning of the Plan Year. Indicate whether the unit is included in RAD.

| PROPERTY NAME  | NUMBER OF PROJECT-BASED VOUCHERS |        | STATUS AT END OF PLAN YEAR**                                | RAD? | DESCRIPTION OF PROJECT    |
|----------------|----------------------------------|--------|-------------------------------------------------------------|------|---------------------------|
|                | Planned*                         | Actual |                                                             |      |                           |
| Fir Acres      | 32                               | 32     | Leased/Issued                                               | Yes  | RAD I PBV Conversion      |
| Stark Manor    | 30                               | 30     | Leased/Issued                                               | Yes  |                           |
| Eastwood Court | 32                               | 32     | Leased/Issued                                               | Yes  |                           |
| Dahlke Manor   | 115                              | 115    | Leased/Issued                                               | Yes  | Section 18 RAD Conversion |
|                | 206                              | 206    | <b>Planned/Actual Total Existing Project-Based Vouchers</b> |      |                           |

\* Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

\*\* Select "Status at the End of Plan Year" from: Committed, Leased/Issued

**Please describe differences between the Planned and Actual Existing Number of Vouchers Project-Based:**

N/A

**iii. Actual Other Changes to MTW Housing Stock in the Plan Year**

Examples of the types of other changes can include (but are not limited to): units held off-line due to relocation or substantial rehabilitation, local, non-traditional units to be acquired/developed, etc.

| ACTUAL OTHER CHANGES TO MTW HOUSING STOCK IN THE PLAN YEAR |  |
|------------------------------------------------------------|--|
| N/A                                                        |  |

**iv. General Description of All Actual Capital Expenditures During the Plan Year**

Narrative general description of all actual capital expenditures of MTW funds during the Plan Year.

| GENERAL DESCRIPTION OF ALL ACTUAL CAPITAL EXPENDITURES DURING THE PLAN YEAR |                              |                                       |                     |                                |                  |                      |                       |                            |
|-----------------------------------------------------------------------------|------------------------------|---------------------------------------|---------------------|--------------------------------|------------------|----------------------|-----------------------|----------------------------|
| <u>Community</u>                                                            | <u>Activity</u>              | <u>Scattered Sites Sales Proceeds</u> | <u>Capital Fund</u> | <u>Asset Repositioning Fee</u> | <u>MTW Funds</u> | <u>% of Cap Fund</u> | <u>Total Expended</u> | <u>% of Total Expended</u> |
| PHA Wide                                                                    | 15% Administrative Allowance |                                       | \$973,529           |                                |                  | 10.04%               | \$973,529             | 10.04%                     |

|                                          |                                              |  |                    |  |  |             |                    |             |
|------------------------------------------|----------------------------------------------|--|--------------------|--|--|-------------|--------------------|-------------|
| Dekum Court                              | Sewer Line Repairs                           |  | \$24,501           |  |  | 0.25%       | \$24,501           | 0.25%       |
| Dekum Court                              | Abatement                                    |  | \$10,427           |  |  | 0.11%       | \$10,427           | 0.11%       |
| Tamarack                                 | Emergency Sewer Repairs                      |  | \$34,675           |  |  | 0.36%       | \$34,675           | 0.36%       |
| Tamarack                                 | Flooring Abatement                           |  | \$20,278           |  |  | 0.21%       | \$20,278           | 0.21%       |
| Dahlke Manor                             | Appliances                                   |  | \$20,256           |  |  | 0.21%       | \$20,256           | 0.21%       |
| Dahlke Manor                             | Asbestos Abatement                           |  | \$8,000            |  |  | 0.08%       | \$8,000            | 0.08%       |
| Holgate House                            | Appliances                                   |  | \$5,507            |  |  | 0.06%       | \$5,507            | 0.06%       |
| Holgate House                            | Door Entry System                            |  | \$9,000            |  |  | 0.09%       | \$9,000            | 0.09%       |
| Schrunk Riverview Tower                  | Abatement                                    |  | \$14,482           |  |  | 0.15%       | \$14,482           | 0.15%       |
| Schrunk Riverview Tower                  | Elevator Repair                              |  | \$50,000           |  |  | 0.52%       | \$50,000           | 0.52%       |
| Williams Plaza                           | Flooring Abatement                           |  | \$10,000           |  |  | 0.10%       | \$10,000           | 0.10%       |
| Williams Plaza                           | Appliances                                   |  | \$16,703           |  |  | 0.17%       | \$16,703           | 0.17%       |
| Williams Plaza                           | Roofing Re-coat                              |  | \$4,000            |  |  | 0.04%       | \$4,000            | 0.04%       |
| Townhouse Terrace                        | New Fence                                    |  | \$5,000            |  |  | 0.05%       | \$5,000            | 0.05%       |
| Lexington Court                          | New Fence                                    |  | \$6,000            |  |  | 0.06%       | \$6,000            | 0.06%       |
| Demar Downs                              | Garbage Enclosure Repair                     |  | \$36,196           |  |  | 0.37%       | \$36,196           | 0.37%       |
| Medallion                                | Abatement                                    |  | \$15,722           |  |  | 0.16%       | \$15,722           | 0.16%       |
| Medallion                                | Appliances                                   |  | \$12,639           |  |  | 0.13%       | \$12,639           | 0.13%       |
| Ruth Haefner                             | Flooring and Abatement                       |  | \$24,000           |  |  | 0.25%       | \$24,000           | 0.25%       |
| Ruth Haefner                             | Roof Repair                                  |  | \$5,000            |  |  | 0.05%       | \$5,000            | 0.05%       |
| Ruth Haefner                             | Door Entry System                            |  | \$20,000           |  |  | 0.21%       | \$20,000           | 0.21%       |
| Celilo Court                             | Sidewalk Repair                              |  | \$15,000           |  |  | 0.15%       | \$15,000           | 0.15%       |
| Celilo Court                             | Windows Replacement                          |  | \$10,280           |  |  | 0.11%       | \$10,280           | 0.11%       |
| Celilo Court                             | Parking Lot Restriping                       |  | \$5,100            |  |  | 0.05%       | \$5,100            | 0.05%       |
| Floresta                                 | Office Furnace Replacement                   |  | \$6,000            |  |  | 0.06%       | \$6,000            | 0.06%       |
| Maple Mallory                            | Radon Mitigation                             |  | \$60,000           |  |  | 0.62%       | \$60,000           | 0.62%       |
| Maple Mallory                            | Boiler Replacement                           |  | \$9,000            |  |  | 0.09%       | \$9,000            | 0.09%       |
| Winchell Court                           | Radon Mitigation                             |  | \$30,000           |  |  | 0.31%       | \$30,000           | 0.31%       |
| Powellhurst                              | Sewer Line Repairs                           |  | \$5,000            |  |  | 0.05%       | \$5,000            | 0.05%       |
| Camelia Court                            | Radon Mitigation                             |  | \$30,000           |  |  | 0.31%       | \$30,000           | 0.31%       |
| Various Properties                       | PH Discretionary Project Funds               |  | \$571,405          |  |  | 5.89%       | \$571,405          | 5.89%       |
| *Various Properties                      | Major Systems Upgrades - 85 Stories Projects |  | \$7,626,339        |  |  | 78.67%      | \$7,626,339        | 78.67%      |
| <b>Total Capital Expenditures Budget</b> |                                              |  | <b>\$9,694,039</b> |  |  | <b>100%</b> | <b>\$9,694,039</b> | <b>100%</b> |



## B. LEASING INFORMATION

### i. Actual Number of Households Served

Snapshot and unit month information on the number of households the MTW PHA actually served at the end of the Plan Year.

| NUMBER OF HOUSEHOLDS SERVED THROUGH:       | NUMBER OF UNIT MONTHS OCCUPIED/LEASED* |                | NUMBER OF HOUSEHOLDS SERVED** |               |
|--------------------------------------------|----------------------------------------|----------------|-------------------------------|---------------|
|                                            | Planned^^                              | Actual         | Planned^^                     | Actual        |
| MTW Public Housing Units Leased            | 7,584                                  | 5,918          | 632                           | 493           |
| MTW Housing Choice Vouchers (HCV) Utilized | 112,548                                | 112,179        | 9,379                         | 9,348         |
| Local, Non-Traditional: Tenant-Based       | 1,464                                  | 2,100          | 122                           | 175           |
| Local, Non-Traditional: Property-Based     | 60                                     | 60             | 5                             | 5             |
| Local, Non-Traditional: Homeownership      | 0                                      | 0              | 0                             | 0             |
| <b>Planned/Actual Totals</b>               | <b>121,656</b>                         | <b>120,257</b> | <b>10,138</b>                 | <b>10,021</b> |

\* "Planned Number of Unit Months Occupied/Leased" is the total number of months the MTW PHA planned to have leased/occupied in each category throughout the full Plan Year (as shown in the Annual MTW Plan).

\*\* "Planned Number of Households to be Served" is calculated by dividing the "Planned Number of Unit Months Occupied/Leased" by the number of months in the Plan Year (as shown in the Annual MTW Plan).

^^ Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

#### Please describe any differences between the planned and actual households served:

Public Housing unit months leased was lower than planned due to unit turnover, Public Housing averaged an occupancy rate of 97% for FY 2021. Housing Choice Vouchers unit months leased was lower than planned due to an aging waitlist and higher than expected voucher turnover for FY 2021. Local, Non-Traditional Tenant-Based unit months leased was higher than planned due to increased households assisted with rent arrears payments.

| LOCAL, NON-TRADITIONAL CATEGORY | MTW ACTIVITY NAME/NUMBER      | NUMBER OF UNIT MONTHS OCCUPIED/LESED* |        | NUMBER OF HOUSEHOLDS TO BE SERVED* |        |
|---------------------------------|-------------------------------|---------------------------------------|--------|------------------------------------|--------|
|                                 |                               | Planned^^                             | Actual | Planned^^                          | Actual |
| Tenant-Based                    | Program Based Assistance / 14 | 1,464                                 | 2,100  | 122                                | 175    |
| Project-Based                   | Program Based Assistance / 14 | 60                                    | 60     | 5                                  | 5      |
| Homeownership                   | Program Based Assistance / 14 | N/A                                   | N/A    | N/A                                | N/A    |
| Planned/Actual Totals           |                               | 1,524                                 | 2,160  | 127                                | 180    |

\* The sum of the figures provided should match the totals provided for each Local, Non-Traditional category in the previous table. Figures should be given by individual activity. Multiple entries may be made for each category if applicable.

^^ Figures and text in the "Planned" column should match the corresponding Annual MTW Plan.

| HOUSEHOLDS RECEIVING LOCAL, NON-TRADITIONAL SERVICES ONLY | AVERAGE NUMBER OF HOUSEHOLDS PER MONTH | TOTAL NUMBER OF HOUSEHOLDS IN THE PLAN YEAR |
|-----------------------------------------------------------|----------------------------------------|---------------------------------------------|
| 14 Program Based Assistance / Client Services             | Less Than 1                            | 2                                           |

ii. **Discussion of Any Actual Issues/Solutions Related to Leasing**

Discussion of any actual issues and solutions utilized in the MTW housing programs listed.

| HOUSING PROGRAM            | DESCRIPTION OF ACTUAL LEASING ISSUES AND SOLUTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MTW Public Housing         | Due to the shortage of subsidized units throughout the county, we continue to have long waiting lists and subsequently have no issues leasing units. We consistently maintain a 98% occupancy rate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| MTW Housing Choice Voucher | <p>Several years of a tight rental market have made it difficult for voucher holders to find affordable housing. To support voucher holders in their search, we have been offering deposit assistance to participants that complete a tenant education class taught by a community organization.</p> <p>With the current rental market's low vacancy rates, participants continue to face barriers in utilizing their voucher; 89.5% of voucher holders were able to successfully utilize their voucher. Of those successfully able to utilize their voucher, 78.5% were able to do so in the initial 120 days provided by Home Forward. In 2020, HUD adopted new Fair Market Rents that allowed Home Forward to increase payment standards to increase leasing success. Additionally, Home Forward continued two pilot programs to help participants pay for Security Deposits; one program is a tenant education class, which provided a one-time payment toward a security deposit, and the other is a loan program available to households making more than 30% AML.</p> |

|                               |                                                                                                                                                                                                                                                                        |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Local, Non-Traditional</b> | There were no issues utilizing funds in our Local, Non-Traditional Programs. Due to escalating rent increases outpacing income gains, we are seeing households need longer periods of assistance to stabilize resulting in fewer unduplicated households being served. |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## C. WAITING LIST INFORMATION

### i. Actual Waiting List Information

Snapshot information on the actual status of MTW waiting lists at the end of the Plan Year. The “Description” column should detail the structure of the waiting list and the population(s) served.

| WAITING LIST NAME          | DESCRIPTION    | NUMBER OF HOUSEHOLDS ON WAITING LIST | WAITING LIST OPEN, PARTIALLY OPEN OR CLOSED | WAS THE WAITING LIST OPENED DURING THE PLAN YEAR |
|----------------------------|----------------|--------------------------------------|---------------------------------------------|--------------------------------------------------|
| MTW Public Housing         | Site-based     | 3,161                                | Partially Open*                             | No                                               |
| MTW Housing Choice Voucher | Community-Wide | 776                                  | Partially Open*                             | No                                               |
| MTW Housing Choice Voucher | Site-Based     | 18,756                               | Partially Open*                             | No                                               |
| Traditional MTW Program    | Other          | 0                                    | Closed                                      | No                                               |
| Traditional MTW Program    | Site-Based     | 0                                    | Closed                                      | No                                               |

#### Please describe any duplication of applicants across waiting lists:

100 households are duplicated across the MTW Public Housing and MTW Housing Choice Voucher (Community-Wide) waitlists. The MTW Housing Choice Voucher (Site-Based) is a Project-Based voucher waitlist (see Activity 10), with waitlists kept by partner agencies administering the PBV contract. Additional households may be duplicated between MTW Public Housing, MTW Housing Choice Voucher (Community-Wide) and MTW Housing Choice Voucher (Site-Based).

### ii. Actual Changes to Waiting List in the Plan Year

Please describe any actual changes to the organizational structure or policies of the waiting list(s), including any opening or closing of a waiting list, during the Plan Year.

| WAITING LIST NAME                           | DESCRIPTION OF PLANNED CHANGES TO WAITING LIST                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MTW Public Housing                          | Our MTW Public Housing waiting lists are currently closed except for households needing an ADA accessible unit or applicants who have a documented terminal illness with a life expectancy of less than 12 months. Several waiting lists also include a preference for referrals made by community partners. Another list includes a preference for people experiencing homelessness and a score on the Vulnerability Assessment Tool. |
| MTW Housing Choice Voucher (Community-Wide) | Our MTW Housing Choice Voucher tenant-based waiting list is community-wide and is closed except for applicants to the Family Unification Program and those who have a documented terminal illness with a life expectancy of less than 12 months.                                                                                                                                                                                       |
| MTW Housing Choice Voucher (Site-Based)     | Our MTW Housing Choice Voucher project-based voucher waiting lists are site-based and are partially open. There are 94 lists in the community, maintained by                                                                                                                                                                                                                                                                           |

each building with its own preferences. Some of these lists are currently open, some are closed, and some are closed except to applicants needing an ADA accessible unit or who have a documented terminal illness with a life expectancy of less than 12 months.

## D. INFORMATION ON STATUTORY OBJECTIVES AND REQUIREMENTS

### i. 75% of Families Assisted Are Very Low Income

HUD will verify compliance with the statutory requirement that at least 75% of the households assisted by the MTW PHA are very low income for MTW public housing units and MTW HCVs through HUD systems. The MTW PHA should provide data for the actual families housed upon admission during the PHA's Plan Year reported in the "Local, Non-Traditional: Tenant-Based"; "Local, Non-Traditional: Property-Based"; and "Local, Non-Traditional: Homeownership" categories. Do not include households reported in the "Local, Non-Traditional Services Only" category.

| INCOME LEVEL                                            | NUMBER OF LOCAL, NON-TRADITIONAL HOUSEHOLDS ADMITTED IN THE PLAN YEAR |
|---------------------------------------------------------|-----------------------------------------------------------------------|
| 80%-50% Area Median Income                              | 0                                                                     |
| 49%-30% Area Median Income                              | 170                                                                   |
| Below 30% Area Median Income                            | 0                                                                     |
| <b>Total Local, Non-Traditional Households Admitted</b> | <b>170</b>                                                            |

Note: Households are required to be at or below 50% area median income to be eligible to receive assistance through Home Forward's local, non-traditional program. Referrals are made through partner agencies who verify eligibility, but Home Forward doesn't track household income levels and our partner agencies don't provide income data when submitting data for the households they serve as part of these programs.

### ii. Maintain Comparable Mix

HUD will verify compliance with the statutory requirement that MTW PHAs continue to serve a comparable mix of families by family size by first assessing a baseline mix of family sizes served by the MTW PHA prior to entry into the MTW demonstration (or the closest date with available data) and compare that to the current mix of family sizes served during the Plan Year.

| BASELINE MIX OF FAMILY SIZES SERVED (upon entry to MTW) |                               |               |                      |                     |                         |
|---------------------------------------------------------|-------------------------------|---------------|----------------------|---------------------|-------------------------|
| FAMILY SIZE                                             | OCCUPIED PUBLIC HOUSING UNITS | UTILIZED HCVs | NON-MTW ADJUSTMENTS* | BASELINE MIX NUMBER | BASELINE MIX PERCENTAGE |
| 1 Person                                                | 1,411                         | 1,964         | 0                    | 3,375               | 42.4%                   |
| 2 Person                                                | 410                           | 1,296         | 0                    | 1,706               | 21.4%                   |
| 3 Person                                                | 342                           | 925           | 0                    | 1,267               | 15.9%                   |
| 4 Person                                                | 232                           | 608           | 0                    | 840                 | 10.5%                   |
| 5 Person                                                | 136                           | 292           | 0                    | 428                 | 5.4%                    |
| 6+ Person                                               | 97                            | 254           | 0                    | 351                 | 4.4%                    |
| <b>TOTAL</b>                                            | <b>2,628</b>                  | <b>5,339</b>  | <b>0</b>             | <b>7,967</b>        | <b>100.0%</b>           |

\* "Non-MTW Adjustments" are defined as factors that are outside the control of the MTW PHA. An example of an acceptable "Non-MTW Adjustment" would include demographic changes in the community's overall population. If the MTW PHA includes "Non-MTW Adjustments," a thorough justification, including information substantiating the numbers given, should be included below.

Please describe the justification for any "Non-MTW Adjustments" given above:

| MIX OF FAMILY SIZES SERVED (in Plan Year) |                           |                                           |                                                |                                                           |
|-------------------------------------------|---------------------------|-------------------------------------------|------------------------------------------------|-----------------------------------------------------------|
| FAMILY SIZE                               | BASELINE MIX PERCENTAGE** | NUMBER OF HOUSEHOLDS SERVED IN PLAN YEAR^ | PERCENTAGE OF HOUSEHOLDS SERVED IN PLAN YEAR^^ | PERCENTAGE CHANGE FROM BASELINE YEAR TO CURRENT PLAN YEAR |
| 1 Person                                  | 42.4%                     | 5,826                                     | 58.1%                                          | 37.1%                                                     |
| 2 Person                                  | 21.4%                     | 1,634                                     | 16.3%                                          | -23.8%                                                    |
| 3 Person                                  | 15.9%                     | 966                                       | 9.6%                                           | -39.4%                                                    |
| 4 Person                                  | 10.5%                     | 711                                       | 7.1%                                           | -32.4%                                                    |
| 5 Person                                  | 5.4%                      | 429                                       | 4.3%                                           | -20.7%                                                    |
| 6+ Person                                 | 4.4%                      | 455                                       | 4.5%                                           | 3.2%                                                      |
| <b>TOTAL</b>                              | <b>100%</b>               | <b>10,021</b>                             | <b>100.0%</b>                                  |                                                           |

\*\* The "Baseline Mix Percentage" figures given in the "Mix of Family Sizes Served (in Plan Year)" table should match those in the column of the same name in the "Baseline Mix of Family Sizes Served (upon entry to MTW)" table.

^ The "Total" in the "Number of Households Served in Plan Year" column should match the "Actual Total" box in the "Actual Number of Households Served in the Plan Year" table in Section II.B.i of this Annual MTW Report.

^^ The percentages in this column should be calculated by dividing the number in the prior column for each family size by the "Total" number of households served in the Plan Year. These percentages will reflect adjustment to the mix of families served that are due to the decisions of the MTW PHA. Justification of percentages in the current Plan Year that vary by more than 5% from the Baseline Year must be provided below.

**Please describe the justification for any variances of more than 5% between the Plan Year and Baseline Year:**

Several factors have created slight changes to the mixes of family sizes we serve. We increased our project-based vouchers, primarily in partnership with community agencies serving highly vulnerable people. We have also completed RAD conversions on the majority of our existing Single Room Occupancy/Mod Rehab program, which added over 350 1-person households in this plan year.

In addition, Home Forward's demographics relating to family size on the waitlist versus households leaving have changed, and as units turnover, smaller households sizes are selected from the waitlist as they make up a larger majority of waitlist households than in previous years. In 2019, 44% of households that left Home Forward were 1-person households, and 1-person households made up a combined 70% on all waitlists. There continues to be many 6+ person households represented on Public Housing and HCV waitlists that account for the increase in larger family size from the established baseline.

**iii. Number of Households Transitioned to Self-Sufficiency in the Plan Year**

Number of households, across MTW activities, that were transitioned to the MTW PHA's local definition of self-sufficiency during the Plan Year.

| MTW ACTIVITY NAME/NUMBER | NUMBER OF HOUSEHOLDS TRANSITIONED TO SELF SUFFICIENCY* | MTW PHA LOCAL DEFINITION OF SELF SUFFICIENCY                                                                                                       |
|--------------------------|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Rent Reform / 01         | 475                                                    | Households that has earned or permanent income that results in area median income (AMI) above 50% and/or has voluntarily exited housing assistance |
| GOALS / 02               | 33                                                     |                                                                                                                                                    |
| MOD Rehab RAD / 17       | 27                                                     |                                                                                                                                                    |
|                          | 535                                                    | <b>(Households Duplicated Across MTW Activities)</b>                                                                                               |
|                          | 60                                                     | <b>Total Households Transitioned to Self Sufficiency</b>                                                                                           |

\* Figures should match the outcome reported where metric SS#8 is used in Section IV of this Annual MTW Report.

## Section III. Proposed MTW Activities

All proposed activities that are granted approval by HUD are reported on in Section IV as "Approved Activities."



## Section IV. Approved MTW Activities

### A. Implemented Activities

## 01 RENT REFORM

Approved FY2012, Implemented FY2012, Amended FY2014, FY2015, FY2020 & FY2021

In FY2012, Home Forward implemented a large-scale reform of rent calculation methods, applicable to all MTW public housing and Housing Choice voucher households, as well as VASH voucher holders. The simplified method distinguishes between the populations of seniors / people with disabilities and “work-focused” households. The fundamental premise is that deductions are eliminated from the subsidy calculation and the total tenant payment is determined using a percentage of gross income.

In early 2013, the federal government-imposed sequestration: across-the-board reductions in federal funding. In response to these funding cuts, Home Forward amended the activity in FY2014 to increase the percentage of income used to calculate rent. The amended percentages are reflected below.

For **seniors and people with disabilities**, rent is calculated based on 28.5% of gross income. All deductions are eliminated, and this group will have triennial income re-certifications. We define those aged 55 and older as “senior”, and households fall into this population category if the head, co-head or spouse listed on the lease is 55 or older or is disabled under the current HUD definition used by Home Forward. This group has a \$0 minimum rent and utility reimbursements are allowed.

