

PUBLIC NOTICE:



Home Forward
BOARD OF COMMISSIONERS
will meet on
Tuesday, March 19, 2024
At 5:30 pm
Zoom Register here:

<https://homeforward.zoom.us/j/84004605175?pwd=zc09lt5bkqilvY0m67LUtl8rTz65aV.1>



MEMORANDUM

To: Community Partners

Date: March 12, 2024

From: Ivory N. Mathews, Chief Executive Officer

Subject: Home Forward Board of Commissioners March Meeting

The Board of Commissioners of Home Forward will meet on Tuesday, March 19 at 5:30 PM virtually using the Zoom platform. The meeting will be accessible to the public via phone and electronic device.

If you would like to provide public testimony or view the meeting, please use this link:

<https://homeforward.zoom.us/j/84004605175?pwd=zc09lt5bkgilvY0m67LUtI8rTz65aV.1>

The commission meeting is open to the public.

AGENDA



BOARD OF COMMISSIONERS MEETING

HOME FORWARD
 135 SW ASH STREET
 PORTLAND, OREGON

<https://homeforward.zoom.us/j/84004605175?pwd=zc09lt5bkgilvY0m67LUtl8rTz65aV.1>

MARCH 19, 2024, 5:30 PM

AGENDA

INTRODUCTION AND WELCOME

PUBLIC COMMENT

General comments not pertaining to specific resolutions. Any public comment regarding a specific resolution will be heard when the resolution is considered.

MEETING MINUTES

Topic
Minutes of February 20, 2024 Board of Commissioners Virtual Meeting

CONSENT CALENDAR

Following Reports and Resolutions:			
24-03	Topic	Presenter/POC	Phone #
01	Authorize Execution of Early Procurements for Peter Paulson Apartments and the Gretchen Kafoury Commons Envelope Rehabilitation	Juli Garvey Loc Le	503.802.8457 503.802.8467
02	Authorize Refinancing of the Expiring Loan at Ash Creek Commons	Juli Garvey Loc Le	503.802.8457 503.802.8467
03	Authorize Changes to Chapter 2 and 8 of the Administrative Plan and Chapter 2 of the Admission and Continued Occupancy Plan	Christina Dirks	503.802.8554

REPORTS AND RESOLUTIONS

Following Reports and Resolutions:			
24-03	Topic	Presenter/POC	Phone #
04	Authorize Submission of Moving to Work Twenty Fourth-Year Annual Report	Terren Wing	503.802.8458

THE NEXT MEETING OF THE BOARD OF COMMISSIONERS

Home Forward is currently operating in a state of emergency. We will continue to conduct board-related business as it is currently scheduled but will update the public on the venue or forum by which it occurs as we assess the situation.

The 2024 Board Work Sessions will be quarterly with the next meeting May 2, 2024 at Noon. The next Board of Commissioners meeting will be Tuesday, April 16, 2024.

EXECUTIVE SESSION

The Board of Commissioners of Home Forward may meet in Executive Session pursuant to ORS 192.660(2). Only representatives of the news media and designated staff are allowed to attend. News media and all other attendees are specifically directed not to disclose information that is the subject of the session. No final decision will be made in the session.

ADJOURN

MINUTES



BOARD OF COMMISSIONERS MONTHLY MEETING
HOME FORWARD
HELD VIRTUALLY
135 SW Ash Street Portland, OR 97204
February 20, 2024

COMMISSIONERS PRESENT

Chair Matthew Gebhardt, Vice Chair Jenny Kim, Chair Emeritus and Treasurer Damien Hall
Commissioners Tomi Rene Hettman, Jessy Ledesma, Rakeem Washington

STAFF PRESENT

April Berg, Martha Calhoon, Dena Ford-Avery, Juli Garvey, Carolina Gomez, Biljana Jesic,
Ivory Mathews, Kitty Miller, Kandy Sage, Amanda Saul, Shannon Schmidt, Aimee Smith,
Celia Strauss, Jonathan Trutt, Linda Uppinghouse, Terren Wing

LEGAL COUNSEL

Sarah Stauffer Curtiss

Chair Matthew Gebhardt convened the meeting of the Board of Commissioners at 5:32 PM.

Cathy Millis, Dahlke Manor resident was happy to join the meeting and share her report. The elevator has been working for three weeks which has been encouraging news at the property. The residents had an opportunity to hear a presentation on preparing for end life. This week there will be the second hygiene pop up for residents. Millis continues to be active in her role as community builder. The property is still without a site manager and although there continues to be the usual issues, Millis reports that overall things are doing well. The biggest challenge continues to be unauthorized guests coming into the building.

Chair Matthew Gebhardt thanked Millis for sharing her updates. An operational elevator and the well-received hygiene clinic are good to hear. Concluding that we appreciate being informed and look forward to hearing future updates.

MEETING MINUTES

Minutes of the January 16, 2024 Board of Commissioners Work Session

Chair Matthew Gebhardt requested a motion authorizing approval of the minutes for the January 16, 2024 Board of Commissioners Virtual Meeting

There being no discussion, Vice Chair Jenny Kim moved to approve the meeting minutes. Commissioner Rakeem Washington seconded the motion.

The vote was as follows:

Chair Matthew Gebhardt—Aye
Vice Chair Jenny Kim—Aye
Chair Emeritus and Treasurer Damien Hall—Aye
Commissioner TomiRene Hettman—Abstained
Commissioner Jessy Ledesma—Abstained
Commissioner Rakeem Washington—Aye

CONSENT CALENDAR

Resolution 24-02-01 Authorize Execution of a Contract for Pre-Construction Design Services for Peter Paulson Apartments and the Gretchen Kafoury Commons Envelope Rehabilitation

Resolution 24-02-02 Authorize Changes to Chapter 5 of the Administrative Plan

There being no discussion, Chair Matthew Gebhardt requested a motion to approve Resolution 24-02-01 and Resolution 24-02-02. Vice Chair Jenny Kim moved to adopt Resolutions 24-02-01 and 24-02-02. Commissioner Rakeem Washington seconded the motion.

The vote was as follows:

Chair Matthew Gebhardt—Aye
Vice Chair Jenny Kim—Aye
Chair Emeritus and Treasurer Damien Hall—Aye
Commissioner TomiRene Hettman—Aye
Commissioner Jessy Ledesma—Aye
Commissioner Rakeem Washington—Aye

REPORT

Metro Affordable Housing Bond Update

Amanda Saul, Assistant Director for General Obligations Bond Development introduced Metro Councilor Mary Nolan. Nolan represents NW and N Portland, portions of SW and NE Portland, as well as Maywood Park and parts of Washington County. She engaged with the oversight committee as council liaison. Metro is pleased to share the latest findings and believes the information is impressive. In 2018 voters approved an affordable housing bond measure to create permanent affordable housing in Multnomah, Clackamas and Washington Counties. Now five years in, the program is on track to exceed the number of housing units forecasted. Nolan thanked Home Forward for their partnership and emphasized the appreciation and value of the partnerships to help stabilize housing in our region.

Nolan introduced Patricia Rojas, Metro's Housing Director and Rojas introduced Emily Lieb, Metro Housing Policy Manager. Underscoring Nolan's comments, Rojas said the Home Forward partnership helps lead the efforts in creating housing. Rojas presented a slide show highlighting priority communities, different mixes to service commitments and measurements. The Hattie Redmond is an example of the partnership, and Rojas highlighted resident Char and her story.

Emily Lieb walked through the housing production graphic noting that all three goals have surpassed their objectives. Adding that nearly 700 units will be permanent supportive units for those experiencing homelessness. Forecasted program production is expected to exceed the goal of 3900 units by 120% anticipating housing for 9000 to 15,000 people.

Lieb reviewed the pipeline forecasting saying all remaining funds will be committed by 2024. Final projects are anticipated to break ground by 2026 and completed by 2028. The numbers speak to the investment in the community. Lieb reviewed the funding sources and the economic impact. She touched on the equitable contracting outcomes saying almost \$40 million was for COVID-certified MWESB firms which represents 17% of total construction costs.

Chair Matthew Gebhardt thanked the group for the information. He is happy with the success of exceeding the goals and with our partnership.

Chair Emeritus Damien Hall thanked Councilor Nolan for her leadership through the process and promoting the success. To Lieb for seeing implementation through and doing a great job with a flexible approach. This has been a good gap tool to get projects across

the finish line. Looking to the future and unknown congressional appropriations, how do we build the Metro program back and make it an evergreen bond? Doing it well, demonstrates there are ways to show commitment offering the best chance to do more in the future.

Rojas responded saying that delivery with Home Forward's partnership role, enhances Metro's role in bringing people together and showing it can be done. We can expect that Metro will bring everyone together for this conversation.

In closing, Chair Gebhardt appreciated the funding source for deeply affordable and family units saying this is an important and invaluable piece to affordable housing. Thank you for the presentation and we are excited for the next phase.

RESOLUTIONS

Resolution 24-02-03 Authorize Ratification of Building Trades Council Contract

Aimee Smith, Director of Human Resources presented the resolution. The Building Trades Council is one of two unions at Home Forward with 57 members and five different trades within. Smith said this bargaining cycle had all-new business representation and the focus was making strides in more unity under two wage schedules. There was great work on skill building as well as emergency/disasters support if a large-scale occurrence would happen. The agreement includes a living wage, as was seen in the AFSCME negotiations.

Chair Matthew Gebhardt appreciated all the work that goes into negotiations including agreement on the various components that are necessary to solidify a successful contract.

There being no further discussion, Chair Gebhardt requested a motion to approve Resolution 24-02-03. Vice Chair Jenny Kim moved to adopt Resolution 24-02-03. Chair Emeritus Damien Hall seconded the motion.

The vote was as follows:

- Chair Matthew Gebhardt—Aye**
- Vice Chair Jenny Kim—Aye**
- Chair Emeritus and Treasurer Damien Hall—Aye**
- Commissioner TomiRene Hettman—Aye**
- Commissioner Jessy Ledesma—Aye**
- Commissioner Rakeem Washington—Aye**

There being no further business, Chair Matthew Gebhardt adjourned the meeting at 6:12 PM.

Celia M. Strauss
Recorder, on behalf of
Ivory N. Mathews, Secretary

ADOPTED: MARCH 19, 2024

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair

CONSENT CALENDAR



MEMORANDUM

To: Board of Commissioners
Date: March 19, 2024

From: Juli Garvey, Director of
Asset Management
503.802.8457
Subject: Authorize Execution of Early
Procurements for Peter Paulson
Apartments and the Gretchen
Kafoury Commons Envelope
Rehabilitation
Resolutions 24-03-01

Loc Le, Asset Manager
503.802.8467

The Board of Commissioners is requested to authorize the Executive Director or her designee to execute an early procurement amendment for up to \$1,084,628 to the design-build contract between Home Forward and Walsh Construction Company for Peter Paulson Apartments and Gretchen Kafoury Commons Envelope Rehabilitation project. This amendment authorizes the purchase of construction materials with extended lead times. This is necessary to meet the construction schedule start date in July 2024.

These actions support Home Forward's Strategic Plan Goal to improve utilization of the existing housing portfolio while planning for future portfolio needs.

BACKGROUND

Peter Paulson Apartments, built in 1995 and situated at 1530 SW 13th Avenue, in Portland, is a 5-story structure with 93 single room occupancy (SRO) homes. In line with standard practices, Home Forward's Asset Management department initiated a capital needs assessment (CNA) on the property in 2022. The results indicated significant requirements for system and mechanical capital upgrades. Subsequently, in January 2023, Home Forward applied for funding from Oregon Housing and Community Services. In May 2023, the project secured a \$2.9 million preservation grant. The outlined scope of work encompassed envelope rehabilitation, HVAC system replacement, and roof replacement for the mechanical area. Interior common areas will receive new paint and new floor finishes on the 5th floor.

Gretchen Kafoury Commons, constructed in 2000, is a 9-story affordable property featuring 129 units with one- and two-bedroom configurations, situated at 1240 SW Columbia Street in Portland. In 2017, Asset Management staff commissioned a capital needs assessment, which highlighted the necessity for exterior improvements to the building envelope, along with mechanical and elevator upgrades. The identified capital improvements aim to rectify known issues such as exterior water intrusion, necessitating window and roof replacements, as well as repairs to the plumbing system. In January 2023, Home Forward submitted a funding application to Oregon Housing and Community Services, and by May 2023, the project was awarded a \$4.5 million preservation grant.

The current residents of both buildings will continue to reside on-site throughout the duration of the envelope rehabilitation project. The revitalization efforts at these properties aim to tackle deferred capital needs, diminish long-term operating costs by enhancing building systems, elevate the quality of living and services for residents, and preserve low-income housing utilizing public resources.

The Board has previously granted approval for the submission of applications seeking Oregon Housing and Community Services Preservation grants for the Peter Paulson Apartments and Gretchen Kafoury Commons (as outlined in Resolutions 22-08-01 & 22-08-02). In addition, the Board has endorsed a design-build contract for the Envelope Rehabilitation project at these buildings. This contract, awarded to Walsh Construction Company, specifically covers preconstruction design services, and was authorized in 2023 (as stipulated in Resolution 23-08-02).

OVERVIEW

In February 2024, Home Forward approved comprehensive design services, encompassing the creation of construction documents and the coordination of permitting and bidding activities to establish the Guaranteed Maximum Price (GMP) for the upcoming construction work (Resolution 24-02-01). Given the extended lead time for building and construction materials, it has become imperative to initiate early procurement. The necessary materials for the two properties include elevator retrofit packages, windows, and roofing materials for Gretchen Kafoury, as well as an elevator cab retrofit package and windows for Peter Paulson Apartments. The total value of this authorization is \$1,084,628, intended to facilitate the early procurement of materials for both projects and support scheduling activities for the construction work scheduled to commence in early July 2024.

CONCLUSION

Home Forward staff requests that the Board of Commissioners authorize execution of an amendment to the design-build contract for the early procurement of elevator retrofit packages, windows and roofing for Peter Paulson Apartments and Gretchen Kafoury Commons Envelope Rehabilitation projects.

Staff presented the content of this resolution to the Real Estate and Development (READ) Committee at its March 1, 2024, meeting.

ATTACHMENTS

Amendment #2 Peter Paulson Early Procurement

Amendment #3 Gretchen Kafoury Early Procurement



RESOLUTION 24-03-01

RESOLUTION 24-03-01 AUTHORIZES THE EXECUTIVE DIRECTOR OR HER DESIGNEE TO EXECUTE A DESIGN AMENDMENT TO THE DESIGN-BUILD SERVICES CONTRACT WITH WALSH CONSTRUCTION COMPANY FOR THE PETER PAULSON APARTMENTS/GRETCHEN KAFOURY COMMONS ENVELOPE REHABILITATION PROJECT

WHEREAS, Home Forward has provided asset management services for the Peter Paulson Apartments since 1995 and Gretchen Kafoury Commons since 2000 and seeks to preserve this resource for the benefit of the residents it serves and the surrounding community, to improve the quality of this housing stock, and to provide quality housing for Peter Paulson Apartments and Gretchen Kafoury Commons residents; and

WHEREAS, Home Forward has authorized a contract with Walsh Construction Company for design-build services for Peter Paulson Apartments and Gretchen Kafoury Commons Envelope Rehabilitation project; and

WHEREAS, the contract will be undertaken in phases, with the programming phase complete and the design phase now requiring authorization by contract amendment; and

WHEREAS, Home Forward contracting rules require approval of the Home Forward Board of Commissioners for contract amendments in excess of \$500,000; and

WHEREAS, Section 456.135 of the Oregon Revised Statutes provides that an authority may delegate to one or more of its agents or employees such powers or duties as it deems proper.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward hereby authorizes the Executive Director, or her designee, to execute the design amendment to the design-build contract with Walsh Construction Company in the amount not to exceed \$907,383 for full design services for Peter Paulson Apartments and Gretchen Kafoury Commons Envelope Rehabilitation project.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward authorizes the utilization of Home Forward's line of credit to pay design-build and related costs as needed during the design development of Peter Paulson Apartments/Gretchen Kafoury Commons Envelope Rehabilitation project.

ADOPTED: MARCH 19, 2024

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair

Amend #2 | Date 2/27/2024 | **Peter Paulson - Early Procurement Amendment** | **\$ 78,788**

Division	Description	Quantity	Unit	Equipment		Labor			Material		Subcontract		Overhead		Grand Total	Unit Cost	Total
				Rate	Total	Pr'ty	Hours	Rate	Total	Rate	Total	Rate	Total				
Subcontracted Work:																	
	VPI Window Supply	93	es	-	-	-	-	-	-	779.47	-	-	-	-	72,491	779.47	72,491
	Triple Pane- Included			-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Engineering Info to Equilibrium- Included			-	-	-	-	-	-	-	-	-	-	-	-	-	-
				-	-	-	-	-	-	-	-	-	-	-	-	-	-
				-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	Horizontal & Vertical Control		sf	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sidewalk & Street Rental		ls	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Clean-up		sf	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Material Handling		ls	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Temporary Power & Lighting		sf	-	-	-	-	-	-	-	-	-	-	-	-	-	-
															Subtotal		72,491

Clarifications

- 1. Exterior window color is either white or Tan
- 2. Figures payment upon delivery which is figured as starting in August.
- 3.
- 4.

QA/QC and Safety	0.15%	%														72,491	109
Contractors GC's	0%	%														72,491	-
Construction Contingency	2%	%														72,491	1,450
															Subtotal		74,050
OH&P	3.95%	%														74,050	2,925
Liability Insurance	1.36%	%														76,975	1,047
Performance Bond	0.60%	%														78,022	468
Oregon Gross Receipts Tax	0.38%	%														78,490	298
															Total		78,788

By: _____
Bennett Barnwell, Walsh Sr. Project Manager
Owner Approval: _____
Date: _____
David Islas, Home Forward Project Manager
Time Impact (# of days) **0**

Division	Description	Quantity	Unit	Equipment		Labor			Material		Subcontract		Overhead		Grand Total	Unit Cost		Total	
				Rate	Total	Pr'tvy	Hours	Rate	Total	Rate	Total	Rate	Total	Rate		Total	Unit Cost		Total
Subcontracted Work																			
	VPI Window Supply	221	es	-	-	-	-	-	-	993.94	219,660	-	-	-	219,660	993.94	-	219,660	
	Triple Pane- Included at windows			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Engineering Info to Equilibrium- Included			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	White exterior/ interior			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	OTIS - Elevator Modernization	18	stops	-	-	-	-	-	-	31,805	572,484	-	-	-	572,484	31,804.67	-	572,484	
	Interior Cab finish upgrade - included			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Overspeed Governors	2	cars	-	-	-	-	-	-	4,420.00	8,840	-	-	-	8,840	4,420.00	-	8,840	
	Car Roller Guide Assemblies	2	cars	-	-	-	-	-	-	3,970.00	7,940	-	-	-	7,940	3,970.00	-	7,940	
	Roofing Material	7518	sf	-	-	-	-	-	-	15.50	116,529	-	-	-	116,529	15.50	-	116,529	
	Horizontal & Vertical Control		sf	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Sidewalk & Street Rental		ls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Clean-up		sf	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Material Handling		ls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Temporary Power & Lighting		sf	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
																Subtotal		925,453	

Clarifications

- Sliding Glass doors figured as double pane glass (triple pane not an option)
- OTIS payment structure = 30% down upon release for fabrication, 50% (80% cumulative) due upon delivery, 20% billed as work is completed
-
-

QA/QC and Safety	0.15%	%	925,453	1,388
Contractors GC's	0%	%	925,453	-
Construction Contingency	2%	%	925,453	18,509
			Subtotal	945,350
OH&P	3.95%	%	945,350	37,341
Liability Insurance	1.36%	%	982,691	13,365
Performance Bond	0.60%	%	996,056	5,976
Oregon Gross Receipts Tax	0.38%	%	1,002,032	3,808
			Total	1,005,840

By: _____ Time Impact (# of days) 0

Bennett Barnwell, Walsh Sr. Project Manager

Owner Approval: _____

Date: _____

Rocco DeBrodt, Home Forward Project Manager



MEMORANDUM

To: Board of Commissioners
Date: March 19, 2024

From: Juli Garvey, Director of
Asset Management
503.802.8457
Subject: Authorization to Refinance the
Expiring Loan at Ash Creek
Commons
Resolution 24-03-02

Loc Le, Asset Manager
503.802.8467

The Board of Commissioners is requested to grant authorization to the Executive Director or her designee to execute necessary documents and agreements required to obtain a new loan with Beneficial State Bank for Ash Creek Commons.

This action supports Home Forward's Strategic Plan Goal to improve utilization of the existing housing portfolio while planning for future portfolio needs.

BACKGROUND

Ash Creek Commons is a 21-unit property built in 2004 and it is located off Highway 99W in Southwest Portland. The property consists of seventeen 3-bedroom and four 4-bedroom single-family homes which are rented out as apartments. Home Forward is the owner of the property and maintains a rental rate set at 80% of Area Median income (AMI). Ash Creek Commons was originally financed with Wells Fargo through a five-year variable-rate loan totaling \$2,522,240, an interest rate swap was procured to fix the effective rate at approximately 4.38% for the loan's duration. Upon extending the loan for an additional five years, a new interest rate swap was secured, resulting in an approximate effective interest rate of 4.1%. Both the swap agreement and loan extension are set to expire on March 27, 2024, with an anticipated remaining principal balance of approximately \$1,300,000.

OVERVIEW

Staff explored loan options from several lenders and have determined that the terms negotiated with Beneficial State Bank offer the most favorable conditions for a refinance loan at Ash Creek Commons.

The basic terms of the proposed refinance loan are as follows:

- Principal amount of \$1,300,000.
- 20 year fully amortized loan.
- Interest rate of 5-year Constant Maturity Treasury (CMT) index + 2.15% margin, which is currently at 6.25%. Rate is fixed for first 5 years of the agreement. Rate will reset at beginning of year 6 to a 5-year CMT index + 2.40% margin. Rate will reprice every 5 years thereafter.
- Prepayment penalties apply only to the first 8 years of the loan.
- Annual debt service payments of \$114,571.
- Required Debt Coverage Ratio (DCR) of 1.20.
- Cost of the loan: Origination fee is approximately \$6,500 (0.5% of financed amount) plus approximately \$8,395 in third-party expenses.

FINANCIAL IMPACT AND RISK

The property has sufficient cash on hand to cover the estimated transaction and closing costs. At the initial fixed interest rate of 6.25%, the new payment is approximately \$33,611 per year lower than the existing debt service, resulting in increased cash flow for the development.

Following the initial 5-year interest rate period, the interest rate will reset every 5 years based on the Constant Maturity Treasury (CMT) 5-year index rate plus a 2.40% margin. During the reset period, there is no interest rate floor, which means that the property has the potential to benefit from a lower overall interest rate based on the prevailing CMT rate at that time. However, it is worth noting that historical CMT rates over the past decade have reached as high as 4.95%, which, coupled with the 2.40% margin, could result in an interest rate of 7.35% at reset. Despite this unlikely scenario, the annual debt payment would still be less than what is currently being paid under the expiring loan terms.

Prepayment penalties are in effect for the first 8 years of the loan, gradually decreasing annually by one percentage point, starting at 5% for the initial five years. The penalty will reset to 3% in the sixth year and continue decreasing until expiration. Fortunately, the property retains the flexibility to prepay the loan without penalty up to 120 days before the index changes.

Under these new loan terms, the property will experience increased cash flow while retaining the flexibility to explore additional financing options in the future if needed.

CONCLUSION

Home Forward staff requests the Board of Commissioners to approve Resolution 24-03-02 to grant authorization to the Executive Director or her designee to execute necessary documents and agreements required to obtain a new loan with Beneficial State Bank for Ash Creek Commons.



RESOLUTION 24-03-02

RESOLUTION 24-03-02 AUTHORIZES THE EXECUTION OF THE NECESSARY LOAN DOCUMENTS TO REFINANCE THE EXISTING LOAN ON ASHCREEK COMMONS WITH BENEFICIAL STATE BANK

WHEREAS, Home Forward desires to refinance the mature Wells Fargo loan on the Ash Creek Commons with Beneficial State Bank.

WHEREAS, Home Forward seeks to encourage the provision of long-term housing for low-income persons residing in the City of Portland, Oregon (the “City”);

WHEREAS, ORS 456.120(18) authorizes Home Forward to finance, plan, undertake, construct, acquire and operate housing projects;

WHEREAS, ORS 456.135 authorizes Home Forward to delegate to one or more of its agents and employees such powers as it deems proper;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Home Forward hereby authorizes the Executive Director or her designee to execute the necessary documents and agreements with Beneficial State Bank to obtain and secure a new loan for Ash Creek Commons.

ADOPTED: MARCH 19, 2024

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair



MEMORANDUM

To: Board of Commissioners Date: March 19, 2024

From: Christina Dirks Subject: Authorize Changes to Chapters 2
Director of Policy and Planning and 8 of the Administrative Plan
503.802.8554 and Chapter 2 of the Admissions
and Continued Occupancy Policy
Resolution 24-03-03

The Board of Commissioners is requested to authorize a suite of changes to our programmatic policy documents for our Rent Assistance programs and our Public Housing portfolio. The requested changes are to chapters 2 and 8 of the Administrative Plan and chapter 2 of the Admissions and Continued Occupancy Policy. These changes are needed to update our policy documents to reflect our current reasonable accommodation approval process and implement Home Forward’s newest activity under the FY24 Moving to Work Annual Plan (MTW Plan) approved by the U.S. Department of Housing and Urban Development (HUD).

These actions support Strategic Plan Priorities: Improve Services to Residents and Participants; and Lead Within the Housing Stability Ecosystem.

BACKGROUND

This request covers two different topics: (1) the provision of reasonable accommodations for residents and participants and (2) rent-setting in the Low Income Housing Tax Credit context.

1. As a public housing authority, Home Forward is obligated to provide equal access and opportunity to our housing, programs, and services regardless of disability status under local, state, and federal laws. Home Forward recognizes the importance and need to provide reasonable accommodations to applicants, residents, and participants to create a more just and equitable housing system.
2. Home Forward's designation as an MTW agency affords us regulatory relief in the administration of the Housing Choice Voucher program (Section 8) and Public Housing operating subsidies and capital allocations, as well as the ability to waive certain HUD regulations in favor of locally developed policies and initiatives for the benefit of our residents, participants, and the community. All activities that use MTW authority must support at least one of three MTW objectives: (1) reduce costs and increase efficiencies; (2) increase housing choice for low-income families; and (3) provide incentives to families to become economically self-sufficient. Home Forward's current ten-year agreement with HUD preserves our MTW designation until 2028.

On February 9, 2024, HUD approved Home Forward's FY24 MTW Plan which included one new activity. Activity 28 allows Home Forward to use an alternative rent reasonableness standard in the tenant-based Housing Choice Voucher (HCV) program at certain Low-Income Housing Tax Credit (LIHTC) units to avoid additional rent burdens to HCV participants that undermine affordability and housing stability. Current law and regulations require that HCV contract rents in LIHTC units where the contract rent is greater than the rents charged for non-voucher families meet a two-part rent comparability study. Through this study, the requested must be the lesser of either rent reasonableness or the payment standard. Through this Activity, Home Forward will now use a revised second prong of the rent comparability study that subtracts any utility allowance from the payment standard—therefore, rents would not be considered reasonable if they exceed the greater of rents paid for non-HCV LIHTC units in the project or the payment standard minus any utility allowance. This activity does not apply to project-based vouchers.

Below are proposed adjustments to policy documents governing reasonable accommodations and rent-setting in the LIHTC context.

OVERVIEW

Administrative Plan

Home Forward is proposing the following changes to chapters 2 and 8 of the Administrative Plan that governs the administration of our Rent Assistance programs:

Administrative Plan: Chapter 2 (Reasonable Accommodation)	
Current policy	Amended policy
<ul style="list-style-type: none"> ○ Does not provide an explicit timeline for acknowledging reasonable accommodation requests received by residents, participants, and applicants. ○ Provides that the interactive dialogue regarding alternative accommodations occurs following a denial of a requested accommodation that is deemed unreasonable. 	<ul style="list-style-type: none"> ○ Adds that, barring exceptional circumstances, Home Forward will acknowledge a reasonable accommodation request within five (5) business days of receipt. ○ Modifies existing language to provide clarity around the timeline for Home Forward to provide a substantive written response to a reasonable accommodation response. ○ Clarifies that, upon receive of an accommodation request that is deemed unreasonable, an interactive dialogue regarding alternative accommodations will occur prior to a denial of a request.

Administrative Plan: Chapter 8 (MTW Activity)	
Current policy	Amended policy
<ul style="list-style-type: none"> ○ Outlines the regulatory rent comparability study standard for assisted LIHTC units. 	<ul style="list-style-type: none"> ○ Updates the rent comparability study standard to result in the requested rent being deemed reasonable if it is the lesser of either rent reasonableness or the payment standard minus the utility allowance.

Admission and Continued Occupancy Plan

Home Forward is proposing the following changes to chapter 2 of the Admissions and Continued Occupancy Policy that governs our Public Housing portfolio:

Admission and Continued Occupancy Plan: Chapter 2 (Reasonable Accommodation)	
Current policy	Amended policy
<ul style="list-style-type: none"> ○ Does not provide an explicit timeline for acknowledging receipt of reasonable accommodation requests or providing a substantive written response to such requests. ○ States that verification of a reasonable accommodation request must be submitted. 	<ul style="list-style-type: none"> ○ Adds that barring exceptional circumstances, Home Forward will acknowledge receipt of a reasonable accommodation request within five (5) business days and will send a substantive written response within 15 business days of receiving the request or the most recent discussion about the request. ○ Emphasizes that a reasonable accommodation request can be made in any format and that use of Home Forward’s reasonable accommodation form will be encouraged but not required. ○ Clarifies that verification of a reasonable accommodation request may be required. ○ Clarifies the criteria that will be used when reviewing reasonable accommodation requests.

