

SPOKANE HOUSING AUTHORITY - MTW APPLICATION NARRATIVE

Overall Vision for SHA's MTW Program

At Spokane Housing Authority (SHA), we believe HOME is where the start is. Home is not just built on a foundation, it is the foundation that supports every other opportunity for people to have better, healthier, and more satisfying lives. Executing equitable strategies to integrate affordable housing into the fabric of neighborhoods is the key to making sure families have the tools they need to thrive, not just survive. SHA's adopted strategies outline our vision for the next 10 years. We believe these strategies align seamlessly with the objectives of MTW.

- 1. SHA will provide outstanding organizational stewardship of resources.*** This includes investing in our greatest resource, our employees; diversifying funding sources; maximizing funding leverage; technological innovations; improving data collection; efficient internal operations; active community outreach and collaboration; and setting high performance standards for properties, programs, and employees.
- 2. SHA will Empower and equip families to improve their quality of life and achieve economic independence/stability.*** This includes fostering innovation through new projects; ensuring families have access to resources they need to improve their lives and the lives of their children, expanding partnerships focused on those we serve; fostering an environment of wellness, work, and education in SHA programs by identifying and creating successful economic stability programs, including those that give incentives to working families, those that are seeking work, or who are preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment.
- 3. SHA will work to expand housing opportunities for low-income families.*** This includes securing the maximum number of HCV's available; adopting administrative policies that

encourage low-income families to move to communities of greater opportunity that are not impacted by concentrated poverty or race and to find safe, decent and affordable housing in an environment conducive to breaking the cycle of poverty; increasing landlord participation by providing incentives for new landlords to participate in the HCV program; and advancing affordable housing policy by championing public policies that will increase the viability, availability and accessibility of affordable housing.

4. ***SHA will strategically preserve and increase availability of affordable housing.*** This includes preserving and improving SHA's existing portfolio to increase the quality, value and marketability of all properties in the portfolio; acquiring and developing housing focused on meeting the needs of our most vulnerable citizens; working closely with partners to identify locations where new affordable housing would provide the greatest benefits.
5. ***SHA will focus on ending racial disparities so there is fairness in governance, hiring, promotions, greater opportunities in contracting, and equitable services to all applicants, residents and participants.*** This includes applying an equity lens when changing or developing new policies, programs, and practices that perpetuate inequities; being data driven in order to measure the success of specific programmatic and policy changes and practices; strengthening our outreach, public engagement, and access to SHA programs for communities of color; and supporting/changing existing services using equity best practices.

Unique Challenges and Opportunities MTW Would Bring

When most people think of Washington, they visualize larger cities like Seattle, Tacoma, Vancouver or Everett; which basically run contiguously along the I-5 corridor. SHA's jurisdiction is situated in Eastern Washington on the borders of Canada and Idaho, separated from these large I-5 cities by hundreds of miles and a mountain range. SHA has the formidable

challenge of providing the HCV program over the largest geographic region of any PHA in Washington state – approximately 1/5 of the entire state. SHA delivers affordable housing solutions in the urban City of Spokane but also in extremely rural areas in Spokane, Lincoln, Whitman, Stevens, Pend Oreille, and Ferry Counties. Unlike Western Washington, which economy is based on high tech manufacturing, Eastern Washington predominately rural and agriculture dependent. Market conditions, resources, community partners, education and employment opportunities differ greatly between the area we serve. Our MTW plan will need to be flexible enough to meet each community's needs throughout the geographic region we serve.

This geographic challenge is also an opportunity as it aligns with the Healthier Washington Initiative (HWI), an initiative launched to transform the payment for, access to and integration of Medicaid services. HWI divided the state into regions known as Accountable Communities of Health (ACH's) to identify needs and create an integrated community health system that aligns around strengthening natural systems of care and partnerships in the region. Our region's ACH, closely mirrors SHA's 6-county service area. The opportunity this presents is SHA's ability to tap into the solid collaborative created between dozens of health care and social determinates of health providers like SHA; healthcare providers that now recognize the importance affordable housing and role of non-traditional housing partners play in improving health. This well-established collaborative infrastructure provides a ready-made collective of partners to assist SHA in the implementation of MTW.