All households that do not fall into the population category above are considered **work-focused households**. All deductions are eliminated, and this group will have biennial income re-certifications. The percentages of income used to calculate the tenant portion of rent are as follows:

- **Years 1 and 2:** rent is based on 29.5% of gross income, with no minimum rent. Utility reimbursements are allowed.
- **Years 3 and 4:** rent is based on 29.5% of gross income. Utility reimbursements are allowed. (FY2021 Modification)
- **Years 5 and 6, and biennially thereafter:** rent is based on 31% of gross income. Utility reimbursements are allowed. (FY2021 Modification)

The following policies apply to all households:

### MTW authorization:

Attachment C, Section B(3) – Definition of Elderly Family

Attachment C, Section D(2)(b) – Rent Policies and Term Limits

Attachment C, Section D(2)(e) – Rent Policies and Term Limits

Attachment C, Section D(3)(b) – Eligibility of Participants

Attachment D, Section B(2) – Rent Structure and Rent Reform

Attachment D, Section D(1) – Establishment of a local Section 8/Housing Choice Voucher

### Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient

- The proration of subsidy for mixed families is simplified so that a flat \$1 monthly reduction in assistance is applied to the household, regardless of the number of ineligible members.
- The ceiling rent for public housing is now automatically set to match Housing Choice voucher payment standards. There will be no flat-rent option.
- Home Forward has created a separate “release of information” form to supplement the HUD Form 9886, to obtain a release of information that covers the appropriate biennial or triennial review cycle.
- For Housing Choice voucher households where the gross rent of the unit exceeds the applicable payment standard, Home Forward will approve the tenancy at initial occupancy so long as the household share does not exceed 50 percent of the household’s gross income. (FY2017 Modification)
- When a Housing Choice voucher household is approved to move and the identified unit has a gross rent that exceeds the payment standard, Home Forward will use the existing income verification on file to test for affordability. Home Forward will not require a re-examination to verify income for this purpose unless the family requests it.
- When a Housing Choice *voucher household reports a change in family size, if the household has resided in their unit for at least 12 months, Home Forward will require an interim review. Any changes to voucher size, payment standard and subsidy calculation will be effective 120 days after the interim review.* (FY2015 Modification)
- The earned income disallowance is eliminated.
- All Family Self-Sufficiency (FSS) participants are included in the rent reform calculation.
- Home Forward will use actual past income to determine annual income for participant families. (FY2015 Modification)
- All income sources used to determine a household’s public housing rent or Housing Choice voucher assistance will be the same as currently defined by HUD, with the following exceptions:
- The value of any asset or the value of any income derived from that asset will not be used in the rent calculation, except when the asset makes regular payments (quarterly or more often) to the resident or participant. However, the value of assets or the value of any income derived from assets will be used to determine initial eligibility. Home Forward will allow households to self-certify assets with a net value of \$5,000 or less. (FY2015 Modification)

- All earned income of full-time students aged 18 and over will be excluded from the rent calculation, unless they are the head, co-head, or spouse of the household.
- Student financial assistance will be considered only for the purpose of determining eligibility. Student financial assistance will not be used to determine annual income for rent and subsidy calculation.
- All adoption assistance payments will be excluded from the rent calculation.
- Households will have the option to not report income that is not used in the rent calculation, such as foster care payments. However, Home Forward will accept income reporting of such sources for use in determining affordability of a unit. Home Forward permits families to rent units where the family share is up to 50% of their gross income.
- Households may apply for a hardship review if their total monthly shelter costs exceed 50% of the total monthly income used to determine their rent subsidy. Housing Choice voucher participants who choose to rent housing where the total shelter costs exceed 50% of total monthly income at the time of initial lease-up in that unit will not generally qualify for hardship review; however, all households have the right to request a hardship and exceptions may be made. The committee will have a menu of remedies to reduce a qualifying household's burden.
- Home Forward may deny all rent increase requests, or pause the processing of all rent increase requests, from landlords of tenant-based Housing Choice Voucher holders for reasons other than non-compliance with rent reasonableness in rent setting. Home Forward will implement this approach based upon a consideration of the following factors:
  - A consideration of financial and administrative impact on Home Forward;
  - Rent burden on tenants participating in the Housing Choice Voucher program;
  - Impact on participating landlords; and
  - Other compelling situations which may include the declaration of a state of emergency.

Rent reform has been fully implemented. Currently, all MTW public housing and Housing Choice voucher households, as well as VASH voucher holders, are on the rent reform calculation. The earliest group of work-focused households transitioned to the third level of rent payment beginning in FY2017. Home Forward continues to monitor hardship requests, household and agency financial impacts and staff feedback to prepare for any changes that may need to be made to the activity.

Home Forward temporarily denied all rent increase requests, or paused processing rent increase requests, from landlords of Tenant Based Voucher holders for rent increases that would go into effect during calendar year 2021 in response to the COVID-19 public health emergency.

Home Forward implemented this modification by pausing processing rent increase requests from landlords of Tenant Based voucher holders that would have taken effect during calendar year 2021 in response to the COVID-19 public health emergency.

Home Forward implemented this approach based upon a consideration of the following factors:

- A consideration of financial and administrative impact on Home Forward;
- Rent burden on tenants participating in the Housing Choice Voucher program;
- Impact on participating landlords; and
- Other compelling situations which may include the declaration of a state of emergency.

Authority to implement this approach derives from SectionD(2)(e) of Attachment C to the HUD-Home Forward MTW Agreement. Section D(2)(e): “The Agency is authorized to implement alternative review and/or approval procedures for rent increases.”

### Activity Metrics

| Metric                                                                                                                                                                                                                                    | Baseline             | Benchmark            | Final Outcome | Outcome Achieved? |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|---------------|-------------------|
| Agency cost savings (Standard Metric: CE#1)                                                                                                                                                                                               |                      |                      |               |                   |
| Total cost of task                                                                                                                                                                                                                        | FY2011: \$140,228    | FY2021: \$105,723    | \$93,354      | Outcome Achieved  |
| Staff time savings (Standard Metric: CE#2)                                                                                                                                                                                                |                      |                      |               |                   |
| Total time to complete the task                                                                                                                                                                                                           | FY2011: 5,340 hours  | FY2021: 4,026 hours  | 3,555         | Outcome Achieved  |
| Decrease in error rate of task execution (Standard Metric: CE#3)                                                                                                                                                                          |                      |                      |               |                   |
| Note: Because Home Forward does not have a pre-implementation baseline for this metric, we are not able to show the historical impact of this activity. Through our quality control process, every error that is identified is corrected. |                      |                      |               |                   |
| Average error rate in completing task                                                                                                                                                                                                     | FY2015: 7.5%         | FY2021: 7.5%         | 4.2%          | Outcome Achieved  |
| Increase in tenant share of rent (Standard Metric: CE#5)                                                                                                                                                                                  |                      |                      |               |                   |
| Total annual tenant share of rent                                                                                                                                                                                                         | FY2012: \$25,342,942 | FY2021: \$37,972,344 | \$40,920,523  | Outcome Achieved  |
| Increase in household income (Standard Metric: SS#1)                                                                                                                                                                                      |                      |                      |               |                   |

| Metric                                                                                                                                                                                                                                                                                        | Baseline                                     | Benchmark                                    | Final Outcome                  | Outcome Achieved?    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|----------------------------------------------|--------------------------------|----------------------|
| Average earned income of households                                                                                                                                                                                                                                                           | FY2011: \$3,324                              | FY2021: \$3,651                              | \$5,339                        | Outcome Achieved     |
| Increase in positive outcomes in employment status (Standard Metric: SS#3)<br>Note: Because Home Forward has implemented biennial and triennial review schedules, the number of households who report an increase in earned income each year is reduced.                                      |                                              |                                              |                                |                      |
| Number of heads of households who: 6) Other (defined as having an increase in earned income)                                                                                                                                                                                                  | FY2011: 866 heads of households              | FY2021: 525 heads of households              | 683 heads of household         | Outcome Achieved     |
| Percent of work-focused households who: 6) Other (defined as having an increase in earned income)                                                                                                                                                                                             | FY2011: 16% of work-focused households       | FY2021: 16% of work-focused households       | 11% of work-focused households | Outcome Not Achieved |
| Households Removed from Temporary Assistance for Needy Families (TANF) (Standard Metric: SS#4)                                                                                                                                                                                                |                                              |                                              |                                |                      |
| Number of households receiving TANF assistance                                                                                                                                                                                                                                                | FY2012: 229 households receiving TANF (2.0%) | FY2021: 100 households receiving TANF (1.0%) | 1,216 (9.5%) households        | Outcome Not Achieved |
| Reducing the per unit subsidy costs for participating households (Standard Metric: SS#6)                                                                                                                                                                                                      |                                              |                                              |                                |                      |
| Average amount of subsidy per household                                                                                                                                                                                                                                                       | FY2012: \$524 per household                  | FY2021: \$780                                | \$822                          | Outcome Achieved     |
| Households transitioned to self-sufficiency (Standard Metric: SS#8)                                                                                                                                                                                                                           |                                              |                                              |                                |                      |
| Number of households transitioned to self-sufficiency (Defined as households that have earned or permanent income that results in area median income (AMI) above 50% and/or that have voluntarily exited housing assistance)                                                                  | FY2014: 521 households                       | FY2021: 500 households                       | 475 households                 | Outcome Not Achieved |
| Displacement prevention (Standard Metric: HC#4)<br>Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not believe this metric is an accurate measure of this activity, but we have included it at HUD's request. |                                              |                                              |                                |                      |
| Number of households at or below 80% AMI that would lose assistance or need to move                                                                                                                                                                                                           | FY2011: 233 households                       | FY2021: 0 households                         | 0 households                   | Outcome Achieved     |

| Metric                                                                                                                                                                                                                                                                     | Baseline                                                       | Benchmark                        | Final Outcome            | Outcome Achieved? |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|----------------------------------|--------------------------|-------------------|
| Increase in resident mobility (Standard Metric: HC#5)<br>Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not use rent reform to impact mobility, but we have included it at HUD's request. |                                                                |                                  |                          |                   |
| Number of households able to move to a better unit and/or neighborhood of opportunity (defined as low poverty census tracts where poverty is below 17.1%)                                                                                                                  | FY2013: 3,092 (28.4%) households lived in better neighborhoods | FY2021: 2,904 (28.5%) households | 3,527 (27.7%) households | Outcome Acheived  |

## Agency Specific Metrics

| Metric                                                                                                                  | Baseline                                                                              | Benchmark                                                              | Final Outcome                                               | Outcome Achieved? |
|-------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------|-------------------|
| Maintain stability for seniors and people with disabilities                                                             |                                                                                       |                                                                        |                                                             |                   |
| Shelter burden (rent <sup>1</sup> + utility allowance divided by gross income) for seniors and people with disabilities | Before implementation, shelter burden was 27%                                         | FY2021: Shelter burden will remain below 29%                           | 28%                                                         | Outcome Achieved  |
| Increased contribution to rent                                                                                          |                                                                                       |                                                                        |                                                             |                   |
| Total tenant payment (rent <sup>2</sup> + utility allowance) for work-focused households                                | Before implementation:<br>Section 8 average - \$267<br>Public housing average - \$249 | FY2021:<br>Section 8 average - \$420<br>Public housing average - \$359 | Section 8 average - \$538<br>Public housing average - \$471 | Outcome Achieved  |
| Increased income in work-focused households                                                                             |                                                                                       |                                                                        |                                                             |                   |
| Average income for work-focused households, as percentage of Median Family Income (MFI)                                 | Before implementation, average income for work-focused households was 16.4% MFI       | FY2021: 18% MFI                                                        | 18.8% MFI                                                   | Outcome Achieved  |

Home Forward's Yardi Voyager database continues to serve as the source for household income and total tenant rent payment information. The baseline data for hours required to conduct rent calculation and income reviews was collected through staff interviews and workflow analysis.

## Hardship Requests

At the time of implementation, Home Forward offered a "phase-in" hardship for households who had high medical or childcare costs or had many dependents. On an annual basis, those households can apply for an extension to the phase-in hardship, which if approved, reduces their rent portion in proportion to the amount of expenses or the number of dependents. From January 2021 through December 2021 (FY2021), 7 households requested an extension of the phase-in hardship, and 7 of those were approved. The annual cost to the agency of the phase-in hardship is approximately \$3,500.

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<sup>1</sup> For purposes of these metrics, Housing Choice Voucher rents are calculated with gross rent capped at payment standard.



Households may apply for a hardship review if their total monthly shelter burden costs exceed 50% of the total monthly income used to determine their rent subsidy. In FY2021, 144 households applied for a hardship review and 109 requests were granted. The annual cost to the agency of these hardship requests is approximately \$91,176.

### **MTW Flexibility:**

Home Forward has used our MTW flexibility to structure our rent reform calculation with several aspects that differ from the standard calculation (described above). This includes eliminating deductions, changing the percentage of income used to calculate rent, simplifying the calculation, and moving to triennial reviews save significant staff time. Additionally, Home Forward has exercised its authority to amend the definition of an elderly family to age 55. This supports the statutory objective of creating incentives for self-sufficiency by ensuring that households defined as work-focused can be reasonably expected to increase employment and earnings over time.

### **Actual Non-Significant Changes**

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

### **Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

### **Actual Significant Changes**

Home Forward enacted several waivers from PIH Notice 2020-33 (COVID-19 Statutory and Regulatory Waivers and Alternative Requirements for the Public Housing, Housing Choice Voucher (including Mainstream and Mod Rehab), Indian Housing Block Grant and Indian Community Development Block Grant programs, Suspension of Public Housing Assessment System and Section Eight Management Assessment Program, Revision 2) that impact this activity:

PH and HCV-3: Family Income and Composition: Annual Examination; Income Verification Requirements (April 14, 2020 to June 30, 2021)

PH and HCV-4: Family Income and Composition: Interim Examinations (April 14, 2020 to June 30, 2021)

HCV-2: Information When Family is Selected: PHA Oral Briefing (April 14, 2020 to June 30, 2021)

HCV-3: Term of Voucher: Extensions of Term (April 14, 2020 to June 30, 2021)

HCV-4: PHA Approval of Assisted Tenancy: When HAP Contract is Executed (April 14, 2020 to June 30, 2021)

HCV-5: Absence from Unit (April 14, 2020 to June 30, 2021)

HCV-6: Automatic Termination of HAP Contract (April 14, 2020 to June 30, 2021)

HCV-10: Family Unification Program: FUP Youth Age Eligibility to Enter HAP Contract (December 7, 2020 to June 30, 2021)

HCV-11: Family Unification Program: Length of Assistance for Youth (December 7, 2020 to June 30, 2021)

HCV-12: Family Unification Program: Timeframe for Referral (December 7, 2020 to June 30, 2021)

These waivers enabled households to quickly submit reductions in income resulting from the COVID-19 pandemic and aimed to help assisted households remain in their unit during the public health emergency.

Home Forward also made a change to rent calculations for work-focused households in an effort to eliminate racial disparities and advance racial equity:

- 1) Minimum rent was set to \$0 for work-focused year 2 and onwards
- 2) Utility reimbursements are allowed for all work-focused households

When analyzing the impact of eliminating minimum rents on shelter burden by race/ethnicity and households with children, Home Forward saw significant decreases in shelter burden for everyone, but especially households of color, as a result of this single policy change. This change will increase housing choice by increasing housing stability and reduce cost efficiency by reducing administrative burden associated with implementing minimum rents and processing hardships and was fully implemented in November 2021.

### **Challenges in Achieving Benchmarks and Possible Strategies**

The Portland metro area had an average increase of 8% in rents and a vacancy rate average of 5.1%, with some areas in the metro area experiencing vacancy rates below 3.6% during FY2021. To keep pace with the rental housing market and to ensure our voucher holders can find housing throughout our community, Home Forward continues to evaluate and raise payment standards. This has raised the average subsidy for our households and is necessary to continue to provide stable housing in this market. At this time, we are not considering a change of strategy, but will continue to maintain our payment standard structure to reflect the market as much as possible.

The COVID-19 pandemic caused significant income loss for households on rent reform. Through December 31, 2021, 946 households reported a loss in income directly due to COVID-19, reporting annual wage losses totaling \$18,474,548. Households on unemployment and receiving TANF increased drastically from benchmarks established prior to the pandemic. The increase in temporary assistance as well as the reduction in earned income decreased the number of households able to transition into self-sufficiency.

## 02 GOALS – HOME FORWARD’S FAMILY SELF-SUFFICIENCY PROGRAM

Approved FY2014, Implemented FY2014

In our FY2014 Plan, Home Forward proposed an activity to align existing self-sufficiency programs into one consolidated program, which we refer to as the GOALS (Greater Opportunities to Advance, Learn and Succeed) program. This program is tailored to meet the needs of our community and be efficient for staff to administer. GOALS program requirements are the same regardless of funding source, program, or property, with a few minor exceptions for site-based programs.

The key elements of the GOALS program are as follows:

- The rent reform calculation (Activity 01) is used for all GOALS participants.
- Participants who are engaged in a designated program intended to increase the family’s economic independence (such as an employment or training program) will receive a preference on the GOALS waiting list. 100% of the GOALS slots may be filled with participants utilizing this preference.
- Home Forward will allow the GOALS contract to be in the name of any adult member of the household.
- The traditional escrow account used in HUD Family Self-Sufficiency (FSS) programs has been replaced with a managed savings account. Any rent paid by a participant household above \$350 (known as the “strike point”) will be placed into the managed savings account. The monthly amount placed into a family’s managed savings account is limited to the difference between the strike point and the family’s ceiling rent (for public housing families) or voucher payment standard (for Section 8 families).
- The length of time on the program will be five years, with the opportunity to extend for an additional two years. Eligibility for the two-year extension follows current policy and HUD guidelines.
- Participants graduate and have access to the funds in their managed savings account when they have completed their training plan and fulfilled the obligations identified in their contract.
- Families who leave the program prior to graduation will forfeit any money accrued in their managed savings account.

### **MTW authorization:**

Attachment C, Section E – Family Self Sufficiency Programs

Attachment C, Section B(1) – Single Fund Budget with Full Flexibility

### **Statutory objective:**

Give incentives to families with children where the head of household is working, is seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient

- At properties where participation in GOALS was mandatory, the property will continue to utilize a site-based preference on the GOALS waitlist to encourage participation in the family self-sufficiency program at these sites.
- When funding is available, a safety net of \$1,500 (either in lump sum or \$250/month for six months) will be provided through MTW flexible funds for public housing families graduating from the site-based programs who move to non-subsidized units. The same safety net will be provided for Section 8 participants who give up their voucher prior to reaching zero assistance. Due to sequestration funding cuts, this safety net has not yet been announced or made available to families.
- When a public housing resident reaches ceiling rent, or a housing assistance payment for a voucher participant drops to zero, deposition into the family's managed savings account will cease. Families can continue to participate in the program for an additional six months, but no savings will accrue during this time. If the family is still at ceiling rent or zero assistance after six months, they will graduate from the program. If the family's income decreases to a level that housing assistance is reinstated during that six-month period, they may begin to earn escrow again, and continue participation in the program if the contract determines they are still eligible.
- Staff implementing the GOALS program will be funded by a combination of HUD-funded FSS Coordinator money, grant funding, and agency budgeting. FSS Coordinator funds will be used only for FSS Coordinator salaries, as directed by the respective NOFAs (Notice of Funding Availability).

## Activity Metrics

| Metric                                                                                                                                                                                                                                                             | Baseline          | Benchmark         | Final Outcome          | Outcome Achieved? |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|------------------------|-------------------|
| Agency cost savings (Standard Metric: CE#1)<br>Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not save costs through this activity, but we have included it at HUD's request.     |                   |                   |                        |                   |
| Total cost of task                                                                                                                                                                                                                                                 | FY2017: \$512,070 | FY2021: \$779,731 | \$577,400 <sup>1</sup> | Outcome Acheived  |
| Staff time savings (Standard Metric: CE#2)<br>Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not save staff time through this activity, but we have included it at HUD's request. |                   |                   |                        |                   |

<sup>1</sup> Home Forward uses our MTW flexibility to include coordinators at our site-based programs in our overall GOALS FSS program. This is shown here as an increase in staffing costs and hours since we're now able to include these costs under the combined program. In addition to site-based coordinators, there are 8 traditional coordinators supported via HUD-funded FSS coordinator funds.

| Metric                                                                                                                                                                                                                      | Baseline          | Benchmark         | Final Outcome          | Outcome Achieved?    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|------------------------|----------------------|
| Total time to complete task                                                                                                                                                                                                 | FY2017: 18,509    | FY2021: 18,928    | 16,867 <sup>1</sup>    | Outcome Achieved     |
| Decrease in error rate of task execution (Standard Metric: CE#3)<br>Note: Because Home Forward does not have a pre-implementation baseline for this metric, we are not able to show the historical impact of this activity. |                   |                   |                        |                      |
| Average error rate in completing task                                                                                                                                                                                       | FY2017: 2%        | FY2021: 2%        | 2%                     | Outcome Achieved     |
| Increase in resources leveraged (Standard Metric: CE#4)                                                                                                                                                                     |                   |                   |                        |                      |
| Amount of funds leveraged                                                                                                                                                                                                   | FY2017: \$190,507 | FY2021: \$191,500 | \$413,750 <sup>1</sup> | Outcome Achieved     |
| Increase in household income (Standard Metric: SS#1)                                                                                                                                                                        |                   |                   |                        |                      |
| Average earned income of households                                                                                                                                                                                         | FY2017: \$12,472  | FY2021: \$12,750  | \$22,808               | Outcome Achieved     |
| Increase in household savings (Standard Metric: SS#2)                                                                                                                                                                       |                   |                   |                        |                      |
| Average amount of escrow of households                                                                                                                                                                                      | FY2017: \$2,295   | FY2021: \$2,350   | \$5,013                | Outcome Achieved     |
| Increase in positive outcomes in employment status (Standard Metric: SS#3) <sup>1</sup>                                                                                                                                     |                   |                   |                        |                      |
| Number of heads of households:                                                                                                                                                                                              | FY2017:           | FY2021:           | FY2021:                |                      |
| 1) Employed full-time                                                                                                                                                                                                       | 187               | 187               | 197                    | Outcome Achieved     |
| 2) Employed part-time <sup>2</sup>                                                                                                                                                                                          | 120               | 120               | 87                     | Outcome Not Achieved |
| 3) Enrolled in an educational program                                                                                                                                                                                       | 129               | 130               | 40                     | Outcome Not Achieved |
| 4) Enrolled in a job-training program                                                                                                                                                                                       | 81                | 82                | 92                     | Outcome Achieved     |
| 5) Unemployed                                                                                                                                                                                                               | 155               | 155               | 119                    | Outcome Achieved     |

<sup>1</sup> Households may be counted in more than one category in the employment statuses shown above. For example, a household may be considered unemployed while enrolled in an educational program.

<sup>2</sup> Home Forward did not track full-time vs part-time employment prior to implementation. For the purposes of this baseline metrics, all employed households were counted as employed full-time. We have updated these metrics with the part-time employment statistics.

| Metric                                                                                                                                                                                                                                                               | Baseline                        | Benchmark                       | Final Outcome           | Outcome Achieved?    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------|-------------------------|----------------------|
| 6) Other (defined as having completed an education or job training program)                                                                                                                                                                                          | 54                              | 55                              | 95                      | Outcome Achieved     |
| Increase in positive outcomes in employment status (Standard Metric: SS#3) <sup>1</sup>                                                                                                                                                                              |                                 |                                 |                         |                      |
| Percentage of work-able households:                                                                                                                                                                                                                                  | FY2017                          | FY2021                          | FY2021                  |                      |
| 1) Employed full-time                                                                                                                                                                                                                                                | 40%                             | 40%                             | 49%                     | Outcome Achieved     |
| 2) Employed part-time <sup>5</sup>                                                                                                                                                                                                                                   | 27%                             | 27%                             | 22%                     | Outcome Not Achieved |
| 3) Enrolled in an educational program                                                                                                                                                                                                                                | 28%                             | 28%                             | 10%                     | Outcome Not Achieved |
| 4) Enrolled in a job-training program                                                                                                                                                                                                                                | 18%                             | 18%                             | 23%                     | Outcome Achieved     |
| 5) Unemployed                                                                                                                                                                                                                                                        | 33%                             | 33%                             | 30%                     | Outcome Achieved     |
| 6) Other (defined as having completed an education or job training program)                                                                                                                                                                                          | 12%                             | 12%                             | 24%                     | Outcome Achieved     |
| Households removed from TANF (Standard Metric: SS#4)                                                                                                                                                                                                                 |                                 |                                 |                         |                      |
| Note: This metric is measured as a point in time count, which does not account for individual households who give up TANF assistance, graduate from the GOALS program, and are then replaced by income GOALS participants who have not yet given up TANF assistance. |                                 |                                 |                         |                      |
| Number of households receiving TANF assistance                                                                                                                                                                                                                       | FY2017: 61 households           | FY2021: 60 households           | 29 households           | Outcome Achieved     |
| Households assisted by services that increase self-sufficiency (Standard Metric: SS#5)                                                                                                                                                                               |                                 |                                 |                         |                      |
| Number of households enrolled in GOALS                                                                                                                                                                                                                               | FY2017: 462 households enrolled | FY2021: 462 households enrolled | 403 households enrolled | Outcome Not Achieved |
| Reducing per unit subsidy costs for participating households (Standard Metric: SS#6)                                                                                                                                                                                 |                                 |                                 |                         |                      |
| Average amount of subsidy per household                                                                                                                                                                                                                              | FY2017: \$671 per household     | FY2021: \$671 per household     | \$834 per household     | Outcome Achieved     |

<sup>1</sup> Households may be counted in more than one category in the employment statuses shown above. For example, a household may be considered unemployed while enrolled in an educational program.

| Metric                                                                                                                                                                                                                       | Baseline               | Benchmark              | Final Outcome | Outcome Achieved? |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|---------------|-------------------|
| Increase in tenant share of rent (Standard Metric: SS#7)                                                                                                                                                                     |                        |                        |               |                   |
| Tenant share of rent                                                                                                                                                                                                         | FY2017:<br>\$1,926,589 | FY2021:<br>\$1,926,589 | \$2,472,610   | Outcome Achieved  |
| Households transitioned to self-sufficiency (Standard Metric: SS#8)                                                                                                                                                          |                        |                        |               |                   |
| Number of households transitioned to self-sufficiency (Defined as households that have earned or permanent income that results in area median income (AMI) above 50% and/or that have voluntarily exited housing assistance) | FY2017: 27 households  | FY2021: 28 households  | 33 households | Outcome Achieved  |

### **MTW Flexibility:**

Home Forward has used MTW flexibility to create an economic opportunity program that is tailored to serve our community. Aspects that use MTW flexibility are described above, and include use of a strike point escrow system, use of the rent reform calculation for participants, and modifications to the graduation process.