CONCLUSION

Accordingly, staff request approval for changes to chapters 2 and 8 of the Administrative Plan and chapter 2 of the Admission and Continued Occupancy Plan.

ATTACHMENTS

- Chapter 2 Administrative Plan (Redlined)
- Chapter 2 Administrative Plan (Blacklined)
- Chapter 8 Administrative Plan (Redlined)
- Chapter 8 Administrative Plan (Blacklined)
- Chapter 2 Admission and Continued Occupancy Plan (Redlined)
- Chapter 2 Admission and Continued Occupancy Plan (Blacklined)



RESOLUTION 24-03-03

RESOLUTION 24-03-03 AUTHORIZES HOME FORWARD STAFF TO AMEND CHAPTERS 2 AND 8 OF HOME FORWARD'S ADMINISTRATIVE PLAN AND CHAPTER 2 OF HOME FORWARD'S ADMISSIONS AND CONTINUED OCCUPANCY POLICY

WHEREAS, the Department of Housing and Urban Development (HUD) permits a Public Housing Authority to amend and modify an Administrative Plan and an Admissions and Continued Occupancy Policy with Board of Commissioner's approval; and

WHEREAS, on February 9, 2024, HUD approved Home Forward's FY24 Year MTW Annual Plan which included one new Activity, Activity 28 (MTW Alternative Rent Reasonableness Standard for Housing Choice Vouchers (HCV) Used at Low-Income Housing Tax Credit (LIHTC)-Assisted Units); and

WHEREAS, Home Forward proposes amendments to chapter 8 of the Administrative Plan to implement Activity 28 approved through the FY24 MTW Annual Plan; and

WHEREAS, from time to time, Home Forward reviews it's programmatic policy documents to bring them into alignment with current policies and practices, including with respect to compliance with federal law and the provision of reasonable accommodations to residents and participants; and

WHEREAS, Home Forward proposes amendments to chapters 2 of both the Administrative Plan and the Admission and Continued Occupancy Plan to reflect Home Forward's processing of reasonable accommodation requests; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Home Forward that Home Forward staff is authorized to make the changes to chapters 2 and 8 of the Administrative Plan and chapter 2 of the Admissions and Continued Occupancy Policy as outlined in the March 19, 2024 Memorandum and attachments from Home Forward staff to the Board of Commissioners.

ADOPTED: MARCH 19, 2024

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair

Chapter 2

FAIR HOUSING AND EQUAL OPPORTUNITY

INTRODUCTION

This chapter explains the laws and HUD regulations requiring PHAs to affirmatively further civil rights and fair housing in all federally-assisted housing programs. The letter and spirit of these laws are implemented through consistent policy and processes. The responsibility to further nondiscrimination pertains to all areas of Home Forward's public housing operations.

This chapter describes HUD regulations and Home Forward policies related to these topics in three parts:

Part I: Nondiscrimination. This part presents the body of laws and regulations governing the responsibilities of Home Forward regarding nondiscrimination.

Part II: Policies Related to Persons with Disabilities. This part discusses the rules and policies of the public housing program related to reasonable accommodation for persons with disabilities. These rules and policies are based on the Fair Housing Act (42.U.S.C.) and Section 504 of the Rehabilitation Act of 1973, and incorporate guidance from the Joint Statement of The Department of Housing and Urban Development and the Department of Justice (DOJ), issued May 17, 2004.

Part III: Improving Access to Services for Persons with Limited English Proficiency (LEP). This part details the obligations of Housing to ensure meaningful access to the public housing program and its activities by persons with limited English proficiency (LEP).

PART I: NONDISCRIMINATION

2-I.A. OVERVIEW

Federal laws require Home Forward to treat all applicants and resident families equally, providing the same quality of service, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. In addition to the federal protected classes, local protected classes include victims of domestic violence, marital status, domestic partnership status, source of income, sexual orientation, and gender identity. Home Forward will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- Violence Against Women Reauthorization Act of 2013 (VAWA)
- Oregon Civil Rights Law and local nondiscrimination laws
- Any applicable state laws or local ordinances and any legislation protecting individual rights of residents, applicants, or staff that may subsequently be enacted

When more than one civil rights law applies to a situation, the laws will be read and applied together.

2-I.B. NONDISCRIMINATION

Federal regulations prohibit discrimination against certain protected classes. State and local requirements, as well as Home Forward policies, can prohibit discrimination against additional classes of people.

Home Forward shall not discriminate because of race, color, sex, religion, familial status, age, disability, national origin, marital status, domestic partnership status, source of income, sexual orientation or gender identity (called “protected classes”).

Home Forward will not use any of these factors to:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the public housing program
- Provide housing that is different from that provided to others

- Subject anyone to segregation or disparate treatment
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program
- Treat a person differently in determining eligibility or other requirements for admission
- Steer an applicant or resident toward or away from a particular area based on any of these factors
- Deny anyone access to the same level of services
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program
- Discriminate in the provision of residential real estate transactions
- Discriminate against someone because they are related to or associated with a member of a protected class
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class

Providing Information to Families

Home Forward must take steps to ensure that families are fully aware of all applicable civil rights laws. As part of the public housing orientation process, Home Forward will provide information to public housing applicant families about civil rights requirements.

Discrimination Complaints

If an applicant or resident family believes that any family member has been discriminated against by Home Forward, the family should advise Home Forward. Applicants or resident families who believe that they have been subject to unlawful discrimination may notify Home Forward either orally or in writing. Home Forward will attempt to remedy discrimination complaints made against the Agency. Home Forward will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity.

PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES

2-II.A. OVERVIEW

One type of disability discrimination prohibited by the Fair Housing Act is the refusal to make reasonable accommodation in rules, policies, practices, or services when such accommodation may be necessary to afford a person with a disability the equal opportunity to use and enjoy a program or dwelling under the program.

Home Forward must ensure that persons with disabilities have full access to Home Forward's programs and services. This responsibility begins with the first inquiry of an interested family and continues through every programmatic area of the public housing program [24 CFR 8].

Home Forward provides notice to each applicant and resident that at any time a household may request reasonable accommodation, including reasonable accommodations so that the resident can meet lease requirements or other requirements of tenancy [24 CFR 966.7(b)].

2-II.B. DEFINITION OF REASONABLE ACCOMMODATION

A "reasonable accommodation" is a change, exception, or adjustment to a policy, practice or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. Since policies and services may have a different effect on persons with disabilities than on other persons, treating persons with disabilities exactly the same as others will sometimes deny them an equal opportunity to use and enjoy a dwelling. [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act]

Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for Home Forward, or result in a "fundamental alteration" in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider's operations. When it is reasonable, Home Forward shall accommodate the needs of a person with disabilities.

2-II.C. DEFINITION OF A DISABILITY

A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment

The phrase "physical or mental impairment" includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or

- Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term “physical or mental impairment” includes, but is not limited to: such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

“Major life activities” includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or working. “Has a record of such impairment” means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major live activities. “Is regarded as having an impairment” is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as Home Forward) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward that impairment.

The definition of a person with disabilities does not include:

- Current illegal drug users
- People whose alcohol use interferes with the rights of others
- Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the public housing program

The above definition of disability determines whether an applicant or participant is entitled to any of the protections of federal disability civil rights laws. Thus, a person who does not meet this definition of disability is not entitled to a reasonable accommodation under federal civil rights and fair housing laws and regulations.

The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The definition of a person with a disability for purposes of granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the public housing program, yet an accommodation is needed to provide equal opportunity.

2-II.D. REQUEST FOR A REASONABLE ACCOMMODATION

Applicants, residents and program participants are informed about how to make a request for reasonable accommodation during the admissions and occupancy cycle. Any applicant, resident or program participant may ~~submit~~make a request for a reasonable accommodation at any time. The PHA will encourage the family to make its request in writing using a reasonable accommodation request form. However, the PHA will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted.

Depending on the request, ~~The~~the applicant, resident or program participant ~~must submit~~may be asked to provide verification to support the request ~~Request for Reasonable Accommodation form~~

Home Forward
Policies

Admissions and Continued Occupancy

~~or equivalent documentation. This form requires independent verification of the existence of the applicant's, resident's or program participant's disability (e.g. by a doctor, licensed professional representing a rehabilitation center, disability agency, or clinic, or the disability~~

~~agency liaison).~~

2-II.E. REVIEW OF REASONABLE ACCOMMODATION REQUEST

All requests for reasonable accommodation are a high priority and will be addressed by Home Forward in a timely manner. Barring exceptional circumstances, Home Forward will acknowledge receipt of a reasonable accommodation request within five (5) business days and will send a substantive written response within 15 business days of receiving the request or the most recent discussion about the request. The response to the request will be in writing or in the appropriate alternative format upon request and with reasonable notice to Home Forward.

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~~If a request for reasonable accommodation is denied, Home Forward or Home Forward's representative will inform the applicant/resident/program participant in writing (or other appropriate form of communication) of the denial and the reason for denial. If the request is denied because the requested accommodation: (1) requires a fundamental alteration in the nature of the Home Forward program; or (2) imposes an undue financial hardship on Home Forward; or (3) imposes an undue and administrative burden on Home Forward, the Agency Home Forward will take any other action that offer alternative accommodations that -~~would not result in such alteration or such undue burdens but would nevertheless ensure that the person with the disability receives the benefits or services provided by Home Forward.

If a request for reasonable accommodation is denied, Home Forward or Home Forward's representative will inform the applicant/resident/program participant in writing (or other appropriate form of communication) of the denial and the reason for denial. The notice of denial will also advise the applicant or resident of the right to an informal hearing or grievance.

If a request is approved, the applicant or resident will be notified of the approved accommodation, in writing, or in the appropriate alternative format upon request and with reasonable notice to Home Forward.

2-II.F. PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS

HUD regulations require Home Forward to take reasonable steps to ensure that persons with disabilities related to hearing and vision have reasonable access to Home Forward's programs and services [24 CFR 8.6]. At the initial point of contact with each applicant, Home Forward shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display / teletype) communication will be available. To meet the needs of persons with vision impairments, large-print and audio versions of key program documents will be made available upon request. When visual aids are used in public meetings or presentations, or in meetings with Home Forward staff, one-on-one assistance will be provided upon request.

Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third party representative (a friend, relative or advocate, named by the applicant) to receive, interpret and explain housing materials and be present at all meetings.

2-II.G. PHYSICAL ACCESSIBILITY

Home Forward
Policies

Admissions and Continued Occupancy

Home Forward must comply with a variety of regulations pertaining to physical accessibility, including the following.

- Notice PIH 2006-13
- Section 504 of the Rehabilitation Act of 1973

- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988

Home Forward's policies concerning physical accessibility must be readily available to applicants and resident families. They can be found in these key documents:

- This policy, the Admissions and Continued Occupancy Policy, describes the key policies that govern Home Forward's responsibilities with regard to physical accessibility.
- Notice PIH 2006-13 summarizes information about pertinent laws and implementing regulations related to non-discrimination and accessibility in federally-funded housing programs.

The design, construction, or alteration of Home Forward facilities must conform to the Uniform Federal Accessibility Standards (UFAS). Newly-constructed facilities must be designed to be readily accessible to and usable by persons with disabilities. Alterations to existing facilities must be accessible to the maximum extent feasible, defined as not imposing an undue financial and administrative burden on the operations of the public housing program.

Chapter 2

FAIR HOUSING AND EQUAL OPPORTUNITY

INTRODUCTION

This chapter explains the laws and HUD regulations requiring PHAs to affirmatively further civil rights and fair housing in all federally-assisted housing programs. The letter and spirit of these laws are implemented through consistent policy and processes. The responsibility to further nondiscrimination pertains to all areas of Home Forward's public housing operations.

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When more than one civil rights law applies to a situation, the laws will be read and applied together.

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Federal regulations prohibit discrimination against certain protected classes. State and local requirements, as well as Home Forward policies, can prohibit discrimination against additional classes of people.

Home Forward shall not discriminate because of race, color, sex, religion, familial status, age, disability, national origin, marital status, domestic partnership status, source of income, sexual orientation or gender identity (called “protected classes”).

Home Forward will not use any of these factors to:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the public housing program
- Provide housing that is different from that provided to others

- Subject anyone to segregation or disparate treatment
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program
- Treat a person differently in determining eligibility or other requirements for admission
- Steer an applicant or resident toward or away from a particular area based on any of these factors
- Deny anyone access to the same level of services
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program
- Discriminate in the provision of residential real estate transactions
- Discriminate against someone because they are related to or associated with a member of a protected class
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class

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Home Forward must take steps to ensure that families are fully aware of all applicable civil rights laws. As part of the public housing orientation process, Home Forward will provide information to public housing applicant families about civil rights requirements.

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2-II.A. OVERVIEW

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Home Forward must ensure that persons with disabilities have full access to Home Forward's programs and services. This responsibility begins with the first inquiry of an interested family and continues through every programmatic area of the public housing program [24 CFR 8]. Home Forward provides notice to each applicant and resident that at any time a household may request reasonable accommodation, including reasonable accommodations so that the resident can meet lease requirements or other requirements of tenancy [24 CFR 966.7(b)].

2-II.B. DEFINITION OF REASONABLE ACCOMMODATION

A "reasonable accommodation" is a change, exception, or adjustment to a policy, practice or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. Since policies and services may have a different effect on persons with disabilities than on other persons, treating persons with disabilities exactly the same as others will sometimes deny them an equal opportunity to use and enjoy a dwelling. [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act]

Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for Home Forward, or result in a "fundamental alteration" in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider's operations. When it is reasonable, Home Forward shall accommodate the needs of a person with disabilities.

2-II.C. DEFINITION OF A DISABILITY

A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment

The phrase "physical or mental impairment" includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or

- Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term “physical or mental impairment” includes, but is not limited to: such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

“Major life activities” includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or working. “Has a record of such impairment” means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major live activities. “Is regarded as having an impairment” is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as Home Forward) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward that impairment.

The definition of a person with disabilities does not include:

- Current illegal drug users
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The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The definition of a person with a disability for purposes of granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the public housing program, yet an accommodation is needed to provide equal opportunity.

2-II.D. REQUEST FOR A REASONABLE ACCOMMODATION

Applicants, residents and program participants are informed about how to make a request for reasonable accommodation during the admissions and occupancy cycle. Any applicant, resident or program participant may make a request for a reasonable accommodation at any time. The PHA will encourage the family to make its request in writing using a reasonable accommodation request form. However, the PHA will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted.

Depending on the request, the applicant, resident or program participant may be asked to provide verification to support the request.

2-II.E. REVIEW OF REASONABLE ACCOMMODATION REQUEST

All requests for reasonable accommodation are a high priority and will be addressed by Home Forward in a timely manner. Barring exceptional circumstances, Home Forward will acknowledge receipt of a reasonable accommodation request within five (5) business days and will send a substantive written response within 15 business days of receiving the request or the most recent discussion about the request. The response to the request will be in writing or in the appropriate alternative format upon request and with reasonable notice to Home Forward.

If the requested accommodation: (1) requires a fundamental alteration in the nature of the Home Forward program; or (2) imposes an undue financial and administrative burden on Home Forward, Home Forward will offer alternative accommodations that would not result in such alteration or such undue burden but would nevertheless ensure that the person with the disability receives the benefits or services provided by Home Forward.

If a request for reasonable accommodation is denied, Home Forward or Home Forward's representative will inform the applicant/resident/program participant in writing (or other appropriate form of communication) of the denial and the reason for denial. The notice of denial will also advise the applicant or resident of the right to an informal hearing or grievance.

If a request is approved, the applicant or resident will be notified of the approved accommodation, in writing, or in the appropriate alternative format upon request and with reasonable notice to Home Forward.

2-II.F. PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS

HUD regulations require Home Forward to take reasonable steps to ensure that persons with disabilities related to hearing and vision have reasonable access to Home Forward's programs and services [24 CFR 8.6]. At the initial point of contact with each applicant, Home Forward shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

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Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third party representative (a friend, relative or advocate, named by the applicant) to receive, interpret and explain housing materials and be present at all meetings.

2-II.G. PHYSICAL ACCESSIBILITY

Home Forward must comply with a variety of regulations pertaining to physical accessibility, including the following.

- Notice PIH 2006-13
- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988

Home Forward's policies concerning physical accessibility must be readily available to applicants and resident families. They can be found in these key documents:

- This policy, the Admissions and Continued Occupancy Policy, describes the key policies that govern Home Forward's responsibilities with regard to physical accessibility.
- Notice PIH 2006-13 summarizes information about pertinent laws and implementing regulations related to non-discrimination and accessibility in federally-funded housing programs.

The design, construction, or alteration of Home Forward facilities must conform to the Uniform Federal Accessibility Standards (UFAS). Newly-constructed facilities must be designed to be readily accessible to and usable by persons with disabilities. Alterations to existing facilities must be accessible to the maximum extent feasible, defined as not imposing an undue financial and administrative burden on the operations of the public housing program.

**PART III: IMPROVING ACCESS TO SERVICES FOR PERSONS WITH
LIMITED ENGLISH PROFICIENCY (LEP)**

2-III. LEP PLAN

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the public housing program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. Home Forward will take affirmative steps to communicate with people who need services or information in a language other than English. Home Forward has a detailed LEP Plan that is available upon request.

Chapter 8

HOUSING QUALITY STANDARDS AND RENT REASONABLENESS DETERMINATIONS

[24 CFR 982 Subpart I and 24 CFR 982.507]

INTRODUCTION

HUD requires that all units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's Housing Quality Standards (HQS) and permits the PHA to establish additional requirements. The use of the term "HQS" in this plan refers to the combination of both HUD and PHA-established requirements. HQS inspections are required before the Housing Assistance Payments (HAP) Contract is signed and at least biennially during the term of the contract.

HUD also requires PHAs to determine that rents for units under the program are reasonable when compared to comparable unassisted units in the market area.

This chapter explains HUD and PHA requirements related to housing quality and rent reasonableness as follows:

Part I. Physical Standards. This part discusses the physical standards required of units occupied by HCV-assisted families and identifies decisions about the acceptability of the unit that may be made by the family based upon the family's preference. It also identifies life-threatening conditions that must be addressed on an expedited basis.

Part II. The Inspection Process. This part describes the types of inspections the PHA will make and the steps that will be taken when units do not meet HQS.

Part III. Rent Reasonableness Determinations. This part discusses the policies the PHA will use to make rent reasonableness determinations.

Special HQS requirements for homeownership, manufactured homes, and other special housing types are discussed in Chapter 15 to the extent that they apply in this jurisdiction.

PART I: PHYSICAL STANDARDS

8-I.A. GENERAL HUD REQUIREMENTS

HUD Performance and Acceptability Standards

HUD's performance and acceptability standards for HCV-assisted housing are provided in 24 CFR 982.401. These standards cover the following areas:

- Sanitary facilities
- Food preparation and refuse disposal
- Space and Security
- Thermal Environment
- Illumination and electricity
- Structure and materials
- Interior Air Quality
- Water Supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary condition
- Smoke Detectors.

A summary of HUD performance criteria is provided in Exhibit 8-1. Additional guidance on these requirements is found in the following HUD resources:

- Housing Choice Voucher Guidebook, Chapter 10
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)
- HUD Notice 2003-31, Accessibility Notice: Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988.

Tenant Preference Items

HUD requires the PHA to enforce minimum HQS but also recognizes that certain judgments about the acceptability of the unit are left to the family. For example, the PHA must ensure that the unit contains the required sanitary facilities, but the family decides whether the cosmetic appearance of the facilities is acceptable. Exhibit 8-2 summarizes those items that are considered tenant preferences.

Modifications to Provide Accessibility

Under the Fair Housing Act of 1988 an owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit. Such modifications are at the family's expense. The owner may require restoration of the unit to its original condition if the modification would interfere with the owner or next occupant's full enjoyment of the premises. The owner may not increase a customarily required security deposit. However, the landlord may negotiate a restoration agreement that requires the family to restore the unit and, if necessary to ensure the likelihood of restoration, may require the tenant to pay a reasonable amount into an interest bearing escrow account over a reasonable period of time. The interest in any such account accrues to the benefit of the tenant. The owner may also require reasonable assurances that the quality of the work will be acceptable and that any required building permits will be obtained. [24 CFR 100.203; Notice 2003-31].

Modifications to units to provide access for a person with a disability must meet all applicable HQS requirements and conform to the design, construction, or alteration of facilities contained in the UFAS and the ADA Accessibility Guidelines (ADAAG) [28 CFR 35.151(c) and Notice 2003-31] See Chapter 2 of this plan for additional information on reasonable accommodations for persons with disabilities.

8-I.B. ADDITIONAL LOCAL REQUIREMENTS

The PHA may impose variations to the HQS as long as the additional criteria are not likely to adversely affect the health or safety of participant families or severely restrict housing choices for families. HUD approval is required for the variations of the HQS. HUD approval is not required if the variations are clarifications of HUD's acceptability criteria or performance standards [24 CFR 982.401(a)(4)].

PHA Policy

HUD has granted the PHA approval to use acceptability criteria variations that are based on local building codes, inclusive of Title 29 of the Portland City Code. The Oregon Landlord-Tenant Law, Local Code (Title 29) and the Uniform Housing Code will supplement HQS when specific parts of all codes and laws may be useful to clarify HQS violations under the HUD requirements. The following basic housing requirements set in Title 29 of the Portland City Code will be uniformly enforced across Multnomah County:

Smoke Detectors

Smoke detectors must work and be located in sleeping rooms, in the immediate vicinity of the sleeping rooms and on each level of the house, including basements and attics with habitable space.

Emergency Exits

Each apartment or house must have at least one approved emergency exit.

Every bedroom must have a window or door that opens directly to the outside.

Windows and doors should never be blocked.

Doors and Windows

Broken, missing or poorly fitted doors and windows must be repaired to prevent weather entry.

Window and door locks, striker plates and jambs must work properly and be in good repair.

Bedroom windows must open and be able to stay open for ventilation or emergency exit. Sleeping room windows that are provided to meet emergency escape or rescue requirements shall have a minimum net clear opening of at least 20 inches wide and at least 22 inches high.

Bedrooms

In conjunction with HQS, Local Code (Title 29) and the Uniform Building Code, a bedroom is defined as a habitable room that is not a kitchen and has a minimum floor area of 70 square feet. A bedroom must have at least one window, ventilation, legal emergency egress, a door for privacy, and a closet designed for the storage of clothing. A bedroom must also meet all HQS requirements established by HUD.

If the County tax assessment records define a room as a bedroom, the PHA will consider the room a bedroom as well, provided that the room meets all HQS requirements established by HUD.

Thermal Environment [HCV GB p.10-7]

The PHA must define a “healthy living environment” for the local climate. This may be done by establishing a temperature that the heating system must be capable of maintaining, that is appropriate for the local climate.

PHA Policy

The heating system must be capable of maintaining an interior temperature of 68 degrees Fahrenheit between October 1 and May 1.

Clarifications of HUD Requirements

PHA Policy

As permitted by HUD, the PHA has adopted the following specific requirements that elaborate on HUD standards.

Walls

In areas where plaster or drywall is sagging, severely cracked, or otherwise damaged, it must be repaired or replaced.

Windows

Window sashes must be in good condition, solid and intact, and properly fitted to the window frame. Damaged or deteriorated sashes must be replaced.

Windows must be weather-stripped as needed to ensure a weather-tight seal.

Window screens must be in good condition (applies only if screens are present).

Doors

All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold.

All interior doors must have no holes, have all trim intact, and be openable without the use of a key.

All interior and exterior doors must not have double-key deadbolt locks.

Floors

All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be resecured and made level. If they cannot be leveled, they must be replaced.

All floors in living areas must be in a finished state. Raw wood or unsealed concrete is not permitted.

All floors should have some type of base shoe, trim, or sealing for a "finished look." Vinyl base shoe is permitted.

Sinks

All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.

All sinks and bathtubs must have functioning stoppers.

Toilets

All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.

Security

If window security bars or security screens are present on emergency exit windows, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

8-I.C. LIFE-THREATENING CONDITIONS [24 CFR 982.404(a)]

HUD requires the PHA to define life-threatening conditions and to notify the owner or the family (whichever is responsible) of the corrections required. The responsible party must correct life-threatening conditions within 24 hours of PHA notification.

PHA Policy

The following are considered life-threatening conditions:

- Any condition that jeopardizes the security of the unit
- Broken lock on first floor window or door, or broken glass which might cause an injury, or an obstacle which prevents family's access to the unit
- Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling, plugged and overflowing toilet
- Escaping gas from a gas stove, or natural or LP gas or fuel oil leaks
- No electric service, or any electrical problem or condition that could result in shock or fire
- Absence of a working heating system when outside temperature is below 50 degrees Fahrenheit
- Utilities not in service, including no running cold or hot water
- Conditions that present the imminent possibility of injury
- Obstacles that prevent safe entrance or exit from the unit
- Absence of a functioning toilet in the unit
- Inoperable smoke detectors.

If an owner fails to correct life-threatening conditions as required by the PHA, the PHA will enforce the HQS in accordance with HUD requirements. See Section 8-II.H.

If a family fails to correct a family caused life-threatening condition as required by the PHA, the PHA will enforce the family obligations. See Section 8-II.I.

8-I.D. OWNER AND FAMILY RESPONSIBILITIES [24 CFR 982.404]

Family Responsibilities

The family is responsible for correcting the following HQS deficiencies:

- Tenant-paid utilities not in service
- Failure to provide or maintain family-supplied appliances
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear that results in a breach of the HQS. "Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under state law or court practice.

Owner Responsibilities

The owner is responsible for all HQS violations not listed as a family responsibility above, even if the violation is caused by the family's living habits (e.g., vermin infestation). However, if the family's actions constitute a serious or repeated lease violation the owner may take legal action to evict the family.

8-I-E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ELEVATED BLOOD LEAD LEVEL [24 CFR 35.1225, FR Notice 1/13/17]

If a PHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an elevated blood lead level, the PHA must complete an environmental investigation of the dwelling unit within 15 calendar days after being notified by a public health department or other medical health care provider. The environmental investigation must be completed in accordance with program requirements, and the result of the environmental investigation must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.

Within 30 days after receiving the environmental investigation report from the PHA, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the “hazard reduction” as required, the dwelling unit is in violation of HQS and the PHA will take action in accordance with Section 8-II.H.

PHA reporting requirements, and data collection and record keeping responsibilities related to children with an elevated blood lead level are discussed in Chapter 16.

8-I-F. VIOLATION OF HQS SPACE STANDARDS [24 CFR 982.401, 24 CFR 982.403]

A dwelling unit must:

- Provide adequate space and security for the family
- Have at least one bedroom or living/sleeping room for each two persons

A unit that does not meet these HQS space standards is defined as *overcrowded*.

A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space [HCV GB p. 10-6]. A bedroom or living/sleeping room must have at least:

- One window
- Two electrical outlets in proper operating condition (permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets)

If the PHA determines that a unit is overcrowded because of an increase in family size or a change in family composition, the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the PHA must terminate the HAP contract in accordance with its terms.

Section 8 Administrative Plan

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Page 8-10

3/21

PART II: THE INSPECTION PROCESS

8-II.A. OVERVIEW [24 CFR 982.405]

Types of Inspections

The PHA conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.

- *Initial Inspections.* The PHA conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program. The unit must pass the HQS inspection on or before the effective date of the HAP Contract.
- *Annual / Biennial Inspections.* HUD requires the PHA to inspect each unit under lease at least biennially to confirm that the unit still meets HQS. The inspection may be conducted in conjunction with the family's annual reexamination but also may be conducted separately.
- *Special Inspections.* A special inspection may be requested by the owner, the family, or a third party as a result of problems identified with a unit between annual inspections.
- *Quality Control Inspections.* HUD requires that a sample of units be inspected by a supervisor or other qualified individual to evaluate the work of the inspector(s) and to ensure that inspections are performed in compliance with the HQS.

PHA Policy (MTW)

In addition to the types of inspections described above, the PHA will conduct an exit inspection if requested by the owner within 48 hours from family's departure from the unit. The inspection may meet the requirement of Landlord Guarantee Fund (LGF) program, if applicable. See Section 8-II.F.

Inspection of PHA-Owned Units [24 CFR 982.352(b)]

The PHA must obtain the services of an independent entity to perform all HQS inspections in cases where an HCV family is receiving assistance in a PHA-owned unit. A PHA-owned unit is defined as a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of each inspection to the family and the PHA. The independent agency must be approved by HUD, and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

PHA Policy (MTW)

The PHA opted to inspect its own units with HUD approval under Moving to Work authority.

The PHA will contract an outside agency to conduct a five percent quality control test of the inspections conducted by the PHA when buildings are owned and managed by the PHA.

Where the PHA-owned units are managed by a third-party property manager, thus reducing the conflict of interest, the PHA will not require quality control inspections by a third-party outside agency.

Inspection Costs [24 CFR 982.405, Notice PIH 2016-05]

The PHA may not charge the family for unit inspections or reinspections. In the case of inspections of PHA-owned units, the PHA may compensate the independent agency from ongoing administrative fee for inspections performed. The PHA and the independent agency may not charge the family any fee or charge for the inspection [24 CFR 982.352(b)].