As it relates to MTW, the largest challenge in Spokane, the second largest city in Washington State, is the housing market. Rents have skyrocketed by 45% over the last five years with the average rent now at \$1,026. Income inequality is forcing people into low-income neighborhoods, or worse into homelessness. A minimum wage earner in Spokane (working full-

time @\$13.50/hr) can afford just \$702 per month in rent and utilities. The result is a 20% increase in the number of individuals experiencing homelessness in Spokane County.

The greatest opportunity in Spokane is the significant increase in the number of jobs posted in the private sector. Key industries with employment opportunities in Spokane County include transportation/warehousing, advanced manufacturing, healthcare, finance/insurance, information technology, construction, education and agriculture. Our Workforce Development Council has many opportunities for low-income wage earners to improve their circumstances.

SHA's involvement with Moving to Work (MTW) also provides an opportunity to strengthen work that began in 2018 with the creation of the Spokane Resource Center (SRC) – a HUD Envision Center. What started as a partnership between HUD, the Spokane Workforce Council (SWC), City of Spokane and SHA, quickly expanded to include more than a dozen local non-profit agencies co-located at the SRC. The SRC works to improve quality of life for low-income families through systems coordination, including: 1) Benefits and Basic Needs (clothing food benefits, lifeline cell phone program, low-cost internet service/computer equipment, energy assistance, SSI and SSDI assistance; 2) Equity/Community Inclusion Center – A space to access culturally specific services and workshops; 3) Financial Stability Center – A partnership of the Spokane CASH Coalition, Workforce Council, the City and United Way of Spokane to provide financial literacy education credit restoration and counseling, assistance preparing taxes, and business start-up planning; 4) Health and Wellness – Access to health insurance, care coordination, mental health assessments and referrals and other counseling resources; 5) Housing – short-term rental and security deposit assistance, housing counseling, referral to low-income housing, HCV briefings and Responsible Renter workshops; 6) Justice – Re-entry assistance, assistance with driver's relicensing and vacating criminal records, and legal advocacy; and 7)

Pre-employment Counseling, work readiness, resume review, career assessments, referrals to community employment programs and training and the Economic Security for All Program.

In the rural areas served by SHA challenges include 1) a lack of available rental units¹; 2) a lack of availability or affordable extension of public water and sewer infrastructure systems, which limit the availability of sites suitable for construction of multi-family rental units; 3) the abundance of lakes and wide open spaces making the areas attractive for those seeking vacation destinations and removing single-family options from the rental market; 4) slow economic growth; and 5) a lack of public transportation;.

Every rural community we serve has a unique combination of assets in which they can invest to grow and promote resilience. We see these assets as opportunities. These include: 1) *natural resources*, including amenities such as public parks as well as tradable commodities such as wheat, corn and timber; 2) *innovation and adaption* in both the agricultural and manufacturing industries; and 3) *community and social capital* resulting from close-knit communities and social infrastructure.

SHA's Why - The existing one-size-fits-all parameters of the HCV program limit our ability to test innovative approaches that will enhance SHA's existing programs and meet community need. There are incredibly innovative solutions coming from existing MTW agencies and this flexibility will allow SHA to reach beyond traditional forms of housing assistance to set priorities in collaboration with local government, Continuums of Care for the Homeless (CoC's), non-profit partners, and most importantly, our citizens. Creating new opportunities and testing

¹ In Whitman County, this is exacerbated by the fact that it is home to Washington State University, who hosts 30,000 college students. 60% of WSU students live off campus, putting tremendous pressure on the Whitman rental market and driving rents up. In rural Spokane County, Eastern Washington University hosts 11,000 college students. With the capacity to house just 2,000 of these students, the balance absorbs the majority of rental units in Cheney

alternative rent structures that encourage income growth will increase housing stability and provide better paths to economic independence for our families. This will free up valuable and limited resources needed to help even more families.

EXPERIENCE/ SKILLS OF PERSONNEL WITH MTW RESPONSIBILITY

Pam Tietz, Executive Director – Has 33+ years of affordable housing administration experience; 26 years at an executive management level. Expert knowledge of HCV, Family Self-Sufficiency (FSS), Rental Assistance Demonstration (RAD), Low-Income Housing Tax Credit and Public Housing programs. Track record of building consensus for multi-agency partnerships, including leadership roles in Spokane County including Chair of CoC and Better Health Together (BHT), as well as participation in the Spokane Resource Center, Priority Spokane, Invest Health, and The Zone Project.