### **Actual Non-Significant Changes**

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

### **Actual Changes to Metrics/Data Collection**

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

### **Actual Significant Changes**

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

### **Challenges in Achieving Benchmarks and Possible Strategies**

The overall average enrollment earned income in FY2021 was higher than the previous years, making the difference between an enrollment and exit earned income smaller. Benchmarks for part-time employment and educational programs were not met but exceeded for full-time employment and job-training programs. At this time, we are not considering a change of strategy and remained focused on increasing each family's economic independence

### 03 LOCAL BLENDED SUBSIDY

Approved FY2012, Implemented FY2012

Home Forward has created a local blended subsidy (LBS) program to improve the financial viability of adding “banked” public housing units back into the portfolio. Public housing operating subsidy alone is often insufficient to support bringing these units back to properties. The LBS program uses a blend of MTW Section 8 and public housing operating funds to subsidize units reserved for families earning 80 percent or below of area median income. These units may be new construction, rehabilitated, or existing housing.

The LBS program combines tenant paid rent, Section 8 funds, and public housing funds, resulting in a total per unit rent amount. Rents are set by an internal process to determine the amount of subsidy that will meet property needs and are subject to completion of rent reasonableness tests. Home Forward uses the payment standard as the maximum rent for LBS units, or up to 125% of Fair Market Rents in the case of service-enriched units. This leveraging of resources allows for a more adequate revenue stream and increases the number of households that can be served.

Home Forward has utilized the LBS program for 284 units at three properties. This includes 130 units at Bud Clark Commons, 45 units at Madrona Place, and 109 units at Stephens Creek Crossing. As part of our Public Housing Conversion Strategy, Bud Clark Commons and Madrona Place received RAD (Rental Assistance Demonstration) approval in September 2015. One of the first steps in the RAD conversion process is the Commitment to enter into a Housing Assistance Payment (CHAP), which was completed in October 2015 for these two properties. Stephens Creek Crossing was also included in the July 2015 RAD application and will convert only after HUD has confirmed a feasible conversion plan for Home Forward's entire public housing portfolio.

#### MTW authorization:

Attachment C, Section B(1) – Single Fund Budget with Full Flexibility

Attachment C, Section C(2) – Local Preferences and Admission and Continued Occupancy Policies and Procedures

Attachment D, Section B(3) – Local Unit Based Subsidy Program

#### Statutory objective:

Increase housing choice for low-income families

#### Activity Metrics:

| Metric                                                                        | Baseline                                      | Benchmark                        | Final Outcome            | Outcome Achieved? |
|-------------------------------------------------------------------------------|-----------------------------------------------|----------------------------------|--------------------------|-------------------|
| Additional units of housing made available (Standard Metric: HC#1)            |                                               |                                  |                          |                   |
| Number of new housing units made available for households at or below 80% AMI | Before implementation, 0 units made available | FY2021: 239 units made available | 239 units made available | Outcome Achieved  |
| Units of housing preserved (Standard Metric: HC#2)                            |                                               |                                  |                          |                   |



| Metric                                                                                                                | Baseline                                 | Benchmark                                            | Final Outcome                                                 | Outcome Achieved? |
|-----------------------------------------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------------------|---------------------------------------------------------------|-------------------|
| Number of housing units preserved for households at or below 80% AMI                                                  | Before implementation, 0 units preserved | FY2021: 45 units preserved after full implementation | 45 units preserved                                            | Outcome Achieved  |
| Increase in resident mobility (Standard Metric: HC#5)                                                                 |                                          |                                                      |                                                               |                   |
| Number of households living in better neighborhoods (defined as low poverty census tracts where poverty is below 17%) | Before implementation, 0 households      | FY2021: 109 households                               | 109 LBS households located in better neighborhoods            | Outcome Achieved  |
| Increase in resources leveraged (Standard Metric: CE#4)                                                               |                                          |                                                      |                                                               |                   |
| Amount of funds leveraged                                                                                             | Before implementation, \$0               | FY2021: \$11,145,307                                 | \$11,145,307 in leveraged debt, equity and increased services | Outcome Achieved  |

### MTW Flexibility:

This activity uses single fund budget flexibility and authorization to develop a local unit-based subsidy program to create the administrative and funding structure for LBS. This increases housing choice for low-income families by allowing Home Forward to add financially viable, subsidized units back into its portfolio. LBS has allowed Home Forward to leverage debt, equity, and increased services at these three properties. Additionally, the ability to create local preferences, and admission and continued occupancy policies and procedures allows Home Forward to manage the units to provide similar protections as public housing and adapt the rules for efficiency and local needs. This supports the objective to increase efficiencies in Federal expenditures.

Home Forward understands and is committed to our obligation to continue to serve substantially the same number of families as if we had not participated in the MTW demonstration. We are aware of the pressure our LBS activity may place on the agency to continue to meet our baseline households served, and we carefully consider this information before moving forward with implementation strategies. We are continuing to explore and develop alternative options for local rent assistance programs that will serve a significant need in our community and will also support our ability to meet our baseline households served once LBS is fully implemented.

### Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

**Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

**Actual Significant Changes**

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

**Challenges in Achieving Benchmarks and Possible Strategies**

Home Forward had no challenges in achieving our benchmarks for this activity in FY2021.

## 06 ALTERNATE INSPECTION REQUIREMENTS FOR PARTNER-BASED PROGRAMS

Approved FY2012, Implemented FY2012

Home Forward aligns our housing resources with the services of jurisdictional and community partners to maximize impact and effectiveness. To reduce costs and increase efficiencies, Home Forward uses alternate inspection standards for programs where we contract out resources to be administered by partners. Rather than requiring full Housing Quality Standards (HQS) inspections, Home Forward requires that these units meet the habitability standards, unit inspection requirements, and lead-based paint visual assessment requirements required by the US Department of Housing and Urban Development's Homelessness Prevention and Rapid Re-Housing Program. Staff from jurisdictional and community providers can arrange for and conduct required inspections themselves, in conjunction with other required visits to the assisted units.

**MTW authorization:**

Attachment C, Section D(5) – Ability to Certify Housing Quality Standards

**Statutory objective:**

Reduce cost and achieve greater cost effectiveness in Federal expenditures

**Activity Metrics:**

| Metric                                                                                                                                                                                           | Baseline                         | Benchmark            | Final Outcome | Outcome Achieved? |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------|---------------|-------------------|
| Agency cost savings (Standard Metric: CE#1)                                                                                                                                                      |                                  |                      |               |                   |
| Total cost of task                                                                                                                                                                               | Before implementation, \$35,500  | FY2021: \$0          | \$0           | Outcome Achieved  |
| Staff time savings (Standard Metric: CE#2)                                                                                                                                                       |                                  |                      |               |                   |
| Total time to complete the task                                                                                                                                                                  | Before implementation, 500 hours | FY2021: 0 hours      | 0 hours       | Outcome Achieved  |
| Decrease in error rate of task execution (Standard Metric: CE#3)<br>Note: Because this metric was established after implementation, Home Forward does not anticipate a change in the error rate. |                                  |                      |               |                   |
| Average error rate in completing a task                                                                                                                                                          | FY2014: 4%                       | FY2021: Less than 5% | Less than 1%  | Outcome Achieved  |

**MTW Flexibility:**

Home Forward uses MTW authority to allow alternative inspection requirements for units assisted with rent assistance that we have contracted to community partners. These alternate inspection requirements ensure housing standards while increasing efficiency and cost effectiveness.

**Actual Non-Significant Changes**

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

**Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

**Actual Significant Changes**

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

**Challenges in Achieving Benchmarks and Possible Strategies**

Home Forward had no challenges in achieving our benchmarks for this activity in FY2021.

## 07 LANDLORD SELF-CERTIFICATION OF MINOR REPAIRS

Approved FY2013, Implemented FY2013

In many cases, units may fail an initial or annual inspection due to minor items, such as cracked socket plates or closet doors that are off track. Requiring a Home Forward inspector to make a trip back to a unit to verify such minor repairs is inefficient and costly. Home Forward has implemented a policy that in cases where there are no more than four minor deficiencies, we may accept an owner's certification that required repairs were made. This allowance is made at Home Forward's discretion, and in cases where all deficiencies are minor items as determined by an approved list maintained by Home Forward.

In FY2019 inspectors continued to use the option for landlords to self-certify minor repairs rather than completing a reinspection. The option continued to be used at the inspector's discretion. Out of 576 reinspections, 11 were completed with a landlord self-certification for minor repairs.

### MTW authorization:

Attachment C, Section D(5) – Ability to Certify Housing Quality Standards

### Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

### Activity Metrics:

| Metric                                                                                                                                  | Baseline                           | Benchmark            | Final Outcome                                 | Outcome Achieved? |
|-----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|-----------------------------------------------|-------------------|
| Agency cost savings (Standard Metric: CE#1)                                                                                             |                                    |                      |                                               |                   |
| Total cost of task                                                                                                                      | Before implementation, \$140,092   | FY2021: \$79,989     | Less than \$40,010 to complete re-inspections | Outcome Achieved  |
| Staff time savings (Standard Metric: CE#2)                                                                                              |                                    |                      |                                               |                   |
| Total time to complete the task                                                                                                         | Before implementation, 1,326 hours | FY2021: 978 hours    | 260 hours                                     | Outcome Achieved  |
| Decrease in error rate of task execution (Standard Metric: CE#3)                                                                        |                                    |                      |                                               |                   |
| Note: Because Home Forward does not have a pre-implementation baseline, we are not able to show the historical impact of this activity. |                                    |                      |                                               |                   |
| Average error rate in completing a task                                                                                                 | FY2015: 0%                         | FY2021: Less than 3% | Less than 1%                                  | Outcome Achieved  |

**MTW Flexibility:**

This activity uses alternate criteria – in the form of an owner’s written certification – to verify the correction of deficiencies in a unit that failed its initial or annual Housing Quality Standards inspection as a result of four or fewer minor (as defined by Home Forward) deficiencies. This policy increases efficiencies and saves the agency the cost of these re-inspections.

**Actual Non-Significant Changes**

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

**Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

**Actual Significant Changes**

Home Forward enacted several waivers from PIH Notice 2020-33 (*COVID-19 Statutory and Regulatory Waivers and Alternative Requirements for the Public Housing, Housing Choice Voucher (including Mainstream and Mod Rehab), Indian Housing Block Grant and Indian Community Development Block Grant programs, Suspension of Public Housing Assessment System and Section Eight Management Assessment Program, Revision 2*) that impact this activity:

HQS-1: Initial Inspection Requirements (April 14, 2020 to June 30, 2021)

HQS-5: HQS Inspection Requirement: Biennial Inspections (April 14, 2020 to December 21, 2021)

HQS-6: HQS Interim Inspections (April 14, 2020 to June 30, 2021)

HQS-7: PBV Turnover Unit Inspections (April 14, 2020 to June 30, 2021)

HQS-8: PBV HAP Contract: HQS Inspections to Add or Substitute Units (April 14, 2020 to June 30, 2021)

HQS-9: HQS Quality Control Inspections (April 14, 2020 to June 30, 2021)

These waivers significantly reduced the number of inspections that were completed from April 14, 2020 to December 31, 2020, with deferrals in accordance with the waiver requirements. The use of these waivers reduced the cost to the agency of reinspections (standard metric CE#1), staff time savings (standard metric CE#2) and decrease in the error rate (standard metric CE#3).

**Challenges in Achieving Benchmarks and Possible Strategies**

Home Forward had no challenges in achieving our benchmarks for this activity in FY2021.

## 08 INSPECTIONS AND RENT REASONABLENESS AT HOME FORWARD-OWNED PROPERTIES

Approved FY2013, Implemented FY2013

Home Forward owns over 4,000 units of affordable housing in Multnomah County. Many of these units have project-based Section 8 vouchers attached, and additional units are rented to families that are utilizing tenant-based Section 8 vouchers. In cases where a voucher holder is renting a unit we own, Home Forward utilizes our own staff to perform inspections and determine rent reasonableness.

In cases where Home Forward both owns and manages the unit, we hire a third party to conduct quality control inspections and rent reasonableness testing at a sample of these units. This ensures standards are being met while mitigating any conflict of interest.

### MTW authorization:

Attachment C, Section D(5) – Ability to Certify Housing Quality Standards

Attachment C, Section D(2)(c) – Rent Policies and Term Limits

### Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

### Activity Metrics:

| Metric                                                                                                                                                                                                      | Baseline                           | Benchmark            | Final Outcome | Outcome Achieved? |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------|---------------|-------------------|
| Agency cost savings (Standard Metric: CE#1)                                                                                                                                                                 |                                    |                      |               |                   |
| Total cost of task                                                                                                                                                                                          | Prior to implementation, \$17,750  | FY2021: \$0          | \$0           | Outcome Achieved  |
| Staff time savings (Standard Metric: CE#2)                                                                                                                                                                  |                                    |                      |               |                   |
| Total time to complete the task                                                                                                                                                                             | Prior to implementation, 370 hours | FY2021: 0 hours      | 0 hours       | Outcome Achieved  |
| Decrease in error rate of task execution (Standard Metric: CE#3)<br>Note: Because Home Forward does not have a pre-implementation baseline, we are not able to show the historical impact of this activity. |                                    |                      |               |                   |
| Average error rate in completing a task                                                                                                                                                                     | FY2015: 0%                         | FY2021: Less than 5% | Less than 1%  | Outcome Achieved  |

### MTW Flexibility:

Home Forward uses MTW authority to set rent reasonableness and inspect units we own, in place of contracting with a third party to do so. This results in cost savings for the agency.

### Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

**Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

**Actual Significant Changes**

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

**Challenges in Achieving Benchmarks and Possible Strategies**

Home Forward had no challenges in achieving our benchmarks for this activity in FY2021.



## 09 MEASURES TO IMPROVE THE RATE OF VOUCHER HOLDERS WHO SUCCESSFULLY LEASE-UP

Approved FY2010, Implemented FY2010

Since 2010, Home Forward has implemented a variety of measures to improve landlord acceptance of Housing Choice Vouchers in our community and the ability of voucher holders to successfully lease up. Based on much of Home Forward's work, the Oregon State Legislature passed HB2639 in July 2014. The legislation prohibits landlords from discriminating against renters who have vouchers and offers landlords access to a state-managed Landlord Guarantee Fund for financial damages when a voucher holder vacates a unit.

Home Forward has two additional initiatives focused on improving landlord participation and the leasing success of voucher holders:

- We provide vacancy loss payment to owners through the end of the month after the move-out month when vacancies are unforeseen or unexpected (such as a death or unannounced vacate) and the owners have not received proper notice of the intent to vacate. In FY2021, \$17,919 in vacancy loss payments were provided for 33 units. The average payment was \$543.
- The Landlord Incentive Payment targets new landlords. Home Forward makes a one-time payment of \$200 to new landlords, defined as those who have not worked in partnership with us for the past two years. In FY2021, 180 new landlords received incentive payments, totaling \$36,000.

In the last few years, leasing success rates have fallen because of an extremely tight rental market, rapidly rising rents, and an overall lack of affordable units. Even with the above measures in place and the new legislation preventing discrimination against voucher holders, leasing success rates have fallen below our 2009 baseline. To keep pace with the market and ensure neighborhood choice for voucher holders, Home Forward most recently increased payment standards in December 2020.

We have implemented a variety of policy changes (which do not require MTW flexibility) to make the voucher program more appealing to landlords. These include:

- Allowing flexible lease terms based on an individual landlord's standard practice (including month-to-month)
- Accepting electronic Requests for Tenancy Approval from landlords to speed the process

### **MTW authorization:**

Attachment C, Section B(1) –  
Single Fund Budget with Full Flexibility

Attachment C, Section D(1)(d) –  
Operational Policies and Procedures

Attachment C, Section D(3)(b) –  
Eligibility of Participants

Attachment D, Section D(1) –  
Establishment of a Local Section 8 /  
Housing Choice Voucher Program

### **Statutory objective:**

Increase housing choice for low-income families

- Posting tools for landlords on our website so landlords can assess whether their unit is likely to pass rent reasonable and affordability tests

Finally, we are working to provide more support for voucher holders themselves. Our participant orientation places an increased focus on housing search, tenant rights and responsibilities, and opportunity neighborhoods, in hopes of helping voucher holders be better prepared for their housing search.

#### Activity Metrics:

| Metric                                                                               | Baseline                            | Benchmark              | Final Outcome  | Outcome Achieved? |
|--------------------------------------------------------------------------------------|-------------------------------------|------------------------|----------------|-------------------|
| Households assisted by services that increase housing choice (Standard Metric: HC#7) |                                     |                        |                |                   |
| Number of households receiving services aimed at increasing housing choice           | Before implementation, 0 households | FY2021: 160 households | 177 households | Outcome Achieved  |

#### Additional Metrics:

| Metric                                                  | Baseline                       | Benchmark       | Final Outcome | Outcome Achieved?    |
|---------------------------------------------------------|--------------------------------|-----------------|---------------|----------------------|
| Improve voucher success rate                            |                                |                 |               |                      |
| Issued voucher success rate                             | FY2009: 74%                    | FY2021: 80%     | 80%           | Outcome Achieved     |
| Decrease in lease-up time                               |                                |                 |               |                      |
| Average number of days for a voucher holder to lease up | Before implementation, 51 days | FY2021: 50 days | 65 days       | Outcome Not Achieved |

#### MTW Flexibility:

Home Forward has made changes to operational policies and procedures and funds these activities through our single-fund budget flexibility. This activity works to increase landlord participation in the program, and therefore, increase housing choice for low-income households.

#### Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

#### Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

### **Actual Significant Changes**

Home Forward enacted one waiver from PIH Notice 2020-33 (*COVID-19 Statutory and Regulatory Waivers and Alternative Requirements for the Public Housing, Housing Choice Voucher (including Mainstream and Mod Rehab), Indian Housing Block Grant and Indian Community Development Block Grant programs, Suspension of Public Housing Assessment System and Section Eight Management Assessment Program, Revision 2*) that impact this activity:

HQS-3: Term of Voucher: Extensions of Term (April 14, 2020 to June 30, 2021)

This waiver allowed extensions beyond the initial 120-day search term and 30-day extension identified in Home Forward's Admin Plan.

### **Challenges in Achieving Benchmarks and Possible Strategies**

The ability of participants to search and find units continued to be severely impacted by the COVID-19 public health crisis, with some apartment buildings suspending the ability to tour units after Oregon declared a public health emergency on March 18, 2020. Other requirements for social distancing and limits on visitors increased the amount of time it takes participants to find a unit, but the total amount of participants successful in utilizing their voucher met our 2021 benchmark.

Home Forward continues to issue vouchers with an initial 120 days to search, in recognition of the competitive market and the length of time it is taking to lease up.

## 10 LOCAL PROJECT-BASED VOUCHER PROGRAM

Approved FY2012, Implemented FY2012, Amended FY2015 & FY2021

Home Forward has created a project-based voucher (PBV) program tailored to meet the needs of the local community. We currently administer over 2,400 PBVs in the community via 94 separate contracts. The program continues to represent our focus on coordinating with jurisdictional partners and enhancing the supply of permanent supportive housing for households with barriers to housing.

In FY2015, Home Forward changed the operating subsidy at four of our high-rise buildings from public housing to project-based Section 8 funding, as part of our preservation strategy to renovate ten buildings. These four buildings accounted for 654 units and serve seniors and persons with disabilities. The MTW flexibility to place project-based vouchers at these buildings, as well as through service providers and jurisdictional partners, has ensured that affordable housing remains available to some of the most vulnerable households in our community. The objective of the project-based voucher program is to provide housing certainty for low-income, high-barrier households who would be unlikely to succeed with a tenant-based voucher. With that in mind, we are focusing project-based vouchers on buildings with on-site services, ideally in opportunity areas, offering tenants affordable rents and access to community resources. Some of the original project-based voucher contracts expired in the past few years, and Home Forward has made it our policy to offer renewals only to owners who have agreed to set waiting list preferences for one or more vulnerable populations, and to make services available to those households. This will result in all project-based voucher buildings offering affordable housing with services to those most in need as contracts are renewed.

### MTW authorization:

Attachment C, Section D(7) –  
Establishment of an Agency MTW  
Section 8 Project-Based Program

Attachment C, Section D(4) – Waiting  
List Policies

Attachment C, Section D(2) – Rent  
Policies and Term Limits

Attachment C, Section D(1)(e) –  
Operational Policies and Procedures

### Statutory objective:

Increase housing choice for low-  
income families

Reduce cost and achieve greater cost  
effectiveness in Federal expenditures

### Activity Metrics:

| Metric                                                                        | Baseline            | Benchmark                          | Final Outcome | Outcome Achieved? |
|-------------------------------------------------------------------------------|---------------------|------------------------------------|---------------|-------------------|
| Additional units of housing made available (Standard Metric: HC#1)            |                     |                                    |               |                   |
| Number of new housing units made available for households at or below 80% AMI | FY2011: 1,100 units | FY2021: 1,820 units made available | 1,820 units   | Outcome Achieved  |
| Units of housing preserved (Standard Metric: HC#2)                            |                     |                                    |               |                   |

| Metric                                                                                                                                                                                                       | Baseline                           | Benchmark                   | Final Outcome       | Outcome Achieved?    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------------------|---------------------|----------------------|
| Number of units preserved for households at or below 80% AMI that would otherwise not be available                                                                                                           | Prior to implementation: 0 units   | FY2021: 654 units preserved | 654 units preserved | Outcome Achieved     |
| Decrease in wait list time (Standard Metric: HC#3)<br>Note: Because Home Forward does not have a pre-implementation baseline for this metric, we are not able to show the historical impact of this activity |                                    |                             |                     |                      |
| Average applicant time on wait list in months                                                                                                                                                                | FY2014: 15 months                  | FY2021: 32 months           | 30 months           | Outcome Achieved     |
| Displacement prevention (Standard Metric: HC#4)<br>Note: Because Home Forward does not have a pre-implementation baseline for this metric, we are not able to show the historical impact of this activity    |                                    |                             |                     |                      |
| Number of households at or below 80% AMI that would lose assistance or need to move                                                                                                                          | FY2015: 904 households             | FY2021: 900 households      | 1,508 households    | Outcome Achieved     |
| Increase in Resident Mobility (Standard Metric: HC#5)                                                                                                                                                        |                                    |                             |                     |                      |
| Number of households able to move to a better unit and/or neighborhood of opportunity (defined as low poverty census tracts where poverty is below 17%)                                                      | FY2011: 93 households              | FY2021: 400 households      | 248 households      | Outcome Not Achieved |
| Agency Cost Savings (Standard Metric: CE#1)                                                                                                                                                                  |                                    |                             |                     |                      |
| Total cost of task in dollars                                                                                                                                                                                | Prior to implementation: \$30,720  | FY2021: \$24,500            | \$9,215             | Outcome Achieved     |
| Staff time savings (Standard Metric: CE#2)                                                                                                                                                                   |                                    |                             |                     |                      |
| Total time to complete the task                                                                                                                                                                              | Prior to implementation, 917 hours | FY2021: 530 hours           | 225 hours           | Outcome Achieved     |
| Decrease in error rate of task execution (Standard Metric: CE#3)<br>Note: Because Home Forward does not have a pre-implementation baseline, we are not able to show the historical impact of this activity   |                                    |                             |                     |                      |

| Metric                                                                                                                                                                                             | Baseline            | Benchmark            | Final Outcome | Outcome Achieved?    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------|---------------|----------------------|
| Average error rate in completing task                                                                                                                                                              | FY2015: 2%          | FY2021: Less than 5% | Less than 1%  | Outcome Achieved     |
| Increase in tenant share of rent (Standard Metric: CE#5)<br>Note: Because Home Forward does not have a pre-implementation baseline, we are not able to show the historical impact of this activity |                     |                      |               |                      |
| Total annual tenant share of rent                                                                                                                                                                  | FY2014: \$3,570,859 | FY2021: \$6,626,328  | \$6,476,890   | Outcome Not Achieved |

### MTW Flexibility:

The PBV program increases housing choice and affirmatively furthers fair housing by preserving existing affordable housing and focusing on the needs of populations that tend to be less successful in the tenant-based program, including participants with disabilities, extremely low incomes, or backgrounds that may create high barriers to housing. Most of the PBV buildings offer services for specific populations, which help households not only to obtain suitable housing, but also to access additional services that give the household stability in the community. Below is a list of the ways Home Forward utilizes MTW authority for the local PBV program:

- Home Forward exceeds the traditional 25% limit of PBVs in a single building and allows project-based vouchers to be awarded to more than 25% of units in each complex.
- Home Forward has modified waitlist policies to allow each PBV building to maintain its own site-based waiting list with its own preferences. It would not be practical or cost effective for Home Forward to manage so many separate PBV waiting lists with separate preferences. Multiple waitlists also ensure that there are almost always open waitlists at any point in time.
- Home Forward does not provide a preference on the tenant-based waiting list for PBV residents and requires PBV residents to apply for and remain on the tenant-based waitlist to transfer to a tenant-based voucher unit.
- Home Forward modifies screening and eligibility requirements to differ from the traditional criteria at certain PBV properties which offer supportive services, therefore increasing housing choice for participants who might otherwise be ineligible for Section 8 housing. Home Forward determines an applicant's eligibility for a specific PBV property based on the capacity of the service provider who owns or contracts to manage the property.
- Home Forward has modified owner proposal selection procedures for PBV units to increase Permanent Supportive Housing in our community by awarding PBV units via a local competitive process in collaboration with the City of Portland and Multnomah County. This local process includes issuing a Notice of Funding Availability and accepting proposals from housing developers and owners across the County. This effort ensures that PBVs are aligned with capital and services funding made available from our jurisdictional partners.