The PHA may not charge the owner for the inspection of the unit prior to the initial term of the lease or for a first inspection during assisted occupancy of the unit. PHAs have the option to establish a reasonable fee to owners for a reinspection under two circumstances: (1) if an owner notifies the PHA that a deficiency cited in the previous inspection has been repaired and a reinspection reveals that it has not; and/or (2) if the allotted time for repairs has elapsed and a reinspection reveals that any deficiency cited in the previous inspection that the owner is responsible for repairing has not been corrected. Fees may not be applied to an owner for deficiencies caused by the family, initial inspections, regularly scheduled inspections, an instance in which the inspector was unable to gain access to the unit, or for new deficiencies identified during a reinspection.

The owner may not pass the reinspection fee on to the family.

Notice PIH 2016-05 provides further guidance on the reinspection fee option.

PHA Policy

The PHA does not charge a fee for failed reinspections.

Notice and Scheduling

The family must allow the PHA to inspect the unit at reasonable times with reasonable notice [24 CFR 982.551(d)].

PHA Policy

Both the family and the owner will be given reasonable notice of all inspections. Except in the case of a life threatening emergency, reasonable notice is considered to be not less than 48 hours. Inspections may be scheduled between 8:00 a.m. and 7:00 p.m. Generally inspections will be conducted on business days only. In the case of a life threatening emergency, the PHA will give as much notice as possible, given the nature of the emergency.

Owner and Family Inspection Attendance

HUD permits the PHA to set policy regarding family and owner presence at the time of inspection [HCV GB p. 10-27].

PHA Policy

When a family occupies the unit at the time of inspection an adult designated by the family must be present for the inspection. The presence of the owner or the owner's representative is encouraged but is not required.

At initial inspection of a vacant unit, the PHA will inspect the unit in the presence of the owner or owner's representative. The presence of a family representative is permitted, but is not required.

At exit inspection of a vacant unit, the presence of the owner or the owner's representative is required.

8-II.B. INITIAL HQS INSPECTION [24 CFR 982.401(a), FR Notice 1/18/17]

The PHA may not approve the assisted tenancy or execute a HAP contract until the unit has been inspected by the PHA and passes HQS [24 CFR 982.305].

The PHA may, but is not required to, approve an assisted tenancy for a unit, execute a HAP contract and begin making housing assistance payments on a unit that fails the initial HQS inspection, provided the unit only has non-life-threatening deficiencies. Further, the PHA may, but is not required to, authorize occupancy of a unit prior to the initial inspection being completed if the unit had passed a qualifying alternative inspection within the past 24 months. Notice PIH 2017-20 provides further guidance and implementation requirements for these discretionary provisions.

PHA Policy

The PHA will not approve the assisted tenancy or execute a HAP contract for a unit until the unit has been inspected by the PHA and passes HQS inspection.

The PHA did not implement discretionary provisions listed above.

Timing of Initial Inspections

HUD requires the unit to pass HQS before the effective date of the lease and HAP Contract. HUD requires PHAs with fewer than 1,250 budgeted units to complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA). For PHAs with 1,250 or more budgeted units, to the extent practicable such inspection and determination must be completed within 15 days. The 15-day period is suspended for any period during which the unit is not available for inspection [24 CFR 982.305(b)(2)].

PHA Policy

To the extent practicable, the PHA will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA).

Inspection Results and Reinspections

PHA Policy (MTW)

If any HQS violations are identified, the owner will be notified of the deficiencies and be given 10 business days to correct them and request a reinspection or submit self-certification of repairs, as determined by the PHA. Completed and signed self-certification of repairs may be submitted as a hard copy, in-person, by mail, or by fax.

If requested by the owner, the time frame for correcting the deficiencies may be extended by the PHA for good cause up to a maximum of 30 days.

The PHA will reinspect the unit within 5 business days of the date the owner notifies the PHA that the required corrections have been made. In cases when there are no more than four deficiencies, the PHA may accept, at its discretion, an owner's certification that required repairs were made, if all deficiencies are minor items as listed in Section 8-II.G.

In determining units qualified for an owner's self-certification of completed repairs, the PHA will consider its experience with the owner, tenant and property. The PHA is under no obligation to allow self-certification and may elect to do a reinspection to verify the correction of any HQS deficiencies. The PHA may also elect to do an audit inspection of self-certified repairs or conduct a reinspection at the tenant's request.

If the time period for correcting the deficiencies (or any PHA-approved extension) has elapsed, or the unit fails HQS at the time of the reinspection, or the PHA does not receive completed and signed self-certification of repairs by the due date, the PHA will notify the owner and the family that the unit has been rejected and that the family must search for another unit. The PHA may agree to conduct a second reinspection, for good cause, at the request of the family and owner.

Following PHA notification that the unit has been rejected, the family may submit a new Request for Tenancy Approval for the unit if the family has not found another unit by the time the owner completes all repairs, the family continues to wish to live in the unit, and the family's voucher has not expired.

Utilities

Generally, at initial lease-up the owner is responsible for demonstrating that all utilities are in working order including those utilities that the family will be responsible for paying.

PHA Policy

If utility service is not available for testing at the time of the initial inspection, the PHA will allow the utilities to be placed in service after the unit has met all other HQS requirements. The PHA will reinspect the unit to confirm that utilities are operational before the HAP contract is executed by the PHA.

Appliances

PHA Policy

If the family is responsible for supplying the stove and/or refrigerator, the PHA will allow the stove and refrigerator to be placed in the unit after the unit has met all other HQS requirements. The required appliances must be in place before the HAP contract is executed by the PHA. The PHA will reinspect the unit to confirm that the appliances have been installed and are working before the HAP contract is executed by the PHA.

8-II.C. ANNUAL / BIENNIAL HQS INSPECTIONS [24 CFR 982.405(a)]

Scheduling the Inspection

PHA Policy

The PHA may conduct regular unit inspections every other year for all tenant-based HCV participants unless:

- There is a concerning factor regarding inspection or unit status; or
- Family lives in a unit owned or managed by a landlord or property management company with a concerning inspection history.

As families are admitted onto the tenant-based HCV program, they will be placed on a biennial inspection schedule.

Participants placed on a biennial schedule will remain on that schedule unless a concern arises, at which point they will be placed back on an annual schedule until the concern no longer exists.

If an adult family member cannot be present on the scheduled date due to a medical emergency or a need for a reasonable accommodation due to a disability, the family may request that the PHA reschedule the inspection. The family must give the PHA at least 48-hour advanced notice of the need to reschedule. The PHA and family will agree on a new inspection date that generally should take place within 5 business days of the originally-scheduled date. The PHA may schedule an inspection more than 5 business days after the original date for good cause.

If the family misses the first scheduled appointment without requesting a new inspection date as described above, the family must contact the PHA within 5 business days of the scheduled date to request a second inspection. If the family fails to contact the PHA within 5 business days to request a second inspection, or if the family misses the second scheduled inspection without PHA approval, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

Local Inspection Policies

PHA Policy (MTW)

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of PHA program participants, residents, staff, and/or the general public, the PHA may implement certain temporary changes to biennial inspection protocols to ensure continuity of safe operations to the extent possible and practical.

The inspection protocols which the PHA may implement are:

- The PHA 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.
- The PHA will continue to perform emergency inspections and initial HQS inspections in un-occupied units.

When implemented, these temporary changes will be ended or adjusted as soon as it is safe, feasible, and practical to do so. These changes will be implemented in response to the COVID-19 pandemic, and may be reenacted in the future in response to another local disaster, emergency, or other crisis situation.

8-II.D. SPECIAL INSPECTIONS [24 CFR 982.405(g)]

If a participant family or government official reports a life-threatening condition which the owner would be required to repair within 24 hours, the PHA must inspect the unit within 24 hours of when the PHA received the notification. If the reported condition is not life-threatening, the PHA must inspect the unit within 15 days of when the PHA received the notification.

PHA Policy

During a special inspection, the PHA generally will inspect only those deficiencies that were reported. However, the inspector will record any additional HQS deficiencies that are observed and will require the responsible party to make the necessary repairs.

If the annual inspection has been scheduled or is due within 90 days of the date the special inspection is scheduled the PHA may elect to conduct a full annual inspection.

8-II.E. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b); HCV GB, p. 10-32]

HUD requires a PHA supervisor or other qualified person to conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of the HQS.

The unit sample must include only units that have been inspected within the preceding 3 months. The selected sample will include (1) each type of inspection (initial, annual, and special), (2) inspections completed by each inspector, and (3) units from a cross-section of neighborhoods.

8-II.F. EXIT INSPECTIONS

PHA Policy (MTW)

The PHA will conduct an exit inspection if requested by the owner within 48 hours from family's departure from the unit. To the extent practicable, the PHA will conduct the inspection within two business days from the owner's request.

The PHA will conduct an exit inspection if all of the following conditions are met:

- The family vacated the unit;
- The owner requested an inspection within 48 hours from family's departure from the unit;
- The damage is directly linked to the family's tenancy (not caused by forces of nature, etc.);
- Deposits/fees collected by owner are not sufficient to cover the damage;
- The damage will not be reimbursed from any other source;
- The damage has not been fixed/cleaned; and
- The damage constitutes an HQS fail or a serious violation of the lease.

Some examples of damage that constitutes a serious violation of the lease are:

- Destroyed walls (large holes, mold from abuse by the family, excessive grease, graffiti)
- Destroyed floors (serious carpet stains that cannot be removed with a good cleaning, torn tile, badly stained wood floors)
- Broken light fixtures (more than one)
- Broken doors or door jambs
- Broken windows
- Overly dirty or broken appliances (stove, refrigerator)
- Excessive garbage and trash storage requiring more than two hours for one person to clean up
- Large items left behind (broken furniture, disabled vehicles, etc.)

The exit inspection may meet the requirement of LGF program. If the owner submitted an LGF claim and appears eligible for compensation in accordance with policies in Section 13-I.A, the PHA will determine the cost of damage to the unit using a list of covered items with set, non-negotiable amounts that the PHA will pay for each item. The following items are **not** covered under the LGF:

- Common areas
- Units other than the unit leased by the family
- Unpaid rent
- Damage committed more than two years after the effective date of HAP contract
- Infestations
- Mold damage
- Flood damage
- Smoking damage, other than cigarette burns in walls/carpet
- Fire damage
- Attorney's fees/court costs
- Damage not directly linked to the family's occupancy (such as damage caused by forces of nature).

8-II.G. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT

Notification of Corrective Actions

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS failures, the PHA will determine (1) whether or not the failure is a life-threatening condition and (2) whether the family or owner is responsible.

PHA Policy

When life-threatening conditions are identified, the PHA will immediately notify both parties by telephone, facsimile, or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of the PHA's notice. The PHA will verify the corrective actions on the next business day.

When failures that are not life-threatening are identified, the PHA will send the owner and the family a written notification of the inspection results within 5 business days of the inspection. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally no more than 30 days will be allowed for the correction.

The notice of inspection results will inform the owner that if life-threatening conditions are not corrected within 24 hours, and non-life threatening conditions are not corrected within the specified time frame (or any PHA-approved extension), the owner's HAP will be abated in accordance with PHA policy (see Section 8-II.H.). Likewise, in the case of family caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame (or any PHA-approved extension, if applicable) the family's assistance will be terminated in accordance with PHA policy (see Chapter 12).

If no deficiencies are identified and the unit passed inspection, the PHA will not provide notification to the owner and the family.

Extensions

For conditions that are life-threatening, the PHA cannot grant an extension to the 24 hour corrective action period. For conditions that are not life-threatening, the PHA may grant an exception to the required time frames for correcting the violation, if the PHA determines that an extension is appropriate [24 CFR 982.404].

PHA Policy

Extensions will be granted in cases where the PHA has determined that the owner has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

A repair cannot be completed because required parts or services are not available.

A repair cannot be completed because of weather conditions.

A repair cannot be completed because of the ownership change.

A reasonable accommodation is needed because the family includes a person with disabilities.

The length of the extension will be determined on a case by case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. The necessary repairs must be made within 15 calendar days, once the weather conditions have subsided.

Reinspections

PHA Policy

The PHA will conduct a reinspection immediately following the end of the corrective period, or any PHA-approved extension.

The family and owner will be given reasonable notice of the reinspection appointment. If the deficiencies have not been corrected by the time of the reinspection, the PHA will send a notice of abatement to the owner, or in the case of family caused violations, a notice of termination to the family, in accordance with PHA policies. If the PHA is unable to gain entry to the unit in order to conduct the scheduled reinspection, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

In cases when there are no more than four deficiencies, the PHA may accept, at its discretion, an owner's certification that required repairs were made, if all deficiencies are minor items from the following list:

- Replacement of burnt-out light bulbs (interior/exterior)
- Replacement of cracked or missing switch or socket plates
- Replacement or repair of windows that allow air infiltration
- Replacement, cleaning, or repair of stove (new knobs, burners, oven elements, drip pans)
- Replacement, cleaning, or repair of refrigerator (new handle (no sharp edges), door seal, shelves, defrost freezer)
- Replacement of broken or destroyed interior doors (bedroom, bathroom, etc.)
- Repair of closet doors off track
- Cleaning of carpet stains
- Removal of excess debris
- Yard cleanup (including removal of old cars, car parts, mowing, weeding, etc.)
- Repair of wall or ceiling holes in units with no lead-based paint issues
- Replacement of cracked toilet seat(s)
- Replacement of missing heater knobs.

The PHA will not consider an item on the above list to be minor if it threatens the health or safety of any household member.

In determining units qualified for an owner's self-certification of completed repairs, the PHA will consider its experience with the owner, tenant and property. The PHA is under no obligation to allow self-certification and may elect to do a reinspection to verify the correction of any HQS deficiencies. The PHA may also elect to do an audit inspection of self-certified repairs or conduct a reinspection at the tenant's request. If, as a result of the audit inspection or reinspection, the PHA finds that the deficiencies have not been corrected, the PHA will take an enforcement action, and self-certification will no longer be an option.

Completed and signed self-certification of repairs may be submitted as a hard copy, in-person, by mail, or by fax. If the PHA does not receive the completed and signed self-certification of repairs by the due date, the PHA will take an enforcement action, and self-certification will no longer be an option.

8-IL.H. ENFORCING OWNER COMPLIANCE

If the owner fails to maintain the dwelling unit in accordance with HQS, the PHA must take prompt and vigorous action to enforce the owner obligations.

HAP Abatement

If an owner fails to correct HQS deficiencies by the time specified by the PHA, HUD requires the PHA to abate housing assistance payments no later than the first of the month following the specified correction period (including any approved extension) [24 CFR 985.3(f)]. No retroactive payments will be made to the owner for the period of time the rent was abated. Owner rents are not abated as a result of HQS failures that are the family's responsibility.

PHA Policy

Generally, the PHA will make all HAP abatements effective as of the first of the month following the specified correction period or, for self-certified items, as of the first of the month following the date the completed and signed certification of repairs was due to the PHA (including any approved extension). In cases when the payment has already been posted, the abatements will be effective as of the first of the next month.

The PHA has discretion not to abate the rent if an inspector determines that the owner has made a good faith effort to correct deficiencies.

The PHA will inspect abated units within 5 business days of the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection.

During any abatement period the family continues to be responsible for its share of the rent. The owner must not seek payment from the family for abated amounts and may not use the abatement as cause for eviction.

HAP Contract Termination

The PHA must decide how long any abatement period will continue before the HAP contract will be terminated. The PHA should not terminate the contract until the family finds another unit, provided the family does so in a reasonable time [HCV GB p. 10-29] and must give the owner reasonable notice of the termination. The PHA will issue a voucher to permit the family to move to another unit as described in Chapter 10.

PHA Policy

The maximum length of time that HAP may be abated is 60 days. However, if the owner completes corrections and notifies the PHA before the termination date of the HAP contract, the PHA may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit and (2) the unit passes inspection.

Reasonable notice of HAP contract termination by the PHA is 30 days.

8-II.I. ENFORCING FAMILY COMPLIANCE WITH HQS [24 CFR 982.404(b)]

Families are responsible for correcting any HQS violations listed in paragraph 8-I.D. If the family fails to correct a violation within the period allowed by the PHA (and any extensions), the PHA will terminate the family's assistance, according to the policies described in Chapter 12.

If the owner carries out a repair for which the family is responsible under the lease, the owner may bill the family for the cost of the repair.

PHA Policy (MTW)

If the PHA compensates the owner for damages beyond normal wear and tear under the Landlord Guarantee Fund (LGF) in accordance with policies in Section 13-I.A, the amounts paid by the PHA to the owner must be repaid to the PHA by the family. The PHA will offer a repayment agreement to the family in accordance with policies in Chapter 16.

PART III: RENT REASONABLENESS [24 CFR 982.507]

8-III.A. OVERVIEW

No HAP contract can be approved until the PHA has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program.

HUD regulations define a reasonable rent as one that does not exceed the rent charged for comparable, unassisted units in the same market area. HUD also requires that owners not charge more for assisted units than for comparable units on the premises. This part explains the method used to determine whether a unit's rent is reasonable.

PHA-Owned Units [24 CFR 982.352(b)]

In cases where an HCV family is receiving assistance in a PHA-owned unit, the PHA must obtain the services of an independent entity to determine rent reasonableness in accordance with program requirements, and to assist the family in negotiating the contract rent when the family requests assistance. A PHA-owned unit is defined as a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of the rent reasonableness determination to the family and the PHA. The independent agency must be approved by HUD, and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

PHA Policy (MTW)

The PHA opted to determine rent reasonableness for the PHA-owned units with HUD approval under Moving to Work authority.

The PHA will contract an outside agency to conduct a five percent quality control test of rent reasonableness determinations conducted by the PHA when buildings are owned and managed by the PHA.

Where the PHA-owned units are managed by a third-party property manager, thus reducing the conflict of interest, the PHA will not require quality control testing of rent reasonableness determinations by a third-party outside agency.

8-III.B. WHEN RENT REASONABLENESS DETERMINATIONS ARE REQUIRED

Owner-Initiated Rent Determinations

The PHA must make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment.

The owner and family first negotiate the rent for a unit. The PHA (or independent agency in the case of PHA-owned units) will assist the family with the negotiations upon request. At initial occupancy the PHA must determine whether the proposed rent is reasonable before a HAP Contract is signed. The owner must not change the rent during the initial lease term. Subsequent requests for rent adjustments must be consistent with the lease between the owner and the family. Rent increases will not be approved unless any failed items identified by the most recent HQS inspection have been corrected.

PHA Policy

After the initial occupancy period, the owner may request a rent adjustment in accordance with the owner's lease. For rent increase requests after initial lease-up, the PHA may request owners to provide information about the rents charged for other units on the premises, if the premises include more than 4 units. In evaluating the proposed rents in comparison to other units on the premises the PHA will consider unit size and length of tenancy in the other units.

The PHA will determine whether the requested increase is reasonable within 15 business days of receiving the request from the owner. The owner will be notified of the determination in writing.

All rents adjustments will be effective the first of the month following 90 days after the PHA's receipt of the owner's request or on the date specified by the owner, whichever is later.

PHA- and HUD-Initiated Rent Reasonableness Determinations

HUD requires the PHA to make a determination of rent reasonableness (even if the owner has not requested a change) if there is a 10 percent decrease in the Fair Market Rent that goes into effect at least 60 days before the contract anniversary date. HUD also may direct the PHA to make a determination at any other time. The PHA may decide that a new determination of rent reasonableness is needed at any time.

PHA Policy

In addition to the instances described above, the PHA will make a determination of rent reasonableness at any time after the initial occupancy period if: (1) the PHA determines that the initial rent reasonableness determination was in error or (2) the PHA determines that the information provided by the owner about the unit or other units on the same premises was incorrect.

8-III.C. HOW COMPARABILITY IS ESTABLISHED

Factors to Consider

HUD requires PHAs to take into consideration the factors listed below when determining rent comparability. The PHA may use these factors to make upward or downward adjustments to the rents of comparison units when the units are not identical to the HCV-assisted unit.

- Location and age
- Unit size including the number of rooms and square footage of rooms
- The type of unit including construction type (e.g., single family, duplex, garden, low-rise, high-rise)
- The quality of the units including the quality of the original construction, maintenance and improvements made
- Amenities, services, and utilities included in the rent.

Units that Must Not be Used as Comparables

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state, or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs: Section 8 project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects, HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized through federal, state, or local tax credits; units subsidized by the Department of Agriculture rural housing programs, and units that are rent-controlled by local ordinance.

Note: Notice PIH 2020-19 issued August 21, 2020 provides further guidance on the issue of what constitutes an assisted unit.

Rents Charged for Other Units on the Premises

The Request for Tenancy Approval (HUD-52517) requires owners to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than 4 units.

By accepting the PHA payment each month the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the owner must give the PHA information regarding rents charged for other units on the premises.

Section 8 Tenant-Based Voucher Program Rents for Units Assisted by Low-Income Housing Tax Credits or Assistance under HUD’s HOME Investment Partnerships (HOME) Program [FR Notice, June 25, 2014]

For a unit receiving low-income housing tax credits (LIHTCs) pursuant to Section 42 of the Internal Revenue Code of 1986 or receiving assistance under HUD’s HOME program (for which the regulations are found in 24 CFR Part 92), a rent comparison with unassisted units is not required if the voucher rent does not exceed the rent for other LIHTC- or HOME-assisted units in the project that are not occupied by families with tenant-based assistance.

Low-Income Housing Tax Credits (LIHTC)

If the rent requested by the owner exceeds the LIHTC rents for non-voucher families, the PHA must perform a rent comparability study in accordance with program regulations and the rent shall not exceed the lesser of:

- (1) The reasonable rent as determined pursuant to a rent comparability study; or
- (2) The payment standard established by the PHA for the unit size involved.

PHA Policy

If the rent requested by the owner exceeds the LIHTC rents for non-voucher families, the PHA must perform a rent comparability study in accordance with program regulations and the rent shall not exceed the lesser of:

- (1) The reasonable rent as determined pursuant to a rent comparability study; or
- (2) The payment standard established by the PHA for the unit size involved minus the utility allowance.

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8-III.D. PHA RENT REASONABLENESS METHODOLOGY

How Market Data Is Collected

PHA Policy

The PHA may use existing studies of rents in the PHA's jurisdiction, including Multifamily NW semiannual survey. In addition, the PHA may conduct its own survey to collect and maintain data on market rents in the PHA's jurisdiction. Information sources also include newspapers, realtors, market surveys, inquiries of owners and other available sources. The data will be maintained by bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood, and identifiable natural or man-made boundaries. The data will be updated on an ongoing basis, and rent information that is more than 12 months old will not be used to determine rent reasonableness.

How Rents Are Determined

PHA Policy

The rent for a unit proposed for HCV assistance will be compared to the average market rent of similar unassisted units. To determine reasonable rent, the PHA will make adjustments to the average market rent to account for the features of the proposed unit that may impact rent.

The adjustments must reflect the local market. Not all differences in units require adjustments (e.g., the presence or absence of a garbage disposal may not affect the rent in some market areas).

Adjustments may vary by unit type (e.g., a second bathroom may be more valuable in a three-bedroom unit than in a two-bedroom).

The adjustment must reflect the rental value of the difference - not its construction costs (e.g., it might cost \$20,000 to put on a new roof, but the new roof might not make any difference in what a tenant would be willing to pay because rental units are presumed to have functioning roofs).

When a comparable project offers rent concessions (e.g., first month rent-free, or reduced rent), reported monthly rents will be adjusted accordingly. For example, if a comparable project reports rents of \$500/month but new tenants receive the first month's rent free, the actual rent for the unit would be calculated as follows: $\$500 \times 11 \text{ months} = 5500/12 \text{ months} = \text{actual monthly rent of } \488 .

The PHA will notify the owner of the rent the PHA can approve based upon its analysis. The owner may submit information about other comparable units in the market area. The PHA will confirm the accuracy of the information provided and consider this additional information when making rent determinations. The owner must submit any additional information within 5 business days of the PHA's request for information or the owner's request to submit information.

Section 8 Administrative Plan

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Page 8-30

3/21

EXHIBIT 8-1: OVERVIEW OF HUD HOUSING QUALITY STANDARDS

Note: This document provides an overview of HQS. For more detailed information see the following documents:

- 24 CFR 982.401, Housing Quality Standards (HQS)
- Housing Choice Voucher Guidebook, Chapter 10
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00).

Sanitary Facilities

The dwelling unit must include sanitary facilities within the unit. The sanitary facilities must be usable in privacy and must be in proper operating condition and adequate for personal cleanliness and disposal of human waste.

Food Preparation and Refuse Disposal

The dwelling unit must have space and equipment suitable for the family to store, prepare, and serve food in a sanitary manner.

Space and Security

The dwelling unit must provide adequate space and security for the family. This includes having at least one bedroom or living/sleeping room for each two persons.

Thermal Environment

The unit must have a safe system for heating the dwelling unit. Air conditioning is not required but if provided must be in proper operating condition. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Portable electric room heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat for units located in climatic areas where permanent heat systems are required.

Illumination and Electricity

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. Minimum standards are set for different types of rooms. Once the minimum standards are met, the number, type and location of electrical sources are a matter of tenant preference.

Structure and Materials

The dwelling unit must be structurally sound. Handrails are required when four or more steps (risers) are present, and protective railings are required when porches, balconies, and stoops are thirty inches or more off the ground. The elevator servicing the unit must be working [if there is one]. Manufactured homes must have proper tie-down devices capable of surviving wind loads common to the area.

Interior Air Quality

The dwelling unit must be free of air pollutant levels that threaten the occupants' health. There must be adequate air circulation in the dwelling unit. Bathroom areas must have one openable window or other adequate ventilation. Any sleeping room must have at least one window. If a window was designed to be opened, it must be in proper working order.

Water Supply

The dwelling unit must be served by an approved public or private water supply that is sanitary and free from contamination. Plumbing fixtures and pipes must be free of leaks and threats to health and safety.

Lead-Based Paint

Lead-based paint requirements apply to dwelling units built prior to 1978 that are occupied or can be occupied by families with children under six years of age, excluding zero bedroom dwellings. Owners must:

- Disclose known lead-based paint hazards to prospective tenants before the lease is signed
- Provide all prospective families with "Protect Your Family from Lead in Your Home"
- Stabilize deteriorated painted surfaces and conduct hazard reduction activities when identified by the PHA
- Notify tenants each time such an activity is performed
- Conduct all work in accordance with HUD safe practices
- As part of ongoing maintenance ask each family to report deteriorated paint.

For units occupied by elevated blood lead level (lead poisoned) children under six years of age, an environmental investigation must be conducted (paid for by the PHA). If lead hazards are identified during the environmental investigation, the owner must complete hazard reduction activities.

See HCV GB p. 10-15 for a detailed description of these requirements. For additional information on lead-based paint requirements see 24 CFR 35, Subparts A, B, M, and R.

Access

Use and maintenance of the unit must be possible without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire.

Site and Neighborhood

The site and neighborhood must be reasonably free from disturbing noises and reverberations, excessive trash or vermin, or other dangers to the health, safety, and general welfare of the occupants.

Sanitary Condition

The dwelling unit and its equipment must be in sanitary condition and free of vermin and rodent infestation. The unit must have adequate barriers to prevent infestation.

Smoke Detectors

Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any person with a hearing impairment, smoke detectors must have an appropriate alarm system as specified in NFPA 74 (or successor standards).

Hazards and Health/Safety

The unit, interior and exterior common areas accessible to the family, the site, and the surrounding neighborhood must be free of hazards to the family's health and safety.

Section 8 Administrative Plan

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Page 8-34

3/21

**EXHIBIT 8-2: SUMMARY OF TENANT PREFERENCE AREAS
RELATED TO HOUSING QUALITY**

Note: This document provides an overview of unit and site characteristics and conditions for which the family determines acceptability. For more detailed information see the following documents:

- Housing Choice Voucher Guidebook, Chapter 10
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00).

Provided the minimum housing quality standards have been met, HUD permits the family to determine whether the unit is acceptable with regard to the following characteristics.

- *Sanitary Facilities.* The family may determine the adequacy of the cosmetic condition and quality of the sanitary facilities, including the size of the lavatory, tub, or shower; the location of the sanitary facilities within the unit; and the adequacy of the water heater.
- *Food Preparation and Refuse Disposal.* The family selects size and type of equipment it finds acceptable. When the family is responsible for supplying cooking appliances, the family may choose to use a microwave oven in place of a conventional oven, stove, or range. When the owner is responsible for providing cooking appliances, the owner may offer a microwave oven in place of an oven, stove, or range only if other subsidized and unsubsidized units on the premises are furnished with microwave ovens only. The adequacy of the amount and type of storage space, the cosmetic conditions of all equipment, and the size and location of the kitchen are all determined by the family.
- *Space and Security.* The family may determine the adequacy of room sizes and room locations. The family is also responsible for deciding the acceptability of the type of door and window locks.
- *Energy conservation items.* The family may determine whether the amount of insulation, presence of absence of storm doors and windows and other energy conservation items are acceptable.
- *Illumination and Electricity.* The family may determine whether the location and the number of outlets and fixtures (over and above those required to meet HQS standards) are acceptable or if the amount of electrical service is adequate for the use of appliances, computers, or stereo equipment.

Section 8 Administrative Plan

- (6) *Structure and Materials.* Families may determine whether minor defects, such as lack of paint, or worn flooring or carpeting will affect the livability of the unit.
- (7) *Indoor Air.* Families may determine whether window and door screens, filters, fans, or other devices for proper ventilation are adequate to meet the family's needs. However, if screens are present they must be in good condition.
- (8) *Sanitary Conditions.* The family determines whether the sanitary conditions in the unit, including minor infestations, are acceptable.
- (9) *Neighborhood conditions.* Families may determine whether neighborhood conditions such as the presence of drug activity, commercial enterprises, and convenience to shopping will affect the livability of the unit.

Families have no discretion with respect to lead-based paint standards and smoke detectors.