Lori McGowan, Deputy Director, Chief Financial Officer - 19 years of experience working within the affordable housing industry, Lori is recognized amongst industry peers for her leadership, organizational/strategic planning, financial, negotiation, and affordable housing development skills. Because of Lori's affordable housing finance and development knowledge, she has been invited by HUD to participate in several Joint Application Development Sessions and listening sessions and is often recommended to provide consulting to industry peers. Lori is a graduate of Virginia Wesleyan University with a BA in Business Administration. She currently serves in NAHRO Leadership and is a Past President of the Washington Housing Authority Accounting Professionals. She will be part of the Leadership Spokane Class of 2021.

Alex Liberman, Director of Housing Assistance Programs – Alex holds a Master's in Social Work from Eastern Washington University. Alex has led SHA's Housing Assistance

programs for several years and is responsible for managing, developing, coordinating, monitoring, and ensuring that the rental subsidy and homeownership subsidy programs administered by the agency are efficiently operated and in compliance with regulations. SHA has achieved SEMAP high performance status for several years under Alex's leadership. Alex serves also on the Spokane CoC Veterans Leadership and HMIS committees.

Statement of Fair Housing and Civil Rights Goals - SHA is committed to promoting civil rights, affirmatively furthering fair housing, advancing social justice, and ending racism. SHA will carry out the MTW program in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing by examining their programs or proposed programs, identifying any impediments to fair housing choice within those programs, addressing those impediments in a reasonable fashion in view of the resources available and working with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require SHA's involvement and by maintaining records reflecting these analyses and actions.

(II) Plan for Future Community/Resident Engagement - Community engagement is a critical part of SHA's MTW initiative. The more input participants and stakeholders have in developing MTW activities the better we will be able to create effective solutions to transform our programming to meet essential components for a path to self-sufficiency. We want participants to help develop their own vision and goals, identify and express their concerns, and make informed choices about decisions that affect them. Here are some strategies we plan to use:

- 1) Create an MTW Advisory Committee made up of voucher participants and community partners to assist us in longer-term thinking and program evaluation

- 2) Provide participants and community advocates immediate access to information in a format that reaches them. This includes website postings, newsletters, virtual or in-person meetings and translation services.
- 3) Utilize partnership with Innovia and BHT foundations to access, who will provide technical and financial assistance to enhance affirmative outreach and engagement efforts with racial and ethnic minorities, persons with LEP, persons with disabilities, families with children and groups representing such persons. Both have extensive outreach experience and resources.
- 4) If an MTW activity is adjusted or even discontinued, SHA will follow a public process to share the reasons for proposals, give participants an opportunity to communicate about needs and ideas, actively listen to what they have to say, and use the feedback to inform our path forward.

(III) PHA Operating and Inventory Information

SHA is a Section 8 only PHA. This is the result of a RAD portfolio conversion completed in 2019. Public Housing sales proceeds of approximately \$14 million are designated for develop new affordable housing units and expand housing choice. MTW participation will allow flexibility in utilizing these proceeds to create the maximum number of affordable housing units in locations that provide both affordability and opportunity.

SHA's HCV program includes more than 5,300 vouchers, including Non-Elderly Disabled (NED), Mainstream (jointly covering 8 PHA's), Family Unification Program (FUP) and Veterans Affairs Supportive Housing (VASH) set-asides. SHA also administers HOME Tenant-Based Rental assistance grants for Spokane County and the City of Spokane, the Housing Opportunities for Persons with AIDS (HOPWA) grant for the Washington Department of Commerce in Spokane County, project-based assistance for two (2) mod-rehab projects owned

by local non-profits and we are the only Washington housing authority to receive a \$5.5 million grant from the Washington State Department of Health and Social Services, Aging and Long-Term Care to administer a statewide rental assistance program called BRIDGES, providing short-term rental assistance to Roads to Community Living clients who need a bridge to longer term affordable housing.