- The local competitive process may be waived and PBVs may be awarded based on a formal approval and resolution process by Home Forward's Board of Commissioners when the property is owned directly or indirectly by Home Forward, subject to HUD's requirements regarding subsidy layering. The owned units would not be subject to any required assessments for voluntary conversion.
- Home Forward has adopted the local city and county site selection standards for PBV units to ensure alignment with jurisdictional partners regarding site selection for low-income housing aimed at ending homelessness. Site selection standards are designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations of 20% or less.
- Home Forward has modified subsidy standards regarding under- and over-housing to ensure full utilization of PBV units. Subsidy standards are the same for PBVs as those used for tenant-based vouchers, but exceptions are granted when there are no appropriately sized households on the waiting list to fill a vacant unit.
- Home Forward has modified lease terms, renewal options, and termination policies to limit owners' ability to terminate tenancy without cause, maximizing housing choice for the families in those units. After the initial term, PBV leases convert to a month-to-month agreement unless owners and tenants agree to a longer term, and owners may not refuse to renew leases without cause. Owners of PBV units may not terminate tenancy without cause, except as follows:
  - The owner of a PBV unit may terminate tenancy for a family if Home Forward terminates the family's assistance for any reason to ensure that another low-income applicant can be served. However, instead of terminating tenancy, the owner may request Home Forward's approval to amend the PBV contract to remove a unit occupied by a zero-subsidy family or amend the PBV contract to substitute a different unit with the same number of bedrooms in the same building.
- Home Forward modified the way contract rents are determined for PBV units by limiting PBV contract rents to a maximum of the payment standard less any applicable tenant paid utility allowance, ensuring that PBV units are affordable even to zero-income households.
- Home Forward adapted the timing of applying payment standard adjustments for PBV participants. Any increase in payment standards to the PBV units is applied on the next anniversary date of the PBV Housing Assistance Payments Contract, following the effective date of the increase. Any decrease in payment standards to the unit is applied beginning on the second anniversary date of the PBV Housing Assistance Payments Contract following the effective date of the decrease. Home Forward also applies any changes to the utility allowance at the same time as the payment standard adjustments.

- Home Forward uses an alternate rent setting policy that allows the Rent Assistance Director, with Board approval, to set exception payment standards that are greater than 110% (up to a maximum of 160%) of Fair Market Rents for service-enriched buildings entering into new project-based voucher contracts, without requesting HUD approval. The payment standard granted applies to any unit under the project-based voucher contract serving a highly vulnerable population with intensive services. Data is required of the owner to verify the value of the services being provided, and this cost will not be included when conducting rent reasonableness tests.
- Home Forward uses an alternate rent setting policy that allows the Rent Assistance Director to set exception payment standards up to a maximum of 160% of Fair Market Rents (pursuant to Activity 13 “Broaden Range of Approved Payment Standards”) without requesting HUD approval for:
  - Home Forward-owned units that utilize Rental Assistance Demonstration (RAD) PBVs, or
  - Units that utilize special purpose voucher PBVs.
- This authority, applicable only to specific projects or developments and not to the broader payment standard zone or geographic region, enables Home Forward to maximize the ability to leverage private investments in support of Home Forward’s affordable housing development and rehabilitation to address the ongoing affordable and supportive housing supply crisis.
- Home Forward allows Home Forward staff to conduct inspections, set rents and determine rent reasonableness for Home Forward-owned units that utilize PBVs. When Home Forward both owns and manages the unit, it hires a third party to conduct quality control testing of inspections and rent reasonableness determinations for a sample of these units. This activity is also described under Activity 08: Inspection and Rent Reasonableness at Home Forward-Owned Units.
- Home Forward has eliminated the cap limiting project-basing to up to 20% of the amount of budget authority allocated to the agency by HUD in the voucher program.

### **Actual Non-Significant Changes**

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

### **Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

### **Actual Significant Changes**



Home Forward enacted several waivers from PIH Notice 2020-33 (*COVID-19 Statutory and Regulatory Waivers and Alternative Requirements for the Public Housing, Housing Choice Voucher (including Mainstream and Mod Rehab), Indian Housing Block Grant and Indian Community Development Block Grant programs, Suspension of Public Housing Assessment System and Section Eight Management Assessment Program, Revision 2*) that impact this activity:

PH and HCV-3: Family Income and Composition: Annual Examination; Income Verification Requirements (April 14, 2020 to June 30, 2021)

PH and HCV-4: Family Income and Composition: Interim Examinations (April 14, 2020 to June 30, 2021)

HQS-7: PBV Turnover Unit Inspections (April 14, 2020 to June 30, 2021)

HQS-8: PBV HAP Contract: HQS Inspections to Add or Substitute Units (April 14, 2020 to June 30, 2021)

HQS-9: HQS Quality Control Inspections (April 14, 2020 to June 30, 2021)

HCV-14: Mandatory Removal of Unit from PBV HAP Contract (April 14, 2020 to June 30, 2021)

### **Challenges in Achieving Benchmarks and Possible Strategies**

The decrease in resident mobility to low-poverty census tracts reflects the overall affordability trends that have impacted the Portland metro area for the past several years. Since the baseline year of FY2013 to FY2021, Multnomah County low-poverty census tracts has decreased from 99 to 92. With the latest ACS data, 18 census tracts went from being categorized as high-poverty to low-poverty, while 9 went from low-poverty to high-poverty. While low-poverty census tracts increased, this coupled with an average 9.5% increase in rents and the low vacancy rate of an average 5% in the Portland metro area, has contributed to decreasing housing choice and resident mobility to access low-poverty census tract neighborhoods in FY2021. At this time, we are not considering a change of strategy, but will continue to maintain our payment standard structure to reflect the market as much as possible.

Through December 31, 2021, 269 households receiving Project-Based assistance lost income due to the COVID-19 pandemic. Of the 269 households, 191 (71%) of households lost all income, totaling a \$4,325,497 yearly reduction income; 78 (29%) of households lost some income, totaling a \$947,268 yearly reduction in income. In total, households receiving Project-Based assistance lost a combined \$4,780,135 in yearly wages. The loss in household income reduced the share of tenant rent, resulting in failing to achieve the benchmark.

## 11 ALIGN UTILITY ALLOWANCE ADJUSTMENT PROCEDURES

Approved FY2011, Implemented FY2011

In our FY2011 MTW Plan, Home Forward received approval to align the public housing process for calculating and implementing utility allowance adjustments with that of Section 8. Previously, the public housing utility allowance process required Home Forward to conduct engineering surveys to determine energy consumption, which was cumbersome and costly. Additionally, public housing protocol required that a re-certification be completed for each resident when there were adjustments to the utility allowance.

Aligning the utility allowance adjustment process with that of Section 8 allows public housing to adopt the methodology of using HUD's standard calculation, which is based on the type of utility and type of building. As in the Section 8 program, public housing staff will review the utility allowance adjustments annually, with the adjustment going into effect at the resident's next regular review.

### **MTW authorization:**

Attachment C, Section C(11) – Rent Policies and Term Limits

### **Statutory objective:**

Reduce cost and achieve greater cost effectiveness in Federal expenditures.

### **Activity Metrics:**

| Metric                                      | Baseline                                       | Benchmark       | Final Outcome | Outcome Achieved? |
|---------------------------------------------|------------------------------------------------|-----------------|---------------|-------------------|
| Agency cost savings (Standard Metric: CE#1) |                                                |                 |               |                   |
| Total cost of task                          | Before implementation, \$8,000 per year        | FY2021: \$0     | \$0           | Outcome Achieved  |
| Staff time savings (Standard Metric: CE#2)  |                                                |                 |               |                   |
| Total time to complete task                 | Before implementation, approximately 393 hours | FY2021: 0 hours | 0 hours       | Outcome Achieved  |

### **MTW Flexibility:**

The standard public housing utility allowance process requires engineering surveys to determine energy consumption, and that a re-certification be completed for each resident when there is a utility allowance adjustment. Our MTW flexibility allows us to align the public housing process with that of Section 8, resulting in agency cost and staff time savings.

### **Actual Non-Significant Changes**

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

**Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

**Actual Significant Changes**

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

**Challenges in Achieving Benchmarks and Possible Strategies**

Home Forward had no challenges in achieving our benchmarks for this activity in FY2021.

### 13 BROADEN RANGE OF APPROVED PAYMENT STANDARDS

Approved FY2015, Implemented FY2015, Amended FY2017

Regulations require that payment standards are set between 90% and 110% of Fair Market Rents, as defined by HUD for the geographic area in which the housing authority is operating. Multnomah County is a large geographic area with rents that differ throughout several submarkets. When rental market conditions tighten, it is not uncommon for 110% of Fair Market Rent to fall short of what is needed to rent a quality unit in large, and often higher opportunity, areas of Multnomah County. In addition, payment standards that are too high in particular neighborhoods can create concentrations of poverty. We will always need to balance the opportunity created with higher payment standards with the increased per family costs associated with higher payment standards. Higher payment standards can put limits on our ability to respond to the overwhelming need in our community but given the nature of the rental market in Multnomah County, the flexibility to set payment standards up to 160% of FMR may be necessary to create reasonable choice for participant families, particularly in lower-poverty, higher-opportunity areas. Home Forward received HUD approval to amend our activity in FY2017 to set payment standards between 80%-160% of Fair Market Rents (FMR) without prior HUD approval; an increase in previous MTW flexibility of FMR range of 80%-120%.

**MTW authorization:**

Attachment C, Section D(2)(a) – Rent Policies and Term Limits

**Statutory objective:**

Increase housing choice for low-income families

Home Forward participants are on biennial and triennial recertification schedules, per Activity 01 Rent Reform. Because of this, there is sometimes a delay of several months or even years before the increased payment standard is applied to a participant's rent calculation. In the meantime, those participants may be experiencing a larger shelter burden as their landlords increase rent without the accompanying increase in payment standards. To address this delay, we also modified this activity in FY 2017 to allow us to apply updated payment standards at a participant's interim review.

In order to ensure that payment standards are sufficient to allow Housing Choice Voucher participants reasonable choice in neighborhoods, Home Forward has used MTW authority to broaden its "base range" for payment standards to between 80% and 160% of the Fair Market Rents without prior HUD approval. (In FY2015, Home Forward received authorization to set payment standards between 80% and 120% of Fair Market Rents. In FY2017, Home Forward received authorization to broaden that range between 80% and 160% of Fair Market Rents.)

Home Forward uses the following parameters to establish payment standards:

- Payment standards are broken down by nine separate neighborhoods as defined by ZIP codes. Each of these neighborhood payment standards is broken down by bedroom size.
- Payment standards are set at the market rate.

- Because data shows that market rents are significantly different for three-bedroom apartments and three-bedroom single-family homes and duplexes, Home Forward has established separate payment standards for the two housing types with three bedrooms.

#### Activity Metrics:

| Metric                                                                                                                                                                                                                                                        | Baseline                                                     | Benchmark                      | Final Outcome    | Outcome Achieved? |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|--------------------------------|------------------|-------------------|
| Increase in resident mobility (Standard Metric: HC#5)                                                                                                                                                                                                         |                                                              |                                |                  |                   |
| Number of households living in better neighborhoods (defined as low poverty census tracts where poverty is below 17%) <sup>1</sup>                                                                                                                            | FY2013: 1,896 (30%) households lived in better neighborhoods | FY2021: 2,000 (30%) households | 2,788 households | Outcome Achieved  |
| Agency cost savings (Standard Metric: CE#1)<br>Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Home Forward does not save costs through this activity, but we have included it at HUD's request |                                                              |                                |                  |                   |
| Total cost of task                                                                                                                                                                                                                                            | FY2014: \$48,597,556                                         | FY2021: \$68,978,520           | \$69,310,000     | Outcome Achieved  |

#### Additional Metrics:

| Metric                                     | Baseline        | Benchmark        | Final Outcome | Outcome Achieved?    |
|--------------------------------------------|-----------------|------------------|---------------|----------------------|
| Average Housing Assistance Payment Expense |                 |                  |               |                      |
| Average annual HAP expense by household    | FY2014: \$6,690 | FY2021: \$10,086 | \$10,512      | Outcome Not Achieved |

#### MTW Flexibility:

Home Forward used our MTW authority to expand the range for which Home Forward may set payment standards across the various submarkets of Multnomah County to between 80% and 160% of HUD-established Fair Market Rents, and to establish exception payment standards up to 160% of Fair Market Rents, without HUD approval. This ensures that payment standards are sufficient to allow all families, including those that need a reasonable accommodation, to choose to rent units in all nine of the defined areas in Multnomah County (so

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<sup>1</sup> Data will be collected from Yardi Voyager, Home Forward's database, which tracks the census tract and Payment Standard used for each household.

long as Housing Choice Voucher funding is sufficient to permit this). During FY2021, 59 exception payment standards were approved. Home Forward may also choose to reduce payment standards in areas with lower market rents.

### **Actual Non-Significant Changes**

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

### **Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

### **Actual Significant Changes**

Home Forward enacted several waivers from PIH Notice 2020-33 (*COVID-19 Statutory and Regulatory Waivers and Alternative Requirements for the Public Housing, Housing Choice Voucher (including Mainstream and Mod Rehab), Indian Housing Block Grant and Indian Community Development Block Grant programs, Suspension of Public Housing Assessment System and Section Eight Management Assessment Program, Revision 2*) that impact this activity:

HCV-6: Automatic Termination of HAP Contract (April 14, 2020 to June 30, 2021)

### **Challenges in Achieving Benchmarks and Possible Strategies**

The metric of total cost was not met to payment standard increases in December 2020, which is reflected in the metric of total Housing Assistance Payments spent. Increasing the payments standards has been necessary to allow participants flexibility in the current rental market in Multnomah County. At this time, we are not considering a change of strategy, but will continue to maintain our payment standard structure to reflect the market as much as possible.

The number of zero income households sharply increased in 2021, from 832 households (8.1% of MTW HCV households) in 2020 to 1,288 (10.6% of MTW HCV households) in 2021, which also contributed to the increase in average subsidy per household.

## 14 PROGRAM BASED ASSISTANCE

Approved FY2015, Implemented FY2015

The need for rental assistance in Multnomah County far outstrips the supply. When Home Forward opened the Housing Choice Voucher waiting list in fall 2016, over 16,000 households applied for 3,000 waiting list slots.

To increase the number of households served over a given period, Home Forward has designed Program Based Assistance. This local, non-traditional rent assistance program merges two past single-fund MTW activities: Short Term Rent Assistance and Agency Based Assistance. This program offers time-limited rent assistance, paired with services, to help families access and/or retain stable housing. While the Housing Choice Voucher and public housing programs provide permanent subsidies to ensure long-term affordability for low-income families, the focus of Program Based Assistance is helping families achieve stability. These households will likely remain rent-burdened, but with services available to help families address other challenges in their lives, many will be able to avoid homelessness and remain permanently housed.

To administer Program Based Assistance, Home Forward sets aside a pool of flexible rent assistance funds, that are administered by the Rent Assistance Department but do not operate like traditional vouchers. The funds serve targeted populations, in partnership with one or more local service providers who ensure that the families have access to the supportive services or resources they need to be stable and successful. Funds may be contracted to partner agencies to administer or may be administered by Home Forward on behalf of partner agencies. In both cases, partner agencies are responsible for identifying participating families and determining the amount and duration of the rental assistance, with some guidance from Home Forward.

Target populations for Program Based Assistance are families for whom: 1) success on the Section 8 Housing Choice Voucher program would be unlikely; 2) the delay in accessing rent assistance due to the Section 8 waitlist would most likely have devastating results (recidivism, relapse, death, homelessness, etc.); or 3) the need for rental subsidy is short term while the client is receiving the support needed to stabilize in permanent housing. Examples of target populations include families who are homeless or at risk of homelessness, families with children attending Alder Elementary School (which has one of the highest mobility rates in the County and was adopted by the I Have a Dream Foundation in order to improve outcomes), former foster youth as part of the New Doors program, survivors of domestic violence, and families with an adult who has recently been released from prison.

### **MTW authorization:**

Attachment C, Section B(1) – Single Fund Budget with Full Flexibility

Attachment D – Use of MTW Funds

### **Statutory objective:**

Increase housing choice for low-income families

Program Based Assistance partners work with Home Forward to set program policies that are specific to the target population they are serving. Home Forward ensures that policies are clear, equitably managed, and in compliance with Fair Housing laws. All programs have common elements which include:

*Uses of Funds:* Rental Assistance funds may be used for rental assistance, rent arrears with a current landlord, move-in fees and deposits, utility assistance and arrears, motel vouchers if housing is identified but not immediately available, and documented debt to a past landlord (other than a public housing authority).

*Eligibility:* Eligibility for Program Based Assistance is as low barrier as possible to provide housing access for hard-to-serve households. The only limitations on eligibility are: 1) the household must include at least one person who is a U.S. citizen, U.S. national, or noncitizen with eligible immigration status; 2) the household may not include any member who is subject to lifetime registration as a sex offender or has been convicted of production/manufacture of methamphetamine on premises of federally assisted housing; 3) no one in the household may owe Home Forward money; and 4) annual gross income cannot exceed 50% of area median income.

*Subsidy Determination Method:* Each partner is required to write clear policies and procedures for how subsidy amount and duration will be determined. These policies must be applied to all participants in that partner's program.

*Service Requirements:* Home Forward makes these funds available to target populations in partnership with one or more partners who are experts in providing the supports families may need to remain stably housed and move towards a stable, permanent housing situation. Therefore, partner agencies are required to make services available to all families accessing Program Based Assistance. Partner agencies will also have the discretion to discontinue rental assistance to households who violate their program policies or fail to engage in services after repeated attempts at engagement.

Program Based Assistance is a local, non-traditional rental subsidy program. Home Forward will comply with PIH Notice 2011-45 when administering this activity.

#### **Activity Metrics:**

| Metric                                                           | Baseline           | Benchmark        | Final Outcome | Outcome Achieved? |
|------------------------------------------------------------------|--------------------|------------------|---------------|-------------------|
| Agency cost savings (Standard Metric: CE#1)                      |                    |                  |               |                   |
| Total cost of task                                               | FY 2020: \$198,000 | FY2021: \$75,000 | \$75,000      | Outcome Achieved  |
| Staff time savings (Standard Metric: CE#2)                       |                    |                  |               |                   |
| Total time to complete the task                                  | FY2020: 25 hours   | FY2021: 0 hours  | 0 hours       | Outcome Achieved  |
| Decrease in error rate of task execution (Standard Metric: CE#3) |                    |                  |               |                   |



| Metric                                                                                | Baseline                            | Benchmark                          | Final Outcome | Outcome Achieved? |
|---------------------------------------------------------------------------------------|-------------------------------------|------------------------------------|---------------|-------------------|
| Average error rate in completing task                                                 | FY2019: 0%                          | FY2021: 0%                         | 0%            | Outcome Achieved  |
| Increase in resources leveraged (Standard Metric: CE#4)                               |                                     |                                    |               |                   |
| Amount of funds leveraged                                                             | FY2019: \$198,000                   | FY2021: \$75,000                   | \$75,000      | Outcome Acheived  |
| Additional Units of Housing Made Available (Standard Metric: HC#1)                    |                                     |                                    |               |                   |
| Number of new housing units made available for households at or below 80% AMI         | Before implementation, 0 units      | FY2021: 5 units                    | 5 units       | Outcome Achieved  |
| Increase in Resident Mobility (Standard Metric: HC #5)                                |                                     |                                    |               |                   |
| Number of households able to move to a better unit and/or neighborhood of opportunity | Before implementation, 0 households | FY2021: 47 unduplicated households | 47 households | Outcome Achieved  |
| Households Assisted by Services that Increase Housing Choice (Standard Metric: HC #7) |                                     |                                    |               |                   |
| Number of households receiving services aimed to increase housing choice              | Before implementation, 0 households | FY2021: 76 unduplicated households | 77 households | Outcome Achieved  |

### **MTW Flexibility:**

Home Forward uses MTW flexibility to blend program funds into a single budget used to fund Program Based Assistance. This allows Home Forward to administer a form of non-traditional rent assistance that can target households in crisis and help them reach or maintain housing stability.

### **Actual Non-Significant Changes**

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

### **Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

### **Actual Significant Changes**

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

**Challenges in Achieving Benchmarks and Possible Strategies**

Home Forward had no challenges in achieving our benchmarks for this activity in FY2021.

## 15 TENANT-BASED VOUCHER SET ASIDE POLICIES

Approved FY2017, Not Yet Implemented FY2017

Home Forward has not yet implemented this activity. During this past fiscal year, we focused on opening the waitlists for our Housing Choice Vouchers and fully utilizing the existing set-asides, administered through the Housing Choice Voucher waitlist. Vouchers available under the existing set-asides have all been issued. Escalating costs and funding uncertainty in the Housing Choice Voucher program led us delay continuing those set asides under this activity or initiating new partnerships and MOUs. We anticipate implementing this activity in the future.

Home Forward operates or participates in several programs that have been designed to align housing with supportive services to ensure success for participating families. These include local non-traditional rent assistance programs, our local project-based voucher programs, and the Veterans Affairs Supportive Housing (VASH) program. In all cases, jurisdictional or community partners provide supports for families who access the housing, with target populations including families exiting homelessness, former foster youth, seniors, and people with disabilities.

Home Forward has found that leveraging our housing resources with services from partners often results in better housing stability and success for families with barriers to succeeding with a voucher alone. In addition to the above programs, we have also established a series of limited preferences for tenant-based vouchers. Through these limited preferences, specific community partners refer target populations to Home Forward for housing as they provide services. We currently have two set aside programs under this umbrella:

- Home Forward sets aside up to 200 vouchers for families currently served by Multnomah County's Homeless Family System of Care.
- We also set aside up to 50 vouchers for families that include a veteran experiencing homelessness, who are ineligible for HUD-VASH vouchers. These families are referred by and received services from Transition Projects, Inc.

HUD regulations for tenant-based vouchers require a housing authority to select all participants from a waiting list. In order to adhere to regulations, current families served by the two set aside programs are chosen and referred to Home Forward by the community partner, added to the tenant-based voucher waiting list, then immediately pulled from the waiting list to be served with the vouchers that are dedicated to the program. This process is inefficient, time-consuming, and cumbersome.

Home Forward will model the referral and selection procedures after the existing VASH program. As with VASH, Home Forward will accept referrals from the specified partners and award those households the dedicated vouchers. Written documentation of the referral will be

**MTW authorization:**  
Attachment C, Section D(4) –  
Waiting List Policies

**Statutory objective:**  
Reduce cost and achieve greater  
cost effectiveness in Federal  
expenditures

maintained in the tenant file by Home Forward, but Home Forward will not add these households to the waiting list to be immediately selected. This flexibility will increase efficiency and may reduce the number of days a family has to wait between referral and issuance of the voucher

For each limited preference program, Home Forward will execute a Memorandum of Understanding with the partner specifying:

- Number of vouchers set aside for the preference,
- Eligibility criteria for the preference,
- Criteria for determining how families will be selected and referred to Home Forward by the partner(s),
- Type and duration of services the partner(s) will make available to the household, and
- Understanding that all referrals must be in writing and include a certification from the partner(s) that the family was selected and referred to Home Forward in accordance with the criteria outlined in the Memorandum of Understanding.

Home Forward will audit partner agencies to ensure that they adhere to selection criteria specified in the Memorandum of Understanding.

#### Activity Metrics:

| Metric                                                                                                                                                                                                                                                                                                                 | Baseline           | Benchmark        | Final Outcome | Outcome Achieved? |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------|---------------|-------------------|
| Agency cost savings (Standard Metric: CE#1)                                                                                                                                                                                                                                                                            |                    |                  |               |                   |
| Total cost of task                                                                                                                                                                                                                                                                                                     | FY2016: \$875      | FY2021: \$0      | \$0           | Outcome Achieved  |
| Staff time savings (Standard Metric: CE#2)                                                                                                                                                                                                                                                                             |                    |                  |               |                   |
| Total time to complete the task                                                                                                                                                                                                                                                                                        | FY2016: 29.5 hours | FY2021: 0 hours  | 0 hours       | Outcome Achieved  |
| Decrease in wait list time (Standard Metric: HC#3)<br>Note: This is a standard reporting metric used by HUD to measure impacts across agencies on a national level. Because households are immediately pulled from the waiting list, this will have no impact on this metric; but we have included it at HUD's request |                    |                  |               |                   |
| Average applicant time on wait list in months                                                                                                                                                                                                                                                                          | FY2016: 0 months   | FY2021: 0 months | 0 months      | Outcome Achieved  |

#### Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

**Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

**Actual Significant Changes**

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

**Challenges in Achieving Benchmarks and Possible Strategies**

Home Forward had no challenges in achieving our benchmarks for this activity in FY2021.