Chapter 2

FAIR HOUSING AND EQUAL OPPORTUNITY

INTRODUCTION

This chapter explains the laws and HUD regulations requiring PHAs to affirmatively further civil rights and fair housing in all federally-assisted housing programs. The letter and spirit of these laws are implemented through consistent policy and processes. The responsibility to further nondiscrimination pertains to all areas of the PHA's housing choice voucher (HCV) operations.

This chapter describes HUD regulations and PHA policies related to these topics in three parts:

Part I: Nondiscrimination. This part presents the body of laws and regulations governing the responsibilities of the PHA regarding nondiscrimination.

Part II: Policies Related to Persons with Disabilities. This part discusses the rules and policies of the housing choice voucher program related to reasonable accommodation for persons with disabilities. These rules and policies are based on the Fair Housing Act (42.U.S.C.) and Section 504 of the Rehabilitation Act of 1973, and incorporate guidance from the Joint Statement of The Department of Housing and Urban Development and the Department of Justice (DOJ), issued May 17, 2004.

Part III: Prohibition of Discrimination Against Limited English Proficiency Persons. This part details the obligations of the PHA to ensure meaningful access to the HCV program and its activities by persons with limited English proficiency (LEP). This part incorporates the Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007 in the *Federal Register*.

PART I: NONDISCRIMINATION

2-I.A. OVERVIEW

Federal laws require PHAs to treat all applicants and participants equally, providing the same opportunity to access services, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. In addition, HUD regulations provide for additional protections regarding sexual orientation, gender identity, and marital status. The PHA will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- The Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule, published in the *Federal Register* February 3, 2012
- Violence Against Women Reauthorization Act of 2013 (VAWA)

When more than one civil rights law applies to a situation, the laws will be read and applied together.

Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted will also apply.

PHA Policy

The PHA will comply with the Oregon Civil Rights Law and local nondiscrimination laws.

2-I.B. NONDISCRIMINATION

Federal regulations prohibit discrimination against certain protected classes and other groups of people. State and local requirements, as well as PHA policies, can prohibit discrimination based on other factors.

The PHA shall not discriminate because of race, color, sex, religion, familial status, age, disability or national origin (called “protected classes”).

Familial status includes children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18.

The PHA will not discriminate on the basis of marital status, gender identity, or sexual orientation [FR Notice 02/03/12].

PHA Policy

The PHA will not discriminate against any of the federally-protected classes listed above. Additionally, the PHA will not discriminate against state-protected classes, including legal sources of income and domestic violence victims.

The PHA will not use any of these factors to:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the housing choice voucher program
- Provide housing that is different from that provided to others
- Subject anyone to segregation or disparate treatment
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program
- Treat a person differently in determining eligibility or other requirements for admission
- Steer an applicant or participant toward or away from a particular area based any of these factors
- Deny anyone access to the same level of services
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program
- Discriminate in the provision of residential real estate transactions
- Discriminate against someone because they are related to or associated with a member of a protected class
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class

Providing Information to Families and Owners

The PHA must take steps to ensure that families and owners are fully aware of all applicable civil rights laws. As part of the briefing process, the PHA must provide information to HCV applicant families about civil rights requirements and the opportunity to rent in a broad range of neighborhoods [24 CFR 982.301]. The Housing Assistance Payments (HAP) contract informs owners of the requirement not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the contract.

Discrimination Complaints

If an applicant or participant believes that any family member has been discriminated against by the PHA or an owner, the family should advise the PHA. HUD requires the PHA to make every reasonable attempt to determine whether the applicant's or participant's assertions have merit and take any warranted corrective action. In addition, the PHA is required to provide the applicant or participant with information about how to file a discrimination complaint [24 CFR 982.304].

PHA Policy

Applicants or participants who believe that they have been subject to unlawful discrimination may notify the PHA. Complaints made against the PHA must be submitted in writing within 30 days of the PHA's action/inaction in question.

The PHA will attempt to remedy discrimination complaints made against the PHA.

The PHA will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES

2-II.A. OVERVIEW

One type of disability discrimination prohibited by the Fair Housing Act is the refusal to make reasonable accommodation in rules, policies, practices, or services when such accommodation may be necessary to afford a person with a disability the equal opportunity to use and enjoy a program or dwelling under the program.

The PHA must ensure that persons with disabilities have full access to the PHA's programs and services. This responsibility begins with the first contact by an interested family and continues through every aspect of the program.

PHA Policy

The PHA will ask all applicants and participants if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by the PHA, by including the following language:

“If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact the housing authority.”

A specific name and phone number will be indicated as the contact for requests for accommodation for persons with disabilities.

The PHA will display posters and other housing information and signage in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair.

2-II.B. DEFINITION OF REASONABLE ACCOMMODATION

A person with a disability may require special accommodations in order to have equal access to the HCV program. The types of reasonable accommodations the PHA can provide include changes, exceptions, or adjustments to a rule, policy, practice, or service.

Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for the PHA, or result in a "fundamental alteration" in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider's operations.

Types of Reasonable Accommodations

When needed, the PHA must modify normal procedures to accommodate the needs of a person with disabilities. Examples include:

- Permitting applications and reexaminations to be completed by mail
- Conducting home visits
- Using higher payment standards (either within the acceptable range or with HUD approval of a payment standard outside the PHA range) if the PHA determines this is necessary to enable a person with disabilities to obtain a suitable housing unit
- Providing time extensions for locating a unit when necessary because of lack of availability of accessible units or special challenges of the family in seeking a unit
- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with PHA staff

2-II.C. REQUEST FOR AN ACCOMMODATION

If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, HUD requires that the PHA treat the information as a request for a reasonable accommodation, even if no formal request is made [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

The family must explain what type of accommodation is needed to provide the person with the disability full access to the PHA's programs and services.

If the need for the accommodation is not readily apparent or known to the PHA, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable connection, or nexus, between the requested accommodation and the individual's disability.

PHA Policy

The PHA will encourage the family to make its request in writing using a reasonable accommodation request form. However, the PHA will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted.

2-II.D. VERIFICATION OF DISABILITY

The regulatory civil rights definition for persons with disabilities is provided in Exhibit 2-1 at the end of this chapter. The definition of a person with a disability for the purpose of obtaining a reasonable accommodation is much broader than the HUD definition of disability which is used for waiting list preferences and income allowances.

Before providing an accommodation, the PHA must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to the PHA's programs and services.

If a person's disability is obvious or otherwise known to the PHA, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to the PHA, the PHA must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

When verifying a disability, the PHA will follow the verification policies provided in Chapter 7. All information related to a person's disability will be treated in accordance with the confidentiality policies provided in Chapter 16. In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability:

- Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].
- The PHA must request only information that is necessary to evaluate the disability-related need for the accommodation. The PHA will not inquire about the nature or extent of any disability.
- Medical records will not be accepted or retained in the participant file.
- In the event that the PHA does receive confidential information about a person's specific diagnosis, treatment, or the nature or severity of the disability, the PHA will dispose of it. In place of the information, the PHA will note in the file that the disability and other requested information have been verified, the date the verification was received, and the name and address of the knowledgeable professional who sent the information [Notice PIH 2010-26].

2-II.E. APPROVAL/DENIAL OF A REQUESTED ACCOMMODATION [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act, Notice PIH 2010-26].

The PHA must approve a request for an accommodation if the following three conditions are met:

- The request was made by or on behalf of a person with a disability .
- There is a disability-related need for the accommodation.
- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on the PHA, or fundamentally alter the nature of the PHA’s HCV operations (including the obligation to comply with HUD requirements and regulations).

Requests for accommodations must be assessed on a case-by-case basis, taking into account factors such as the overall size of the PHA’s program with respect to the number of employees, type of facilities and size of budget, type of operation including composition and structure of workforce, the nature and cost of the requested accommodation, and the availability of alternative accommodations that would effectively meet the family’s disability-related needs.

Before making a determination whether to approve the request, the PHA may enter into discussion and negotiation with the family, request more information from the family, or may require the family to sign a consent form so that the PHA may verify the need for the requested accommodation.

PHA Policy

Any reasonable accommodation request, whether verbal or written, will be documented by staff in receipt of the request and, barring exceptional circumstances, will be acknowledged within five (5) business days of receiving the request. ~~submitted to a designated Disability Coordinator on the same day it was received.~~

Barring exceptional circumstances, After a request for an accommodation is presented, the PHA will provide a substantive written response within ~~respond, in writing, within~~ 15 business days of receiving the request or the most recent discussion about the request.

~~If Prior to~~ the PHA ~~denies denying~~ a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden or fundamentally alter the nature of the PHA’s operations), the PHA will discuss with the family whether an alternative accommodation could effectively address the family’s disability-related needs without a fundamental alteration to the HCV program and without imposing an undue financial and administrative burden.

If the PHA believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, the PHA will notify the family, in writing, of its determination within 15 business days from the date of the most recent discussion or communication with the family.

2-II.F. PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS

HUD regulations require the PHA to ensure that persons with disabilities related to hearing and vision have reasonable access to the PHA's programs and services [24 CFR 8.6].

At the initial point of contact with each applicant, the PHA shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

PHA Policy

To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display / teletype) communication will be available.

To meet the needs of persons with vision impairments, large-print versions of key program documents will be made available upon request. When visual aids are used in public meetings or presentations, or in meetings with PHA staff, one-on-one assistance will be provided upon request.

Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third party representative (a friend, relative or advocate, named by the applicant) to receive, interpret and explain housing materials and be present at all meetings.

2-II.G. PHYSICAL ACCESSIBILITY

The PHA must comply with a variety of regulations pertaining to physical accessibility, including the following:

- Notice PIH 2010-26
- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988.

The PHA's policies concerning physical accessibility must be readily available to applicants and participants. They can be found in three key documents:

- This plan describes the key policies that govern the PHA's responsibilities with regard to physical accessibility.
- Notice PIH 2010-26 summarizes information about pertinent laws and implementing regulations related to non-discrimination and accessibility in federally-funded housing programs.
- The PHA Plan provides information about self-evaluation, needs assessment, and transition plans.

The design, construction, or alteration of PHA facilities must conform to the Uniform Federal Accessibility Standards (UFAS). Newly-constructed facilities must be designed to be readily accessible to and usable by persons with disabilities. Alterations to existing facilities must be accessible to the maximum extent feasible, defined as not imposing an undue financial and administrative burden on the operations of the HCV program.

When issuing a voucher to a family that includes an individual with disabilities, the PHA will provide a current list of available accessible units known to the PHA upon request.

In general, owners must permit the family to make reasonable modifications to the unit. However, the owner is not required to pay for the modification and may require that the unit be restored to its original state at the family's expense when the family moves.

2-II.H. DENIAL OR TERMINATION OF ASSISTANCE

A PHA's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation [24 CFR 982.552 (2)(iv)].

When applicants with disabilities are denied assistance, the notice of denial must inform them of the PHA's informal review process and their right to request a review. In addition, the notice must inform applicants with disabilities of their right to request reasonable accommodations to participate in the informal review process.

When a participant family's assistance is terminated, the notice of termination must inform them of the PHA's informal hearing process and their right to request a hearing and reasonable accommodation.

When reviewing reasonable accommodation requests, the PHA must consider whether any mitigating circumstances can be verified to explain and overcome the problem that led to the PHA's decision to deny or terminate assistance. If a reasonable accommodation will allow the family to meet the requirements, the PHA must make the accommodation.

PART III: IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY (LEP)

2-III.A. OVERVIEW

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the HCV program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. This part incorporates the Final Guidance to Federal Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007 in the *Federal Register*.

The PHA will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as Persons with Limited English Proficiency (LEP).

LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this administrative plan, LEP persons are HCV applicants and participants, and parents and family members of applicants and participants.

In order to determine the level of access needed by LEP persons, the PHA will balance the following four factors: (1) the number or proportion of LEP persons eligible to be served or likely to be encountered by the Housing Choice Voucher program; (2) the frequency with which LEP persons come into contact with the program; (3) the nature and importance of the program, activity, or service provided by the program to people's lives; and (4) the resources available to the PHA and costs. Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on the PHA.

2-III.B. ORAL INTERPRETATION

In situations in which health, safety, or access to important benefits and services are at stake, the PHA will generally offer, or ensure that the family is offered through other sources, competent services free of charge to the LEP person.

PHA Policy

The PHA will analyze the various kinds of contacts it has with the public, to assess language needs and decide what reasonable steps should be taken. “Reasonable steps” may not be reasonable where the costs imposed substantially exceed the benefits.

Where feasible, the PHA will train and hire bilingual staff to be available to act as interpreters and translators, will pool resources with other PHAs, and will standardize documents. Where feasible and possible, the PHA will encourage the use of qualified community volunteers.

Where LEP persons desire, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by the PHA. The interpreter may be a family member or friend.

2-III.C. WRITTEN TRANSLATION

Translation is the replacement of a written text from one language into an equivalent written text in another language.

PHA Policy

In order to comply with written-translation obligations, the PHA will take the following steps:

The PHA will provide written translations of vital documents for each eligible LEP language group that constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered. Translation of other documents, if needed, can be provided orally; or

If there are fewer than 50 persons in a language group that reaches the 5 percent trigger, the PHA does not translate vital written materials, but provides written notice in the primary language of the LEP language group of the right to receive competent oral interpretation of those written materials, free of cost.

2-III.D. IMPLEMENTATION PLAN

After completing the four-factor analysis and deciding what language assistance services are appropriate, the PHA shall determine whether it is necessary to develop a written implementation plan to address the identified needs of the LEP populations it serves.

If the PHA determines that it is not necessary to develop a written implementation plan, the absence of a written plan does not obviate the underlying obligation to ensure meaningful access by LEP persons to the PHA's Housing Choice Voucher program and services.

PHA Policy

If it is determined that the PHA serves very few LEP persons, and the PHA has very limited resources, the PHA will not develop a written LEP plan, but will consider alternative ways to articulate in a reasonable manner a plan for providing meaningful access. Entities having significant contact with LEP persons, such as schools, grassroots and faith-based organizations, community groups, and groups working with new immigrants will be contacted for input into the process.

If the PHA determines it is appropriate to develop a written LEP plan, the following five steps will be taken: (1) Identifying LEP individuals who need language assistance; (2) identifying language assistance measures; (3) training staff; (4) providing notice to LEP persons; and (5) monitoring and updating the LEP plan.

**EXHIBIT 2-1: DEFINITION OF A PERSON WITH A DISABILITY UNDER
FEDERAL CIVIL RIGHTS LAWS [24 CFR Parts 8.3 and 100.201]**

A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment.

The phrase “physical or mental impairment” includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
- Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term “physical or mental impairment” includes, but is not limited to: such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

“Major life activities” includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or working.

“Has a record of such impairment” means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

“Is regarded as having an impairment” is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as the PHA) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward that impairment.

The definition of a person with disabilities does not include:

- Current illegal drug users
- People whose alcohol use interferes with the rights of others
- Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the HCV program.

The above definition of disability determines whether an applicant or participant is entitled to any of the protections of federal disability civil rights laws. Thus, a person who does not meet this disability is not entitled to a reasonable accommodation under federal civil rights and fair housing laws and regulations.

The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The HUD definition of a person with a disability is used for purposes of receiving the disabled family preference, the \$400 elderly/disabled household deduction, the \$480 dependent deduction, the allowance for medical expenses, or the allowance for disability assistance expenses.

The definition of a person with a disability for purposes of granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the HCV program, yet an accommodation is needed to provide equal opportunity.

EXHIBIT 2-2: AFFIRMATIVELY FURTHERING FAIR HOUSING IN HOUSING CHOICE VOUCHER AND FAMILY SELF-SUFFICIENCY PROGRAMS

The PHA is committed to affirmatively furthering fair housing in all areas of the housing choice voucher (HCV) program operations, including the HCV family self-sufficiency (FSS) program and the Family Unification Program (FUP). The PHA will comply with all federal, state, and local laws and regulations governing nondiscrimination, fair housing and equal opportunity.

The PHA takes the following steps to affirmatively further fair housing in its HCV and HCV FSS programs:

1. Advertise for employment opportunities widely in the community, including minority media and specific papers developed for ethnic communities.
2. Ensure that all Section 8 and FSS staff attends fair housing and diversity training on an annual basis.
3. Actively support other agencies and legislation that furthers fair housing.
4. Promote active and open communication and maintain good working relationships with federal and local fair housing agencies and HUD's staff.
5. Maintain records of any FSS-specific steps taken to affirmatively further fair housing and report on them in the final year-end report for the HCV FSS program.
6. Post nondiscrimination notices in Section 8 and FSS offices.
7. Track family demographics, including race, ethnicity, familial status, and disability status of program participants.
8. Provide information and resources available to applicants and participants who believe they may be victims of discrimination.

The PHA has implemented the following objectives / activities to address and overcome potential impediments to fair housing.

1. **To help overcome any impediments to fair housing choice related to the assisted program (HCV) itself, the PHA has taken or will take the following steps:**
 - a. Take reasonable steps to ensure meaningful access to programs and services by persons with Limited English Proficiency (LEP).
 - b. Develop a close partnership with various landlord associations in the State of Oregon and work collaboratively with them to market the HCV program.
 - c. Conduct extensive landlord outreach to encourage acceptance of HCVs in community including marketing, landlord classes, newsletters, participation in local landlord events and trainings to educate and inform landlords and give greater access to units throughout all areas of the County.
 - d. Use landlords currently participating in the HCV program to conduct outreach to their colleagues to educate and inform about the benefits of HCV participation.
 - e. Increase payment standards in areas with higher market rents allowing affordability to voucher recipients in most areas of the County.
 - f. Update rent reasonableness comparison data on a bi-annual basis to ensure the PHA is approving rental rates based upon the current rental market.
 - g. Educate HCV participants on the location of low-poverty census tracts and the greater opportunity that may be present in such areas for them and their children.

- h. Participate in the Housing Choice Advisory Committee created by a new Oregon law (House Bill 2639). The new law explicitly states that Section 8 or any other local, state, or federal housing assistance is included in the source of income protection. The new law also creates the Housing Choice Landlord Guarantee Program to compensate landlords for damages incurred as a result of tenancies by Section 8 voucher holders. The new law is effective July 1, 2014.

2. To promote housing-related opportunities that overcome the effects of past discrimination because of race, color, national origin, religion, sex, disability, and familial status the PHA has implemented the following:

- a. Prior to the waiting list openings, market Section 8 and FSS programs to diverse groups throughout the community.
- b. Ensure equal access to assisted housing programs and services regardless of race, color, religion, national origin, sex, familial status, and disability.
- c. Provide basic information during the mandatory program orientation / briefing for all applicants regarding fair housing and the fact that all applicants have the right to be treated equally and fairly. Inform applicants that if they believe they are discriminated against because of their membership in one of the protected classes, they should file a discrimination complaint, and educate them on how to complete and submit the complaint form and who to contact if they would like assistance with this process.
- d. Maintain a listing of available units within the PHA office as well as online computer access for one-stop shopping. Upon request send this information via mail or electronically.
- e. Conduct ongoing monitoring to ensure equal or greater access to HCVs for a diverse population that reflects the citizenship of the PHA's jurisdiction. On an ongoing basis, the PHA analyzes the demographics of those on the PHA's waiting list, compared to those who receive assistance, and then compares that data with the demographics of the entire County to ensure the PHA's processes and procedures are allowing access to low income members of the community representing all ages, races, and a wide variety of demographics.
- f. Provide written translation of critical documents necessary to receive and maintain housing assistance for each eligible LEP language group in accordance with the PHA's LEP plan. The PHA reaches out to fill staff positions to language-specific applicants.
- g. Provide information and resources available to applicants and participants who believe they may be victims of discrimination.
- h. Provide discrimination complaint forms and assist in completing the forms.

3. The PHA is committed to promoting accessibility for persons with disabilities and has taken the following steps towards that commitment:

- a. Ensure that all Section 8 and FSS offices are accessible to persons with disabilities.
- b. Maintain a list of available accessible units known to the PHA.
- c. Provide reasonable accommodations to persons with disabilities to ensure full access to programs and services.
- d. Provide subsidy standard exceptions to persons with disabilities to accommodate medical equipment, live-in aide and/or other needs.

- e. In accordance with rent reasonableness requirements, approve higher rents to owners that provide accessible units with structural modifications for persons with disabilities.
- f. Where requested by an individual, assist program applicants and participants gain access to supportive services available within the community, but not require eligible applicants or participants to accept supportive services as a condition of continued participation in the program.
- g. Identify public and private funding sources to assist participants with disabilities in covering the costs of structural alterations and other accessibility features that are needed as accommodations for their disabilities.
- h. Not deny persons who qualify for a HCV other housing opportunities, or otherwise restrict access to PHA programs to eligible applicants who choose not to participate.
- i. Provide housing search assistance.
- j. Provide information and resources available to applicants and participants who believe they may be victims of discrimination.
- k. Provide discrimination complaint forms and assist in completing the forms.
- l. Provide limited access to security deposit assistance for homeless, disabled veterans accessing the VASH voucher program.
- m. Refer to the 211 services referral hotline for access to listings of agencies that can assist disabled applicants with deposits, application fees, modifications, and housing search assistance.

4. The PHA provides housing search assistance in the following ways:

- a. Provide listings of available units from within the PHA office via participating local landlords. Listings are updated weekly.
- b. Maintain and distribute a listing of accessible and affordable tax credit units.
- c. Provide extensive training to voucher recipients on how to look for and apply for a unit, and counsel them on low poverty areas and the additional opportunity they may present.
- d. Maintain an in office list of landlords who are willing to work with high barrier participants. Section 8 staff accesses this resource regularly when assisting voucher holders who are having difficulty leasing a unit.
- e. Personally contact and assist each voucher recipient to overcome their personal barriers through education, counseling and encouragement 60 days after they have received a voucher.

The PHA is committed to continuing and expanding the specific activities listed above as the PHA continues to affirmatively further access to housing for all low income applicants and participants in the Section 8 HCV and FSS programs.

Chapter 2

FAIR HOUSING AND EQUAL OPPORTUNITY

INTRODUCTION

This chapter explains the laws and HUD regulations requiring PHAs to affirmatively further civil rights and fair housing in all federally-assisted housing programs. The letter and spirit of these laws are implemented through consistent policy and processes. The responsibility to further nondiscrimination pertains to all areas of the PHA's housing choice voucher (HCV) operations.

This chapter describes HUD regulations and PHA policies related to these topics in three parts:

Part I: Nondiscrimination. This part presents the body of laws and regulations governing the responsibilities of the PHA regarding nondiscrimination.

Part II: Policies Related to Persons with Disabilities. This part discusses the rules and policies of the housing choice voucher program related to reasonable accommodation for persons with disabilities. These rules and policies are based on the Fair Housing Act (42.U.S.C.) and Section 504 of the Rehabilitation Act of 1973, and incorporate guidance from the Joint Statement of The Department of Housing and Urban Development and the Department of Justice (DOJ), issued May 17, 2004.

Part III: Prohibition of Discrimination Against Limited English Proficiency Persons. This part details the obligations of the PHA to ensure meaningful access to the HCV program and its activities by persons with limited English proficiency (LEP). This part incorporates the Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007 in the *Federal Register*.

PART I: NONDISCRIMINATION

2-I.A. OVERVIEW

Federal laws require PHAs to treat all applicants and participants equally, providing the same opportunity to access services, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. In addition, HUD regulations provide for additional protections regarding sexual orientation, gender identity, and marital status. The PHA will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- The Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule, published in the *Federal Register* February 3, 2012
- Violence Against Women Reauthorization Act of 2013 (VAWA)

When more than one civil rights law applies to a situation, the laws will be read and applied together.

Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted will also apply.

PHA Policy

The PHA will comply with the Oregon Civil Rights Law and local nondiscrimination laws.

2-I.B. NONDISCRIMINATION

Federal regulations prohibit discrimination against certain protected classes and other groups of people. State and local requirements, as well as PHA policies, can prohibit discrimination based on other factors.

The PHA shall not discriminate because of race, color, sex, religion, familial status, age, disability or national origin (called “protected classes”).

Familial status includes children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18.

The PHA will not discriminate on the basis of marital status, gender identity, or sexual orientation [FR Notice 02/03/12].

PHA Policy

The PHA will not discriminate against any of the federally-protected classes listed above. Additionally, the PHA will not discriminate against state-protected classes, including legal sources of income and domestic violence victims.

The PHA will not use any of these factors to:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the housing choice voucher program
- Provide housing that is different from that provided to others
- Subject anyone to segregation or disparate treatment
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program
- Treat a person differently in determining eligibility or other requirements for admission
- Steer an applicant or participant toward or away from a particular area based any of these factors
- Deny anyone access to the same level of services
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program
- Discriminate in the provision of residential real estate transactions
- Discriminate against someone because they are related to or associated with a member of a protected class
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class

Providing Information to Families and Owners

The PHA must take steps to ensure that families and owners are fully aware of all applicable civil rights laws. As part of the briefing process, the PHA must provide information to HCV applicant families about civil rights requirements and the opportunity to rent in a broad range of neighborhoods [24 CFR 982.301]. The Housing Assistance Payments (HAP) contract informs owners of the requirement not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the contract.

Discrimination Complaints

If an applicant or participant believes that any family member has been discriminated against by the PHA or an owner, the family should advise the PHA. HUD requires the PHA to make every reasonable attempt to determine whether the applicant's or participant's assertions have merit and take any warranted corrective action. In addition, the PHA is required to provide the applicant or participant with information about how to file a discrimination complaint [24 CFR 982.304].

PHA Policy

Applicants or participants who believe that they have been subject to unlawful discrimination may notify the PHA. Complaints made against the PHA must be submitted in writing within 30 days of the PHA's action/inaction in question.

The PHA will attempt to remedy discrimination complaints made against the PHA.

The PHA will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES

2-II.A. OVERVIEW

One type of disability discrimination prohibited by the Fair Housing Act is the refusal to make reasonable accommodation in rules, policies, practices, or services when such accommodation may be necessary to afford a person with a disability the equal opportunity to use and enjoy a program or dwelling under the program.

The PHA must ensure that persons with disabilities have full access to the PHA's programs and services. This responsibility begins with the first contact by an interested family and continues through every aspect of the program.

PHA Policy

The PHA will ask all applicants and participants if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by the PHA, by including the following language:

“If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact the housing authority.”

A specific name and phone number will be indicated as the contact for requests for accommodation for persons with disabilities.

The PHA will display posters and other housing information and signage in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair.

2-II.B. DEFINITION OF REASONABLE ACCOMMODATION

A person with a disability may require special accommodations in order to have equal access to the HCV program. The types of reasonable accommodations the PHA can provide include changes, exceptions, or adjustments to a rule, policy, practice, or service.

Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for the PHA, or result in a "fundamental alteration" in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider's operations.

Types of Reasonable Accommodations

When needed, the PHA must modify normal procedures to accommodate the needs of a person with disabilities. Examples include:

- Permitting applications and reexaminations to be completed by mail
- Conducting home visits
- Using higher payment standards (either within the acceptable range or with HUD approval of a payment standard outside the PHA range) if the PHA determines this is necessary to enable a person with disabilities to obtain a suitable housing unit
- Providing time extensions for locating a unit when necessary because of lack of availability of accessible units or special challenges of the family in seeking a unit
- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with PHA staff

2-II.C. REQUEST FOR AN ACCOMMODATION

If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, HUD requires that the PHA treat the information as a request for a reasonable accommodation, even if no formal request is made [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

The family must explain what type of accommodation is needed to provide the person with the disability full access to the PHA's programs and services.

If the need for the accommodation is not readily apparent or known to the PHA, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable connection, or nexus, between the requested accommodation and the individual's disability.

PHA Policy

The PHA will encourage the family to make its request in writing using a reasonable accommodation request form. However, the PHA will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted.

2-II.D. VERIFICATION OF DISABILITY

The regulatory civil rights definition for persons with disabilities is provided in Exhibit 2-1 at the end of this chapter. The definition of a person with a disability for the purpose of obtaining a reasonable accommodation is much broader than the HUD definition of disability which is used for waiting list preferences and income allowances.

Before providing an accommodation, the PHA must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to the PHA's programs and services.

If a person's disability is obvious or otherwise known to the PHA, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to the PHA, the PHA must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

When verifying a disability, the PHA will follow the verification policies provided in Chapter 7. All information related to a person's disability will be treated in accordance with the confidentiality policies provided in Chapter 16. In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability:

- Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].
- The PHA must request only information that is necessary to evaluate the disability-related need for the accommodation. The PHA will not inquire about the nature or extent of any disability.
- Medical records will not be accepted or retained in the participant file.
- In the event that the PHA does receive confidential information about a person's specific diagnosis, treatment, or the nature or severity of the disability, the PHA will dispose of it. In place of the information, the PHA will note in the file that the disability and other requested information have been verified, the date the verification was received, and the name and address of the knowledgeable professional who sent the information [Notice PIH 2010-26].

2-II.E. APPROVAL/DENIAL OF A REQUESTED ACCOMMODATION [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act, Notice PIH 2010-26].

The PHA must approve a request for an accommodation if the following three conditions are met:

- The request was made by or on behalf of a person with a disability .
- There is a disability-related need for the accommodation.
- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on the PHA, or fundamentally alter the nature of the PHA’s HCV operations (including the obligation to comply with HUD requirements and regulations).

Requests for accommodations must be assessed on a case-by-case basis, taking into account factors such as the overall size of the PHA’s program with respect to the number of employees, type of facilities and size of budget, type of operation including composition and structure of workforce, the nature and cost of the requested accommodation, and the availability of alternative accommodations that would effectively meet the family’s disability-related needs.

Before making a determination whether to approve the request, the PHA may enter into discussion and negotiation with the family, request more information from the family, or may require the family to sign a consent form so that the PHA may verify the need for the requested accommodation.