Households served by SHA in the six counties we serve reflect race and ethnicity similar characteristics to the general population, with 16% people of color and 5% who identify as Hispanic. Average household size of a voucher participant is 2 persons compared to 2.35 in the general population – this is predominately reflective of the fact that 65% of our households meet the definition of elderly/disabled. Average gross annual household income of our participants is approximately \$12,000.

With more than 80% of our service area's population in Spokane County, it is anticipated the largest impacts in population changes will be realized in Spokane County. The county population, which stands at more than 512,000 is expected to grow quickly as Spokane receives nationwide recognition fueled by its frequent appearance on Top 10 lists. Two notable mentions in the past year include Inc. magazine naming Spokane as one of the best places to start a business and Red Fin declaring the Spokane as one of four metro areas primed for growth in the next decade because of the affordability and availability of land.

Major plans for housing stock as a result of participation in MTW - SHA

owns/operates approximately 850 affordable housing units, predominately financed through the Low-Income Housing Tax Credits (LIHTC) and tax exempt bonds. Between 2014 - 2019, SHA successfully recapitalized the majority of its inventory, putting the portfolio in good physical and financial position. SHA's principal strategy to increase our housing stock includes using the

flexibility of MTW, proceeds from our RAD conversion, LIHTC, tax exempt bonds and PBV's to producing as many as 800 new affordable housing units over the next 5-10 years. Financing vehicles like LIHTC and tax exempt bonds are major financing sources for new units; however, these do not fully fund a project. Combining the proceeds from the sale of our previous public housing units with MTW flexibilities, will allow us to create affordable and sustainable units in areas of opportunity and make it infinitely more feasible.

SHA's utilization rate in its voucher program has been close to 100% for 6+ years. SHA works very closely with community partners to provide assistance to voucher holders who face barriers to leasing. We employ a full-time Landlord Liaison, whose sole purpose is work with voucher holders to get a landlord to "yes." These barriers vary but often include past criminal history, evictions, or difficulty convincing landlords to take a chance on someone with no rental history. The biggest challenge is a lack of available rental units and market rents that vastly exceed the Voucher Payment Standards. In addition, there is a lack of units meeting Americans with Disabilities (ADA) standards for those who need them.

Examples of SHA Innovation and Creativity within its Current Program

SHA has exercised every tool available to expand existing resources and maximize benefits for our community. This includes creating our *Referral Voucher Program (RVP)* in 2015 through the use of local preferences. RVP utilizes MOU's with service providers to meet the needs of specific populations by pairing HCV's with supportive services, renters' education and housing location services in a holistic way that results in an 80% leasing success rate for participants. These partners include Frontier Behavioral Health, Aging and Long-Term Care, Family Promise, Catholic Housing Services, World Relief, YWCA, Volunteers of America, Goodwill, Spokane Neighborhood Action Programs, Transitions, Northeast Community Center,

and the Spokane County Supportive Living Program. These agencies serve populations including those living with disabilities, the elderly, homeless families and individuals, domestic violence/sexual assault survivors, and refugees. All of the agencies provide these services as in-kind at no charge to SHA and they also help each participant with their application process, saving SHA valuable administrative resources.

Family Unification Program (FUP) supports – In Washington state, when the Department of Children and Youth Services (DCYF) closes a dependency case, is then prohibited from providing any additional services to that household. To address this “services cliff,” SHA executed an MOU with the local non-profit Transitions (w/financial support from the City of Spokane). Transitions provides intensive family supports for up to 20 FUP families needing supportive services beyond the closure of their dependency case. We also partner with Volunteers of America, who provides supportive services (with financial assistance from the Office of Homeless Youth), for FUP-eligible youth who have aged out of the foster care system. Services in both arrangements include case management, goal setting, basic life skills and responsible renter training, landlord supports and housing location services.

Coordinated Assessment (CA) Requirement – To prioritize units for homeless and chronically homeless families and individuals, SHA now requires all Permanent Supportive Housing (PSH) providers use CA to fill available units. This ensures our most vulnerable citizens, are prioritized for entry in PSH and drives developers to collaborate with the CoC. In 2019, SHA worked with CA to add a youth/young adult CA to its system and has now connected the FUP referral process for families and youth to CA. When a homeless family or individual presents at the CA site who self-identifies as having involvement with the DCYF/foster care, CA

automatically contacts DCYF to see if the household might be eligible for a FUP referral. This expands the use of available resources for and people them housed more quickly.