## 16 AFFORDABLE HOUSING GENERAL OBLIGATION BOND PROJECT BASED VOUCHER ALLOCATION

Approved FY2018, Implemented FY2018

Home Forward received approval to allocate up to 400 project-based vouchers to support the goals of a \$258.4 million Portland Housing General Obligation Bond that was approved by voters in November of 2016. From time to time, local jurisdictions may issue general obligation bonds to acquire, develop and rehabilitate land and/or properties for affordable housing. Home Forward, as a Moving to Work agency, is granted the ability to support such local housing programs. This includes collaborating with local jurisdictions to provide affordable housing and services for low income and/or disabled households in our community.

Given that local jurisdictions may be the only owner of such housing when using general obligation bonds, for this specific financing situation, Home Forward is defining the ballot initiative as a competitive process. Ultimately, the local jurisdiction is competing for the use of vouchers and is seeking authorization from voters. If the voters elect to pass such a ballot measure, it is done so with the public's knowledge that the sole owner of these properties must be the jurisdiction issuing the bonds. Home Forward will have permission to allocate project-based vouchers to such general obligation bond funded properties to ensure housing opportunities for very-low and extremely low-income families. Home Forward will measure the number of units made available to members of the community through utilization of this designation.

The Portland Housing Bond was designed to increase the affordable housing stock in a community with rapidly rising rents that limit choice for families living with low incomes. One of the location priorities of the Portland Housing Bond's framework is to prioritize acquiring land for new housing in high opportunity areas with access to education and economic opportunities, among other amenities. The Portland Housing Bond's framework includes recommendations for services related to "workforce skill development/employment resources and parenting resources, youth engagement and academic assistance" among other resident services' priorities.

The Portland Housing Bond will create approximately 1,300 permanently affordable units throughout the City of Portland, with 600 designated for households earning 0-30% of the area median incomes. According to the City of Portland, the allocation of up to 400 vouchers to the affordable housing general obligation bond will leverage an additional 200 units of housing for families earning between 0-30% of the area median income, netting a total of 600 units of deeply affordable, permanent housing added to the City of Portland. These permanent units will increase choice across the city for families living with low and extremely low incomes. The vouchers will be allocated over five to seven years as properties are acquired and built. On average, Home Forward anticipates that 57-70 vouchers will be deployed each year.

### **MTW authorization:**

Attachment C, Section D(7)(b) – Local Competitive Process

### **Statutory objective:**

Additional Units of Housing Made Available

### **Activity Metrics:**

| Metric                                                                                                                                                                                                                                                    | Baseline  | Benchmark         | Final Outcome | Outcome Achieved?    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-------------------|---------------|----------------------|
| Additional units of housing made available (Standard Metric: HC#1)                                                                                                                                                                                        |           |                   |               |                      |
| The Portland Housing Bond anticipates adding 1,300 units of affordable housing over a seven year period. The 400 vouchers will be used to leverage an additional 200 units being available for households earning between 0 and 30% median family income. | FY2018: 0 | FY2021: 400 units | 68 units      | Outcome Not Achieved |

### Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

### Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

### Actual Significant Changes

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

### Challenges in Achieving Benchmarks and Possible Strategies

City of Portland continues to work through building acquisition and construction for projects under the General Obligation bond. As projects are identified, Home Forward works with the City to determine appropriate allocation of project-based vouchers. Home Forward still projects 57-70 new project-based vouchers to be deployed each year.

## 17 MOD REHAB AND MOD REHAB SRO RENT ASSISTANCE DEMONSTRATION RENT REFORM

Home Forward implemented its comprehensive Rent Reform activity in FY2012. The Rent Reform activity eliminates deductions from the subsidy calculation, utilizes an alternative percentage calculation for total tenant payment, and implements a tiered subsidy structure for non-elderly, non-disabled (“work-focused”) households.

Home Forward administers project-based rent assistance for 517 units of housing assisted through the U.S. Department of Housing and Urban Development’s Section 8 Moderate Rehabilitation and McKinney Moderate Rehabilitation Single Room Occupancy programs. This housing is a critical component of our community’s housing stock available to people leaving homelessness. Owners of these properties have the opportunity to participate in the U.S. Department of Housing and Urban Development’s Rent Assistance Demonstration (RAD) in order to preserve and improve their properties.

Participation in RAD can involve the conversion of a properties existing subsidy contract into a Project Based Voucher contract that may operate under the program requirements of Home Forward’s Local Project Based Voucher MTW activity (page 38). Participants in Home Forward’s Local Project Based Voucher program are subject to Home Forward’s Rent Reform Activity.

### **MTW authorization:**

Attachment C, Section D(3)(b) – Eligibility of Participants

Attachment D, Section B(2) – Rent Structure and Rent Reform

### **Statutory objective:**

Reduce cost and achieve greater cost effectiveness in Federal expenditures

Increase housing choices for low-income families

While the Rent Reform activity has been successful in meeting its cost savings and self-sufficiency objectives, Home Forward recognizes that the tiered rent structure for work-focused households does not adequately meet the needs of certain households or programs. Specifically, analysis shows that implementing the full Rent Reform activity at our Section 8 Mod Rehab and Mod Rehab SRO properties, which serve significant numbers of households moving out of homelessness, may result in household displacement over time and have a significant effect on these properties’ ability to continue to serve these households. Home Forward instead proposes implementing an alternative rent reform initiative for these properties post-RAD to allow owners to take advantage of the Rent Assistance Demonstration while continuing to serve the same tenant population profile.

The SRO Mod Rehab Rent Reform initiative mirrors our existing previously approved Rent Reform activity but eliminates certain aspects of that activity, such as the tiered rent structure for work-focused households. Specifically the SRO Mod Rehab Rent Reform Activity implements the following policies:

- Eliminates all deductions in rent calculations. To offset the loss in deduction, rent will instead be calculated based on 28.5% of gross income. There is no minimum rent and utility reimbursements are allowed.



- Implements a triennial income re-certification schedule. For our existing Rent Reform activity, Home Forward created a separate “release of information” form to supplement the HUD Form 9886, in order to obtain a release of information that covers the appropriate biennial or triennial review cycle which will be utilized in this activity.
- Simplifies the proration of subsidy for mixed-families to a flat \$1 monthly reduction in assistance, regardless of the number of ineligible members.
- Requires an interim review for a household that reports a change in family size and has resided in their unit for at least 12 months. Any changes to voucher size, payment standard, and subsidy calculation will be effective 120 days after the interim review.
- Eliminates the earned income disallowance.
- Makes use of actual past income to determine annual income for participant families.
- Uses all income sources as currently defined by HUD to determine a household’s assistance, with the following exceptions:
  - The value of any asset or the value of any income derived from that asset is not used in the rent calculation, except when the asset makes regular payments (quarterly or more often) to the resident or participant. However, the value of assets or the value of any income derived from assets is used to determine initial eligibility. Home Forward allows households to self-certify assets with a net value of \$5,000 or less.
  - All earned income of full-time students age 18 and over is excluded from the rent calculation, unless they are the head, co-head or spouse of the household.
  - Student financial assistance is considered only for the purpose of determining eligibility. Student financial assistance is not used to determine annual income for rent and subsidy calculation.
  - All adoption assistance payments are excluded from the rent calculation.
  - Households have the option to not report income that is not used in the rent calculation, such as foster care payments. However, Home Forward will accept income reporting of such sources for use in determining affordability of a unit. Home Forward permits families to rent units where the family share is up to 50% of their gross income.

**Activity Metrics:**

| Metric                                                                                                                                                                                                                                      | Baseline                  | Benchmark                  | Final Outcome     | Outcome Achieved?    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------------------------|-------------------|----------------------|
| Agency cost savings (Standard Metric: CE#1)                                                                                                                                                                                                 |                           |                            |                   |                      |
| Total cost of task                                                                                                                                                                                                                          | FY2018: \$1,660           | FY2021: Less than \$1,500  | \$1,200           | Outcome Achieved     |
| Staff time savings (Standard Metric: CE#2)                                                                                                                                                                                                  |                           |                            |                   |                      |
| Total time to complete the task                                                                                                                                                                                                             | FY2018: 80 hours          | FY2021: Less than 72 hours | 70 hours          | Outcome Achieved     |
| Decrease in error rate of task execution (Standard Metric: CE#3)                                                                                                                                                                            |                           |                            |                   |                      |
| Average error rate in completing task                                                                                                                                                                                                       | FY2018: 7.5%              | FY2021: 7.5% or less       | Less than 1%      | Outcome Achieved     |
| Increase in tenant share of rent (Standard Metric: CE#5)                                                                                                                                                                                    |                           |                            |                   |                      |
| Total annual tenant share of rent                                                                                                                                                                                                           | FY2018: \$17,344          | FY2021: \$58,000           | \$50,992          | Outcome Not Achieved |
| Increase in household income (Standard Metric: SS#1)                                                                                                                                                                                        |                           |                            |                   |                      |
| Average earned income of households                                                                                                                                                                                                         | FY2018: \$1,228           | FY2021: \$2,965            | \$1,591           | Outcome Not Achieved |
| Increase in positive outcomes in employment status (Standard Metric: SS#3)<br>Note: Home Forward does not collect detailed employment data from SRO participants. The number provided reflects the total number of work-focused households. |                           |                            |                   |                      |
| Number of heads of households who:<br>(6) Other (increase in earned income)                                                                                                                                                                 | FY2018: 32 households     | FY2021: 101 households     | 59 households     | Outcome Achieved     |
| Percent of work-focused households who:<br>(6) Other (increased in earned income)                                                                                                                                                           | FY2018: 16% of households | FY2021: 19% of households  | 14% of households | Outcome Achieved     |
| Households Removed from Temporary Assistance for Needy Families (TANF) (Standard Metric: SS#4)                                                                                                                                              |                           |                            |                   |                      |
| Number of households receiving TANF assistance                                                                                                                                                                                              | FY2018: 1 households      | FY2021: 0 households       | 0 households      | Outcome Achieved     |

| Metric                                                                                                                                                                                                                                                                                                                                                           | Baseline             | Benchmark            | Final Outcome | Outcome Achieved? |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|---------------|-------------------|
| Households transitioned to self-sufficiency (Standard Metric: SS#8)<br>Note: Home Forward's SRO properties assist households transitioning from homelessness to permanent, stable housing. Rather than moving to self-sufficiency, Home Forward anticipates participant households will move from an SRO property into a long-term Home Forward subsidy program. |                      |                      |               |                   |
| Number of households transitioned to self-sufficiency (Defined as households that have earned or permanent income that results in area median income (AMI) above 50% and/or that have voluntarily exited housing assistance)                                                                                                                                     | FY2018: 0 households | FY2010: 0 households | 27 households | Outcome Achieved  |

#### **MTW Flexibility:**

Home Forward is using our rent reform authorizations to eliminate deductions, simplify the rent calculation, change review schedules, and implement other policy adjustments that, as a whole, make up our rent reform activity, as described above. The requested waiver authority will result in cost and time savings for the agency while ensuring the effected properties can continue to their mission of assisting households moving out of homelessness.

#### **Hardship Policy:**

As with our standard Rent Reform activity, households may apply for a hardship review if their total monthly shelter costs exceed 50% of the total monthly income used to determine their rent subsidy. Section 8 participants who choose to rent housing where the total shelter costs exceed 50% of total monthly income at the time of initial lease-up in that unit will not generally qualify for hardship review; however, all households have the right to request a hardship and exceptions may be made. The committee has a menu of remedies to reduce a qualifying household's burden.

There were 0 hardship requests for this activity during FY2021.

#### **Actual Non-Significant Changes**

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

#### **Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

**Actual Significant Changes**

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

**Challenges in Achieving Benchmarks and Possible Strategies**

Increases in tenant share of rent and earned income continue to be impacted the COVID-19 pandemic. Through December 31, 2021, 37 households lost income due to the COVID-19 pandemic. Of the 37 households, 29 (78%) of households lost all income, totaling a \$395,150 yearly reduction income; 8 (22%) of households lost some income, totaling a \$49,385 yearly reduction in income. In total, households lost a combined \$444,535 in yearly wages.

## 18 TRANSFER OF PROJECT-BASED VOUCHER CONTRACT TO SUPPORT LOCAL PRESERVATION OR DEVELOPMENT OF AFFORDABLE HOUSING

Home Forward works closely with local affordable housing owners and developers to preserve and increase the affordable housing stock in the community. For many property owners participating in our Project-Based Voucher (PBV) program, the ability to transfer an existing PBV contract to a new location before its expiration would greatly increase the owner's ability to expand the number of affordable units in the region. Currently, only a project owner that has completed a RAD conversion may request a contract transfer. Non-RAD PBV Project Owners have no such recourse.

Home Forward believes this situation discourages some property owners from entering a HAP Contract as it limits the property owner's ability to engage in short- and long-term development and planning. In addition, Home Forward is concerned that with the extreme pressures on Portland's housing stock, property owners may opt to not renew a HAP Contract, as witnessed in similar tight housing markets. Such a situation would create a significant increase in the number of existing households switching to tenant-based assistance. This increase would tie up valuable staff resources and reduce our ability to help new households off the waiting list. Fiscally, an unanticipated increase in tenant-based vouchers reduces our ability to predict costs and may require us to redirect resources currently allocated to opportunity neighborhoods.

Home Forward proposes to create a local Project-Based Contract Transfer activity for all non-RAD PBV property owners. This activity balances the needs to provide a streamlined process for PBV Project Owners with the need to ensure existing households retain their subsidy without impacting our ability to serve new households.

With Home Forward approval, a Project Owner may request a transfer of assistance after 5 years from the effective date of the initial HAP Contract. Home Forward may waive the 5-year requirement for properties for the following reasons:

- The agency or an affiliate holds ownership interest or manages the property;
- A transfer is needed sooner as a result of events such as eminent domain proceedings, natural disasters or unforeseen events; or

### **MTW authorization:**

Attachment C, Section B(2) – Partnerships with For-Profit and Non-Profit Entities

Attachment C, Section D(7) – Establishment of an Agency MTW Section 8 Project Based Program

Attachment D, Section B(3) – Local Unit Based Subsidy Program

### **Statutory objective:**

Reduce cost and achieve greater cost effectiveness in Federal expenditures

Increase housing choices for low-income families

- HUD provides approval of a transfer for any other reason.

Home Forward may consider a partial or complete transfer of assistance to a new location if the new location complies with applicable site selection standards. If applicable, any lender and/or investor of the Covered Project must approve the transfer of the assistance. In the event of such transfer, the Project Owner may request, subject to Home Forward consent, that the original Project-Based Voucher Contract be modified or released to reflect such transfer of assistance.

Home Forward will only approve such a request where the following policy goals and technical requirements are met:

- The proposed new development must add or preserve affordable housing in the community;
- The proposed new development must otherwise comply with environmental review and subsidy layering review;
- Home Forward does not require a competitive process for the proposed new development as the initial PBV allocation removes the need for a subsequent competition. However, the proposed new development must meet all Home Forward's Site Selection Standards as well as any appropriate laws and regulations.
- Tenants residing in subsidized units within the assisted development must be offered the option of retaining a project-based voucher subsidy pursuant to the following guidelines:
  - Tenants within the assisted development must be offered the option of moving to a comparable subsidized unit in the new or preserved development upon completion of purchase, rehabilitation, or construction, or to another comparable subsidized unit offered by the Project Owner;
  - Comparable units must adhere to all required rules and regulations regarding relocations and tenant moves. Home Forward will prioritize preventing moves to distant geographic areas and/or lower opportunity neighborhoods but believes this ultimate choice should be left to the tenant, as we recognize that they may have circumstances that make some areas more desirable.
  - If tenants decline to move, they may remain in the assisted development and the subsidy will remain in place until the subsidized tenant vacates the assisted unit, at which point the project-based voucher subsidy will be converted to the new development and added to the new Project-Based Voucher Contract;
  - Because the above requirements protect the ability of tenants to remain in their choice of Project-Based Voucher subsidized units, Choice-Mobility vouchers will not be available for tenants under this proposal as a result of the contract transfer.

- Rents and bedroom sizes must remain comparable between the assisted development and the new development to maintain stability in Housing Assistance Payment costs.

In addition to the criteria above, Home Forward retains full discretion to deny a transfer of project-based voucher assistance. The activity applies to all current and future properties under a Project Based Voucher HAP Contract.

#### Activity Metrics:

| Metric                                                                                                                                                                                                                                     | Baseline               | Benchmark            | Final Outcome | Outcome Achieved? |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------|---------------|-------------------|
| Agency cost savings (Standard Metric: CE#1)<br>Note: Home Forward is unable to calculate anticipated costs absent the activity.                                                                                                            |                        |                      |               |                   |
| Total cost of task                                                                                                                                                                                                                         | FY2018: \$0            | FY2021: \$0          | \$0           | Outcome Achieved  |
| Staff time savings (Standard Metric: CE#2)<br>Note: Home Forward is unable to calculate anticipated costs absent the activity.                                                                                                             |                        |                      |               |                   |
| Total time to complete the task                                                                                                                                                                                                            | FY2018: 0 hours        | FY2021: 0 hours      | 0 hours       | Outcome Achieved  |
| Displacement prevention (Standard Metric: HC#4)<br>Note: Number of households in a unit that has completed, or will complete, RAD conversion by December 31, 2018 used as a proxy for potential displacement absent the proposed activity. |                        |                      |               |                   |
| Number of households at or below 80% AMI that would lose assistance or need to move                                                                                                                                                        | FY2018: 903 households | FY2021: 0 households | 0 households  | Outcome Achieved  |

#### MTW Flexibility:

Home Forward is utilizing our MTW flexibilities to give the agency authority to provide a contract transfer option to non-RAD property owners under a PBV contract and require Project Owners requesting a contract transfer to provide the same or better unit upon completion, as described above. The requested waiver authority will increase or preserve the number of affordable housing units in the community and decrease the number of households forced to move due to the contract transfer.

#### Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

#### Actual Changes to Metrics/Data Collection

No changes have been made to benchmarks, metrics, or data collection methodology.

### **Actual Significant Changes**

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

### **Challenges in Achieving Benchmarks and Possible Strategies**

Home Forward had no challenges in achieving our benchmarks for this activity in FY2021.



## 19 PROGRAM TRANSFER FLEXIBILITY BRIDGE

Under current regulations, whenever an active household transfers from one Home Forward program to another (eg from Public Housing to a Housing Choice Voucher), agency staff is required to administer complicated waitlist preferences, assess eligibility, and perform a full certification of eligibility for that household. Depending on when the household's regular recertification is due, this means staff could be recertifying the household's continuing program eligibility shortly before or after the certification of eligibility for the new program, resulting in an expensive and unnecessary duplication of efforts. This issue has increased significantly with the agency's Rental Assistance Demonstration (RAD) efforts, and has impacts on both staff and residents alike.

The new Program Transfer Flexibility Bridge removes the requirement that staff run a full eligibility certification for households transferring between Home Forward MTW programs. Instead, staff will use information from the household's most recent recertification to determine eligibility. The household will retain their existing anniversary date, but otherwise be subject to all policies regarding income eligibility and recertifications in the new program. This initiative would also align waitlist preferences differently to ensure that program transfers occur more seamlessly without additional administrative burden.

In a sense, this is a temporary activity designed to bridge the time period until Home Forward has converted all public housing to a voucher-based model, at which time all potential transfers will occur within the voucher program. By waiving the need for a full eligibility certification and utilizing existing data, and by aligning waitlists between programs, Home Forward will reduce the staff time and costs of running the same data multiple times within a short period and streamline the transfer process.

### MTW authorization:

Attachment C, Section C(5) – Ability to Certify Housing Quality Standards

Attachment C, Section D(7) – Establishment of an Agency MTW Section 8 Project Based Program

### Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

### Activity Metrics:

| Metric                                      | Baseline          | Benchmark       | Final Outcome | Outcome Achieved? |
|---------------------------------------------|-------------------|-----------------|---------------|-------------------|
| Agency cost savings (Standard Metric: CE#1) |                   |                 |               |                   |
| Total cost of task                          | FY2020: \$6,007   | FY2021: \$0     | \$0           | Outcome Achieved  |
| Staff time savings (Standard Metric: CE#2)  |                   |                 |               |                   |
| Total time to complete the task             | FY2020: 229 hours | FY2021: 0 hours | 0 hours       | Outcome Achieved  |

| Metric                                                           | Baseline     | Benchmark | Final Outcome | Outcome Achieved? |
|------------------------------------------------------------------|--------------|-----------|---------------|-------------------|
| Decrease in error rate of task execution (Standard Metric: CE#3) |              |           |               |                   |
| Average error rate in completing task                            | FY2020: 7.5% | FY2021: 0 | 0%            | Outcome Achieved  |

#### **MTW Flexibility:**

This activity is authorized under provisions of Attachment C Section C(4) - Initial, Annual, and Interim Review Process (Public Housing), Section D(3) – Eligibility of Participants (HCV), and the Use of Funds Amendment to Attachment D of the Amended and Restated MTW Agreement.

#### **Actual Non-Significant Changes**

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

#### **Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

#### **Actual Significant Changes**

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

#### **Challenges in Achieving Benchmarks and Possible Strategies**

Home Forward had no challenges in achieving our benchmarks for this activity in FY2021.

## 20 LOCAL INSPECTION POLICIES

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of Home Forward participants, residents, staff, and/or the general public, Home Forward may implement certain temporary changes to inspection protocols to ensure continuity of safe operations to the extent possible and practical. This modification is proposed in response to the current COVID-19 pandemic, which has created a need for physical and social distancing to protect against the spread of the disease. In compliance with the recommendations of the Centers for Disease Control (CDC), the “Stay Home Stay Safe” Executive Order issued by Oregon Governor Brown, and other guidance from local, state, and federal agencies, Home Forward is reducing contact between individuals, including closing offices to the public and reducing the number of employees in the office. As a result, Home Forward foresees that some operations may need to be modified and/or deferred to a later time. This activity will support the statutory objective: “Reduce cost and achieve greater cost effectiveness in federal expenditure” as demonstrated in the Activity Metrics section below.

### **MTW authorization:**

Attachment C, Section C(5) – Ability to Certify Housing Quality Standards

Attachment C, Section D(7) – Establishment of an Agency MTW Section 8 Project Based Program

### **Statutory objective:**

Reduce cost and achieve greater cost effectiveness in Federal expenditures

The proposed inspection protocols which Home Forward may implement are:

- Home Forward may extend the validity of a family’s most recently completed biennial HQS inspection by one year.
- The due date of the family’s next biennial HQS inspection would be one year from the original due date, and subsequent inspections would occur on a regular biennial schedule based on the new adjusted biennial due date.
- Home Forward will continue to perform emergency inspections and initial HQS inspections in un-occupied units.

In response to the COVID-19 pandemic, Home Forward has implemented HUD waiver HQS-5, which allows a delay of biennial inspections, and is authorized in HUD Notice PIH 2020-33 (HA) Rev-2, which was preceded by HUD Notice PIH 2020-05, HUD Notice PIH 2020-13, and HUD Notice PIH 2020-33(HA). HUD approved this activity on January 21, 2021 and Home Forward is using the authority granted in this activity to delay biennial inspections as outlined above. These temporary changes will be ended or adjusted as soon as it is safe, feasible, and practical to do so in the context of the COVID-19 public health emergency.

Home Forward may temporarily enact these protocols in the future in response to another local disaster, emergency, or other crisis situation to protect the health and/or safety of Home Forward participants, residents, staff and/or the general public.

**Activity Metrics:**

| Metric                                                           | Baseline            | Benchmark           | Final Outcome | Outcome Achieved? |
|------------------------------------------------------------------|---------------------|---------------------|---------------|-------------------|
| Agency cost savings (Standard Metric: CE#1)                      |                     |                     |               |                   |
| Total cost of task                                               | FY2020: \$744,190   | FY2021: \$701,000   | \$246,546.50  | Outcome Achieved  |
| Staff time savings (Standard Metric: CE#2)                       |                     |                     |               |                   |
| Total time to complete the task                                  | FY2020: 7,730 hours | FY2021: 7,250 hours | 2,525 hours   | Outcome Achieved  |
| Decrease in error rate of task execution (Standard Metric: CE#3) |                     |                     |               |                   |
| Average error rate in completing task                            | FY2020: 3.5%        | FY2021: 3.5%        | Less than 1%  | Outcome Achieved  |

**MTW Flexibility:**

This activity is authorized under provisions of Attachment C, Section 5 Ability to Certify Housing Quality Standards and 7(d): Establishment of an Agency Section 8 Project-Based Program of the Amended and Restated MTW Agreement.