PHA Policy

Any reasonable accommodation request, whether verbal or written, will be documented by staff in receipt of the request and, barring exceptional circumstances, will be acknowledged within five (5) business days of receiving the request.

Barring exceptional circumstances, the PHA will provide a substantive written response within 15 business days of receiving the request or the most recent discussion about the request.

Prior to the PHA denying a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden or fundamentally alter the nature of the PHA’s operations), the PHA will discuss with the family whether an alternative accommodation could effectively address the family’s disability-related needs without a fundamental alteration to the HCV program and without imposing an undue financial and administrative burden.

If the PHA believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, the PHA will notify the family, in writing, of its determination within 15 business days from the date of the most recent discussion or communication with the family.

2-II.F. PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS

HUD regulations require the PHA to ensure that persons with disabilities related to hearing and vision have reasonable access to the PHA's programs and services [24 CFR 8.6].

At the initial point of contact with each applicant, the PHA shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

PHA Policy

To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display / teletype) communication will be available.

To meet the needs of persons with vision impairments, large-print versions of key program documents will be made available upon request. When visual aids are used in public meetings or presentations, or in meetings with PHA staff, one-on-one assistance will be provided upon request.

Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third-party representative (a friend, relative or advocate, named by the applicant) to receive, interpret and explain housing materials and be present at all meetings.

2-II.G. PHYSICAL ACCESSIBILITY

The PHA must comply with a variety of regulations pertaining to physical accessibility, including the following:

- Notice PIH 2010-26
- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988.

The PHA's policies concerning physical accessibility must be readily available to applicants and participants. They can be found in three key documents:

- This plan describes the key policies that govern the PHA's responsibilities with regard to physical accessibility.
- Notice PIH 2010-26 summarizes information about pertinent laws and implementing regulations related to non-discrimination and accessibility in federally-funded housing programs.
- The PHA Plan provides information about self-evaluation, needs assessment, and transition plans.

The design, construction, or alteration of PHA facilities must conform to the Uniform Federal Accessibility Standards (UFAS). Newly-constructed facilities must be designed to be readily accessible to and usable by persons with disabilities. Alterations to existing facilities must be accessible to the maximum extent feasible, defined as not imposing an undue financial and administrative burden on the operations of the HCV program.

When issuing a voucher to a family that includes an individual with disabilities, the PHA will provide a current list of available accessible units known to the PHA upon request.

In general, owners must permit the family to make reasonable modifications to the unit. However, the owner is not required to pay for the modification and may require that the unit be restored to its original state at the family's expense when the family moves.

2-II.H. DENIAL OR TERMINATION OF ASSISTANCE

A PHA's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation [24 CFR 982.552 (2)(iv)].

When applicants with disabilities are denied assistance, the notice of denial must inform them of the PHA's informal review process and their right to request a review. In addition, the notice must inform applicants with disabilities of their right to request reasonable accommodations to participate in the informal review process.

When a participant family's assistance is terminated, the notice of termination must inform them of the PHA's informal hearing process and their right to request a hearing and reasonable accommodation.

When reviewing reasonable accommodation requests, the PHA must consider whether any mitigating circumstances can be verified to explain and overcome the problem that led to the PHA's decision to deny or terminate assistance. If a reasonable accommodation will allow the family to meet the requirements, the PHA must make the accommodation.

PART III: IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY (LEP)

2-III.A. OVERVIEW

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the HCV program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. This part incorporates the Final Guidance to Federal Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007 in the *Federal Register*.

The PHA will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as Persons with Limited English Proficiency (LEP).

LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this administrative plan, LEP persons are HCV applicants and participants, and parents and family members of applicants and participants.

In order to determine the level of access needed by LEP persons, the PHA will balance the following four factors: (1) the number or proportion of LEP persons eligible to be served or likely to be encountered by the Housing Choice Voucher program; (2) the frequency with which LEP persons come into contact with the program; (3) the nature and importance of the program, activity, or service provided by the program to people's lives; and (4) the resources available to the PHA and costs. Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on the PHA.

2-III.B. ORAL INTERPRETATION

In situations in which health, safety, or access to important benefits and services are at stake, the PHA will generally offer, or ensure that the family is offered through other sources, competent services free of charge to the LEP person.

PHA Policy

The PHA will analyze the various kinds of contacts it has with the public, to assess language needs and decide what reasonable steps should be taken. “Reasonable steps” may not be reasonable where the costs imposed substantially exceed the benefits.

Where feasible, the PHA will train and hire bilingual staff to be available to act as interpreters and translators, will pool resources with other PHAs, and will standardize documents. Where feasible and possible, the PHA will encourage the use of qualified community volunteers.

Where LEP persons desire, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by the PHA. The interpreter may be a family member or friend.

2-III.C. WRITTEN TRANSLATION

Translation is the replacement of a written text from one language into an equivalent written text in another language.

PHA Policy

In order to comply with written-translation obligations, the PHA will take the following steps:

The PHA will provide written translations of vital documents for each eligible LEP language group that constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered. Translation of other documents, if needed, can be provided orally; or

If there are fewer than 50 persons in a language group that reaches the 5 percent trigger, the PHA does not translate vital written materials, but provides written notice in the primary language of the LEP language group of the right to receive competent oral interpretation of those written materials, free of cost.

2-III.D. IMPLEMENTATION PLAN

After completing the four-factor analysis and deciding what language assistance services are appropriate, the PHA shall determine whether it is necessary to develop a written implementation plan to address the identified needs of the LEP populations it serves.

If the PHA determines that it is not necessary to develop a written implementation plan, the absence of a written plan does not obviate the underlying obligation to ensure meaningful access by LEP persons to the PHA's Housing Choice Voucher program and services.

PHA Policy

If it is determined that the PHA serves very few LEP persons, and the PHA has very limited resources, the PHA will not develop a written LEP plan, but will consider alternative ways to articulate in a reasonable manner a plan for providing meaningful access. Entities having significant contact with LEP persons, such as schools, grassroots and faith-based organizations, community groups, and groups working with new immigrants will be contacted for input into the process.

If the PHA determines it is appropriate to develop a written LEP plan, the following five steps will be taken: (1) Identifying LEP individuals who need language assistance; (2) identifying language assistance measures; (3) training staff; (4) providing notice to LEP persons; and (5) monitoring and updating the LEP plan.

**EXHIBIT 2-1: DEFINITION OF A PERSON WITH A DISABILITY UNDER
FEDERAL CIVIL RIGHTS LAWS [24 CFR Parts 8.3 and 100.201]**

A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment.

The phrase “physical or mental impairment” includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
- Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term “physical or mental impairment” includes, but is not limited to: such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

“Major life activities” includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or working.

“Has a record of such impairment” means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

“Is regarded as having an impairment” is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as the PHA) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward that impairment.

The definition of a person with disabilities does not include:

- Current illegal drug users
- People whose alcohol use interferes with the rights of others
- Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the HCV program.

The above definition of disability determines whether an applicant or participant is entitled to any of the protections of federal disability civil rights laws. Thus, a person who does not meet this disability is not entitled to a reasonable accommodation under federal civil rights and fair housing laws and regulations.

The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The HUD definition of a person with a disability is used for purposes of receiving the disabled family preference, the \$400 elderly/disabled household deduction, the \$480 dependent deduction, the allowance for medical expenses, or the allowance for disability assistance expenses.

The definition of a person with a disability for purposes of granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the HCV program, yet an accommodation is needed to provide equal opportunity.

EXHIBIT 2-2: AFFIRMATIVELY FURTHERING FAIR HOUSING IN HOUSING CHOICE VOUCHER AND FAMILY SELF-SUFFICIENCY PROGRAMS

The PHA is committed to affirmatively furthering fair housing in all areas of the housing choice voucher (HCV) program operations, including the HCV family self-sufficiency (FSS) program and the Family Unification Program (FUP). The PHA will comply with all federal, state, and local laws and regulations governing nondiscrimination, fair housing and equal opportunity.

The PHA takes the following steps to affirmatively further fair housing in its HCV and HCV FSS programs:

1. Advertise for employment opportunities widely in the community, including minority media and specific papers developed for ethnic communities.
2. Ensure that all Section 8 and FSS staff attends fair housing and diversity training on an annual basis.
3. Actively support other agencies and legislation that furthers fair housing.
4. Promote active and open communication and maintain good working relationships with federal and local fair housing agencies and HUD's staff.
5. Maintain records of any FSS-specific steps taken to affirmatively further fair housing and report on them in the final year-end report for the HCV FSS program.
6. Post nondiscrimination notices in Section 8 and FSS offices.
7. Track family demographics, including race, ethnicity, familial status, and disability status of program participants.
8. Provide information and resources available to applicants and participants who believe they may be victims of discrimination.

The PHA has implemented the following objectives / activities to address and overcome potential impediments to fair housing.

1. **To help overcome any impediments to fair housing choice related to the assisted program (HCV) itself, the PHA has taken or will take the following steps:**
 - a. Take reasonable steps to ensure meaningful access to programs and services by persons with Limited English Proficiency (LEP).
 - b. Develop a close partnership with various landlord associations in the State of Oregon and work collaboratively with them to market the HCV program.
 - c. Conduct extensive landlord outreach to encourage acceptance of HCVs in community including marketing, landlord classes, newsletters, participation in local landlord events and trainings to educate and inform landlords and give greater access to units throughout all areas of the County.
 - d. Use landlords currently participating in the HCV program to conduct outreach to their colleagues to educate and inform about the benefits of HCV participation.
 - e. Increase payment standards in areas with higher market rents allowing affordability to voucher recipients in most areas of the County.
 - f. Update rent reasonableness comparison data on a bi-annual basis to ensure the PHA is approving rental rates based upon the current rental market.
 - g. Educate HCV participants on the location of low-poverty census tracts and the greater opportunity that may be present in such areas for them and their children.

- h. Participate in the Housing Choice Advisory Committee created by a new Oregon law (House Bill 2639). The new law explicitly states that Section 8 or any other local, state, or federal housing assistance is included in the source of income protection. The new law also creates the Housing Choice Landlord Guarantee Program to compensate landlords for damages incurred as a result of tenancies by Section 8 voucher holders. The new law is effective July 1, 2014.

2. To promote housing-related opportunities that overcome the effects of past discrimination because of race, color, national origin, religion, sex, disability, and familial status the PHA has implemented the following:

- a. Prior to the waiting list openings, market Section 8 and FSS programs to diverse groups throughout the community.
- b. Ensure equal access to assisted housing programs and services regardless of race, color, religion, national origin, sex, familial status, and disability.
- c. Provide basic information during the mandatory program orientation / briefing for all applicants regarding fair housing and the fact that all applicants have the right to be treated equally and fairly. Inform applicants that if they believe they are discriminated against because of their membership in one of the protected classes, they should file a discrimination complaint, and educate them on how to complete and submit the complaint form and who to contact if they would like assistance with this process.
- d. Maintain a listing of available units within the PHA office as well as online computer access for one-stop shopping. Upon request send this information via mail or electronically.
- e. Conduct ongoing monitoring to ensure equal or greater access to HCVs for a diverse population that reflects the citizenship of the PHA's jurisdiction. On an ongoing basis, the PHA analyzes the demographics of those on the PHA's waiting list, compared to those who receive assistance, and then compares that data with the demographics of the entire County to ensure the PHA's processes and procedures are allowing access to low income members of the community representing all ages, races, and a wide variety of demographics.
- f. Provide written translation of critical documents necessary to receive and maintain housing assistance for each eligible LEP language group in accordance with the PHA's LEP plan. The PHA reaches out to fill staff positions to language-specific applicants.
- g. Provide information and resources available to applicants and participants who believe they may be victims of discrimination.
- h. Provide discrimination complaint forms and assist in completing the forms.

3. The PHA is committed to promoting accessibility for persons with disabilities and has taken the following steps towards that commitment:

- a. Ensure that all Section 8 and FSS offices are accessible to persons with disabilities.
- b. Maintain a list of available accessible units known to the PHA.
- c. Provide reasonable accommodations to persons with disabilities to ensure full access to programs and services.
- d. Provide subsidy standard exceptions to persons with disabilities to accommodate medical equipment, live-in aide and/or other needs.

- e. In accordance with rent reasonableness requirements, approve higher rents to owners that provide accessible units with structural modifications for persons with disabilities.
- f. Where requested by an individual, assist program applicants and participants gain access to supportive services available within the community, but not require eligible applicants or participants to accept supportive services as a condition of continued participation in the program.
- g. Identify public and private funding sources to assist participants with disabilities in covering the costs of structural alterations and other accessibility features that are needed as accommodations for their disabilities.
- h. Not deny persons who qualify for a HCV other housing opportunities, or otherwise restrict access to PHA programs to eligible applicants who choose not to participate.
- i. Provide housing search assistance.
- j. Provide information and resources available to applicants and participants who believe they may be victims of discrimination.
- k. Provide discrimination complaint forms and assist in completing the forms.
- l. Provide limited access to security deposit assistance for homeless, disabled veterans accessing the VASH voucher program.
- m. Refer to the 211 services referral hotline for access to listings of agencies that can assist disabled applicants with deposits, application fees, modifications, and housing search assistance.

4. The PHA provides housing search assistance in the following ways:

- a. Provide listings of available units from within the PHA office via participating local landlords. Listings are updated weekly.
- b. Maintain and distribute a listing of accessible and affordable tax credit units.
- c. Provide extensive training to voucher recipients on how to look for and apply for a unit, and counsel them on low poverty areas and the additional opportunity they may present.
- d. Maintain an in office list of landlords who are willing to work with high barrier participants. Section 8 staff accesses this resource regularly when assisting voucher holders who are having difficulty leasing a unit.
- e. Personally contact and assist each voucher recipient to overcome their personal barriers through education, counseling and encouragement 60 days after they have received a voucher.

The PHA is committed to continuing and expanding the specific activities listed above as the PHA continues to affirmatively further access to housing for all low income applicants and participants in the Section 8 HCV and FSS programs.

Chapter 8

HOUSING QUALITY STANDARDS AND RENT REASONABLENESS DETERMINATIONS

[24 CFR 982 Subpart I and 24 CFR 982.507]

INTRODUCTION

HUD requires that all units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's Housing Quality Standards (HQS) and permits the PHA to establish additional requirements. The use of the term "HQS" in this plan refers to the combination of both HUD and PHA-established requirements. HQS inspections are required before the Housing Assistance Payments (HAP) Contract is signed and at least biennially during the term of the contract.

HUD also requires PHAs to determine that rents for units under the program are reasonable when compared to comparable unassisted units in the market area.

This chapter explains HUD and PHA requirements related to housing quality and rent reasonableness as follows:

Part I. Physical Standards. This part discusses the physical standards required of units occupied by HCV-assisted families and identifies decisions about the acceptability of the unit that may be made by the family based upon the family's preference. It also identifies life-threatening conditions that must be addressed on an expedited basis.

Part II. The Inspection Process. This part describes the types of inspections the PHA will make and the steps that will be taken when units do not meet HQS.

Part III. Rent Reasonableness Determinations. This part discusses the policies the PHA will use to make rent reasonableness determinations.

Special HQS requirements for homeownership, manufactured homes, and other special housing types are discussed in Chapter 15 to the extent that they apply in this jurisdiction.

PART I: PHYSICAL STANDARDS

8-I.A. GENERAL HUD REQUIREMENTS

HUD Performance and Acceptability Standards

HUD's performance and acceptability standards for HCV-assisted housing are provided in 24 CFR 982.401. These standards cover the following areas:

- Sanitary facilities
- Food preparation and refuse disposal
- Space and Security
- Thermal Environment
- Illumination and electricity
- Structure and materials
- Interior Air Quality
- Water Supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary condition
- Smoke Detectors.

A summary of HUD performance criteria is provided in Exhibit 8-1. Additional guidance on these requirements is found in the following HUD resources:

- Housing Choice Voucher Guidebook, Chapter 10
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)
- HUD Notice 2003-31, Accessibility Notice: Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988.

Tenant Preference Items

HUD requires the PHA to enforce minimum HQS but also recognizes that certain judgments about the acceptability of the unit are left to the family. For example, the PHA must ensure that the unit contains the required sanitary facilities, but the family decides whether the cosmetic appearance of the facilities is acceptable. Exhibit 8-2 summarizes those items that are considered tenant preferences.

Modifications to Provide Accessibility

Under the Fair Housing Act of 1988 an owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit. Such modifications are at the family's expense. The owner may require restoration of the unit to its original condition if the modification would interfere with the owner or next occupant's full enjoyment of the premises. The owner may not increase a customarily required security deposit. However, the landlord may negotiate a restoration agreement that requires the family to restore the unit and, if necessary to ensure the likelihood of restoration, may require the tenant to pay a reasonable amount into an interest bearing escrow account over a reasonable period of time. The interest in any such account accrues to the benefit of the tenant. The owner may also require reasonable assurances that the quality of the work will be acceptable and that any required building permits will be obtained. [24 CFR 100.203; Notice 2003-31].

Modifications to units to provide access for a person with a disability must meet all applicable HQS requirements and conform to the design, construction, or alteration of facilities contained in the UFAS and the ADA Accessibility Guidelines (ADAAG) [28 CFR 35.151(c) and Notice 2003-31] See Chapter 2 of this plan for additional information on reasonable accommodations for persons with disabilities.

8-I.B. ADDITIONAL LOCAL REQUIREMENTS

The PHA may impose variations to the HQS as long as the additional criteria are not likely to adversely affect the health or safety of participant families or severely restrict housing choices for families. HUD approval is required for the variations of the HQS. HUD approval is not required if the variations are clarifications of HUD's acceptability criteria or performance standards [24 CFR 982.401(a)(4)].

PHA Policy

HUD has granted the PHA approval to use acceptability criteria variations that are based on local building codes, inclusive of Title 29 of the Portland City Code. The Oregon Landlord-Tenant Law, Local Code (Title 29) and the Uniform Housing Code will supplement HQS when specific parts of all codes and laws may be useful to clarify HQS violations under the HUD requirements. The following basic housing requirements set in Title 29 of the Portland City Code will be uniformly enforced across Multnomah County:

Smoke Detectors

Smoke detectors must work and be located in sleeping rooms, in the immediate vicinity of the sleeping rooms and on each level of the house, including basements and attics with habitable space.

Emergency Exits

Each apartment or house must have at least one approved emergency exit.

Every bedroom must have a window or door that opens directly to the outside.

Windows and doors should never be blocked.

Doors and Windows

Broken, missing or poorly fitted doors and windows must be repaired to prevent weather entry.

Window and door locks, striker plates and jambs must work properly and be in good repair.

Bedroom windows must open and be able to stay open for ventilation or emergency exit. Sleeping room windows that are provided to meet emergency escape or rescue requirements shall have a minimum net clear opening of at least 20 inches wide and at least 22 inches high.

Bedrooms

In conjunction with HQS, Local Code (Title 29) and the Uniform Building Code, a bedroom is defined as a habitable room that is not a kitchen and has a minimum floor area of 70 square feet. A bedroom must have at least one window, ventilation, legal emergency egress, a door for privacy, and a closet designed for the storage of clothing. A bedroom must also meet all HQS requirements established by HUD.

If the County tax assessment records define a room as a bedroom, the PHA will consider the room a bedroom as well, provided that the room meets all HQS requirements established by HUD.

Thermal Environment [HCV GB p.10-7]

The PHA must define a “healthy living environment” for the local climate. This may be done by establishing a temperature that the heating system must be capable of maintaining, that is appropriate for the local climate.

PHA Policy

The heating system must be capable of maintaining an interior temperature of 68 degrees Fahrenheit between October 1 and May 1.

Clarifications of HUD Requirements

PHA Policy

As permitted by HUD, the PHA has adopted the following specific requirements that elaborate on HUD standards.

Walls

In areas where plaster or drywall is sagging, severely cracked, or otherwise damaged, it must be repaired or replaced.

Windows

Window sashes must be in good condition, solid and intact, and properly fitted to the window frame. Damaged or deteriorated sashes must be replaced.

Windows must be weather-stripped as needed to ensure a weather-tight seal.

Window screens must be in good condition (applies only if screens are present).

Doors

All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold.

All interior doors must have no holes, have all trim intact, and be openable without the use of a key.

All interior and exterior doors must not have double-key deadbolt locks.

Floors

All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be resecured and made level. If they cannot be leveled, they must be replaced.

All floors in living areas must be in a finished state. Raw wood or unsealed concrete is not permitted.

All floors should have some type of base shoe, trim, or sealing for a "finished look." Vinyl base shoe is permitted.

Sinks

All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.

All sinks and bathtubs must have functioning stoppers.

Toilets

All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.

Security

If window security bars or security screens are present on emergency exit windows, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

8-I.C. LIFE-THREATENING CONDITIONS [24 CFR 982.404(a)]

HUD requires the PHA to define life-threatening conditions and to notify the owner or the family (whichever is responsible) of the corrections required. The responsible party must correct life-threatening conditions within 24 hours of PHA notification.

PHA Policy

The following are considered life-threatening conditions:

Any condition that jeopardizes the security of the unit

Broken lock on first floor window or door, or broken glass which might cause an injury, or an obstacle which prevents family's access to the unit

Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling, plugged and overflowing toilet

Escaping gas from a gas stove, or natural or LP gas or fuel oil leaks

No electric service, or any electrical problem or condition that could result in shock or fire

Absence of a working heating system when outside temperature is below 50 degrees Fahrenheit

Utilities not in service, including no running cold or hot water

Conditions that present the imminent possibility of injury

Obstacles that prevent safe entrance or exit from the unit

Absence of a functioning toilet in the unit

Inoperable smoke detectors.

If an owner fails to correct life-threatening conditions as required by the PHA, the PHA will enforce the HQS in accordance with HUD requirements. See Section 8-II.H.

If a family fails to correct a family caused life-threatening condition as required by the PHA, the PHA will enforce the family obligations. See Section 8-II.I.

8-I.D. OWNER AND FAMILY RESPONSIBILITIES [24 CFR 982.404]

Family Responsibilities

The family is responsible for correcting the following HQS deficiencies:

- Tenant-paid utilities not in service
- Failure to provide or maintain family-supplied appliances
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear that results in a breach of the HQS. "Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under state law or court practice.

Owner Responsibilities

The owner is responsible for all HQS violations not listed as a family responsibility above, even if the violation is caused by the family's living habits (e.g., vermin infestation). However, if the family's actions constitute a serious or repeated lease violation the owner may take legal action to evict the family.

8-I-E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ELEVATED BLOOD LEAD LEVEL [24 CFR 35.1225, FR Notice 1/13/17]

If a PHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an elevated blood lead level, the PHA must complete an environmental investigation of the dwelling unit within 15 calendar days after being notified by a public health department or other medical health care provider. The environmental investigation must be completed in accordance with program requirements, and the result of the environmental investigation must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.

Within 30 days after receiving the environmental investigation report from the PHA, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the “hazard reduction” as required, the dwelling unit is in violation of HQS and the PHA will take action in accordance with Section 8-II.H.

PHA reporting requirements, and data collection and record keeping responsibilities related to children with an elevated blood lead level are discussed in Chapter 16.

8-I-F. VIOLATION OF HQS SPACE STANDARDS [24 CFR 982.401, 24 CFR 982.403]

A dwelling unit must:

- Provide adequate space and security for the family
- Have at least one bedroom or living/sleeping room for each two persons

A unit that does not meet these HQS space standards is defined as *overcrowded*.

A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space [HCV GB p. 10-6]. A bedroom or living/sleeping room must have at least:

- One window
- Two electrical outlets in proper operating condition (permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets)

If the PHA determines that a unit is overcrowded because of an increase in family size or a change in family composition, the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the PHA must terminate the HAP contract in accordance with its terms.

PART II: THE INSPECTION PROCESS

8-II.A. OVERVIEW [24 CFR 982.405]

Types of Inspections

The PHA conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.

- *Initial Inspections.* The PHA conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program. The unit must pass the HQS inspection on or before the effective date of the HAP Contract.
- *Annual / Biennial Inspections.* HUD requires the PHA to inspect each unit under lease at least biennially to confirm that the unit still meets HQS. The inspection may be conducted in conjunction with the family's annual reexamination but also may be conducted separately.
- *Special Inspections.* A special inspection may be requested by the owner, the family, or a third party as a result of problems identified with a unit between annual inspections.
- *Quality Control Inspections.* HUD requires that a sample of units be inspected by a supervisor or other qualified individual to evaluate the work of the inspector(s) and to ensure that inspections are performed in compliance with the HQS.

PHA Policy (MTW)

In addition to the types of inspections described above, the PHA will conduct an exit inspection if requested by the owner within 48 hours from family's departure from the unit. The inspection may meet the requirement of Landlord Guarantee Fund (LGF) program, if applicable. See Section 8-II.F.

Inspection of PHA-Owned Units [24 CFR 982.352(b)]

The PHA must obtain the services of an independent entity to perform all HQS inspections in cases where an HCV family is receiving assistance in a PHA-owned unit. A PHA-owned unit is defined as a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of each inspection to the family and the PHA. The independent agency must be approved by HUD, and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

PHA Policy (MTW)

The PHA opted to inspect its own units with HUD approval under Moving to Work authority.

The PHA will contract an outside agency to conduct a five percent quality control test of the inspections conducted by the PHA when buildings are owned and managed by the PHA.

Where the PHA-owned units are managed by a third-party property manager, thus reducing the conflict of interest, the PHA will not require quality control inspections by a third-party outside agency.

Inspection Costs [24 CFR 982.405, Notice PIH 2016-05]

The PHA may not charge the family for unit inspections or reinspections. In the case of inspections of PHA-owned units, the PHA may compensate the independent agency from ongoing administrative fee for inspections performed. The PHA and the independent agency may not charge the family any fee or charge for the inspection [24 CFR 982.352(b)].

The PHA may not charge the owner for the inspection of the unit prior to the initial term of the lease or for a first inspection during assisted occupancy of the unit. PHAs have the option to establish a reasonable fee to owners for a reinspection under two circumstances: (1) if an owner notifies the PHA that a deficiency cited in the previous inspection has been repaired and a reinspection reveals that it has not; and/or (2) if the allotted time for repairs has elapsed and a reinspection reveals that any deficiency cited in the previous inspection that the owner is responsible for repairing has not been corrected. Fees may not be applied to an owner for deficiencies caused by the family, initial inspections, regularly scheduled inspections, an instance in which the inspector was unable to gain access to the unit, or for new deficiencies identified during a reinspection.

The owner may not pass the reinspection fee on to the family.

Notice PIH 2016-05 provides further guidance on the reinspection fee option.

PHA Policy

The PHA does not charge a fee for failed reinspections.

Notice and Scheduling

The family must allow the PHA to inspect the unit at reasonable times with reasonable notice [24 CFR 982.551(d)].

PHA Policy

Both the family and the owner will be given reasonable notice of all inspections. Except in the case of a life threatening emergency, reasonable notice is considered to be not less than 48 hours. Inspections may be scheduled between 8:00 a.m. and 7:00 p.m. Generally inspections will be conducted on business days only. In the case of a life threatening emergency, the PHA will give as much notice as possible, given the nature of the emergency.

Owner and Family Inspection Attendance

HUD permits the PHA to set policy regarding family and owner presence at the time of inspection [HCV GB p. 10-27].

PHA Policy

When a family occupies the unit at the time of inspection an adult designated by the family must be present for the inspection. The presence of the owner or the owner's representative is encouraged but is not required.

At initial inspection of a vacant unit, the PHA will inspect the unit in the presence of the owner or owner's representative. The presence of a family representative is permitted, but is not required.

At exit inspection of a vacant unit, the presence of the owner or the owner's representative is required.

8-II.B. INITIAL HQS INSPECTION [24 CFR 982.401(a), FR Notice 1/18/17]

The PHA may not approve the assisted tenancy or execute a HAP contract until the unit has been inspected by the PHA and passes HQS [24 CFR 982.305].

The PHA may, but is not required to, approve an assisted tenancy for a unit, execute a HAP contract and begin making housing assistance payments on a unit that fails the initial HQS inspection, provided the unit only has non-life-threatening deficiencies. Further, the PHA may, but is not required to, authorize occupancy of a unit prior to the initial inspection being completed if the unit had passed a qualifying alternative inspection within the past 24 months. Notice PIH 2017-20 provides further guidance and implementation requirements for these discretionary provisions.

PHA Policy

The PHA will not approve the assisted tenancy or execute a HAP contract for a unit until the unit has been inspected by the PHA and passes HQS inspection.

The PHA did not implement discretionary provisions listed above.

Timing of Initial Inspections

HUD requires the unit to pass HQS before the effective date of the lease and HAP Contract. HUD requires PHAs with fewer than 1,250 budgeted units to complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA). For PHAs with 1,250 or more budgeted units, to the extent practicable such inspection and determination must be completed within 15 days. The 15-day period is suspended for any period during which the unit is not available for inspection [24 CFR 982.305(b)(2)].

PHA Policy

To the extent practicable, the PHA will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA).

Inspection Results and Reinspections

PHA Policy (MTW)

If any HQS violations are identified, the owner will be notified of the deficiencies and be given 10 business days to correct them and request a reinspection or submit self-certification of repairs, as determined by the PHA. Completed and signed self-certification of repairs may be submitted as a hard copy, in-person, by mail, or by fax.

If requested by the owner, the time frame for correcting the deficiencies may be extended by the PHA for good cause up to a maximum of 30 days.

The PHA will reinspect the unit within 5 business days of the date the owner notifies the PHA that the required corrections have been made. In cases when there are no more than four deficiencies, the PHA may accept, at its discretion, an owner's certification that required repairs were made, if all deficiencies are minor items as listed in Section 8-II.G.