**Actual Non-Significant Changes**

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

**Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

**Actual Significant Changes**

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

**Challenges in Achieving Benchmarks and Possible Strategies**

Home Forward had no challenges in achieving our benchmarks for this activity in FY2021.

## 21 SELF CERTIFICATION OF INCOME

As evidenced by the COVID-19 public health emergency, there are circumstances during which temporarily accepting self-certification of income is necessary to maintain efficient operations and promote housing stability. Home Forward implemented HUD waivers allowing self-certification of income in responses to the COVID-19 public health emergency provided in the current HUD Notice PIH 2020-33(HA) Rev-2 which was preceded by HUD Notices PIH 2020-05, PIH 2020-13, and PIH 2020-33 (HA). In the case that these waivers expire during the COVID-19 pandemic, Home Forward may continue to accept self-certification as the highest form of income verification to process annual and interim reexaminations. Home Forward may also accept self-certification of income as the highest form of income verification to process annual and interim reexaminations in response to future local, State, or National emergencies or disasters that result in significant barriers to households being able to access information from their employer to verify their income. This proposed activity will support the statutory objective: “Reduce cost and achieve greater cost effectiveness in federal expenditures” as demonstrated in the Activity Metric section below. The proposed protocols which Home Forward may temporarily implement in response to the COVID-19 and other local, state, or national emergencies or disasters are:

- **Annual Re-examination Income Verification (PH and HCV-3):** Home Forward may forgo third-party income verification requirements for annual reexaminations. Home Forward may consider self-certification as the highest form of income verification to process annual reexaminations. This may occur over the telephone (with a contemporaneous written record by a Home Forward staff person), through an email or postal mail with a self-certification form by the tenant, or through other electronic communications. After a period of temporarily using this alternative flexibility, Home Forward will be responsible for addressing any material discrepancies that may arise later. For example, if a tenant self-certified that the tenant lost their job, but later the EIV Income Validation Tool (IVT) shows that the tenant’s employment continued, Home Forward will take enforcement action in accordance with our policies and procedures. While HUD waives the use of EIV (e.g., HUD Notice PIH 2020-33 (HA) Rev-2, Home Forward may also forgo the use of EIV when doing annual re-examination income verification but must resume use of EIV when HUD waivers are no longer in effect.

The due date of the family’s next biennial HQS inspection would be one year from the original due date, and subsequent inspections would occur on a regular biennial schedule based on the new adjusted biennial due date.

### **MTW authorization:**

Attachment C, Section D(3)(b) – Eligibility of Participants

Attachment C, Section C(2) – Local Preferences and Admission and Continued Occupancy Policies and Procedures

### **Statutory objective:**

Reduce cost and achieve greater cost effectiveness in Federal expenditures

- **Interim Re-examinations (PH and HCV-4):** Home Forward may forgo third-party income verification requirements for interim reexaminations. Home Forward may consider self-certification as the highest form of income verification to process interim reexaminations. This may occur over the telephone (with a contemporaneous written record by a Home Forward staff person), through an email with a self-certification form by the family, or through other electronic communications. After a period of temporarily using this alternative flexibility, Home Forward will be responsible for addressing any material discrepancies that may arise later. For example, if a tenant self-certified that the tenant lost their job, but later the EIV Income Validation Tool (IVT) shows that the tenant's employment continued, Home Forward will take enforcement action in accordance with our policies and procedures. While HUD waives the use of EIV (e.g., HUD Notice PIH 2020-33 (HA) Rev-2, Home Forward may also forgo the use of EIV when doing annual re-examination income verification but must resume use of EIV when HUD waivers are no longer in effect.

#### Activity Metrics:

| Metric                                                                                                                                            | Baseline             | Benchmark            | Final Outcome        | Outcome Achieved? |
|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|-------------------|
| Agency cost savings (Standard Metric: CE#1)                                                                                                       |                      |                      |                      |                   |
| Total cost of task                                                                                                                                | FY2021: \$127,195    | FY2021: \$95,396     | \$94,352             | Outcome Achieved  |
| Staff time savings (Standard Metric: CE#2)                                                                                                        |                      |                      |                      |                   |
| Total time to complete the task                                                                                                                   | FY2021: 3,027 hours  | FY2021: 2,270 hours  | 2,293 hours          | Outcome Achieved  |
| Decrease in error rate of task execution (Standard Metric: CE#3)                                                                                  |                      |                      |                      |                   |
| Average error rate in completing task                                                                                                             | FY2021: 5.5%         | FY2021: 3.5%         | Less than 1%         | Outcome Achieved  |
| Increase in tenant share of rent (Standard Metric: CE#5)<br>Note: Home Forward does not intend to have an agency cost savings from this activity. |                      |                      |                      |                   |
| Total annual tenant share of rent                                                                                                                 | FY2021: \$37,942,344 | FY2021: \$37,972,344 | FY2021: \$41,689,620 | Outcome Achieved  |

#### MTW Flexibility:

This proposed activity is authorized by MTW flexibility, specifically:

- Attachment C, Section D(3)(b): "The Agency is authorized to adopt and implement any reasonable policy for verifying family income and composition and for determining resident eligibility that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations"; and

- Attachment C, Section C(2): "...the Agency is expressly authorized to adopt a local system of income verification in lieu of the current HUD system. For example, the Agency may implement alternate time frames for validity of verification or adopt policies for verification of income and assets through sources other than those currently allowed under the 1937 Act."

This activity allows Home Forward to provide efficient service to people earning low incomes as needed, including during local, state, or national disasters that pose a risk to the health and safety of residents, participants, staff, and the community.

### **Actual Non-Significant Changes**

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

### **Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

### **Actual Significant Changes**

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

### **Challenges in Achieving Benchmarks and Possible Strategies**

Home Forward had no challenges in achieving our benchmarks for this activity in FY2021.

## 22 MODERNIZING HCV/PBV ORAL BRIEFINGS

Under 24 Code of Federal Regulations (CFR) 982.301, Public Housing Authorities are required to provide families eligible to participate in the voucher program with an “oral briefing”. During the COVID-19 public health emergency, Home Forward implemented HUD waiver HCV-2 provided in HUD Notice PIH 2020-05, which was extended and superseded by HUD Notice PIH 2020-13 and the current notice, HUD PIH Notice 2020-33(HA) Rev-2, allowing flexibility in how the required oral briefing for HCV and PBV households are conducted. Home Forward proposes conducting required oral briefings for new HCV and PBV households by other means in response to COVID-19 and in the future when necessary to protect the health and safety of participants and staff due to local, state, or national state of emergencies or disasters. Home Forward also proposed to use this flexibility on a case by case basis if an individual or household faces extenuating circumstances that prevent them from coming to an in person oral briefing. In these individual cases, Home Forward will note the extenuating circumstances in the tenant file. These other means may include: webcast, video call, or expanded information packet. Home Forward will ensure that the method of communication for the briefing effectively communicates with, and allows for equal participation of, each family member, including those with vision, hearing, and other communication-related disabilities, and ensures meaningful access for persons with limited English proficiency.

### MTW authorization:

Attachment C, Section B(1)(b) – Single Fund Budget with Full Flexibility

Attachment C, Section B(1)(b)(iii) – Single Fund Budget with Full Flexibility

### Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

### Activity Metrics:

| Metric                                      | Baseline          | Benchmark                 | Final Outcome | Outcome Achieved? |
|---------------------------------------------|-------------------|---------------------------|---------------|-------------------|
| Agency cost savings (Standard Metric: CE#1) |                   |                           |               |                   |
| Total cost of task                          | FY2021: \$14,177  | FY2021: Less than \$8,861 | \$4,090       | Outcome Achieved  |
| Staff time savings (Standard Metric: CE#2)  |                   |                           |               |                   |
| Total time to complete the task             | FY2021: 312 hours | FY2021: 195 hours         | 90 hours      | Outcome Achieved  |

### MTW Flexibility:

This proposed activity is authorized by MTW flexibility, specifically:



- Attachment C, Section B(1)(b): "...the Agency can carry out the purposes of the MTW Demonstration Program to provide flexibility in the design and administration of housing assistance to eligible families, to reduce cost and achieve greater cost effectiveness in Federal expenditures..." and
- Attachment C, Section B(1)(b)(iii): "The provision of housing or employment-related services or other case management activities, such as housing counseling in connection with rental or homeownership assistance, energy auditing, activities related to the provision of self-sufficiency and other services, employment counseling, education, training and other services related to assisting tenants, owners, contractors, and other persons or entities participating or seeking to participate in other housing or training and educational activities assisted pursuant to this section."

This allows Home Forward to provide efficient service to people earning low incomes as needed, including during local, state, or national disasters that pose a risk to the health and safety of residents, participants, staff, and the community.

### **Actual Non-Significant Changes**

Home Forward made no planned or unplanned non-significant changes to this activity in FY2021.

### **Actual Changes to Metrics/Data Collection**

No changes have been made to benchmarks, metrics, or data collection methodology.

### **Actual Significant Changes**

Home Forward made no planned or unplanned significant changes to this activity in FY2021.

### **Challenges in Achieving Benchmarks and Possible Strategies**

Home Forward had no challenges in achieving our benchmarks for this activity in FY2021.

## Not Yet Implemented Activities

All Home Forward MTW activities have been implemented.

## Closed Out Activities

No Home Forward MTW activities were closed out in FY2021.

### Activities Closed in Previous Years

| Name of Activity                                                                                        | Year Approved | Year Implemented  | Year Closed Out | Reason for Close Out                                                                                                                                                           |
|---------------------------------------------------------------------------------------------------------|---------------|-------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Alternate Rent Calculation for Public Housing Units at Rockwood Station, Martha Washington, and Jeffrey | FY2011        | FY2011            | FY2012          | This activity was discontinued on April 1, 2012 when our current Rent Reform activity was implemented and the units at those buildings shifted to the Rent Reform calculation. |
| Limits for Zero-Subsidy Participants                                                                    | FY2010        | FY2010            | FY2012          | This activity was discontinued on April 1, 2012 with the implementation of Rent Reform.                                                                                        |
| Limiting Portability in Higher Cost Areas                                                               | FY2013        | Never implemented | --              | Home Forward determined that the administrative costs to manage this activity would offset the proposed savings.                                                               |
| 04 Bud Clark Commons                                                                                    | FY2010        | FY2010            | FY2014          | Home Forward has determined that operations at Bud Clark Commons do not utilize MTW flexibility.                                                                               |
| 05 Biennial Inspections                                                                                 | FY2008        | FY2008            | FY2015          | The FY2014 Appropriations Act allows all housing authorities to conduct inspections on a biennial basis. This activity no longer requires MTW flexibility.                     |

| Name of Activity                                         | Year Approved | Year Implemented | Year Closed Out | Reason for Close Out                                                                                                               |
|----------------------------------------------------------|---------------|------------------|-----------------|------------------------------------------------------------------------------------------------------------------------------------|
| 12 Alternative Initial Housing Assistance Payment Policy | FY2015        | --               | FY2017          | Home Forward determined that the policy may be an administrative burden and may cause unintentional delays in household lease-ups. |

# Section V. Sources and Uses of Funding

## Sources and Uses of MTW Funds

### Actual Sources and Uses of MTW Funding for the Fiscal Year

Home Forward submits its unaudited and audited information in the prescribed FDS format through the Financial Assessment System – PHA (FASPHA), or its successor system.

### Describe the Activities that Used Only MTW Single Fund Flexibility

#### **Replacement Housing Factor Funds /Demolition or Disposition Transitional Funding**

Home Forward's efforts to reposition its public housing portfolio can result in a formal disposition approval from HUD and then the sale of the asset. In these instances, Replacement Housing Factor (RHF) or Demolition or Disposition Transitional Funding (DDTF) funds are received by Home Forward as part of the Capital Fund Formula and used to create a new public housing unit. Home Forward utilized MTW authority to use these RHF or DDTF funds within its single fund flexibility to create new public housing units in a mixed-finance project. In doing so, these funds provide a portion of the total development capital needed for a particular project. Given the development cash flow needs of any mixed-finance project, Home Forward may also use the RHF or DDTF funds to repay construction financing. This would be done without formally pledging the future RHF or DDTF funds to the lender as collateral.

In September 2013, Home Forward proceeded with the disposition of four high-rise properties as part of our High-Rise Preservation Initiative. The properties are Hollywood East, Sellwood Center, Northwest Tower, and Gallagher Plaza, consisting of 654 public housing units. Home Forward anticipated receiving RHF or DDTF funds for these units and may utilize its MTW authority to determine the future use of these funds based upon the amount of the award and timing in which funds are received.

As of FY 2019, Home Forward received two (2) years of DDTF funds in the Capital Fund Program Grant and anticipates receiving three more years of DDTF funds for these public housing units. Home Forward may utilize its MTW authority to

### Describe the Activities that Used Only MTW Single Fund Flexibility

determine the future use of these funds based upon the amount of the award and timing in which funds are received. To date, none of the DDTF funds have been expended.

#### **MTW Initiative Funds**

Home Forward has created MTW Initiative Funds, comprised of MTW reserve funds in their entirety. This is a funding source to support initiatives that will advance the goals and objectives of MTW and Home Forward's Strategic Operations Plan, as well as provide sufficient operating reserves for prudent financial management. Some of these initiatives are aspects of our MTW Activities, described earlier in this Plan.

Listed below are initiatives that only use single-fund flexibility:

- Aligned Partner Network/Housing Works: Aligned Partner Network is a partnership between Home Forward, Worksystems, Inc., the Multnomah County Anti-Poverty system, and the State Department of Human Services. Each system leverages its resources by delivering core services and utilizing the other systems to provide wrap-around supports. With access to stable housing, the appropriate level of case management, and priority access to workforce services, we believe that a significant number of households will be able to develop the skills they need to gain employment within two years. Home Forward contributes rent assistance, in the form of PBA, which is contracted to agencies in the Anti-Poverty system who use it to help stabilize families who are engaged in training or employment programming.

In 2012, our local Workforce Investment Board (WIB) received a 3-year, \$5.5 million Workforce Innovation Fund grant in partnership with Home Forward and the other local housing authorities and WIBs in the Portland Metro area to pilot a program called Housing Works. This demonstration grant expanded on an existing partnership between Home Forward and the local WIB. Over the last three years, Home Forward received \$1.1 million to work with our Workforce Investment Board to serve 270 Home Forward residents with intensive training and employment services. As part of this grant, Home Forward contributed to the cost of a staff position that is shared between the WIB and Home Forward. This "liaison" provides technical assistance to Home Forward staff as they support clients in navigating the WorkSource system and helps build the partnership between the two organizations.

The Housing Works program ended on April 30, 2016, one month past the fiscal year end for this report. The program offered unified, seamless service delivery to participant where training and employment services were delivered using

### Describe the Activities that Used Only MTW Single Fund Flexibility

a coaching approach tailored to the needs of individual participants. Service components included access to coaching; career and resource planning; ongoing access to career pathways; trainings linked to high-growth industries; job preparation; job-attachment services; and employment retention services.

The program served 314 individuals, of whom 145 earned industry-recognized credentials; 62 completed internships; 70 obtained employment that were not employed prior to entering the program; 48% of participants remained employed for at least 9 months. All participants had access to support service funds, which provided financial support to participants to reduce and/or remove identified barriers to successful job training completion, job search and retention. The Housing Works team created and strengthened partnerships with local community colleges, the local WorkSource system, and other local job-training providers in the region. This regional alliance, also involving three other local housing authorities, created new opportunities and will continue to collaborate in meaningful ways that benefit the organizations and our mutual participants.

- Families Forward: Families Forward is the umbrella name for our initiatives designed to help youth attain education success in order to alleviate or exit poverty, and to help adults make economic progress, with the ultimate goal of exiting poverty for those who are able. This initiative ties to our strategic plan under One System. We leverage our role as the largest provider of affordable housing in Oregon to improve collaboration and efficacy between systems impacting people in poverty.
  - For adults, the current priority is to create a single framework for all of the agency's Economic Opportunity efforts, integrating the following four strategies: collecting information about families through an Employment and Training Interest Inventory; aligning existing self-sufficiency programs into a single program called GOALS, with site-based and non-site based components; facilitating the hiring of low-income (Section 3) residents and participants by Home Forward and contractors; and integrating Housing Works/Aligned Partner Network (mentioned above) into Economic Opportunity work. Ultimately, the goals for this initiative include increases in resident/participant earned income, increases in residents'/participants' contribution to rent, and residents/participants reaching a living wage if they exit housing subsidy.
  - Education Initiatives: Last year Home Forward deepened connections with systems partners focused on early education and chronic absence. After utilizing data sharing agreements with the six school districts in the county to obtain and analyze school attendance data, we learned that Home Forward students are struggling with chronic school absence significantly more than the general population of students in Multnomah County. Home Forward continues to work with a cross sector group of partners (county human services,

### Describe the Activities that Used Only MTW Single Fund Flexibility

school districts, DHS, non-profits) to amplify the community-wide attendance campaign and develop universal and site-based strategies for improving attendance.

Focus groups were conducted summer of 2016 across the county to get the insights of parents and caregivers on the challenges they face raising young children to be ready for kindergarten and getting kids to school every day, along with their ideas for what would help (from Home Forward and our partners). This input guides how we engage our partners in the work and how we adapt as a system to better support parents and their children to thrive. As a result, we are piloting alignment with our community schools system (called Schools Uniting Neighborhoods), with a specific focus on attendance and early childhood (Pre-school – 3<sup>rd</sup> grade), and the county library system, with a specific focus on early literacy.

- Aging at Home Strategies: Home Forward continues to develop and implement initiatives to increase independence and community at our properties that serve seniors and people with disabilities. Priority strategies include:
  - Focus on maintaining (through RAD conversion), strengthening and expanding the Congregate Housing Service Program in partnership with Impact Northwest, Multnomah County Aging, Disability and Veteran's Services, and Oregon State Department of Human Services.
  - Participating in Housing with Services, a systems alignment approach to improving the health outcomes, reducing health care costs, and to promoting community inclusion and self-determination for seniors and people with disabilities living in subsidized housing, which includes Cedar Sinai Park, Care Oregon, Cascadia and other partners.
  - Partnering with housing and healthcare partners to create cross-sector training modules to establish safe and secure discharge planning and ease transition back into independent housing. This initiative also strengthens communication and collaboration between housing and healthcare agencies.
  - Working with community clinics and coordinated care organizations to conduct on-site outreach and navigation events to ensure seniors are connected to healthcare and maximize available benefits and resources.
  - Partnerships with local nursing programs to bring triage and assessment services to Home Forward properties. Community health nursing students develop and launch health programming tailored to specific population health issues and social determinants of health within them.

### Describe the Activities that Used Only MTW Single Fund Flexibility

- Staff Trainings: To support Home Forward's Strategic Plan to strengthen our relationship with the people we serve, Home Forward developed new trainings for staff. Several trainings were offered during FY2019 that focused on safety in the workplace, managing stress, neurology-based trainings on leadership and resiliency, service focused (including de-escalation, trauma-informed approach) and supervisor specific trainings.
- Neighbor-to-Neighbor Grant Program: Home Forward has created a pilot grant program for resident groups from our public or affordable housing communities. Resident groups submit applications for grant funds to improve their community livability, build resident leadership, and reinforce community values. Past resident-led projects have included exercise classes, afterschool tutoring, social events, community gardens and the creation of a soccer field and youth sports team.
- Security Deposit Assistance: Home Forward uses single-fund flexibility to offer security deposit assistance to two populations in our community: participants leasing up with Veterans Affairs Supportive Housing (VASH) vouchers, and foster youth leasing up with Family Unification Program (FUP) vouchers. For homeless veterans, a lack of funds for security deposits is a serious barrier to successful use of VASH vouchers. Similarly, youth aging out of the foster care system often do not have the resources to pay for security deposits when trying to utilize FUP vouchers. Security deposit assistance is a key support to finding housing for veterans and youth leasing up in units requiring deposits. Home Forward's funds are to be used only when the service agencies working with these populations are not able to otherwise arrange for deposit assistance. In FY 2021, 19 households used security deposit assistance averaging \$769 per security deposit.
- Tenant Education Class and Deposit Assistance: Since May 2016, Home Forward has contracted with the Community Alliance of Tenants (CAT) to teach a tenant education class to voucher holders. Class graduates have access to up to \$200 to help with a security deposit in their housing search. This partnership grew out of concern that in the current, competitive rental market, and with recent changes in Oregon landlord/tenant law, voucher holders needed more education about how to be successful applicants and tenants. In FY 2021, 28 participants took the class and received the deposit assistance.
- Landlord Incentive Fund: Home Forward has implemented a landlord incentive program to attract new landlords to the Housing Choice Voucher (HCV) program and increase the number of units available to voucher holders. In the first year, Home Forward issued 460 payments of \$100 each, 35% of which went to landlords who were new to the HCV program. Starting in FY2017, we focused the fund more specifically to landlords new to the program. Home Forward



### Describe the Activities that Used Only MTW Single Fund Flexibility

makes a one-time payment of \$200 to new landlords, defined as those who have not worked in partnership with us for the past two years. This past fiscal year 180 landlords received the fund. This aligns with Oregon State Housing Bill 2639, which prohibits discrimination against renters and recruits new landlords to the Housing Choice Voucher program.

- Inter-jurisdictional Transfer Program for Survivors of Domestic Violence: In collaboration with other MTW-authorized housing authorities and the local domestic violence service system, Home Forward has implemented an inter-jurisdictional transfer program to assist participants who are survivors of domestic violence. The program ensures continued access to stable and safe housing when deemed necessary that the household move to another jurisdiction to avoid violence that is likely to become lethal or near lethal. A local domestic violence service provider has assigned two full-time advocates to work on-site with Home Forward residents. The advocates can recommend residents to this transfer program and provide advocacy and assistance with relocation to the new jurisdiction. Clients are connected with a local domestic violence agency in the new jurisdiction for support after their transfer. Home Forward allocates up to \$2,000 per household, for up to five households each year. In addition, Home Forward intends to absorb the vouchers of up to five families referred by partnering MTW agencies. This fund was not utilized in FY 2021, but the program remains an option for households needing to transfer due to domestic violence.
- Voucher Success Fund: Home Forward has an internal staffing position to provide housing search and placement assistance to HCV households. Along with case management supports, the Advocate can also provide a limited amount of financial assistance to help reduce barriers to housing such as security deposits, application fees, and transportation for the housing search.
- Record Relief & Criminal Expungement: Home Forward collaborates with Metropolitan Public Defender (MPD), a non-profit legal firm, to provide legal services to assist Home Forward residents, participants, and waitlist households with criminal record expungements along with consultation on any outstanding obligations to the court system. By reducing a barrier to housing and employment that is associated with a criminal background, Home Forward will help residents gain greater housing choice options in our community and ability for increased opportunity for work focused households to obtain employment. Home Forward also plans to see a decrease in administrative costs related to screening denials as an outcome of this project. Home Forward is using MTW Initiative Funds to support this program.

### Describe the Activities that Used Only MTW Single Fund Flexibility

- Affordable Housing Opportunities: With incredibly low vacancy rates and a lack of affordable housing, Home Forward is dedicated to preserving and increasing the number of housing units in our community. Home Forward used MTW Initiative Funds to leverage additional funding for the preservation of existing affordable housing and development of new affordable housing. By using methods such as site acquisition, predevelopment loans, and gap financing, Home Forward can invest in projects to expand the availability of housing that is affordable to families at different income levels in our community.
- Grant shortfalls: A large share of tenant/resident services are funded from grants and foundations. These funds augment local funds to provide supportive services and self-sufficiency services to residents. To optimize available services, any costs not eligible for state and local grants will be funded by single-fund flexibility.
- Emergency fund: In the event of an emergency that affects a public housing family's ability to live safely in their unit, Home Forward has created a fund to help the family temporarily find safe housing in a hotel.
- Landlord Portal: Home Forward has completed the requirements for a Landlord e-Center or Housing Provider Portal which will allow landlords and participants to electronically communicate with Home Forward. Home Forward deployed the first module in late 2019, providing landlords the ability to view their current units as well as financial and rental histories. Our overall objective is to improve processes and reduce the time required to lease an apartment or home to a voucher holder.
- MTW Operating Reserve: The U.S. Department of Housing and Urban Development (HUD) is required to control disbursement of funds to Public Housing Authorities (PHAs) in such a way as to ensure that PHAs do not receive federal funds before funds are needed. Currently, any Home Forward excess subsidy reserves are held by HUD and are distributed upon request to cover eligible MTW expenditures. Should the Federal cash management requirements change, Home Forward will set aside funds each year, as determined by the Board of Commissioners, towards building an Operating Reserve sufficient to fund four months of Operating Expenses plus one month of Housing Assistance Payments.

## LOCAL ASSET MANAGEMENT PLAN

i. Is the MTW PHA allocating costs within statute?

No

ii. Is the MTW PHA implementing a local asset management plan (LAMP)?

Yes

iii. Has the MTW PHA provide a LAMP in the appendix?

Yes

iv. If the MTW PHA has provided a LAMP in the appendix, please describe any proposed changes to the LAMP in the Plan Year or state that the MTW PHA does not plan to make any changes in the Plan Year.

Home Forward's Local Asset Management Plan has been implemented with two exceptions. Help Desk services are not billed as fees to programs but are allocated based on program FTE. Work by Home Forward Development staff for Public Housing Capital projects are charged directly to the project on a cost reimbursement basis rather than via a cost recovery fee.

## Section VI. Administrative

### **A. Reviews, Audits, and Inspections**

Public Housing – The chart below lists the Public Housing properties that had REAC inspections in FY2021.

No REAC inspections were completed during FY2021

The REAC inspection took place on February 14, 2020, prior to REAC inspections being suspended by HUD due to the COVID-19 pandemic. No other REAC inspections took place during 2020.

Annual Program/Financial A-133 Audit – Home Forward’s Board of Commissioners accepted and approved the independent audit findings for FY2020 (covering the period of January 1, 2020 to December 31, 2020) in August 2021. There were no financial statement findings, questioned costs, or compliance findings.

### **B. Evaluation Results**

As mentioned in the section on Single-Fund Flexibility Activities, Home Forward participated in Housing Works: A Regional Workforce-Housing Alliance, which was awarded a Workforce Innovation Fund grant in 2012 by the US Department of Labor. A full evaluation is a required element of the grant. Home Forward contributed Moving to Work Initiative Funds to the program in the form of staff time, as well as co-funding the cost of the liaison position from 2013-2016.

The partnership behind the program consisted of a consortium of workforce investment boards (WIBs) and public housing authorities across Multnomah, Washington, and Clackamas counties in Oregon, and Clark County in Washington. The lessons learned from various prior regional workforce development efforts have been applied in building the model for this program. The program brought to scale a pilot that Home Forward and Worksystems, Inc. tested several years ago with funds from the Paul G. Allen Family Foundation and expands the geographic span of activities, increasing the number of housing authority residents and industries served, and aligning the formula funding from the lead agencies.

The Housing Works program was designed to provide residents the opportunity to enhance their skills to gain and retain employment in high-demand industries and to increase their employment income. Participants accessed case management and supports across each stage of the program: career and resource planning; skill development and occupational skills training; job preparation and soft skills development; job attachment services; and employment retention services. This multi-faceted program was also crafted to create system changes in the WIBs and housing authorities by aligning policies and encouraging the co-investment of resources. The approach to workforce development in this model was substantially altered to incorporate a role for housing authorities as case managers and coaches

to assist participants in navigating the array of workforce services and supports. The essential components of this model that speak to systems change consist of growing organizational capacity to align resources and policy more fully; co-investment of resources; and unified service delivery that is seamless to participants.

The final program evaluation by Public Policy Associates, Inc. will be published in May of 2017.

## C. MTW Statutory Requirement Certification



### MEMORANDUM

To: Board of Commissioners Date: March 15, 2022

From: Taylor Smiley Wolfe, Director of Policy and Planning 503.802.8506 Subject: Authorization to Submit Moving to Work Twenty Second-Year Annual Report Resolution 22-03-01

The Board of Commissioners is requested to authorize Home Forward to submit the Moving to Work (MTW) Twenty Second-Year Annual Report to the Department of Housing and Urban Development (HUD).

#### OVERVIEW

As a housing authority with MTW designation, Home Forward is obligated to submit an annual report detailing its progress toward objectives proposed in its prior year's annual MTW plan. This year's report corresponds to Home Forward's fiscal year 2021 (January 1, 2021 – December 31, 2021). The report demonstrates that Home Forward continues to utilize its MTW flexibilities to reduce costs, increase housing choices for low-income families, and help move households toward self-sufficiency.

As prescribed by HUD Form 50900, the report includes certifications that Home Forward serves primarily the same population as it would absent the MTW flexibility. These certifications are included in the report and are incorporated into the resolution.

#### ATTACHMENT

FY2021 Annual Moving to Work Report

105 SW Ash Street, Portland, Oregon 97204 Tel: 503.802.8000 TTY: 503.802.8024 homeforward.org



### RESOLUTION 22-03-01

RESOLUTION 22-03-01 AUTHORIZES HOME FORWARD STAFF TO SUBMIT THE MOVING TO WORK TWENTY SECOND-YEAR ANNUAL REPORT, WITH CERTIFICATIONS, TO THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

WHEREAS, Home Forward is obligated by its Moving to Work (MTW) agreement with HUD to submit an annual report detailing its progress toward objectives proposed in its prior year's annual MTW plan; and

WHEREAS, as part of its MTW reporting obligation, Home Forward certifies that more than 75% of families assisted by the Agency are very low-income families; that it continues to assist substantially the same total number of eligible low-income households as would have been served without MTW authority; and that it maintains a comparable mix of households as would have been served had the agency not participated in the MTW demonstration.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Home Forward that staff is directed to submit this approved Moving to Work Twenty Second-Year Annual Report to the Department of Housing and Urban Development.

ADOPTED: MARCH 15, 2022

Attest:

A handwritten signature in blue ink, appearing to read "Ivory N. Mathews".

Ivory N. Mathews, Secretary

Home Forward

A handwritten signature in blue ink, appearing to read "Damian R. Hall".

Damian R. Hall, Chair

## D. MTW Energy Performance (EPC) Flexibility Data

Not applicable

# Appendix

## Local Asset Management Plan

### Home Forward Asset Management Program

The First Amendment to the Amended and Restated Moving to Work (MTW) Agreement allows Home Forward to develop a local asset management program for its Public Housing Program. The following describes Home Forward's asset management program and identifies where differences exist from HUD's asset management guidance.

#### **Home Forward's Local Asset Management Program**

Home Forward has operated a property/project-based management, budgeting, accounting, and reporting system for the past five years. Our project-based management systems include:

- Annual budgets are developed by on-site property managers. These budgets are reviewed and further consolidated into portfolio level budgets managed by housing program managers
- Budgets at the property level are provided an allocation of public housing operating subsidy based on factors which differentiate subsidy based on building age, type, size, and relative poverty of the population of the various public housing properties.
- Weekly monitoring of occupancy by property, including notices, vacancies, and applicants, is published to the Public Housing management and Executive management.
- Monthly property-based financial reports comparing month-to date and year-to-date actual to budget performance for the current year are provided to site managers, portfolio managers, and the Director of Property Management. These reports are available to other management staff as needed to monitor specific properties.
  - Monthly reviews are held at the property level with Site Managers and their portfolio management.
  - Quarterly reviews of the Public Housing portfolio in its entirety are held at the division level with Property Management Director and Assistant Directors, as well as the Deputy Director and Chief Financial Officer. This review covers each property Net Operating Income and Cash Flow.
- Home Forward applies the same project/program-based budgeting system and financial performance review to its Housing Choice Voucher program, local MTW programs, and non-federal programs and properties.

#### **Home Forward's Cost Objectives**



OMB Circular A-87 defines cost objective as follows: Cost objective means a function, organizational subdivision, contract, grant, or other activity for which cost data are needed and for which costs are incurred. The Cost Objectives for Home Forward's asset management program are the organizational subdivisions:

- Public Housing properties - includes resident services and management staff directly supporting this program
- Rent Assistance programs - includes management staff directly supporting this program and Family Self Sufficiency staff (including those supporting Public Housing residents)
- Moving to Work - includes activities related to our MTW agreement and local programs
- Integrated Facilities Services – includes maintenance staff for specialized maintenance services including those supporting maintenance for Public Housing units
- Resident Services – Family Self Sufficiency staff including those supporting Public Housing residents
- Affordable Housing
- Development

### **Home Forward's Treatment of Certain Costs**

Under OMB Circular A-87, there is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost be treated consistently in like circumstances, either as a direct or an indirect cost. Consistent with OMB Circular A-87 cost principles, Home Forward has identified all its direct costs and segregated all its costs into pools, as either a direct, direct allocated, or indirect allocated. We have further divided the indirect allocated pool to assign costs based on a relevant metric, as described in Attachment 1.

- Integrated Facilities Services: Integrated Facilities Services is the operating group for Home Forward's specialized maintenance services. IFS Maintenance performs services covering plumbing and electrical repairs, painting, and pest control, as well as garbage and recycling. Although these maintenance functions are performed centrally, the decisions and control remain at the property level as it is the property manager and/or housing program manager who determines the level of service required from the CORE maintenance group. All services are provided on a fee for service basis.
- Procurement: Home Forward has adopted procurement policies that balance the need for expedient and on-site response through delegated authorization to site staff for purchases under \$5,000. Purchases greater than this limit requires engaging central procurement. The Procurement staff is well trained in the special requirements of procuring goods and services for a federal program and provides necessary contract reporting requirements as well. Central procurement services are part of Home Forward's indirect overhead allocation.
- Human Resources: Along with the public housing program and its Section 8 voucher program, Home Forward has non-federal affordable properties, a development group, and locally funded rent assistance programs. Home Forward's Human Resources department serves the entire agency and certain human resource activities that HUD would consider a direct cost, such as

recruitment and pre-employment drug testing and screening, are centralized and are part of Home Forward's indirect overhead allocation. Home Forward has determined that the cost of keeping extremely detailed records of HR activity for direct cost assignment exceeds the value received from such effort.

- Information Technology: Hardware and software costs will be directly charged to the appropriate cost objective when such costs are available and specific to that cost objective. When a reasonable measurement of such IT costs can be obtained, an allocation based on the number of users (computers, software applications, etc.) will be utilized to directly charge the cost objective.
- Resident Services: A large share of tenant/resident services are funded from grants and foundations and these funds augment local funds to provide supportive services and self-sufficiency services to residents. To optimize available services, any costs not eligible for state and local grants will be funded by Home Forward's public housing properties and housing choice voucher program.
- Rent: Home Forward charges rent to each cost objective based on the space they occupy in our central office building. Rent is based on estimated costs and adjusted for actual costs at year-end.

### **Home Forward's Treatment of Public Housing Operating Subsidy**

Home Forward's flexibility to use MTW funding resources to support its low-income housing programs is central to our Asset Management Program. Home Forward will exercise our contractual authority to move our MTW funds and project cash flow among projects and programs as the Authority deems necessary to further our mission and preserve our low-income housing assets and local programs.

### **Home Forward's Indirect Cost Allocations**

Costs that can specifically and efficiently be identified to a cost objective are counted as direct costs to that objective. Costs that cannot be readily or efficiently identified as specifically benefiting a cost objective will be considered indirect and allocated. The *Home Forward Allocation Process – Process Flow Diagram* shown at the end of this policy is a graphic representation of Home Forward's allocation methodology. Home Forward has determined that some costs, defined as "direct costs" by HUD for asset management, require effort disproportionate to the results achieved and have included those costs as part of the indirect cost pool allocated to cost objectives as overhead.

### **Home Forward Indirect Costs**

OMB Circular A-87 defines indirect costs as those (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. Home Forward's indirect costs include, but are not limited to:

- Executive
- Policy & Planning
- Accounting & Finance

- Purchasing
- Human Resources, including job applicant screening, payroll, labor negotiations & organization wide training
- Information Technology: costs not specifically identified and charged as a direct expense to a cost objective

### **Differences – HUD Asset Management vs. Home Forward Local Asset Management Program**

Home Forward is required to describe in the MTW Annual Plan differences between our asset management program and HUD's asset management program as described in HUD's Financial Management Guidebook. Below are several key differences:

- HUD's asset management system and fee for service is limited in focusing only on a fee for service at the Public Housing (PH) property level and voucher program. Home Forward has implemented an indirect allocation methodology that is much more comprehensive than HUD's asset management system which includes all of Home Forward's cost objectives listed above.
- Home Forward has defined the treatment of direct and indirect costs differently than HUD's asset management program. From the agency perspective, we view the program operations management as direct costs of the program.
- These differences include, but are not limited to:
  - HUD Indirect/Home Forward Direct:
    - Portfolio and program ("regional") management, including hiring, supervision and termination of frontline staff is considered a direct cost. These costs are pooled and then allocated to each property based on units, vouchers, or other relevant metrics. Work with auditors and audit preparation by HCV and PH staff is considered a direct expense. Executive management is considered an indirect cost.
    - Storage of HCV and PH records and adherence to federal and/or state records retention requirements will be considered a direct cost of the program.
    - Development and oversight of office furniture, equipment and vehicle replacement plans will be considered a direct cost of the program.
    - Advertising (notification) costs specific to HCV, including applicants and landlords, will be considered a direct expense.
  - HUD Direct/Home Forward Indirect:
    - Advertising for new hires will be considered indirect and allocated to the program and properties.
    - Staff recruiting and background checks, etc. will be considered indirect and allocated to the program and properties.
  - Other:
    - Using MTW authority to improve efficiencies across programs, all staff associated with the Family Self Sufficiency program, regardless of serving public housing or housing choice voucher residents, will be considered a direct cost of the housing choice voucher program.
    - Preparation and submission of HCV and public housing program budgets, financial reports, etc. to HUD and others will be either direct or indirect, depending on the department from which the reports are prepared. If prepared by program staff, costs will be considered direct. If prepared by administrative department staff, costs will be considered indirect and allocated to the program and properties.

- Investment and reporting on HCV proceeds will be either direct or indirect, depending on the department from which the reports are prepared. If prepared by program staff, costs will be considered direct. If prepared by administrative department staff, costs will be considered indirect and allocated to the program and properties.
- HUD's rules limit the transfer of cash flow between projects, programs, and business activities. Home Forward intends to fully use its MTW resources and flexibility to move project cash flow among projects as locally determined and use MTW funding flexibility to provide additional funding to public housing properties when appropriate and necessary to provide for and preserve our public housing assets.
- HUD's rules provide that maintenance staff be maintained at the property level. Home Forward's asset management program reflects a cost-effective balance of on-site and central maintenance services for repairs, unit turnover, landscaping, and asset preservation work.
- HUD's rules provide that purchasing is performed at the property level. Home Forward's asset management program reflects a cost-effective balance of on-site and central purchasing, depending on the total cost of procurement and complexity of applicable procurement laws and reporting requirements.
- HUD intends certain property management activities to be at the property level. Home Forward has centralized selected property management functions, including but not limited to denial hearings, occupancy management, transfers, reasonable accommodations, auditing, training, compliance, and some waitlist management, and will allocate these costs as a direct expense to the properties based on a relevant metric such as units.
- Home Forward employs its own development staff. Any work on Public Housing Capital projects will be subject to a cost recovery fee paid from the capital fund to cover costs of development staff engaged in such capital projects.

### ***Balance sheet accounts***

Most balance sheet accounts will be reported in compliance with HUD's Asset Management Requirements and some will deviate from HUD's requirements, as discussed below:

- Cash
- Restricted Cash
- Petty Cash
- Investments
- Selected Prepaid Expenses and Deferred Charges
- Selected Accrued Liabilities
- Payroll Liabilities
- Compensated Absences
- Other Post-Employment Benefits (OPEB) Liability
- Pension Liability (GASB 68)
- Deferred Inflows of Resources – Pension (GASB 68)

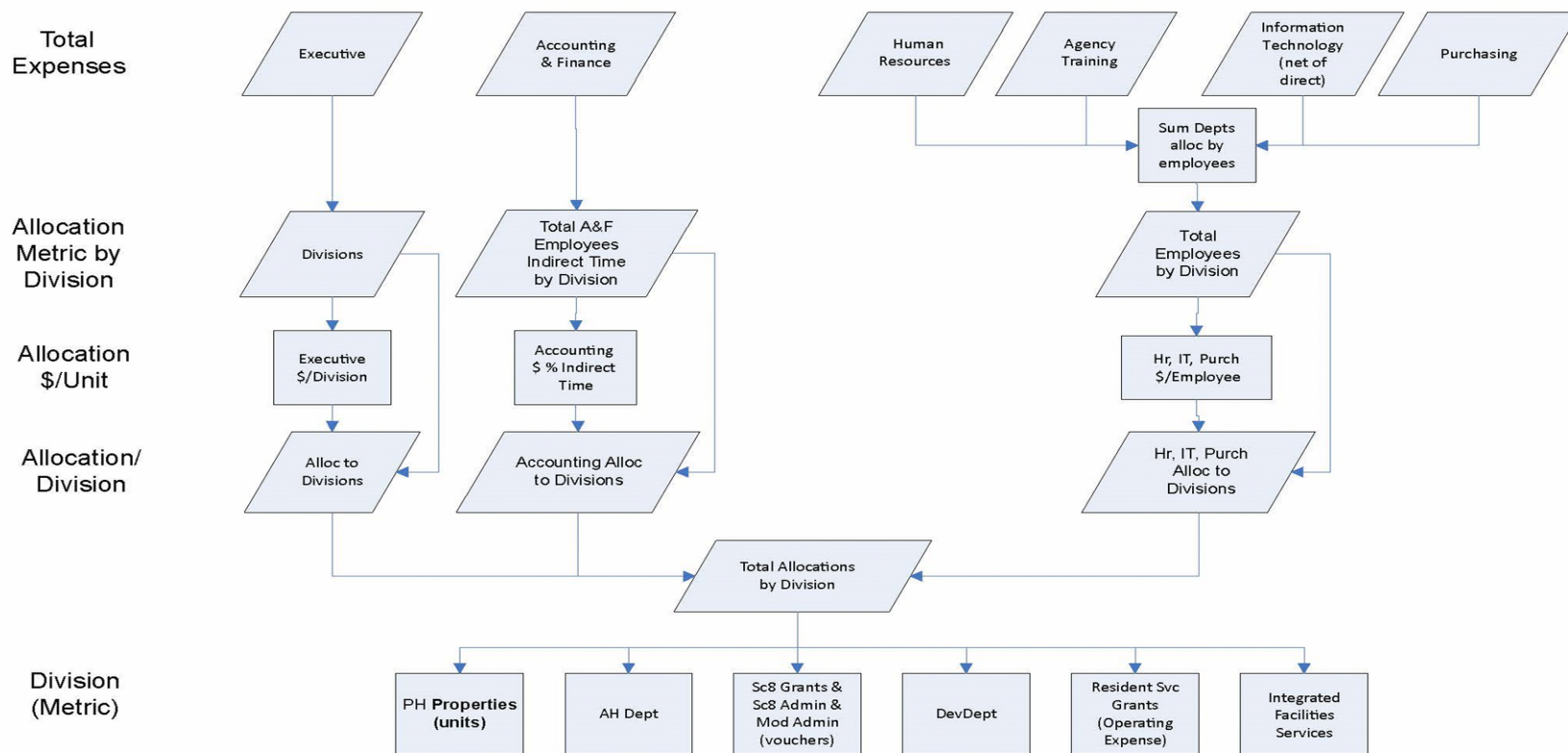
- Deferred Outflows of Resources – Pension (GASB 68)
- Unrestricted and Restricted Net Assets

Home Forward's asset management program will maintain the above balance sheet accounts centrally. Maintaining these accounts centrally has proven to be the most cost effective and least labor-intensive method ensuring efficient accounting operations and ultimately reducing costs charged to the programs. This deviates from HUD's asset management requirements as these accounts will not be reported at the AMP or program. Additionally, the centralization of cash and investments is in keeping with the single fund precept of our MTW authority. For those balance sheet accounts that are originated from expense entries, the related expenses will continue to be reported as an expense to the appropriate program, department and AMP-based income and expense statement through direct charges or allocations.

The agency is continually reviewing our asset management practices and will likely revise our approach over the coming years.

# Home Forward Allocation Process

## Process Flow Diagram



**APPENDICES Appendix 1**

Recommended Relocation Plan Contents

**Appendix 2**

Sample RAD General Information Notice (GIN)

**Appendix 3**

Sample RAD Notice of Relocation (for relocation anticipated for a year or less)

**Appendix 4**

Sample RAD Notice of Relocation (for relocation anticipated for more than a year)

**Appendix 5**

Sample Notice of Eligibility for URA Relocation Assistance (for residents who have been temporarily relocated for more than a year)

## **Appendix 1: RECOMMENDED RELOCATION PLAN CONTENTS**

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While written Relocation Plans are not required under RAD or URA, the Department strongly encourages PHAs to document their relocation planning process and procedures in a written Relocation Plan. The following provides suggested content for Relocation Plans.

### **I. Project Summary**

The Relocation Plan should provide a general description of and purpose for the project (e.g., year built, location, number of units, configuration, occupancy information, and funding sources).

The basic components of a plan include:

- A general description of the project and the site, including acquisition, demolition, rehabilitation, and construction activities and funding sources;
- A detailed discussion of the specific steps to be taken to minimize the adverse impacts of relocation, including when transferring the assistance to a new site;
- Information on occupancy (including the number of residents, residential owner-occupants and non-residential occupants, if any, to be permanently or temporarily relocated);
- Information on relocation needs and costs (including the number of residents who plan to relocate with Section 8 assistance);
- General moving assistance information;
- Temporary move assistance (including information on the duration of temporary moves);
- Permanent move assistance; and
- Appeals process.

### **II. Resident Return and Re-occupancy Policies**

For residents that will be temporarily relocated, the plan should include the criteria that will be used to determine the priority for residents to re-occupy units at the project after rehabilitation, demolition, and/or construction is completed. For example, if units will come online in stages, the plan should outline how the PHA will determine when each resident will return to the project. PHAs should ensure that any written return or re-occupancy policy is compliant with related RAD requirements, such as the right-to-return policy and the “no re-screening upon conversion” policy, as described in the RAD Notice.

### **III. Summary of Moving Costs**

The plan should include a summary of moving costs, identified by move types, including the following:



### Temporary Moves

- Number of and cost amount for two-way moves (i.e., a move to another unit and then a return move) within the same building/complex.
- Number of and cost amount for two-way moves to a unit not in the same building/complex, carried out by the PHA.
- Number of and cost amount for two-way moves to a unit not in the same building/complex not carried out by the PHA.

### Permanent Moves

- Number of and cost amount for one-time moves into another unit in the same building/complex.<sup>15</sup>
- Number of and cost amount for one permanent move to a unit not within the same building/complex, carried out by the PHA.  
PHAs should note that if a residential move is carried out by the PHA at no cost to the resident, this per-household estimate must include the required dislocation allowance (currently \$100). The URA Fixed Residential Moving Cost Schedule lists the most current dislocation allowance:  
[http://www.fhwa.dot.gov/real\\_estate/practitioners/uniform\\_act/relocation/moving\\_cost\\_schedule.cfm](http://www.fhwa.dot.gov/real_estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm)
- Number of and cost amount for one permanent move to a unit not within the same building/complex that is not carried out by the PHA.

## IV. Temporary Relocation Assistance

The PHA will assist residents who are required to move temporarily. At the Initiation of Negotiations (ION), the PHA will send a RAD Notice of Relocation to residents who will be relocated. Appendices 3 and 4 of this Notice contain sample RAD Notices of Relocation to be provided to residents that will be temporarily relocated.

The plan should detail the temporary relocation assistance the PHA will provide for residents (Paragraph 2-7 of HUD Handbook 1378). This assistance includes:

- Temporary Housing - The PHA will provide temporary housing that is decent, safe, and sanitary on a nondiscriminatory basis for residents who are relocated temporarily. The PHA will also pay for reasonable increased housing costs that the resident incurs in connection with the temporary relocation.

NOTE: If a resident's relocation exceeds one year, the PHA must then issue a *Notice of Relocation Eligibility* (49 CFR 24.203(b)) to the resident and offer the resident permanent

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<sup>15</sup> A resident who moved to another unit in the same building/complex may be considered a displaced person under URA if the resident moves from the building/complex permanently and was not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move within the same building/complex and/or if other conditions of the move within the building/complex were not reasonable.

relocation assistance and payments at URA levels. The PHA must provide this notice to affected residents as soon as the temporary relocation exceeds one year.

- **Packing and Moving Assistance** - Since most residents prefer to pack their own personal possessions and items of value, they should be provided packing instructions, boxes, markers, and tape for the move. If assistance in packing is needed, the PHA should provide the resident with information on how to request this assistance. The PHA is responsible for covering all reasonable moving expenses incurred in connection with temporarily relocating a resident. The PHA may reimburse the resident's out-of-pocket moving expenses and/or directly carry out the move.
- **Payment for Temporary Relocation Moving Expenses** - The plan should also indicate how the PHA intends to provide or reimburse for moving services and expenses. The PHA can choose to do one or more of the following:
  - Undertake the moves itself, using force account labor or a moving company;
  - Use PHA's contractor or moving company;
  - Carry out moves with employees of the PHA;
  - Reimburse residents for all actual and reasonable moving costs.

NOTE: The PHA will not make fixed payments since such payments may not be representative of actual reasonable costs incurred. However, in order for a resident to be sure of full reimbursement, the resident should submit a moving cost estimate to the PHA for approval prior to the move unless the PHA is directly carrying out the move and the resident will not incur any reasonable out-of-pocket moving expenses. Failure to do so may result in the resident not being fully reimbursed.