In determining units qualified for an owner's self-certification of completed repairs, the PHA will consider its experience with the owner, tenant and property. The PHA is under no obligation to allow self-certification and may elect to do a reinspection to verify the correction of any HQS deficiencies. The PHA may also elect to do an audit inspection of self-certified repairs or conduct a reinspection at the tenant's request.

If the time period for correcting the deficiencies (or any PHA-approved extension) has elapsed, or the unit fails HQS at the time of the reinspection, or the PHA does not receive completed and signed self-certification of repairs by the due date, the PHA will notify the owner and the family that the unit has been rejected and that the family must search for another unit. The PHA may agree to conduct a second reinspection, for good cause, at the request of the family and owner.

Following PHA notification that the unit has been rejected, the family may submit a new Request for Tenancy Approval for the unit if the family has not found another unit by the time the owner completes all repairs, the family continues to wish to live in the unit, and the family's voucher has not expired.

Utilities

Generally, at initial lease-up the owner is responsible for demonstrating that all utilities are in working order including those utilities that the family will be responsible for paying.

PHA Policy

If utility service is not available for testing at the time of the initial inspection, the PHA will allow the utilities to be placed in service after the unit has met all other HQS requirements. The PHA will reinspect the unit to confirm that utilities are operational before the HAP contract is executed by the PHA.

Appliances

PHA Policy

If the family is responsible for supplying the stove and/or refrigerator, the PHA will allow the stove and refrigerator to be placed in the unit after the unit has met all other HQS requirements. The required appliances must be in place before the HAP contract is executed by the PHA. The PHA will reinspect the unit to confirm that the appliances have been installed and are working before the HAP contract is executed by the PHA.

8-II.C. ANNUAL / BIENNIAL HQS INSPECTIONS [24 CFR 982.405(a)]

Scheduling the Inspection

PHA Policy

The PHA may conduct regular unit inspections every other year for all tenant-based HCV participants unless:

- There is a concerning factor regarding inspection or unit status; or
- Family lives in a unit owned or managed by a landlord or property management company with a concerning inspection history.

As families are admitted onto the tenant-based HCV program, they will be placed on a biennial inspection schedule.

Participants placed on a biennial schedule will remain on that schedule unless a concern arises, at which point they will be placed back on an annual schedule until the concern no longer exists.

If an adult family member cannot be present on the scheduled date due to a medical emergency or a need for a reasonable accommodation due to a disability, the family may request that the PHA reschedule the inspection. The family must give the PHA at least 48-hour advanced notice of the need to reschedule. The PHA and family will agree on a new inspection date that generally should take place within 5 business days of the originally-scheduled date. The PHA may schedule an inspection more than 5 business days after the original date for good cause.

If the family misses the first scheduled appointment without requesting a new inspection date as described above, the family must contact the PHA within 5 business days of the scheduled date to request a second inspection. If the family fails to contact the PHA within 5 business days to request a second inspection, or if the family misses the second scheduled inspection without PHA approval, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

Local Inspection Policies

PHA Policy (MTW)

In the event of a local disaster, emergency, or other situation which affects the health and/or safety of PHA program participants, residents, staff, and/or the general public, the PHA may implement certain temporary changes to biennial inspection protocols to ensure continuity of safe operations to the extent possible and practical.

The inspection protocols which the PHA may implement are:

- The PHA 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.
- The PHA will continue to perform emergency inspections and initial HQS inspections in un-occupied units.

When implemented, these temporary changes will be ended or adjusted as soon as it is safe, feasible, and practical to do so. These changes will be implemented in response to the COVID-19 pandemic, and may be reenacted in the future in response to another local disaster, emergency, or other crisis situation.

8-II.D. SPECIAL INSPECTIONS [24 CFR 982.405(g)]

If a participant family or government official reports a life-threatening condition which the owner would be required to repair within 24 hours, the PHA must inspect the unit within 24 hours of when the PHA received the notification. If the reported condition is not life-threatening, the PHA must inspect the unit within 15 days of when the PHA received the notification.

PHA Policy

During a special inspection, the PHA generally will inspect only those deficiencies that were reported. However, the inspector will record any additional HQS deficiencies that are observed and will require the responsible party to make the necessary repairs.

If the annual inspection has been scheduled or is due within 90 days of the date the special inspection is scheduled the PHA may elect to conduct a full annual inspection.

8-II.E. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b); HCV GB, p. 10-32]

HUD requires a PHA supervisor or other qualified person to conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of the HQS.

The unit sample must include only units that have been inspected within the preceding 3 months. The selected sample will include (1) each type of inspection (initial, annual, and special), (2) inspections completed by each inspector, and (3) units from a cross-section of neighborhoods.

8-II.F. EXIT INSPECTIONS

PHA Policy (MTW)

The PHA will conduct an exit inspection if requested by the owner within 48 hours from family's departure from the unit. To the extent practicable, the PHA will conduct the inspection within two business days from the owner's request.

The PHA will conduct an exit inspection if all of the following conditions are met:

- The family vacated the unit;
- The owner requested an inspection within 48 hours from family's departure from the unit;
- The damage is directly linked to the family's tenancy (not caused by forces of nature, etc.);
- Deposits/fees collected by owner are not sufficient to cover the damage;
- The damage will not be reimbursed from any other source;
- The damage has not been fixed/cleaned; and
- The damage constitutes an HQS fail or a serious violation of the lease.

Some examples of damage that constitutes a serious violation of the lease are:

- Destroyed walls (large holes, mold from abuse by the family, excessive grease, graffiti)
- Destroyed floors (serious carpet stains that cannot be removed with a good cleaning, torn tile, badly stained wood floors)
- Broken light fixtures (more than one)
- Broken doors or door jambs
- Broken windows
- Overly dirty or broken appliances (stove, refrigerator)
- Excessive garbage and trash storage requiring more than two hours for one person to clean up
- Large items left behind (broken furniture, disabled vehicles, etc.)

The exit inspection may meet the requirement of LGF program. If the owner submitted an LGF claim and appears eligible for compensation in accordance with policies in Section 13-I.A, the PHA will determine the cost of damage to the unit using a list of covered items with set, non-negotiable amounts that the PHA will pay for each item. The following items are **not** covered under the LGF:

- Common areas
- Units other than the unit leased by the family
- Unpaid rent
- Damage committed more than two years after the effective date of HAP contract
- Infestations
- Mold damage
- Flood damage
- Smoking damage, other than cigarette burns in walls/carpet
- Fire damage
- Attorney's fees/court costs
- Damage not directly linked to the family's occupancy (such as damage caused by forces of nature).

8-II.G. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT

Notification of Corrective Actions

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS failures, the PHA will determine (1) whether or not the failure is a life-threatening condition and (2) whether the family or owner is responsible.

PHA Policy

When life-threatening conditions are identified, the PHA will immediately notify both parties by telephone, facsimile, or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of the PHA's notice. The PHA will verify the corrective actions on the next business day.

When failures that are not life-threatening are identified, the PHA will send the owner and the family a written notification of the inspection results within 5 business days of the inspection. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally no more than 30 days will be allowed for the correction.

The notice of inspection results will inform the owner that if life-threatening conditions are not corrected within 24 hours, and non-life threatening conditions are not corrected within the specified time frame (or any PHA-approved extension), the owner's HAP will be abated in accordance with PHA policy (see Section 8-II.H.). Likewise, in the case of family caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame (or any PHA-approved extension, if applicable) the family's assistance will be terminated in accordance with PHA policy (see Chapter 12).

If no deficiencies are identified and the unit passed inspection, the PHA will not provide notification to the owner and the family.

Extensions

For conditions that are life-threatening, the PHA cannot grant an extension to the 24 hour corrective action period. For conditions that are not life-threatening, the PHA may grant an exception to the required time frames for correcting the violation, if the PHA determines that an extension is appropriate [24 CFR 982.404].

PHA Policy

Extensions will be granted in cases where the PHA has determined that the owner has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

A repair cannot be completed because required parts or services are not available.

A repair cannot be completed because of weather conditions.

A repair cannot be completed because of the ownership change.

A reasonable accommodation is needed because the family includes a person with disabilities.

The length of the extension will be determined on a case by case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. The necessary repairs must be made within 15 calendar days, once the weather conditions have subsided.

Reinspections

PHA Policy

The PHA will conduct a reinspection immediately following the end of the corrective period, or any PHA-approved extension.

The family and owner will be given reasonable notice of the reinspection appointment. If the deficiencies have not been corrected by the time of the reinspection, the PHA will send a notice of abatement to the owner, or in the case of family caused violations, a notice of termination to the family, in accordance with PHA policies. If the PHA is unable to gain entry to the unit in order to conduct the scheduled reinspection, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

In cases when there are no more than four deficiencies, the PHA may accept, at its discretion, an owner's certification that required repairs were made, if all deficiencies are minor items from the following list:

- Replacement of burnt-out light bulbs (interior/exterior)
- Replacement of cracked or missing switch or socket plates
- Replacement or repair of windows that allow air infiltration
- Replacement, cleaning, or repair of stove (new knobs, burners, oven elements, drip pans)
- Replacement, cleaning, or repair of refrigerator (new handle (no sharp edges), door seal, shelves, defrost freezer)
- Replacement of broken or destroyed interior doors (bedroom, bathroom, etc.)
- Repair of closet doors off track
- Cleaning of carpet stains
- Removal of excess debris
- Yard cleanup (including removal of old cars, car parts, mowing, weeding, etc.)
- Repair of wall or ceiling holes in units with no lead-based paint issues
- Replacement of cracked toilet seat(s)
- Replacement of missing heater knobs.

The PHA will not consider an item on the above list to be minor if it threatens the health or safety of any household member.

In determining units qualified for an owner's self-certification of completed repairs, the PHA will consider its experience with the owner, tenant and property. The PHA is under no obligation to allow self-certification and may elect to do a reinspection to verify the correction of any HQS deficiencies. The PHA may also elect to do an audit inspection of self-certified repairs or conduct a reinspection at the tenant's request. If, as a result of the audit inspection or reinspection, the PHA finds that the deficiencies have not been corrected, the PHA will take an enforcement action, and self-certification will no longer be an option.

Completed and signed self-certification of repairs may be submitted as a hard copy, in-person, by mail, or by fax. If the PHA does not receive the completed and signed self-certification of repairs by the due date, the PHA will take an enforcement action, and self-certification will no longer be an option.

8-II.H. ENFORCING OWNER COMPLIANCE

If the owner fails to maintain the dwelling unit in accordance with HQS, the PHA must take prompt and vigorous action to enforce the owner obligations.

HAP Abatement

If an owner fails to correct HQS deficiencies by the time specified by the PHA, HUD requires the PHA to abate housing assistance payments no later than the first of the month following the specified correction period (including any approved extension) [24 CFR 985.3(f)]. No retroactive payments will be made to the owner for the period of time the rent was abated. Owner rents are not abated as a result of HQS failures that are the family's responsibility.

PHA Policy

Generally, the PHA will make all HAP abatements effective as of the first of the month following the specified correction period or, for self-certified items, as of the first of the month following the date the completed and signed certification of repairs was due to the PHA (including any approved extension). In cases when the payment has already been posted, the abatements will be effective as of the first of the next month.

The PHA has discretion not to abate the rent if an inspector determines that the owner has made a good faith effort to correct deficiencies.

The PHA will inspect abated units within 5 business days of the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection.

During any abatement period the family continues to be responsible for its share of the rent. The owner must not seek payment from the family for abated amounts and may not use the abatement as cause for eviction.

HAP Contract Termination

The PHA must decide how long any abatement period will continue before the HAP contract will be terminated. The PHA should not terminate the contract until the family finds another unit, provided the family does so in a reasonable time [HCV GB p. 10-29] and must give the owner reasonable notice of the termination. The PHA will issue a voucher to permit the family to move to another unit as described in Chapter 10.

PHA Policy

The maximum length of time that HAP may be abated is 60 days. However, if the owner completes corrections and notifies the PHA before the termination date of the HAP contract, the PHA may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit and (2) the unit passes inspection.

Reasonable notice of HAP contract termination by the PHA is 30 days.

8-II.I. ENFORCING FAMILY COMPLIANCE WITH HQS [24 CFR 982.404(b)]

Families are responsible for correcting any HQS violations listed in paragraph 8-I.D. If the family fails to correct a violation within the period allowed by the PHA (and any extensions), the PHA will terminate the family's assistance, according to the policies described in Chapter 12.

If the owner carries out a repair for which the family is responsible under the lease, the owner may bill the family for the cost of the repair.

PHA Policy (MTW)

If the PHA compensates the owner for damages beyond normal wear and tear under the Landlord Guarantee Fund (LGF) in accordance with policies in Section 13-I.A, the amounts paid by the PHA to the owner must be repaid to the PHA by the family. The PHA will offer a repayment agreement to the family in accordance with policies in Chapter 16.

PART III: RENT REASONABLENESS [24 CFR 982.507]

8-III.A. OVERVIEW

No HAP contract can be approved until the PHA has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program.

HUD regulations define a reasonable rent as one that does not exceed the rent charged for comparable, unassisted units in the same market area. HUD also requires that owners not charge more for assisted units than for comparable units on the premises. This part explains the method used to determine whether a unit's rent is reasonable.

PHA-Owned Units [24 CFR 982.352(b)]

In cases where an HCV family is receiving assistance in a PHA-owned unit, the PHA must obtain the services of an independent entity to determine rent reasonableness in accordance with program requirements, and to assist the family in negotiating the contract rent when the family requests assistance. A PHA-owned unit is defined as a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of the rent reasonableness determination to the family and the PHA. The independent agency must be approved by HUD, and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

PHA Policy (MTW)

The PHA opted to determine rent reasonableness for the PHA-owned units with HUD approval under Moving to Work authority.

The PHA will contract an outside agency to conduct a five percent quality control test of rent reasonableness determinations conducted by the PHA when buildings are owned and managed by the PHA.

Where the PHA-owned units are managed by a third-party property manager, thus reducing the conflict of interest, the PHA will not require quality control testing of rent reasonableness determinations by a third-party outside agency.

8-III.B. WHEN RENT REASONABLENESS DETERMINATIONS ARE REQUIRED

Owner-Initiated Rent Determinations

The PHA must make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment.

The owner and family first negotiate the rent for a unit. The PHA (or independent agency in the case of PHA-owned units) will assist the family with the negotiations upon request. At initial occupancy the PHA must determine whether the proposed rent is reasonable before a HAP Contract is signed. The owner must not change the rent during the initial lease term. Subsequent requests for rent adjustments must be consistent with the lease between the owner and the family. Rent increases will not be approved unless any failed items identified by the most recent HQS inspection have been corrected.

PHA Policy

After the initial occupancy period, the owner may request a rent adjustment in accordance with the owner's lease. For rent increase requests after initial lease-up, the PHA may request owners to provide information about the rents charged for other units on the premises, if the premises include more than 4 units. In evaluating the proposed rents in comparison to other units on the premises the PHA will consider unit size and length of tenancy in the other units.

The PHA will determine whether the requested increase is reasonable within 15 business days of receiving the request from the owner. The owner will be notified of the determination in writing.

All rents adjustments will be effective the first of the month following 90 days after the PHA's receipt of the owner's request or on the date specified by the owner, whichever is later.

PHA- and HUD-Initiated Rent Reasonableness Determinations

HUD requires the PHA to make a determination of rent reasonableness (even if the owner has not requested a change) if there is a 10 percent decrease in the Fair Market Rent that goes into effect at least 60 days before the contract anniversary date. HUD also may direct the PHA to make a determination at any other time. The PHA may decide that a new determination of rent reasonableness is needed at any time.

PHA Policy

In addition to the instances described above, the PHA will make a determination of rent reasonableness at any time after the initial occupancy period if: (1) the PHA determines that the initial rent reasonableness determination was in error or (2) the PHA determines that the information provided by the owner about the unit or other units on the same premises was incorrect.

8-III.C. HOW COMPARABILITY IS ESTABLISHED

Factors to Consider

HUD requires PHAs to take into consideration the factors listed below when determining rent comparability. The PHA may use these factors to make upward or downward adjustments to the rents of comparison units when the units are not identical to the HCV-assisted unit.

- Location and age
- Unit size including the number of rooms and square footage of rooms
- The type of unit including construction type (e.g., single family, duplex, garden, low-rise, high-rise)
- The quality of the units including the quality of the original construction, maintenance and improvements made
- Amenities, services, and utilities included in the rent.

Units that Must Not be Used as Comparables

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state, or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs: Section 8 project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects, HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized through federal, state, or local tax credits; units subsidized by the Department of Agriculture rural housing programs, and units that are rent-controlled by local ordinance.

Note: Notice PIH 2020-19 issued August 21, 2020 provides further guidance on the issue of what constitutes an assisted unit.

Rents Charged for Other Units on the Premises

The Request for Tenancy Approval (HUD-52517) requires owners to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than 4 units.

By accepting the PHA payment each month the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the owner must give the PHA information regarding rents charged for other units on the premises.

Section 8 Tenant-Based Voucher Program Rents for Units Assisted by Low-Income Housing Tax Credits or Assistance under HUD’s HOME Investment Partnerships (HOME) Program [FR Notice, June 25, 2014]

For a unit receiving low-income housing tax credits (LIHTCs) pursuant to Section 42 of the Internal Revenue Code of 1986 or receiving assistance under HUD’s HOME program (for which the regulations are found in 24 CFR Part 92), a rent comparison with unassisted units is not required if the voucher rent does not exceed the rent for other LIHTC- or HOME-assisted units in the project that are not occupied by families with tenant-based assistance.

Low-Income Housing Tax Credits (LIHTC)

If the rent requested by the owner exceeds the LIHTC rents for non-voucher families, the PHA must perform a rent comparability study in accordance with program regulations and the rent shall not exceed the lesser of:

- (1) The reasonable rent as determined pursuant to a rent comparability study; or
- (2) The payment standard established by the PHA for the unit size involved.

PHA Policy

If the rent requested by the owner exceeds the LIHTC rents for non-voucher families, the PHA must perform a rent comparability study in accordance with program regulations and the rent shall not exceed the lesser of:

- (1) The reasonable rent as determined pursuant to a rent comparability study; or
- (2) The payment standard established by the PHA for the unit size involved minus the utility allowance.

8-III.D. PHA RENT REASONABLENESS METHODOLOGY

How Market Data Is Collected

PHA Policy

The PHA may use existing studies of rents in the PHA's jurisdiction, including Multifamily NW semiannual survey. In addition, the PHA may conduct its own survey to collect and maintain data on market rents in the PHA's jurisdiction. Information sources also include newspapers, realtors, market surveys, inquiries of owners and other available sources. The data will be maintained by bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood, and identifiable natural or man-made boundaries. The data will be updated on an ongoing basis, and rent information that is more than 12 months old will not be used to determine rent reasonableness.

How Rents Are Determined

PHA Policy

The rent for a unit proposed for HCV assistance will be compared to the average market rent of similar unassisted units. To determine reasonable rent, the PHA will make adjustments to the average market rent to account for the features of the proposed unit that may impact rent.

The adjustments must reflect the local market. Not all differences in units require adjustments (e.g., the presence or absence of a garbage disposal may not affect the rent in some market areas).

Adjustments may vary by unit type (e.g., a second bathroom may be more valuable in a three-bedroom unit than in a two-bedroom).

The adjustment must reflect the rental value of the difference - not its construction costs (e.g., it might cost \$20,000 to put on a new roof, but the new roof might not make any difference in what a tenant would be willing to pay because rental units are presumed to have functioning roofs).

When a comparable project offers rent concessions (e.g., first month rent-free, or reduced rent), reported monthly rents will be adjusted accordingly. For example, if a comparable project reports rents of \$500/month but new tenants receive the first month's rent free, the actual rent for the unit would be calculated as follows: $\$500 \times 11 \text{ months} = 5500/12 \text{ months} = \text{actual monthly rent of } \488 .

The PHA will notify the owner of the rent the PHA can approve based upon its analysis. The owner may submit information about other comparable units in the market area. The PHA will confirm the accuracy of the information provided and consider this additional information when making rent determinations. The owner must submit any additional information within 5 business days of the PHA's request for information or the owner's request to submit information.

EXHIBIT 8-1: OVERVIEW OF HUD HOUSING QUALITY STANDARDS

Note: This document provides an overview of HQS. For more detailed information see the following documents:

- 24 CFR 982.401, Housing Quality Standards (HQS)
- Housing Choice Voucher Guidebook, Chapter 10
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00).

Sanitary Facilities

The dwelling unit must include sanitary facilities within the unit. The sanitary facilities must be usable in privacy and must be in proper operating condition and adequate for personal cleanliness and disposal of human waste.

Food Preparation and Refuse Disposal

The dwelling unit must have space and equipment suitable for the family to store, prepare, and serve food in a sanitary manner.

Space and Security

The dwelling unit must provide adequate space and security for the family. This includes having at least one bedroom or living/sleeping room for each two persons.

Thermal Environment

The unit must have a safe system for heating the dwelling unit. Air conditioning is not required but if provided must be in proper operating condition. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Portable electric room heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat for units located in climatic areas where permanent heat systems are required.

Illumination and Electricity

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. Minimum standards are set for different types of rooms. Once the minimum standards are met, the number, type and location of electrical sources are a matter of tenant preference.

Structure and Materials

The dwelling unit must be structurally sound. Handrails are required when four or more steps (risers) are present, and protective railings are required when porches, balconies, and stoops are thirty inches or more off the ground. The elevator servicing the unit must be working [if there is one]. Manufactured homes must have proper tie-down devices capable of surviving wind loads common to the area.

Interior Air Quality

The dwelling unit must be free of air pollutant levels that threaten the occupants' health. There must be adequate air circulation in the dwelling unit. Bathroom areas must have one openable window or other adequate ventilation. Any sleeping room must have at least one window. If a window was designed to be opened, it must be in proper working order.

Water Supply

The dwelling unit must be served by an approved public or private water supply that is sanitary and free from contamination. Plumbing fixtures and pipes must be free of leaks and threats to health and safety.

Lead-Based Paint

Lead-based paint requirements apply to dwelling units built prior to 1978 that are occupied or can be occupied by families with children under six years of age, excluding zero bedroom dwellings. Owners must:

- Disclose known lead-based paint hazards to prospective tenants before the lease is signed
- Provide all prospective families with "Protect Your Family from Lead in Your Home"
- Stabilize deteriorated painted surfaces and conduct hazard reduction activities when identified by the PHA
- Notify tenants each time such an activity is performed
- Conduct all work in accordance with HUD safe practices
- As part of ongoing maintenance ask each family to report deteriorated paint.

For units occupied by elevated blood lead level (lead poisoned) children under six years of age, an environmental investigation must be conducted (paid for by the PHA). If lead hazards are identified during the environmental investigation, the owner must complete hazard reduction activities.

See HCV GB p. 10-15 for a detailed description of these requirements. For additional information on lead-based paint requirements see 24 CFR 35, Subparts A, B, M, and R.

Access

Use and maintenance of the unit must be possible without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire.

Site and Neighborhood

The site and neighborhood must be reasonably free from disturbing noises and reverberations, excessive trash or vermin, or other dangers to the health, safety, and general welfare of the occupants.

Sanitary Condition

The dwelling unit and its equipment must be in sanitary condition and free of vermin and rodent infestation. The unit must have adequate barriers to prevent infestation.

Smoke Detectors

Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any person with a hearing impairment, smoke detectors must have an appropriate alarm system as specified in NFPA 74 (or successor standards).

Hazards and Health/Safety

The unit, interior and exterior common areas accessible to the family, the site, and the surrounding neighborhood must be free of hazards to the family's health and safety.

**EXHIBIT 8-2: SUMMARY OF TENANT PREFERENCE AREAS
RELATED TO HOUSING QUALITY**

Note: This document provides an overview of unit and site characteristics and conditions for which the family determines acceptability. For more detailed information see the following documents:

- Housing Choice Voucher Guidebook, Chapter 10
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00).

Provided the minimum housing quality standards have been met, HUD permits the family to determine whether the unit is acceptable with regard to the following characteristics.

- *Sanitary Facilities.* The family may determine the adequacy of the cosmetic condition and quality of the sanitary facilities, including the size of the lavatory, tub, or shower; the location of the sanitary facilities within the unit; and the adequacy of the water heater.
- *Food Preparation and Refuse Disposal.* The family selects size and type of equipment it finds acceptable. When the family is responsible for supplying cooking appliances, the family may choose to use a microwave oven in place of a conventional oven, stove, or range. When the owner is responsible for providing cooking appliances, the owner may offer a microwave oven in place of an oven, stove, or range only if other subsidized and unsubsidized units on the premises are furnished with microwave ovens only. The adequacy of the amount and type of storage space, the cosmetic conditions of all equipment, and the size and location of the kitchen are all determined by the family.
- *Space and Security.* The family may determine the adequacy of room sizes and room locations. The family is also responsible for deciding the acceptability of the type of door and window locks.
- *Energy conservation items.* The family may determine whether the amount of insulation, presence of absence of storm doors and windows and other energy conservation items are acceptable.
- *Illumination and Electricity.* The family may determine whether the location and the number of outlets and fixtures (over and above those required to meet HQS standards) are acceptable or if the amount of electrical service is adequate for the use of appliances, computers, or stereo equipment.

- (6) *Structure and Materials*. Families may determine whether minor defects, such as lack of paint, or worn flooring or carpeting will affect the livability of the unit.
- (7) *Indoor Air*. Families may determine whether window and door screens, filters, fans, or other devices for proper ventilation are adequate to meet the family's needs. However, if screens are present they must be in good condition.
- (8) *Sanitary Conditions*. The family determines whether the sanitary conditions in the unit, including minor infestations, are acceptable.
- (9) *Neighborhood conditions*. Families may determine whether neighborhood conditions such as the presence of drug activity, commercial enterprises, and convenience to shopping will affect the livability of the unit.

Families have no discretion with respect to lead-based paint standards and smoke detectors.

RESOLUTIONS



MEMORANDUM

To: Board of Commissioners
Date: March 19, 2024

From: Terren Wing
Director, Strategy & Federal Policy
503.802.8458

Subject: Authorization to Submit Moving to
Work Twenty Fourth-Year Annual
Report
Resolution 24-03-04

The Board of Commissioners is requested to authorize Home Forward to submit the Moving to Work (MTW) Twenty Fourth-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 2023 (January 1, 2023 – December 31, 2023). 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 substantially the same population as it would absent the MTW flexibility. These certifications are included in the report and are incorporated into the resolution.

ATTACHMENT

FY2023 Annual Moving to Work Report



RESOLUTION 24-03-04

RESOLUTION 24-03-04 AUTHORIZES HOME FORWARD STAFF TO SUBMIT THE MOVING TO WORK TWENTY FOURTH-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 Fourth-Year Annual Report to the Department of Housing and Urban Development.

ADOPTED: MARCH 19, 2024

Attest:

Home Forward:

Ivory N. Mathews, Secretary

Matthew Gebhardt, Chair



homeforward

YEAR 24

Moving to Work

ANNUAL REPORT

Original Submission:

March 30, 2024

HUD Approval Received:

TBD

Home Forward Board of Commissioners

Matthew Gebhardt, Chair
Jenny Kim, Vice Chair
Damien Hall, Chair Emeritus & Treasurer
Dina DiNucci, Commissioner
TomiRene Hettman, Commissioner
Jessy Ledesma, Commissioner
Rakeem Washington, Commissioner

Home Forward Executive Staff

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Martha Calhoon, Chief Communication Officer
Ian Davie, Chief Operating Officer
Kitty Miller, Chief People and Culture Officer
Kandy Sage, Chief Financial Officer
Elise Anderson, Director, Property Management
Christina Dirks, Director, Policy and Planning
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Carolina Gomez, Director, Integrated Facilities Services and Safety
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Ian Slingerland, Director, Supportive Housing and Homeless Initiatives
Aimee Smith, Director, Human Resources
Jonathan Trutt, Director, Development and Community Revitalization
Linda Uppinghouse, Controller
Terren Wing, Director, Strategy and Federal Policy



homeforward

YEAR 24

FY2023 Moving to Work ANNUAL REPORT

January 1, 2023 – December 31,
2023

Table of Contents

Section I. Introduction	1
<i>Long Term MTW Goals and Objectives</i>	1
<i>MTW Goals and Objectives for the Year</i>	1
<i>Non-MTW Activities</i>	2
Section II. General Housing Authority Operating Information	4
A. <i>Housing Stock Information</i>	4
B. <i>Leasing Information</i>	6
C. <i>Waiting List Information</i>	8
D. <i>Information of Statutory Objectives and Requirements</i>	9
Section III. Proposed MTW Activities	10
Section IV. Approved MTW Activities	11
<i>Implemented Activities</i>	
01 Rent Reform	11
02 GOALS – Home Forward’s Family Self-Sufficiency Program	17
03 Local Blended Subsidy	21
06 Alternate Inspection Requirements for Partner-Based Programs	23
07 Landlord Self-Certification of Minor Repairs	24
08 Inspections and Rent Reasonableness at Home Forward-Owned Properties	24
09 Measures to Improve the Rate of Voucher Holders Who Successfully Lease-Up	26
10 Local Project-Based Voucher Program	28
11 Align Utility Allowance Adjustment Procedures	32
13 Broaden Range of Approved Payment Standards	33
14 Program Based Assistance	35
15 Tenant-Based Voucher Set Aside Policies	38
16 Affordable Housing General Obligation Bond Project Based Voucher Allocation	40
17 Mod Rehab and Mod Rehab SRO Rent Assistance Demonstration Rent Reform	42
18 Transfer of PBV Contract to Support Local Preservation/Development of Affordable Housing	45
19 Program Transfer Flexibility Bridge	48
20 Local Inspection Policies	50
21 Self-Certification of Income	52
22 Modernizing HCV/PBV Oral Briefings	54
23 Use of Staff Instead of Third Parties for Home Forward Owned Properties	56
24 Rent Assistance Termination Reform	57
25 Preservation and Expansion of Affordable Housing	58
26 Initial HQS Inspection and HAP Contract Execution	59
27 Income Verification at Admission to Housing Choice Voucher Program	60
<i>Not Yet Implemented Activities</i>	62
<i>Closed Out Activities</i>	62
Section V. Sources and Uses of Funding	62
Section VI. Administrative	65
A. <i>Reviews, Audits, and Inspections</i>	65
B. <i>Evaluation Results</i>	65
C. <i>MTW Statutory Requirement Certification</i>	66
D. <i>MTW Energy Performance (EPC) Flexibility Data</i>	67
Appendix: Local Asset Management Plan	68

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 permits PHAs to combine operating, capital, and tenant-based assistance funds into a single agency-wide funding source. The purpose of the MTW program is 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 2023 Moving to Work Report details how Home Forward has used its MTW flexibility to achieve these goals, allowing us to respond quickly and specifically to the needs of our community.