- **Utility Costs** - The PHA is responsible for covering the expenses relating to disconnection and reconnection of necessary utilities. If the resident has telephone, cable service or Internet access, the PHA is responsible for covering the expenses involved in transferring existing service. The PHA may also pay utility deposits, if required at the temporary relocation housing (HUD Handbook 1378, paragraph 2-7(A)(3)). If a resident is temporarily relocating from a public housing unit to a non-public housing unit, the resident must be reimbursed for reasonable increases in utility costs even if the PHA utility allowance is lower than the actual costs to the resident.

## **V. Permanent Relocation Assistance**

Based on the local housing resources available, the PHA should identify the replacement housing options that will be available to meet the housing needs of residents to be permanently relocated. Replacement housing options for residents that meet the definition of a "displaced person" (49 CFR 24.2(a)(9)) under the URA include, but are not limited to:

- Other Public Housing;
- Section 8 Project-Based Voucher unit;
- Section 8 Housing Choice Voucher unit;
- Homeownership housing;

- Private-market rental housing (affordable, non-subsidized).<sup>16</sup>

The plan should describe each type of replacement housing projected to be available, including:

1. Number of units, by bedroom size, expected to be available, and discussion of whether available units will meet dwelling requirements of relocated residents;
2. General area or location of unit(s);
3. Criteria for receiving relocation assistance; and
4. Any other information that might benefit residents in their consideration of housing choices.

The plan should include a description of the permanent relocation assistance the PHA will provide to residents. This assistance includes:

- Availability of Comparable Replacement Housing – Under URA, no displaced resident will be required to move unless at least one comparable replacement dwelling (49 CFR 24.2(a)(6)) is made available at least 90 days before the required move (49 CFR 24.203(c)). Comparable replacement dwellings must contain the accessibility features needed by displaced persons with disabilities (49 CFR 24.2(a)(8)(vii); 49 CFR part 24, Appendix A, §24.2(a)(8)(vii)). If the comparable replacement dwelling is not subsidized housing, the PHA should contact the RAD staff for advice on replacement housing payment requirements.
- Referral to Housing Not Located in an Area of Minority Concentration - Whenever possible, minority persons shall be given reasonable opportunities to relocate to decent, safe, and sanitary replacement dwellings that are within their financial means and not located in areas of minority concentration (49 CFR 24.205(c)(2)(ii)(D)). However, this policy does not require a PHA to provide a person a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling unit.
- Permanent Relocation Moving Expenses from Public Housing to Public Housing - The PHA may choose one of the following options for covering the expenses involved in moving public housing residents that are relocated into other public housing:
  - Undertake the move itself, using force account labor or a moving company. Residents should incur no moving costs under this option, but if such expenses are incurred, the PHA is responsible for reimbursing the resident for any such actual and reasonable expenses. In such case, the resident is also entitled to a dislocation allowance (currently \$100). The URA Fixed Residential Moving Cost Schedule lists the current dislocation allowance and is available at:  
[http://www.fhwa.dot.gov/real-estate/practitioners/uniform\\_act/relocation/moving\\_cost\\_schedule.cfm](http://www.fhwa.dot.gov/real-estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm)

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<sup>16</sup> Every effort should be made to find another subsidized unit as replacement housing for a resident relocating from subsidized housing so that the resident will continue receiving the housing subsidy as long as it is needed.

NOTE: Residents who prefer to pack their own personal possessions and items of value may be provided packing instructions, boxes, markers, and tape for their move. If a resident needs assistance in packing, they should contact the PHA. It is the responsibility of the PHA to pack and move all their belongings and household goods, if so desired.

- Allow the resident to elect one of the following choices:
  - 1) The PHA will reimburse the resident for the cost of all actual reasonable and necessary moving and related expenses (49 CFR 24.301), such as:
    - Transportation of the resident and personal property. This may include reimbursement at the current mileage rate for personally owned vehicles that need to be moved. Transportation costs for a distance beyond 50 miles are not eligible, unless the PHA determines that relocation beyond 50 miles is justified.
    - Packing, crating, uncrating, and unpacking of personal property.
    - Storage of personal property for a period not to exceed 12 months, unless the PHA determines that a longer period is necessary.
    - Disconnecting, dismantling, removing, reassembling, and reinstalling relocated household appliances and other personal property.
    - Insurance for the replacement value of the property in connection with the move and necessary storage.
    - The replacement value of property lost, stolen, or damaged in the process of moving (not through the fault or negligence of the displaced person, his or her agent, or employee) where insurance covering such loss, theft, or damage is not reasonably available.
  - 2) The PHA will pay directly to the resident the applicable and current fixed moving cost payment according to the URA Fixed Residential Moving Cost Schedule (49 CFR 24.302), available at:  
[http://www.fhwa.dot.gov/real-estate/practitioners/uniform\\_act/relocation/moving\\_cost\\_schedule.cfm](http://www.fhwa.dot.gov/real-estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm)
- Permanent Relocation Moving Expenses for All Other Moves – Under URA, residents who are permanently displaced, except for those residents displaced from public housing and moving to other public housing, are entitled to the assistance described in the brochure *Relocation Assistance To Residents Displaced From Their Homes*, available in English at [http://portal.hud.gov/hudportal/documents/huddoc?id=DOC\\_16280.doc](http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_16280.doc) and in Spanish at [http://portal.hud.gov/hudportal/documents/huddoc?id=DOC\\_16281.doc](http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_16281.doc). Residents may choose moving assistance from one of the following two options.
  - 1) The PHA will reimburse the resident for the cost of all actual reasonable moving and related expenses (49 CFR 24.301).
  - 2) The PHA will pay directly to the resident the applicable and current fixed moving cost payment according to the URA Fixed Residential Moving Cost Schedule (49

CFR 24.302), available at:  
[http://www.fhwa.dot.gov/real-estate/practitioners/uniform\\_act/relocation/moving\\_cost\\_schedule.cfm](http://www.fhwa.dot.gov/real-estate/practitioners/uniform_act/relocation/moving_cost_schedule.cfm).

- Replacement Housing Payment - In addition to covering moving expenses, displaced residents may be entitled to a replacement housing payment (RHP). This payment is intended to cover the increase, if any, in monthly housing costs for a 42-month period.

When calculating the RHP, the PHA must consider the comparable replacement housing unit offered to the resident. Since the PHA is not required to pay an RHP amount that exceeds the amount of RHP calculated for the offered comparable replacement dwelling, residents are cautioned to work closely with the PHA prior to their move.

- Accessible Housing for Persons with Disabilities - Under the URA, persons with disabilities who will be permanently displaced must be relocated to a replacement dwelling that contains the accessibility features they need (49 CFR 24.2(a)(8)(vii); 49 CFR Appendix A, 24.2(a)(8)(vii)). A person with disabilities who has been relocated must be offered a comparable replacement dwelling unit that contains accessible features comparable to the housing from which the tenant has been displaced or relocated. This is so even if the tenant has paid for the acquisition and/or installation of accessible features in the housing from which he or she has been relocated; in such instances, the recipient must ensure that the replacement housing contains comparable accessible features or provide relocation assistance to the tenant in an amount that covers the cost of acquiring and/or installing comparable accessible features. Under the URA, an agency may use project funds to remove architectural barriers for displaced owners and tenants with disabilities or take other last resort housing measures if comparable replacement dwelling units are not available within the monetary limits prescribed under the URA regulations (49 CFR 24.404(c)(vii); HUD Handbook 1378, Paragraph 3-8).

## VI. Relocation Budget

Based on the results of the planning process, the PHA should create a relocation budget that includes the following six components:

- 1) The cost of administering the plan and providing assistance and counseling.
- 2) Reasonable moving expenses for a person with disabilities, which may include the cost of moving assistive equipment that is the personal property of the residents, the furnishings and personal belonging of a live-in aide, and/or other reasonable accommodations (HUD Handbook 1378, Paragraph 3-2).
- 3) The cost of the physical move of the residents' belongings. (It is suggested that the move costs be broken down by average cost per move type multiplied by the number of moves.)  
NOTE: This physical move cost total should be based on the move scenarios anticipated

or projected by the resident survey.

- 4) The cost estimated to pay for projected increases in monthly housing costs for temporary relocation.
- 5) The cost estimated to pay for the replacement housing payment (RHP) (42-month period for URA or 60-month period if section 104(d) applies).
- 6) Contingency costs estimated for carrying out the relocation process necessary to complete the proposed project. (The PHA should state where these costs are indicated in the application, or attach any other information required by HUD, to support these costs.)

## **VII. Appeal Process**

If a resident disagrees with the PHA's decision as to the resident's eligibility to receive relocation assistance, the amount of a relocation payment, or the adequacy of a comparable replacement dwelling offered to a resident, the resident may file a written appeal to the PHA. The Relocation Plan should describe the specific appeal procedures to be followed consistent with 49 CFR 24.10 (and 24 CFR 42.390 if section 104(d) is involved). At a minimum, the resident will have 60 days to file an appeal with the PHA after receiving written notification of a claim or ineligibility determination.

## **VIII. Certification**

The plan should contain a certification of compliance with the URA and, if applicable, section 104(d).

## **Technical Assistance**

The PHA should direct questions on this Notice's relocation assistance requirements to their RAD Transaction Manager or [email rad@hud.gov](mailto:rad@hud.gov).

## Appendix 2: SAMPLE RAD GENERAL INFORMATION NOTICE (GIN)

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### PHA LETTERHEAD

#### RENTAL ASSISTANCE DEMONSTRATION (RAD) GENERAL INFORMATION NOTICE (GIN)

[Date]

Dear [Resident Name],

The property you currently occupy is being proposed for participation in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. At this time, we expect that [the proposed acquisition, rehabilitation, or demolition, may require you to be relocated (temporarily or permanently) from your unit]. We will provide further details to you as plans develop. **This notice does not mean that you need to leave the property at this time. This is not a notice of eligibility for relocation assistance.** The remainder of this letter only applies to situations where you will need to be relocated from your unit.

This notice serves to inform you of your potential rights under the RAD program and a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). If the proposed RAD project receives HUD approval and if you are displaced permanently as a result, you may become eligible for relocation assistance and payments under the URA, including:

- 1) Relocation advisory services that include referrals to replacement properties, help in filing payment claims and other necessary assistance to help you successfully relocate;
- 2) At least 90 days' advance written notice of the date you will be required to move;
- 3) Payment for moving expenses; and
- 4) Payments to enable you to rent a similar replacement home.

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an immigrant lawfully present in the United States.

As a resident of a property participating in RAD, you have the right to return to the project after the project is complete. You will be able to lease and occupy a unit in the converted project when rehabilitation is complete.

If you are permanently displaced from your home, you will not be required to move until you are given at least 90-day advance written notice of any required move and at least one comparable replacement dwelling has been made available to you. If you are temporarily relocated and your temporary relocation lasts more than one year, you will be contacted and offered permanent relocation assistance as a displaced person under the URA. This assistance would be in addition

to any assistance you may receive in connection with temporary relocation and will not be reduced by the amount of any temporary relocation assistance you have already received.

If you are required to relocate from the property in the future, you will be informed in writing. [PHA] will inform you of what assistance and payments you are eligible for if you will be relocated because of RAD and how you will receive these payments. If you become a displaced person, you will be provided reasonable assistance necessary to complete and file any required claim to receive a relocation payment. If you feel that your eligibility for assistance is not properly considered, you will also have the right to appeal a determination on your eligibility for relocation assistance.

You should continue to pay your rent and meet any other requirements specified in your lease. If you fail to do so, [PHA] may have cause for your eviction. If you choose to move, or if you are evicted, prior to receiving a formal notice of relocation eligibility, you may become ineligible to receive relocation assistance. It is very important for you to contact us before making any moving plans.

You will be contacted soon so that we can provide you with more information about the proposed project. If the project is approved, we will make every effort to accommodate your needs. In the meantime, if you have any questions about our plans, please contact: [Name, Title, Address, Phone, Email Address]. This letter is important to you and should be retained.

Sincerely,

[Name]

[Title]

NOTES:

1. Files must indicate how this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378)
2. This is a sample GIN. PHAs should revise it to reflect project-specific circumstances.
3. PHAs may provide residents with HUD brochure "Relocation Assistance to Residents Displaced from Their Homes" available at:  
<http://www.hud.gov/offices/cpd/library/relocation/publications/1042.pdf>.



**Appendix 3: SAMPLE RAD NOTICE OF RELOCATION (For relocation anticipated for a year or less)**

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**THIS IS A GUIDE FORM.  
REVISE TO REFLECT THE PROJECT-SPECIFIC CIRCUMSTANCES.**

PHA Letterhead

(date)

Dear *[Resident Name]*,

The property you currently occupy is participating in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. On *[date]*, the *[Public Housing Authority]* (PHA) notified you of proposed plans to *[acquire/ rehabilitate/demolish]* the property you currently occupy at *[address]*. On *[date]*, HUD issued the RAD Conversion Commitment (RCC) and committed federal financial assistance to the project. *[In instances where a Notice of Intent to Acquire is applicable and this notice is being sent before the RCC is issued, in lieu of the previous sentence noting the RCC issuance date, insert: [Name of entity acquiring the property]* (Displacing Agency) intends to acquire the property you currently occupy. **This is a Notice of Intent to Acquire.]**

In order for PHA to complete the project, you will need to be relocated for *[anticipated duration of relocation]*. Upon completion of the project, you will be able to lease and occupy your present unit or another decent, safe and sanitary unit in the completed project under reasonable terms and conditions. You are eligible for relocation payments and assistance.

However, **you do not need to move now.** This notice informs you that a decent, safe, and sanitary dwelling unit, listed below, has been made available to you and you will be required to move by *[insert date at least 30 days after the date of this notice]*.

If your temporary relocation exceeds one year and you qualify as a "displaced person" under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), you may be eligible for further relocation assistance and payments under URA.

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

The relocation assistance to which you are entitled includes:

☐ **Payment for Moving Expenses.** You are entitled to be reimbursed for all reasonable out-of-pocket expenses incurred in connection with any temporary

move. *[PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 4 of this Notice.]*

☐ The location of your temporary replacement unit is *[address]*. This temporary housing has been determined to be decent, safe, and sanitary.

☐ *List appropriate relocation advisory services and any other services and assistance provided.]*

If you disagree with this determination, you may file a written appeal to the PHA in accordance with 49 CFR 24.10.

If you have any questions about this notice and your eligibility for relocation assistance and payments, please contact *[Name, Title, Address, Phone, Email Address]* before you make any moving plans. He/she will assist you with your move to a temporary unit and help ensure that you preserve your eligibility for any relocation payments to which you may be entitled.

**Remember, do not move, or commit to the purchase or lease of a replacement home before** we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.

Sincerely,

\_\_\_\_\_  
Print name:

Title:

*NOTE: The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378.)*

#### Appendix 4: SAMPLE RAD NOTICE OF RELOCATION (For relocation anticipated for more than a year)

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**THIS IS A GUIDE FORM.  
REVISE TO REFLECT THE PROJECT-SPECIFIC CIRCUMSTANCES.**

PHA Letterhead

(date)

Dear *[Resident Name]*,

The property you currently occupy is participating in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. On *[date]*, the *[Public Housing Authority]* (PHA), notified you of proposed plans to *[acquire/ rehabilitate/demolish]* the property you currently occupy at *[address]*. On *[date]*, HUD issued the RAD Conversion Commitment (RCC) and committed federal financial assistance to the project. *[In instances where a Notice of Intent to Acquire is applicable and this notice is being sent before the RCC is issued, in lieu of the previous sentence noting the RCC issuance date, insert: [Name of entity acquiring the property]* (Displacing Agency) intends to acquire the property you currently occupy. **This is a Notice of Intent to Acquire.]**

In order for PHA to complete the project, you will need to be relocated for *[anticipated duration of relocation]*. Upon completion of the project, you will be able to lease and occupy your present unit or another decent, safe, and sanitary unit in the completed project under reasonable terms and conditions. You are eligible for relocation assistance and payments. Because we expect your relocation to exceed one year, you have the choice to either:

- Receive temporary relocation assistance and return to a unit in the RAD project once it is complete; or
- Receive permanent relocation assistance and payments consistent with the URA instead of returning to the completed RAD project.

You must inform us of your choice within 30 days.

However, **you do not need to move now.** If you choose temporary relocation assistance, you will not be required to move sooner than 30 days after you receive notice that a temporary unit is available for you. If you choose permanent relocation assistance, you will not be required to move sooner than 90 days after you receive written notice that at least one comparable replacement unit is available to you in accordance with 49 CFR 24.204(a). *[Note to PHA: These time periods may start running as of the date of this Notice if the notice of relocation includes such information on the temporary and/or comparable replacement dwelling options, as applicable. In such circumstance, add applicable sentences to adequately notify the resident. For example: This notice informs you that a temporary unit, listed below, has been made available to you and, if you choose this option, you will be required to move by [date no sooner than 30 days after notice]. This notice informs you*

that a comparable unit, listed below, has been made available to you and, if you choose this option, you will be required to move by *[date no sooner than 90 days after notice]*.

If you choose temporary relocation, your relocation exceeds one year and you qualify as a “displaced person” under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), you may become eligible for further relocation assistance and payments under URA.

NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

If you choose to receive temporary relocation assistance, this assistance will include:

- Payment for Moving Expenses. You are entitled to be reimbursed for all reasonable out-of-pocket expenses incurred in connection with any temporary move. *[PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 4 of this Notice.]*
- The location of your temporary replacement unit is *[address]*. This temporary housing has been determined to be decent, safe, and sanitary.
- *[List appropriate relocation advisory services and any other services and assistance provided.]*

If you elect to receive permanent relocation assistance, this assistance will include:

- Relocation Advisory Services. You are entitled to receive current and continuing information on available comparable replacement units and other assistance to help you find another home and prepare to move.
- Payment for Moving Expenses. *[PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 5 of this Notice.]*
- Replacement Housing Payment. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors including: (1) the monthly rent and cost of utility services for a comparable replacement unit, (2) the monthly rent and cost of utility services for your present unit, and (3) 30% of your average monthly gross household income. This payment is calculated on the difference between the old and new housing costs for a one-month period and multiplied by 42.
- *[PHA: list here any permanent relocation assistance offered, such as a Housing Choice Voucher.]*

- Listed below are three comparable replacement units that you may wish to consider for your replacement home. If you would like, we can arrange transportation for you to inspect these and other replacement units.

|    | Address | Rent & Utility Costs | Contact Info |
|----|---------|----------------------|--------------|
| 1. |         |                      |              |
| 2. |         |                      |              |
| 3. |         |                      |              |

We believe that the unit located at [address] is most representative of your original unit in the converting RAD project. The monthly rent and the estimated average monthly cost of utilities for this unit is [\$ amount] and it will be used to calculate your maximum replacement housing payment. Please contact us immediately if you believe this unit is not comparable to your original unit. We can explain our basis for selecting this unit as most representative of your original unit and discuss your concerns.

Based on the information you have provided about your income and the rent and utilities you now pay, you may be eligible for a maximum replacement housing payment of approximately [\$ (42 x monthly amount)], if you rent the unit identified above as the most comparable to your current home or rent another unit of equal cost.

Replacement housing payments are not adjusted to reflect future rent increases or changes in income. This is the maximum amount that you would be eligible to receive. If you rent a decent, safe, and sanitary home where the monthly rent and average estimated utility costs are less than the comparable unit, your replacement housing payment will be based on the actual cost of that unit. All replacement housing payments must be paid in installments. Your payment will be paid in [#] installments.

You may choose to purchase (rather than rent) a decent, safe, and sanitary replacement home. If you do, you would be eligible for a down-payment assistance payment which is equal to your maximum replacement housing payment, [\$amount.] *[PHAs should note that, at the agency's discretion, a down-payment assistance payment that is less than \$5,250 may be increased to any amount not to exceed \$5,250. (See 49 CFR 24.402(c)(1)).]* Let us know if you are interested in purchasing a replacement home and we will help you locate such housing.

Please note that all replacement housing must be inspected in order to ensure it is decent, safe, and sanitary before any replacement housing payments are made.

If you have any questions about this notice and your eligibility for relocation assistance and payments, please contact [Name, Title, Address, Phone, Email Address] before you make any moving plans. He/she will assist you with your move to a new home and help ensure that you preserve your eligibility for all relocation payments to which you may be entitled.

**Remember. do not move or commit to the purchase or lease of a replacement home** before we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.

Sincerely,

\_\_\_\_\_  
Print name:

Title:

Enclosure/s

*NOTE: The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378.)*

**Appendix 5: SAMPLE NOTICE OF ELIGIBILITY FOR URA RELOCATION ASSISTANCE  
(For residents who have been temporarily relocated for more than a year)**

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**~~THIS IS A GUIDE FORM.~~**  
**IT SHOULD BE REVISED TO REFLECT THE CIRCUMSTANCES.**

PHA Letterhead

(date)

Dear [Resident]:

The property you formerly occupied at [address] is participating in the Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. You have been temporarily relocated from that property since [date.] Your temporary relocation has exceeded one year.

It has been determined that you qualify as a "displaced person" according to the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). You are eligible for relocation assistance and payments under the URA.

**You may choose to remain temporarily relocated and return to a unit in the RAD project once it is completed.** It is currently estimated that you may return to the RAD project by [date]. If you choose to remain temporarily relocated, you will stay at your current location until the RAD project is completed.

Alternatively, you may choose permanent relocation assistance and payments for which you are eligible, as listed below. If you choose permanent relocation assistance, you give up your right to return to the completed RAD project. However, **you do not need to move now.** If you choose permanent relocation assistance instead of exercising your right to return to the completed RAD project, you will not be required to move sooner than 90 days from the date that at least one comparable replacement unit has been made available to you. [Alternatively: You will not be required to move sooner than 90 days from the date of this notice, which informs you of a comparable replacement unit that has been made available for you].

**This is your Notice of Eligibility for relocation assistance.**

**The effective date of your eligibility is [insert date that relocation exceeds one year.]**

**NOTE: Aliens not lawfully present in the United States are not eligible for URA relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h).** All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

Enclosed is a brochure entitled, "Relocation Assistance to Tenants Displaced from Their Homes." Please read the brochure carefully. It explains your rights and provides additional information on eligibility for relocation payments and what you must do in order to receive these payments.

The relocation assistance to which you are entitled includes:

- Relocation Advisory Services. You are entitled to receive current and continuing information on available comparable replacement units and other assistance to help you find another home and prepare to move.
- Payment for Moving Expenses. *[PHA should list the form of payment for moving expenses selected in accordance with Appendix 1, Section 5 of this Notice.]* This is in addition to any amounts received to reimburse for any reasonable out-of-pocket expenses incurred in connection with the temporary move.
- Replacement Housing Payment. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors including: (1) the monthly rent and cost of utility services for a comparable replacement unit, (2) the monthly rent and cost of utility services for your present home, and (3) for low-income persons, 30 percent of your average monthly gross household income. This payment is calculated on the difference between the old and new housing costs for a one-month period and multiplied by 42.
- *[PHA list here any other relocation assistance offered the resident, such as Housing Choice Voucher.]*

Listed below are three comparable replacement units that you may wish to consider for your replacement home. If you would like, we can arrange transportation for you to inspect these and other replacement units.

|    | Address | Rent & Utility Costs | Contact Info |
|----|---------|----------------------|--------------|
| 1. |         |                      |              |
| 2. |         |                      |              |
| 3. |         |                      |              |

We believe that the unit located at *[address]* is most representative of the original unit you occupied in the converting RAD project. The monthly rent and the estimated average monthly cost of utilities for this unit is *[\$amount]* and it will be used to calculate your maximum replacement housing payment. Please contact us immediately if you believe this unit is not comparable to your original unit. We can explain our basis for selecting this unit as most representative of your original unit and discuss your concerns.



Based on the information you have provided about your income and the rent and utilities you now pay; you may be eligible for a maximum replacement housing payment of approximately \$ [42 x \$Amount], if you rent the unit identified above as the most comparable to your current home or rent another unit of equal cost.

Replacement housing payments are not adjusted to reflect future rent increases or changes in income. This is the maximum amount that you would be eligible to receive. If you rent a decent, safe, and sanitary home where the monthly rent and average estimated utility costs are less than the comparable unit, your replacement housing payment will be based on the actual cost of that unit. All replacement housing payments must be paid in installments. Your payment will be paid in [#] installments.

Should you choose to purchase (rather than rent) a decent, safe and sanitary replacement home, you would be eligible for a down payment assistance payment which is equal to your maximum replacement housing payment, [\$ amount] *[PHAs should note that, at the agency's discretion, a down payment assistance payment that is less than \$5,250 may be increased to any amount not to exceed \$5,250. (See 49 CFR 24.402(c)(1)).]* Let us know if you are interested in purchasing a replacement home and we will help you locate such housing.

Please note that all replacement housing must be inspected in order to ensure it is decent, safe, and sanitary before any replacement housing payments are made.

If you have any questions about this notice and your eligibility for relocation assistance and payments, please contact [Name, Title, Address, Phone, Email Address] before you make any moving plans. He/she will assist you with your move to a new home and help ensure that you preserve your eligibility for any applicable relocation payments.

**Remember, do not move or commit to the purchase or lease of a replacement home** before we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.

Sincerely,

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Print

Name:

Title:

Enclosure/s

*NOTE: The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3(J) of Handbook 1378.*