Long Term MTW Goals and Objectives

In 2023, Home Forward released a new strategic plan that reaffirms our commitment to equity, diversity, inclusion, and systemic change. The development of the strategic plan included input from staff, the board of directors, our Resident Advisory Committee, and partners. Being agile, responsive, creative, and innovative with this plan defines Home Forward's position as a leader within the housing stability ecosystem, and our commitment of building in mission and equity alignment across the entire supply chain of affordable housing production, acquisition, and preservation. We aim to improve our systems of offering seamless pathways for accessing housing stability and quality of life resources for the people we serve. The plan identifies key priority areas that Home Forward will make progress on over the next three years of the strategic plan. Our key priorities include: 1) improving service to residents and program participants; 2) supporting employees; and 3) leading within the housing stability ecosystem. 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.

MTW Goals and Objectives for the Year

The Portland metro region continues to experience a challenging housing market. As a reaction to the state's housing rental crisis, the Oregon state legislature invested \$1.4 billion in affordable housing and homelessness during the 2023 legislative session. Many households earning low-incomes continue to face the economic impacts of the COVID-19 pandemic, 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 during the pandemic, including: self-certification of income (Activity 21) and modernizing HCV/PBV oral briefings (Activity 22). We also continue to intentionally dedicate 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 voucher-based platform through RAD, a tool that enables the preservation of this critical affordable housing infrastructure for generations to come. This effort has created a significant body of work for the entire organization over the past decade, and that work continues. The subsidy conversion transitions the public housing portfolio to a more stable funding source and gives 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 current residents who call our buildings home and we have expended organizational capacity to effectively communicate and prepare for the transition.

Home Forward's ongoing MTW activities continue to increase housing choice in our challenging rental market. 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 FY2023 living in high opportunity neighborhoods increased by over 1,620 households from FY2016, in large part due to investments made possible by our Local Project-Based Voucher Program activity. Home Forward has also used our Program Based Assistance activity to assist with a rental assistance grant at Mamook Tokatee, an affordable housing property sponsored by the Native American Youth and Family Center, which provides culturally specific services to Native and Indigenous households; this work follows on a successful effort at Nesika Ilahee, a similar affordable housing development in the Cully neighborhood of Northeast Portland.

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 households and communities that are historically and currently disproportionately affected by the criminal justice system. This Home Forward pilot project has been replicated locally and recognized nationally.

Overview of Home Forward's MTW Activities

- 01 Large scale reform of how we calculate rents.
- 02 Alignment of our self-sufficiency programs into one consolidated, locally tailored program.
- 03 Creation of a local subsidy program, blending Section 8 and public housing funds to subsidize units.
- 06 Allowing alternate inspection standards for partner-based programs.
- 07 Accepting an owner's self-certification of minor repairs.
- 08 Setting rent reasonableness and conducting inspections at Home Forward-owned properties.
- 09 Measures to improve landlord acceptance of Section 8 vouchers in the community.
- 10 Creation of a local project-based voucher tailored to meet the needs of our community.
- 11 Alignment of the utility allowance adjustment process for public housing and Section 8.
- 13 Flexibility to establish payment standards between 80% and 160% of Fair Market Rents.
- 14 Offer limited rent assistance to help families access and/or retain stable housing.
- 15 Set aside vouchers with limited preferences aligned with supportive services for increased success.
- 16 Allocation of up to 400 project-based vouchers to support Portland Housing GO Bond.
- 17 Reform of rent calculations for Mod Rehab single room occupancy units.
- 18 Flexibility to permit property owners under project-based voucher contract to transfer contract.
- 19 Temporary changes to inspection protocols during emergencies.
- 20 Streamlining transfers between public housing and Housing Choice Voucher program.
- 21 Allows temporary self-certification of income during emergencies.
- 22 Allows Housing Choice Voucher/project-based voucher briefings to be done by alternative means.
- 23 Clarifies scope of using staff rather than third parties with respect to HCV/PBV units.
- 24 Limits circumstances in which HCV assistance may be terminated.
- 25 Authorizes use of flexible funding assistance for preservation and expansion of affordable housing.
- 26 Provides greater flexibility to support households in leasing up with their voucher.
- 27 Allows self-certifications and delay of receipt of documentation for income verification.

Non-MTW Activities

Home Forward's goals and objectives for FY2023 also included several activities that do not rely on MTW flexibility but are key to continuing to be innovative in the ways we serve our community.

Regional Efforts

Home Forward partners closely with regional partners to maximize resources and efficiency in programs to better serve our residents and participants. Some highlights of this work over the past year include:

- Collaboration with the Joint Office of Homeless Services (JOHS) and 19 different service agency partners to house over 700 households referred from Multnomah County's Coordinated Entry Systems with tenant-based assistance through Emergency Housing, Mainstream and Housing Choice voucher programs;
- Partnering with Oregon Department of Human Services and partners in Multnomah County's Homeless Youth Continuum to house youth experiencing homelessness through our Foster Youth to Independence and Family Unification Program voucher programs;
- Began implementing the Stability Voucher program in partnership with Multnomah County's Coordinated Entry system and the Native American Rehabilitation Association with goal of addressing over-representation of Native identifying persons experiencing unsheltered homelessness in Multnomah County;
- Received approval for and began implementing the Veterans Affairs Supportive Housing Collaborative Case Management project in partnership with the VA, JOHS, and the Native American Rehabilitation Association. The project will improve VASH utilization while helping address the over-representation of Native-identifying veterans experiencing homelessness in Multnomah County.
- Implemented and expanded new locally funded Regional Long Term Rent Assistance program in partnership with JOHS and service agency partners;
- In partnership with the Portland Housing Bureau, JOHS, developers, and community sponsors, leased up new units with Project Based Vouchers (PBVs).

General Obligation Bonds

City of Portland Housing Bond: In November 2016, Portland voters passed the city's first housing bond, dedicating \$258.4 million to create over 1,300 permanently affordable homes. Home Forward is participating in the Portland GO Bond in various ways:

1. Rent Assistance: Home Forward aligned approximately 400 Housing Choice Vouchers with this effort to ensure deep affordability for households residing in these affordable homes.
2. Asset Management: Home Forward's asset management team is overseeing third-party property management on behalf of the City of Portland.
3. Development and Long-term Ownership of City-Purchased Site: During FY2023, Home Forward continued to make progress on construction for a new development at SE 30th and SE Powell in Portland, to be known as the Hazel Ying Lee Apartments. The development will provide 206 units of housing for individuals at or below 60% AMI. Of the 206 units, 50 will benefit from Project-Based Vouchers and 30 will be designated as Permanent Supportive Housing for families who have previously experienced homelessness. Construction is expected to be complete in April 2024.

Metro Regional Housing 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 Regional Housing 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. Home Forward has committed more than 100 Housing Choice Vouchers to this effort to ensure deep affordability for affordable housing created in Multnomah County using Metro Bond proceeds.

As of December 31, 2023, Home Forward projects with Metro GO Bond allocations include:

1. Redevelopment of Dekum Court (under construction as of December 2023): 187 units total; includes the project-basing of 40 replacement vouchers created through a 40 Section 18 Demolition / Disposition approval and 27 RAD Transfer of Assistance units. 61 units income and rent-restricted at 30% AMI; 126 units income and rent-restricted at 60% AMI.
2. Killingsworth Housing (began construction February 2024): 84 units total; 28 units income and rent restricted at 30% AMI; 56 units income and rent restricted at 60% AMI.
3. Hattie Redmond (fully operational as a 100% Permanent Supportive Housing project as of December 2023): 60 units total, all of which come with state-funded rental assistance and supportive services. 60 units income restricted at 30% AMI and state vouchers are rent restricted at 60% AMI.

4. Troutdale (slated for construction start in June 2024): 85 units total; 35 units income and rent restricted at 30% AMI; 50 units income and rent restricted at 60% AMI.

Metro Supportive Housing Services Bond: Voters in the three-county area (including Multnomah County which is served by Home Forward) approved a measure in May 2020 to provide long-term rental assistance and aligned supportive services to populations experiencing chronic homelessness. This effort has resulted in significantly increased capacity for local supportive housing efforts, with a three-county goal of connecting at least 5,000 households experiencing homelessness to permanent supportive housing and stabilizing at least 10,000 households at risk of experiencing homelessness in permanent housing. This effort has been guided by a Strategic Plan to Advance Racial Equity, Diversity and Inclusion, which aims to serve people of color at higher rates with affirming and effective services. Home Forward has supported this effort by building, overseeing, and directly administering the Regional Long-term Rent Assistance effort, which Home Forward modeled in part on the federal Housing Choice Voucher program, informed by local adjustments using the Moving to Work program. Home Forward has also advised on jurisdictional efforts to connect the referral and distribution model with the Coordinated Entry system as well as other local systems of care and has been a partner on systems change efforts as the program becomes fully utilized.

Public Housing Strategy

As of December 31, 2023, Home Forward operates 369 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. Under Home Forward’s strategic plan, we will focus on using our development expertise to advance innovative solutions that expand supply and address community needs. To that end, we will continue to prioritize transitioning our public housing units to project-based vouchers by deploying the tools available including the Rental Assistance Demonstration (RAD), Faircloth to RAD, and Section 18 regulatory mechanisms.

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 (HAP) 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			
N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A			

* Figures in the “Planned” column should match the corresponding Annual MTW Plan.

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

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 VOUCHERS NEWLY PROJECT-BASED		STATUS AT END OF PLAN YEAR**	RAD?	DESCRIPTION OF PROJECT
	Planned	Actual			
Alberta Alive	25	25	Committed	No	New construction with Community Development Partners. Will include 25 Project-Based VASH
Findley Project	20	20	Committed	No	New construction with Do Good Multnomah. Will include 20 Project-Based VASH
Las Adelitas	8	8	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	12	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	48	Committed	No	New construction with Northwest Housing Alternatives. Will include 48 Project-based Vouchers for chronically homeless individuals, seniors with a disability
Starlight (formerly Westwind Apts)	70	0	Committed	No	New construction with Central City Concern. Will include 70 Project-based Vouchers for chronically homeless individuals
NE Prescott	8	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
RiverPlace Phase 2	20	0	Committed	No	New Construction with Bridge Housing, Inc. Will include 20 Project based VASH for homeless veterans
Joyce Hotel	66	0	Committed	No	New construction with CPAH. Will include 66 Project-based Vouchers for chronically homeless individuals
	343	113	Planned/Actual Total Existing Project-Based Vouchers		

* 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:

All PBV projects remain committed and in various phases of construction and/or development.

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								
Community	Activity	Scattered Site Sales Proceeds	Capital Fund	Asset Repositioning Fee	MTW Funds	% of Capital Fund	Total Expended	% of Total Expended
PHA Wide	15% Administrative Allowance		802,200			6.84%	403,140	14.17%
Various Properties	PH Discretionary Fund		83,080			0.71%	0	0.00%
Various Properties	Fleet Vehicles		343,000			2.93%	126,561	4.45%
Various Properties	Smart Burner Installation		215,750			1.84%	69,809	2.45%
Celilo Court	Security Systems Upgrade		1,251,700			10.68%	1,085,615	38.17%
Lexington Court	Lead Testing		9,044			0.08%	9,044	0.32%
Holgate House	Boilers/Water Heaters		39,500			0.34%	39,500	1.39%
Holgate House	Resealing/Pointing		95,000			0.81%	0	0.00%
Ruth Haefner	Sewer Lines Replacement		100,000			0.85%	0	0.00%
Schiller Way	Radon Mitigation		90,550			0.77%	90,550	3.18%
Schiller Way	Security Cameras and LED Lighting		600,000			5.12%	0	0.00%
Schiller Way	Roofing and Ventilation		861,309			7.35%	795,299	27.96%
Schiller Way	Full Envelope Project		681,698			5.82%	0	0.00%
Sequoia Square	Full Envelope Project		1,872,100			15.97%	0	0.00%
Gretchen Kafoury Commons	Full Envelope Project		900,000			7.68%	0	0.00%
St Francis Apartments	HVAC Replacement		550,000			4.69%	0	0.00%
Fairfield Apartments	Development Project		50,000			0.43%	50,000	1.76%
Grace Peck Apartments	Development Project		750,000			1.49%	175,000	6.15%
Troutdale Housing	Development Project		3,150,000			25.60%	0	0.00%
Total Capital Expenditures Budget			\$11,719,931	-	-	100%	\$2,844,519	100%

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	4,339	4,665	362	389

MTW Housing Choice Vouchers (HCV) Utilized	114,912	129,900	9,576	9,992
Local, Non-Traditional: Tenant-Based	2,100	2,140	175	178
Local, Non-Traditional: Property-Based	60	60	5	5
Local, Non-Traditional: Homeownership	0	0	0	0
Planned/Actual Totals	121,411	136,765	10,118	10,564

* "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 higher than planned due lower than expected unit turnover. Public Housing averaged an occupancy rate of 98% for FY 2023. Housing Choice Vouchers unit months leased was higher than planned due to continuing high demand for rental assistance and low voucher turnover for FY 2023. Local, Non-Traditional Tenant-Based unit months leased was higher than planned due to increased households assisted with rent arrears payments via Short Term Rent Assistance and Emergency Rent Assistance.

LOCAL, NON-TRADITIONAL CATEGORY	MTW ACTIVITY NAME/NUMBER	NUMBER OF UNIT MONTHS OCCUPIED/LEASED*		NUMBER OF HOUSEHOLDS TO BE SERVED*	
		Planned^^	Actual	Planned^^	Actual
Tenant-Based	Program Based Assistance / 14	2,100	2,140	175	178
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		2,160	2,200	180	183

* 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 had a 98% occupancy rate in FY 2023.
MTW Housing Choice Voucher	With the current rental market's low vacancy rates, participants continue to face barriers in utilizing their voucher; nonetheless, 80.4% of voucher holders were able to successfully utilize their voucher. Of those successfully able to utilize their voucher, 82.9% were able to do so in the initial 120 days provided by Home Forward. Home Forward increased payment standards in 2022 and is making another material payment standards investment in 2024. To achieve a successful leasing rate, Home Forward operates various programs to help participants pay for security deposits including a tenant education class which provides a one-time payment toward a security deposit. Home Forward also maintains a Housing Search Advocate on staff to assist families and households with barriers to housing and continues a Records Relief and Expungement Clinic to reduce barriers for justice-involved households.

Local, Non-Traditional	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 than historically.
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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	2,832	Partially Open*	Yes
MTW Housing Choice Voucher	Community-Wide	1,465	Partially Open*	Yes
MTW Housing Choice Voucher	Site-Based	5,766	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:

404 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).
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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	Home Forward opened waiting lists throughout various public housing and former public housing properties during fall 2023. We continue to maintain preferences 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 certain scores on tools used to assess vulnerability for housing instability.
MTW Housing Choice Voucher (Community-Wide)	Our MTW Housing Choice Voucher tenant-based waiting list is community-wide and opened during summer 2023. Access to the waitlist is currently closed except for applicants to the Family Unification Program, Foster Youth to Independence Program, Mainstream Voucher program (referred from Coordinated Entry), those who are eligible for Home Forward’s preference for families referred from Multnomah County’s Homeless Family System of Care, 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 of 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	178
Below 30% Area Median Income	0
Total Local, Non-Traditional Households Admitted	178

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%
TOTAL	2,628	5,339	0	7,967	100.0%

* "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%	6,245	59.1%	39.4%
2 Person	21.4%	1,712	16.2%	-24.3%
3 Person	15.9%	1,037	9.8%	-38.3%
4 Person	10.5%	714	6.8%	-35.6%
5 Person	5.4%	420	4.0%	-26.4%
6+ Person	4.4%	436	4.1%	-6.2%
TOTAL	100%	10,564	100.0%	

** 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 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. 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	420	Households that have earned or permanent income that results in area median income (AMI) above 50% and/or has voluntarily exited housing assistance.
GOALS / 02	34	
MOD Rehab RAD / 17	53	
	34	(Households Duplicated Across MTW Activities) Total Households Transitioned to Self Sufficiency
	473	

* 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 MTW Activities.”

Section IV. Approved MTW Activities 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:

- 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)

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

- 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 Section D(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	FY2023: \$104,489	\$88,339	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	FY2011: 5,340 hours	FY2023: 3,979 hours	3,364	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%	FY2023: 7.5%	5.1%	Outcome Achieved
Increase in tenant share of rent (Standard Metric: CE#5)				
Total annual tenant share of rent	FY2012: \$25,342,942	FY2023: \$40,798,077	\$46,169,540	Outcome Achieved
Increase in household income (Standard Metric: SS#1)				
Average earned income of households	FY2011: \$3,324	FY2023: \$4,030	\$6,284	Outcome Achieved
Increase in positive outcomes in employment status (Standard Metric: SS#3) 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	FY2023: 525 heads of households	748 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	FY2023: 16% of work-focused households	13% 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%)	FY2023: 100 households receiving TANF (1.0%)	1,361 (9.9%) households	Outcome Not Achieved

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Reducing the per unit subsidy costs for participating households (Standard Metric: SS#6)				
Average amount of subsidy per household	FY2012: \$524 per household	FY2023: \$971	\$1,096	Outcome Not 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	FY2023: 450 households	420 households	Outcome Not Achieved
Displacement prevention (Standard Metric: HC#4) 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	FY2023: 0 households	0 households	Outcome Achieved
Increase in resident mobility (Standard Metric: HC#5) 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	FY2023: 3,041 (26.4%) households	3,957 (28.8%) households	Outcome Achieved

Agency Specific Metrics

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Maintain stability for seniors and people with disabilities				
Shelter burden (rent ¹ + utility allowance divided by gross income) for seniors and people with disabilities	Before implementation, shelter burden was 27%	FY2023: Shelter burden will remain below 29%	28%	Outcome Achieved
Increased contribution to rent				

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

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Total tenant payment (rent + utility allowance) for work-focused households	Before implementation: Section 8 average - \$267 Public housing average - \$249	FY2023: Section 8 average \$438 Public housing average \$392	Section 8 average - \$509 Public housing average - \$409	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	FY2023: 18% MFI	18.2% 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 2023 through December 2023 (FY2023), 2 households requested an extension of the phase-in hardship, and they were both approved. The annual cost to the agency of the phase-in hardship is approximately \$1,500.

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 January 2023, we updated payments standards and as a result, no hardship requests were approved because shelter burden did not exceed 50% of gross income.

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 FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

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 continued to cause significant income loss for households on rent reform. 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.
- 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, deposits 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

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

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) 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	FY2023: \$820,261	\$797,904 ²	Outcome Acheived
Staff time savings (Standard Metric: CE#2) 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.				
Total time to complete task	FY2017: 18,509	FY2023: 18,928	15,400	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.				
Average error rate in completing task	FY2017: 2%	FY2023: 2%	2%	Outcome Achieved
Increase in resources leveraged (Standard Metric: CE#4)				
Amount of funds leveraged	FY2017: \$190,507	FY2023: \$191,500	\$528,130	Outcome Achieved
Increase in household income (Standard Metric: SS#1)				
Average earned income of households	FY2017: \$12,472	FY2023: \$12,750	\$22819	Outcome Achieved
Increase in household savings (Standard Metric: SS#2)				
Average amount of escrow of households	FY2017: \$2,295	FY2023: \$2,350	\$6753	Outcome Achieved
Increase in positive outcomes in employment status (Standard Metric: SS#3) ³				
Number of heads of households:	FY2017:	FY2023:	FY2023:	
1) Employed full-time	187	187	218	Outcome Achieved
2) Employed part-time ⁴	120	120	54	Outcome Not Achieved
3) Enrolled in an educational program	129	130	40	Outcome Not Achieved
4) Enrolled in a job-training program	81	82	85	Outcome Achieved

² 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.

³ 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.

⁴ 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?
5) Unemployed	155	155	127	Outcome Achieved
6) Other (defined as having completed an education or job training program)	54	55	62	Outcome Achieved
Increase in positive outcomes in employment status (Standard Metric: SS#3)				
Percentage of workable households:	FY2017	FY2023	FY2023	
1) Employed full-time	40%	40%	55%	Outcome Achieved
2) Employed part-time ⁵	27%	27%	14%	Outcome Not Achieved
3) Enrolled in an educational program	28%	28%	10%	Outcome Not Achieved
4) Enrolled in a job-training program	18%	18%	21%	Outcome Achieved
5) Unemployed	33%	33%	32%	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	FY2023: 60 households	43 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	FY2023: 462 households enrolled	399 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	FY2023: \$809 per household	\$834 per household	Outcome Achieved
Increase in tenant share of rent (Standard Metric: SS#7)				
Tenant share of rent	FY2017: \$1,926,589	FY2023: \$2,674,948	\$2,982,316	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	FY2023: 28 households	34 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 FY2023.

Actual Changes to Metrics/Data Collection

Home Forward made no planned or unplanned significant changes to this activity in FY2023.

Actual Significant Changes

Home Forward made no planned or unplanned significant changes to this activity in FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Benchmarks for part-time employment and educational programs were not met but exceeded for full-time employment job-training programs, and completion of education 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 AMI. 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.

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

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 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.

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	FY2023: 239 units made available	239 units made available	Outcome Achieved
Units of housing preserved (Standard Metric: HC#2)				
Number of housing units preserved for households at or below 80% AMI	Before implementation, 0 units preserved	FY2023: 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	FY2023: 109 households	109 LBS households located in better neighborhoods	Outcome Achieved
Increase in resources leveraged (Standard Metric: CE#4)				

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Amount of funds leveraged	Before implementation, \$0	FY2023: \$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 FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

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	FY2023: \$0	\$0	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	Before implementation, 500 hours	FY2023: 0 hours	0 hours	Outcome Achieved
Decrease in error rate of task execution (Standard Metric: CE#3) 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%	FY2023: 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 FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

**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 FY2023 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.

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	FY2023: \$124,902	Less than \$119,544 to complete re-inspections	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	Before implementation, 1,326 hours	FY2023: 1,095 hours	816 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%	FY2023: 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 FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

08 Inspections and Rent Reasonableness at Home Forward-Owned Properties

**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	FY2023: \$0	\$0	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	Prior to implementation, 370 hours	FY2023: 0 hours	0 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%	FY2023: 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 FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

**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 FY2023, \$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 FY2023, 104 new landlords received incentive payments, totaling \$20,800.

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

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 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 July 2022.

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
- 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. 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	FY2023: 230 households	444 households	Outcome Achieved

Additional Metrics

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Improve voucher success rate				
Issued voucher success rate	FY2009: 74%	FY2023: 80%	84.6%	Outcome Achieved
Decrease in lease-up time				
Average number of days for a voucher holder to lease up	Before implementation, 51 days	FY2023: 50 days	62 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 FY2023.

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 FY2023. 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

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	FY2023: 1,820 units made available	1,820 units	Outcome Achieved
Units of housing preserved (Standard Metric: HC#2)				
Number of units preserved for households at or below 80% AMI that would otherwise not be available	Prior to implementation: 0 units	FY2023: 654 units preserved	654 units preserved	Outcome Achieved
Decrease in wait list time (Standard Metric: HC#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				
Average applicant time on wait list in months	FY2014: 15 months	FY2023: 42 months	38 months	Outcome Achieved

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Displacement prevention (Standard Metric: HC#4) 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	FY2023: 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	FY2023: 400 households	285 households	Outcome Not Achieved
Agency Cost Savings (Standard Metric: CE#1)				
Total cost of task in dollars	Prior to implementation: \$30,720	FY2023: \$27,995	\$18,261	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	Prior to implementation, 917 hours	FY2023: 660 hours	240 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 task	FY2015: 2%	FY2023: Less than 5%	Less than 1%	Outcome Achieved
Increase in tenant share of rent (Standard Metric: CE#5) 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	FY2023: \$6,930,000	\$6,535,683	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 FY2023.

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 FY2023.

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. 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.

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	FY2023: \$0	\$0	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete task	Before implementation, approximately 393 hours	FY2023: 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 FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

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)				

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Number of households living in better neighborhoods (defined as low poverty census tracts where poverty is below 17%) ⁵	FY2013: 1,896 (30%) households lived in better neighborhoods	FY2023: 2,100 (31%) households	3,762 households	Outcome Achieved
Agency cost savings (Standard Metric: CE#1) 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	FY2023: \$71,765,252	\$74,340,000	Outcome Achieved

Additional Metrics

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Average Housing Assistance Payment Expense (AM#1)				
Average annual HAP expense by household	FY2014: \$6,690	FY2023: \$10,850	\$12,936	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 long as Housing Choice Voucher funding is sufficient to permit this).

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

The metric of total cost was not met due to payment standard increases in April 2023, 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 2023 to 1,886 (14.2% of MTW HCV households), which also contributed to the increase in average subsidy per household.

⁵ Data will be collected from Yardi Voyager, Home Forward's database, which tracks the census tract and Payment Standard used for each 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 2023, over 19,000 households applied for 2,000 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 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.

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 AMI.

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

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	FY2023: \$75,000	\$75,000	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	FY2020: 25 hours	FY2023: 0 hours	0 hours	Outcome Achieved
Decrease in error rate of task execution (Standard Metric: CE#3)				
Average error rate in completing task	FY2019: 0%	FY2023: 0%	0%	Outcome Achieved
Increase in resources leveraged (Standard Metric: CE#4)				
Amount of funds leveraged	FY2019: \$198,000	FY2023: \$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	FY2023: 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	FY2023: 47 unduplicated households	71 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	FY2023: 76 unduplicated households	82 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 FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

15 Tenant-Based Voucher Set Aside Policies Approved FY2017, Implemented FY2017

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.

MTW authorization:

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

Statutory objective:

Reduce cost and achieve greater cost effectiveness in Federal expenditures

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 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	FY2023: \$0	\$0	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	FY2016: 29.5 hours	FY2023: 0 hours	0 hours	Outcome Achieved
Decrease in wait list time (Standard Metric: HC#3) 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	FY2023: 0 months	0 months	Outcome Achieved

MTW Flexibility

Home Forward uses MTW flexibility to waive requirements that families served through set aside tenant-based vouchers be selected from a waitlist, only to be immediately pulled from the list. Instead, families will be referred to Home Forward by the specified community partners, who will have selected households based on limited preferences and criteria of the Memorandum of Understanding.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

**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 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.

MTW authorization:

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

Statutory objective:
Increase housing choice for low-income families

Prior to the constitutional amendment voted on by voters in 2018, local jurisdictions had to be the only owner of such housing when using general obligation bonds. For this specific financing situation, Home Forward is defining the ballot initiative and future competitive processes run by the Portland Housing Bureau 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 housing will be developed and vouchers will be utilized to make homes further affordable. 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 affordable 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.

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	FY2023: 400 units	399 units	Outcome Not Achieved

MTW Flexibility

Home Forward designates voter-approved affordable housing general obligation bond ballot measures as a competitive process. This is an additional waiver of 24 CFR 983.51. In Oregon, local jurisdictions may issue general obligation bonds. These bonds are secured by tax levies and provide communities with access to debt at favorable interest rates.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

As of October 2023, Portland Housing Bonds were fully committed in 15 projects. As of October 2023, three projects remain in construction, and one is in predevelopment. Home Forward continues to work with the City of Portland to determine appropriate allocation of project-based vouchers in these remaining projects.

17 Mod Rehab and Mod Rehab SRO Rent Assistance Demonstration Rent Reform Approved FY2019, Implemented FY2019

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 HUD’s Section 8 Moderate Rehabilitation (Mod Rehab) and McKinney Moderate Rehabilitation Single Room Occupancy (SRO) programs. This housing is a critical component of our community’s housing stock available to people leaving homelessness. Owners of these properties can participate in HUD’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 (see Activity 10). 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 choice 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, 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	FY2023: Less than \$5,325	\$3,099	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	FY2018: 80 hours	FY2023: Less than 256 hours	149 hours	Outcome Achieved
Decrease in error rate of task execution (Standard Metric: CE#3)				
Average error rate in completing task	FY2018: 7.5%	FY2023: 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	FY2023: \$59,000	\$50,589	Outcome Not Achieved
Increase in household income (Standard Metric: SS#1)				
Average earned income of households	FY2018: \$1,228	FY2023: \$ 2,397	\$1,573	Outcome Not Achieved
Increase in positive outcomes in employment status (Standard Metric: SS#3) 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: (6) Other (increase in earned income)	FY2018: 32 households	FY2023: 115 households	53 households	Outcome Not Achieved
Percent of work-focused households who: (6) Other (increased in earned income)	FY2018: 16% of households	FY2023: 19% of households	13% of households	Outcome Not Achieved
Households Removed from Temporary Assistance for Needy Families (TANF) (Standard Metric: SS#4)				

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Number of households receiving TANF assistance	FY2018: 1 households	FY2023: 0 households	0 households	Outcome Achieved
Households transitioned to self-sufficiency (Standard Metric: SS#8) 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	FY2023: 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. There were no hardship requests for this activity during FY2023.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Number of households with earned income did not meet benchmarks. Home Forward does not collect detailed employment data from SRO participants. The number provided reflects the total number of work-focused households, which can show a lower number of households than those that increased earned income.

18 Transfer of Project-Based Voucher Contract to Support Local Preservation or Development of Affordable Housing Approved FY2019, Implemented FY2019

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 because of events such as eminent domain proceedings, natural disasters or unforeseen events; or
- 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 PBV 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;

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 choice for low-income families

- 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 PBV Contract;
 - Because the above requirements protect the ability of tenants to remain in their choice of PBV 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 PBV HAP Contract.

Activity Metrics

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1) Note: Home Forward is unable to calculate anticipated costs absent the activity.				
Total cost of task	FY2018: \$0	FY2023: \$0	\$0	Outcome Achieved
Staff time savings (Standard Metric: CE#2) Note: Home Forward is unable to calculate anticipated costs absent the activity.				
Total time to complete the task	FY2018: 0 hours	FY2023: 0 hours	0 hours	Outcome Achieved
Displacement prevention (Standard Metric: HC#4) 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	FY2023: 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 FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

19 Program Transfer Flexibility Bridge
Approved FY2020, Implemented FY2020

Under current regulations, whenever an active household transfers from one Home Forward program to another (e.g., 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.

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 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 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.

Activity Metrics

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1)				
Total cost of task	FY2020: \$6,007	FY2023: \$0	\$0	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	FY2020: 229 hours	FY2023: 0 hours	0 hours	Outcome Achieved
Decrease in error rate of task execution (Standard Metric: CE#3)				
Average error rate in completing task	FY2020: 7.5%	FY2023: 0	0%	Outcome Achieved

MTW Flexibility

Home Forward is utilizing our MTW flexibility to streamline the transfer process for households transferring from one Home Forward program to another by allowing staff to use information from the most recent recertification rather than duplicating efforts. This additional flexibility reduces staff time, resulting in greater cost effectiveness and increased housing choice for households.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

20 Local Inspection Policies
Approved FY2020, Implemented FY2021

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 unoccupied 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 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	FY2023: \$0	\$0	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	FY2020: 7,730 hours	FY2023: 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: 3.5%	FY2023: 3.5%	Less than 1%	Outcome Achieved

MTW Flexibility

Home Forward is utilizing our MTW flexibility to waive the requirement that public housing authorities inspect units not less often than biennially during the term of the Housing Authority Payment (HAP) contract. This additional flexibility results in greater cost effectiveness.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

21 Self-Certification of Income Approved FY2021, Implemented FY2021

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:

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

- *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.

- *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	FY2023: \$95,396	\$93,801	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	FY2021: 3,027 hours	FY2023: 2,270 hours	2,208 hours	Outcome Achieved
Decrease in error rate of task execution (Standard Metric: CE#3)				
Average error rate in completing task	FY2021: 5.5%	FY2023: 3.5%	Less than 1%	Outcome Achieved
Increase in tenant share of rent (Standard Metric: CE#5)				
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	FY2023: \$37,972,344	\$56,363,808	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 FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

**22 Modernizing HCV/PBV Oral Briefings
Approved FY2021, Implemented FY2021**

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 may conduct required oral briefings for new HCV and PBV households by other means including but not limited to situations 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.

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

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.

Activity Metrics

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1)				
Total cost of task	FY2021: \$14,177	FY2023: Less than \$8,861	\$7,757	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	FY2021: 312 hours	FY2023: 195 hours	158 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 FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

23 Independent Entities: Use of Staff Instead of Third Parties for Home Forward Owned Properties Approved FY2023, Implemented FY2023

This activity consolidates and clarifies the scope of Home Forward’s use of staff rather than independent entities to perform various functions with respect to HCV or PBV units owned by Home Forward. The activity covers all such functions otherwise required to be performed by independent entities by applicable law, regulations, or notices. For PBVs, this includes all the functions listed in “Table 1: Overview of Independent Entity Functions” in Attachment B of Notice PIH 2017-21 (pp. 14-15), except for functions related to the voucher homeownership option.

Activity 08, Alternative Inspection Requirements for Partner-Based Programs, and Activity 10, Local Project-Based Voucher Program references use of staff for rather than independent entities in connection with. Both of those activities state that where Home Forward both owns and manages a unit, it hires a third party to conduct quality control testing of inspections and rent reasonableness determinations for a sample of these units. Home Forward continues that practice.

MTW authorization:

- Attachment C, Section D(1)(f) – Property Eligibility Criteria
- Attachment C, Section D(2)(c) – Rent Policies and Term Limits
- Attachment C, Section (D)(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	Prior to implementation: \$0	FY2024: \$88,466	\$61,402	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	Prior to implementation: 0 hours	FY2024: 1,697 hours	972 hours	Outcome Achieved

MTW Flexibility

This activity utilizes MTW flexibility to further streamline Home Forward’s use of staff rather than third parties for Home Forward-owned properties. This additional flexibility achieves greater cost effectiveness.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

24 Rent Assistance Termination Reform Approved FY2023, To Be Implemented FY2024

This activity authorizes Home Forward to adopt and implement policies that limit the circumstances in which Home Forward will terminate HCV assistance to recipients. This activity was the result of extensive resident, participant, and Home Forward staff collaboration through a work group that met for over a year and reviewed data on demographic disparities in program terminations. The work group members engaged the broader rent assistance department and key decision makers at Home Forward. This group's work resulted in a report entitled "Policy Recommendations—Rent Assistance Termination Policy" that included a summary of how the work group reviewed the rent assistance termination policies and HUD regulatory requirements with a racial equity framework and a goal of increasing housing stability for households who have a HCV.

MTW authorization:

- Attachment C, Section D(1)(h) added by the Ninth Amendment to Moving to Work Agreement – Policies for terminating program assistance

Statutory objective:

- Reduce cost and achieve greater cost effectiveness in Federal expenditures
- Increase housing choices for low-income families

As a result of this activity, Home Forward does not terminate HCV assistance to a recipient:

- If the owner evicts the household. Eviction and lease enforcement is a landlord/tenant issue. Home Forward's mission is to shelter people.
- If the household's income reaches the level where Home Forward will pay no subsidy (Housing Assistance Payments) on behalf of the family for 180 days. Home Forward allows an assisted household to go without assistance for 365 days prior to termination. . This gives households more time to complete an income recertification and regain assistance if they have a loss of income, thus promoting housing stability.
- Who are absent for 180 days from the assisted unit. Home Forward allows a recipient to be absent from the assisted unit for up to 270 days when the absence is due to attendance at specific institutional settings, as detailed in Home Forward's administrative plan, rather than at the overall regulatory limit of 180 days.

Activity Metrics

While no HUD Standard metrics would apply to this activity, Home Forward will track the number of households who retain housing assistance because of this activity.

MTW Flexibility

This activity relies on our MTW flexibility to provide greater housing choice for low-income households while also achieving cost effectiveness. This application of our MTW flexibility increases housing stability for households with rent assistance to advance Home Forward's mission.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

**25 Preservation and Expansion of Affordable Housing
Approved FY2023, To Be Implemented FY2024**

This activity authorizes Home Forward to use MTW funding to preserve and expand affordable housing units in any manner that Home Forward judges most effective. Alternatives include direct grants, hard or soft loans, loan guarantees, property purchases, purchases of investor interests and others. This activity authorizes Home Forward to provide critical flexible assistance to affordable housing units serving households with incomes not exceeding 80% of the Area Median Income, which Home Forward is not subsidizing under the PBV or public housing program.

MTW authorization:

- Attachment D - Use of MTW Funds
- 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

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	FY2024: 84 units	84 units	Outcome Achieved
Units of Housing Preserved (Standard Metric: HC#2)				
Number of housing units preserved for households at or below 80% AMI	Before implementation, 0 units preserved	FY2024: 0 units	0 units	Outcome Achieved

MTW Flexibility

This activity utilizes our MTW flexibility to more flexibly respond to the need to preserve and expand affordable housing units. Especially for units serving households that are not already receiving subsidy, this additional MTW flexibility is critical to increase housing choice.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

**26 Initial HQS Inspection and HAP Contract Execution
Approved FY2023, Implemented FY2023**

This activity authorizes Home Forward to use flexibilities granted by HUD during the COVID-19 pandemic to support households in leasing up with their voucher in perpetuity. Specifically, Home Forward:

- Executes the Housing Assistance Payment (HAP) contract within 120 days of the lease term. HUD initially granted PHAs this authority in waiver HCV-4, Notice PIH 2021-14(HA);
- Executes the HAP contract despite minor discrepancies between the lease and contract;
- Makes Housing Assistance Payments (HAP) to the owner before the Housing Quality (HQS) Inspection is complete as needed. Home Forward requires the owner’s self-certification that “the owner has no reasonable basis to have

knowledge that life threatening conditions exist in the unit or units in question instead of conducting an initial inspection.” For any unit for which Home Forward accepted an owner’s self-certification, Home Forward completes the initial inspection as soon as is reasonably possible, but no later than 60 days of the owner’s self-certification. While the HQS inspection is pending, a tenant may request an expedited inspection as a Reasonable Accommodation request or if the tenant makes a report of a life-threatening condition. If, upon inspection, a unit is found to not meet the HQS standards, Home Forward follows the process to enforce an owner’s obligation to comply with HQS standards outlined in Home Forward’s Administrative Plan including owner notification, reinspection, HAP abatement, and, in limited cases, termination of the HAPC. HUD initially granted PHAs the authority to do this in waiver HQS-1, Notice PIH 2021-14(HA);

MTW authorization:

- Attachment C, Section (D)(1)(a) - HCV Program Operational Policies and procedures
- Attachment C, Section (D)(5) - Ability to Certify Housing Quality Standards

Statutory objective:

- Reduce cost and achieve greater cost effectiveness in Federal expenditures
- Increase housing choices for low-income families

Activity Metrics

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1)				
Total cost of task	Prior to implementation: \$0	FY2024: \$2,960	\$1,900	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	Prior to implementation: 0 hours	FY2024: 285 hours	59 hours	Outcome Achieved

MTW Flexibility

This activity applies our MTW flexibility to continue certain flexibilities granted during the Covid-19 pandemic to continue serving low-income households. This activity gives households more flexibility to access stable housing or stay assisted in current housing sooner.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

**27 Income Verification at Admission to Housing Choice Voucher Program
Approved FY2023, To Be Implemented FY2024**

This activity allows Home Forward to accept self-certifications and allows for the delay of receipt of documentation and/or third-party verification past the regulatory 60-day required time from all applicants to the HCV program. HUD provided a similar waiver with respect to the Emergency Voucher Program in Notice PIH 2021-15, Section 9.h. (pp. 32-33); Home Forward will consider that waiver language as general advisory guidance in connection with this activity.

MTW authorization:

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

Statutory objective:

- Reduce cost and achieve greater cost effectiveness in Federal expenditures
- Increase housing choices for low-income families

The program regulations under § 982.201(e) require that the PHA must receive information verifying that an applicant is eligible within the 60-day period before the PHA issues a voucher to the applicant. For verification purposes, Notice PIH 2018-18 states that third-party generated documents be dated within 60 days of the PHA’s request.

For homeless families and other vulnerable HCV applicant families, documentation may not be readily on-hand and may be difficult to obtain quickly. Accepting self-certifications and allowing for the delay of receipt of documentation and/or third-party verification allows the family to obtain necessary documentation without unduly delaying the family’s housing assistance. This activity enables Home Forward to move more rapidly through intake and voucher issuance, allowing vulnerable families to lease up and increase their housing stability as they are collecting necessary documentation.

With self-certification, applicants submit an affidavit attesting to reported income, assets, expenses and known pending income that would affect an income eligibility determination. Self-certification serves as the highest form of income verification at admission and no additional third-party document is needed. After admission, when Income Validation Tool reports are available through EIV, Home Forward compares the reports to the participant’s self-certification. Any inconsistencies or discrepancies are addressed in accordance with Home Forward’s Administrative Plan, which may entail entering a repayment plan or termination, if found ineligible.

Additionally, applicants may provide third-party documentation that represents the applicant’s income within the 60-day period prior to admission or voucher issuance but is not dated within 60 days of the PHA’s request.

Activity Metrics

Metric	Baseline	Benchmark	Final Outcome	Outcome Achieved?
Agency cost savings (Standard Metric: CE#1)				
Total cost of task	Prior to implementation: \$0	FY2024: \$3,358	\$3,204	Outcome Achieved
Staff time savings (Standard Metric: CE#2)				
Total time to complete the task	Prior to implementation: 0 hours	FY2024: 122 hours	80 hours	Outcome Achieved

MTW Flexibility

The additional flexibility enabled by this activity provides greater housing choice to low-income families by allowing Home Forward to accept self-certifications and delayed receipt of certain documentation,

including from third parties. Applying our MTW flexibility in this way results in cost savings as well as greater housing choice.

Actual Non-Significant Changes

Home Forward made no planned or unplanned non-significant changes to this activity in FY2023.

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 FY2023.

Challenges in Achieving Benchmarks and Possible Strategies

Home Forward had no challenges in achieving our benchmarks for this activity in FY2023.

Not Yet Implemented Activities

Activity 24 – Rent Assistance Termination Reform, Activity 25 – Preservation and Expansion of Affordable Housing and Activity 27 – Income Verification at Admission to Housing Choice Voucher Program will be implemented in FY2024.

Closed Out Activities

No Home Forward MTW activities were closed out in FY2023.

Activities Closed in Previous Years

Activity	Approved	Implemented	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.
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.

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. These funds provide a portion of the total development capital needed for a 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 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 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 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:

- **Wealth Creation:** Wealth Creation initiatives help youth and adults improve their quality of life.
 - For adults: Wealth creation will include the following strategies: collecting information about families through an Employment and Training Interest Inventory; aligning existing self-sufficiency programs into a single program (GOALS) with site-based and non-site-based component; facilitating the hiring of low-income (Section 3) residents and participants by Home Forward and contractors; integrating Action for Prosperity 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.
 - For youth: Programming to attain education success and develop leadership skills.
- **Aging at Home Strategies:** Home Forward is developing and implementing initiatives to increase independence and a sense of community at properties that serve seniors and people with disabilities. We plan to continue administering the Congregate Housing Services Program at five properties and are evaluating expansion of this program at other properties.
- **Staff Training:** Home Forward's current strategic plan recognizes that how our work is done matters to our community and staff. To strengthen our relationship with the people we serve and with each other, Home Forward continues to re-evaluate best practices and approaches to offer relevant training for staff. Training includes trauma-informed practice, a recognized model that recognizes the impact trauma can have on people and commits to not repeating traumatic experiences. The goal is to provide staff with knowledge and tools suitable for their position to recognize symptoms of trauma and apply trauma-informed awareness in engaging in the work.
- **Security Deposit Assistance:** Home Forward uses single-fund flexibility to offer security deposit assistance to participants leasing up with Veterans Affairs Supportive Housing (VASH) vouchers. For homeless veterans, a lack of funds for security deposits is a serious barrier to successful use of VASH vouchers. 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.
- **Tenant Education Class and Deposit Assistance:** During FY2016, Home Forward entered a contract with a community-based tenant advocate organization, the Community Alliance of Tenants (CAT), to teach new and transferring HCV holders about their rights and responsibilities as tenants. Upon completing the class, voucher holders are given one-time access to \$200 in deposit assistance for their housing search. This partnership grew out of concern that in the rental market, and with the changes in Oregon landlord/tenant law, voucher holders need more education about how to be successful applicants and tenants.
- **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 it is 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 participants and residents. The advocates can recommend voucher participants to this transfer program and provide assistance with relocation. 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 relocation costs, 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.

- **Expungement Partnership:** Home Forward is collaborating with Metropolitan Public Defender, 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.
- **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 will use 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 family living in public housing’s ability to live safely in their unit, funds exist to temporarily find safe housing in a hotel.
- **Landlord Portal:** Home Forward developed a portal to allow landlords to schedule inspections, view payment information, and communicate with Home Forward. Home Forward is still building out the ability to electronically process a Request for Tenancy Approval. It is our objective to streamline the process and reduce the time required to lease a home to a voucher holder.
- **MTW Operating Reserve:** Home Forward will set aside funds each year, as determined by the Board of Commissioners, towards building an Operating Reserve sufficient for Operating Expenses and 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 does not plan to make any changes in the Plan Year.

Section VI. Administrative

A. Reviews, Audits, and Inspections

Public Housing – The chart below lists the Public Housing properties that had REAC inspections in FY2023.

Peaceful Villa	84c
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Annual Program/Financial A-133 Audit – Home Forward’s Board of Commissioners accepted and approved the independent audit findings for FY2021 (covering the period of January 1, 2021 to December 31, 2021) in August 2022. There were no financial statement findings, questioned costs, or compliance findings.

B. Evaluation Results

There are no evaluation results to report on for FY2023.

C. MTW Statutory Requirement Certification

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.

STAFF REPORTS

**Procurement & Contracts Department
MONTHLY CONTRACT REPORT
Contracts Approved 01/01/24 - 02/29/24**

PUBLIC IMPROVEMENT
(CONSTRUCTION & MAINTENANCE SERVICES)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C3290	0	Just Right Heating and Cooling	\$ 46,652.19	Furnish and install (2) ductless heat pumps to provide air conditioning to three spaces at the Hattie Redmond, two mechanical closets and the maintenance room. This contract is sole-sourced, because it will require modification to the existing mechanical system installed by Just Right and we want to avoid voiding the existing warranty.	DCR	2/8/2024	7/31/2024
Subtotal			\$ 46,652.19				1

GOODS & SERVICES

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C3279	0	Equity Hub	\$ 3,312.00	BidLocker - online proposal/bid submission tool	Procurement	1/8/2024	11/30/2024
C3270	0	Performance Systems Integration (PSI)	\$ 9,356.80	Annual fire safety service for SCC	Property Management	1/16/2024	12/31/2024
C3286	0	Diana's Cleaning Professional Services	\$ 39,200.00	Weekly cleaning services at BCC	Property Management	1/26/2024	6/30/2024
C3285	0	West Coast Landscape LLC	\$ 11,400.00	Landscaping Services at Tukwila Springs	Property Management	2/2/2024	1/31/2025
C3298	0	NW Enforcement	\$ 105,354.15	Security services at Tukwila 8pm-8am	Community Services	2/20/2024	8/30/2024
C3301	0	Squires Electric, Inc.	\$ 250,000.00	On-call electrical services	IFS	2/23/2024	2/13/2027
Subtotal			\$ 418,622.95				6

PERSONAL SERVICE CONTRACTS

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C3266	0	PDX Nutrition Services	\$ 568,481.83	Meal services for CHSP; Rule 46-0340	Community Services	1/3/2024	12/31/2024

C3275	0	Neighborhood Partnerships Inc.	\$ 49,999.00	Resident engagement project	Executive	1/8/2024	9/1/2024
C3265	0	Amanda Morris	\$ 34,214.00	Monthly foot care clinics at 15 Home Forward properties	Community Services	1/9/2024	12/31/2024
C3274	0	Kantor Taylor PC	\$ 960,000.00	Low Income Housing Tax Credit and general real estate and development legal services; Rule 46-0340	DCR	1/9/2024	12/25/2028
C3282	0	Model Integrity LLC	\$ 10,000.00	Facilitation of meetings to evaluate the Unthank Plaza fire and the 2023 AC Project	IFS	1/9/2024	2/29/2024
C3268	0	Trash for Peace	\$ 41,478.00	Youth engagement at the Ellington	Community Services	1/11/2024	12/31/2024
C3269	0	Human Solutions DBA Our Just Future	\$ 42,414.00	Resident services at Gateway Park, Sequoia Square, and Multnomah Manor	Community Services	1/11/2024	12/31/2024
C3276	0	Impact Northwest	\$ 303,562.84	Case Management services for CHSP Buildings; Rule 46-0340	Community Services	1/11/2024	12/31/2024
C3281	0	Kara Sigua Consulting	\$ 10,000.00	Transformational coaching and mentorship to individuals, groups, and teams	Executive	1/11/2024	12/31/2024
C3283	0	Spectrum Enterprises, Inc	\$ 15,000.00	Review of tenant files for the Grace Peck Terrace rehab project to ensure LIHTC compliance; review of current tenant files and new tenants at lease-up	DCR	1/16/2024	6/30/2025
C3280	0	Cuenta Conmigo LLC	\$ 38,150.00	Design and facilitate an intensive learning group	Executive	1/16/2024	9/30/2024
C3284	0	Pegasus Moving & Cleaning	\$ 15,000.00	On-call housekeeping for BCC	Community Services	1/18/2024	6/30/2024
C3273	0	Ballard Spahr LLP	\$ 800,000.00	HUD related legal services; Rule 46-0340	DCR	1/26/2024	12/25/2028
C3288	0	Background Investigations, inc	\$ 50,000.00	Background screening of all applicants at Home Forward	Property Management	1/30/2024	1/31/2027
C3287	0	Carlson Testing, Inc.	\$ 2,245.00	St francis special testing	DCR	2/8/2024	6/30/2024
C3291	0	Clair Company, Inc	\$ 35,000.00	Special inspections for Killingsworth for Concrete, CMU, Anchors, Structural Wood and Steel.	DCR	2/9/2024	12/31/2025
C3294	0	Great Northwest Environmental	\$ 12,695.00	Limited pre- construction asbestos and lead paint survey at Sequoia Square Apartments, in preparation for a planned renovation project.	DCR	2/9/2024	6/30/2024
C3296	0	Emma Inc.	\$ 2,940.00	Email marketing platform	Executive	2/9/2024	1/31/2025
C3300	0	Le Chevallier Strategies	\$ 50,000.00	Event planning and media coordination for ground breakings and grand openings	Executive	2/20/2024	12/31/2024
C3297	0	Life After Patriarchy LLC	\$ 6,750.00	Facilitate Learning Group	Executive	2/23/2024	9/30/2024
Subtotal			\$ 3,047,929.67				20

PROFESSIONAL SERVICE CONTRACTS (A&E)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C3293	0	MKE & Associates Inc	\$ 7,200.00	Sequoia Way Apartments - Bath Fan Replacement design (City required for permit revision)	DCR	2/8/2024	2/11/2025
C3299	0	Forensic Building Consultants	\$ 70,071.00	Prepare construction permit drawings for the rebuilding of Floresta Apts. duplex unit #12552 for emergency 2402 Forensic will provide support for demo permit, and will manage all related MEP consultants and the structural engineer for this project.	DCR	2/27/2024	6/30/2025
Total			\$ 77,271.00				2

AMENDMENTS TO EXISTING CONTRACTS

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
C3182	1	Cuenta Conmigo LLC	\$ 525.00	Resident engagement and leadership trainings; amended to extend contract	Community Services	1/2/2024	12/31/2024
C2436	3	John Keating	\$ -	On- call grant writing, consultation, and fund development; amended to extend contract	Community Services	1/5/2024	12/31/2024
C3026	8	Bacharach Construction LLC	\$ -	Celilo court project schedule change	DCR	1/5/2024	3/31/2024
C2580	4	Oregon Patrol Service	\$ 64,726.00	Security Services at Floresta, Powellhurst, Tillicum North, Tillicum South, Hunter's Run, Harold Lee Village, Townhouse Terrace, Demar Downs; amended to add funds to cover coverage	Property Management	1/8/2024	12/31/2024
C2943	3	Home Instead	\$ 167,784.00	Housekeeping and personal care services for the CHSP program; amended to extend contract	Community Services	1/8/2024	12/31/2024
C2954	2	Day One Tech	\$ 8,912.00	Educational support, STEM activities, and summer programming; amended to extend contract	Community Services	1/8/2024	12/31/2024
C3159	1	Prime Legacy	\$ 29,204.53	Schrunk adding prevailing wages	Property Management	1/8/2024	2/28/2024
C2271	12	Colas Construction	\$ 88,965.73	Powell CO #12	DCR	1/9/2024	4/30/2024
C2820	1	CSG Advisors, Inc.	\$ -	Extending contract duration	DCR	1/9/2024	12/31/2024
C3117	1	Michelle Mellon	\$ -	Produce messaging and brand material for Community Services; amended to extend contract	Executive	1/9/2024	6/1/2025
C3161	1	Lift Urban Portland	\$ 20,000.00	Monthly food boxes for high rise properties downtown; amended to extend contract	Community Services	1/9/2024	12/31/2024

C2976	13	Walsh Construction Co.	\$ 226,949.00	Grace Peck CO #08	DCR	1/10/2024	12/31/2024
C3166	1	QEDLAB Qualified Envelope Diagnostics, Inc.	\$ 4,200.00	Adding window tests Grace Peck	DCR	1/16/2024	12/31/2024
C3249	1	Snugs Services	\$ 200,000.00	Snow/Ice Removal Services; amended to add funds	Property Management	1/16/2024	11/15/2024
C2502	3	Snugs Services	\$ 100,000.00	On-Call Outdoor Maintenance Services; amended to add funds	Property Management	1/19/2024	4/5/2025
C2949	1	31-Mar	\$ 2,850.00	Add more monitoring time and extend completion date	DCR	1/24/2024	3/31/2024
C3227	1	Walsh Construction Co.	\$ 78,070.00	Emergency water heater replacments	Asset Mgmt	1/24/2024	6/30/2025
C3147	1	Diana's Cleaning Professional Services	\$ 180,000.00	Custodial services at NMW; amended to extend contract	IFS	1/25/2024	3/31/2026
C2969	2	NW Enforcement	\$ 18,112.50	Security at NMW; amended to extend contract	IFSS	1/26/2024	12/31/2024
C2997	1	Environmental Works	\$ 200,000.00	On-call radon testing; amended to extend contract	Property Management	1/30/2024	12/31/2025
C2769	10	MWA Architects Inc	\$ 2,050.00	Troutdale Increased scope of work to revise renderings with current design of buildings.	DCR	1/31/2024	4/1/2026
C2964	7	Bora Architecture Inc	\$ 40,957.00	Design services for Peaceful Villa; amended to increase scope of work	DCR	1/31/2024	6/30/2026
C2919	15	Walsh Construction Co.	\$ 347,432.00	Fairfield Design-Build CO #08	DCR	2/2/2024	12/31/2024
C2660	4	Megan Ashlock	\$ -	Online Youth Leadership Academy for students aged 12-18; amended to extend contract	Community Services	2/5/2024	12/31/2024
C3233	1	Epic Land Solutions	\$ 931,305.00	Resident Relocation at Peaceful Villa; amended for Part II	DCR	2/5/2024	9/30/2024
C2996	1	Cascade Radon Inc.	\$ 200,000.00	On-call radon testing; amended to extend contract	Property Management	2/6/2024	12/31/2025
C2568	2	Eclipse Security Service	\$ 39,000.00	Security services at Madrona, Alderwood, Eastwood Court, Stark Street Manor, Fir Acres; amended to extend contract	Property Management	2/8/2024	12/31/2024
C2868	17	Walsh Construction Co.	\$ 107,012.42	Dekum CO #13	DCR	2/13/2024	9/30/2025
C2976	14	Walsh Construction Co.	\$ 187,999.00	Grace Peck CO #09	DCR	2/13/2024	12/31/2024
C2367	4	NW Enforcement	\$ -	Security Services at Mt. Tabor Annex; amended to extend contract	Asset Management	2/15/2024	12/31/2024
C3033	1	Epic Land Solutions	\$ -	Resident Relocation at Grace Peck Terrace; amended to add time	DCR	2/16/2024	9/30/2024
C2109	16	Holst Architecture	\$ 5,250.00	Powell A&E scope amendment	DCR	2/20/2024	8/31/2024
C3262	1	Salomee Souag	\$ 1,600.00	Powell Design and fabricate stencil patterns for public path	DCR	2/20/2024	5/30/2024

C2919	16	Walsh Construction Co.	\$ 255,584.00	Fairfield Design-Build CO #09	DCR	2/21/2024	12/31/2024
C2109	15	Holst Architecture	\$ 10,470.00	Powell A&E scope amendment	DCR	2/27/2024	4/30/2024
C3071	1	Trauma Intervention Program TIPNW	\$ 8,000.00	Trauma informed care services and counseling for HF residents; Training and consultation for HF staff.	Community Services	2/29/2024	12/31/2024
Subtotal			\$ 3,526,958.18				36

OTHER AGREEMENTS (Revenue contracts, 3rd Party contracts, MOU's, IGA's)

Contract #	Amend #	Contractor	Contract Amount	Description	Dept.	Execution Date	Expiration Date
Subtotal			\$ -				0
Total			\$ 7,117,433.99				65

**Procurement & Contracts Department
FUTURE FORMAL PROCUREMENTS
Look Ahead - March 2024**

Estimated Contract Amount	Description	Dept.	Solicitation Period
\$1.5 million	Schiller Way Envelope Rehab	DCR	March 2024
\$1 million	Rosenbaum Plaza Plumbing Repairs Phase 2/3	DCR	March 2024
\$500k	Special Inspections	DCR	April 2024
TBD	STRA	Homeless Initiatives	2024
\$1.650 million	A&E for N. Maryland	DCR	2024
\$13.2 million	CM/GC for N. Maryland	DCR	2024
TBD	Townhouse Terrace Construction Project	DCR	Late 2024
TBD	Slavin Court Construction Project	DCR	Early 2025
TBD	On-call Painting Services	IFS	TBD
\$1.5 million	CHSP Housekeeping & Personal Care	Community Services	TBD
\$910k	Design and construction services for Schiller Way	DCR	TBD