BRIDGES - In 2016, SHA entered into a partnership with Washington State Aging and Long-Term Care (AL TSA), to oversee a statewide pilot rental assistance program designed to “bridge” the gap between a disabled/elderly person being released from an institution and successfully securing stable affordable housing. SHA entered into agreements with every PHA in the state and began the program with a \$130,000 two-year commitment from AL TSA. The program has been so successful that the most recent award was \$5.5m in rental assistance.

Better Health through Housing (BHH) Pilot - SHA, in conjunction with Better Health Together (BHT) and the Spokane Neighborhood Action Partners (SNAP), SHA now works with healthcare providers and payers (Providence, Multi Care, Molina, Community Health Plan of WA, and Amerigroup) to identify high emergency room utilizers with multiple, complex health conditions who are also homelessness and work together to get them stably housed. BHH will provide stable housing with intensive case management services for up to 50 households to reduce emergency room visits and Medicaid costs. Rent is funded by BHT and supportive services and administrative fees are provided by the Washington Department of Commerce.

(IV) Plan for Local MTW Program

Types of initiatives we seek to implement with MTW program and why
Not necessary to put forth discrete activities but rather should discuss how SHA seeks to utilize MTW flexibility in its community to address local needs. Discussion should be organized under three objectives of MTW program: cost effectiveness, self-sufficiency and housing choice

1. **Streamline and simplify rent calculation, verification, recertification, utility allowance, inspection, rent reasonableness, portability and moves processes and requirements** to improve operational efficiencies, reduce operational costs and promote self-sufficiency.
2. **Establish Family Self-Sufficiency Program** that encourages families set and attain goals towards economic independence and asset building.
3. **Design and implement a Voucher Mobility Program** to encourage voucher holders to lease in areas of opportunity and increase housing choices.
4. **Increase PBV program cap, eliminate PBV selection process for PHA-affiliated projects; limit portability for PBV units and allow for alternative to HQS (certificate of occupancy) for newly constructed units** to improve operational efficiencies and provide longer-term housing stability in permanent supportive housing.
5. **Design and implement a Landlord Incentive Program** to expand housing choices.
6. **Development of new affordable housing units** to expand housing choice.
7. **Structure evaluation metrics and benchmarks** to determine degree of cost effectiveness and efficiency (to measure waiver activities other than rent reform).

(V) Proposed Use of MTW Funds

Because SHA is a Section 8 only agency, the biggest benefit in participating in MTW is the flexibilities provided through the waivers. SHA plans request use of our HCV administrative and HAP funds flexibly. Here are some ways we could see this flexibility being utilized:

1. Administrative fee reserves for HAP expenses in order to serve more families
2. Landlord incentives / damage fund to encourage landlords to rent to HCV participants
3. Utilize for gap funding to acquire renovate and/or build affordable units for low-income families.

4. ?????

(VI) Evidence of Significant Partnerships

Must clearly explain how such partnerships will help achieve the vision of PHA local MTW plan and contribute to the success of the alternative rent policy. Discuss how we plan to leverage funding and/or other in-kind resources to implement MTW program.

Workforce Development Commitment - TBD

BHT – technical assistance and funding for Equity work – Commitment TBD.

Innovia (research for Mobility Program and assistance in outreach to persons of color) – Commitment TBD

a) Rent Reform Information

(I) Alternative Rent Policy Selection & Rational

The proposed rent policy SHA would like to implement if selected to take part in the MTW demonstration is the Rent Test #1 - Tiered Rent approach. SHA believes the structure provided by this policy is not only a fair and reasonable approach to calculating income, but also provides the tenant with potential opportunities to build savings and/or pay down debt that is not necessarily provided under the current Brooks method of income calculation.

Currently, under the Brooks model, a participant will always pay a minimum of 30% of their gross income which can, often times, rise up to 40% or even higher in some instances, depending on the client's income level, choice of units, and length of time spent in a unit which experiences annual increases to the contract rent. These situations are not only burdensome to the tenant, but can also be difficult for the family to budget for and plan

around. SHA believes the Tiered Rent approach is much easier for the family to understand and provides a better path to establishing a household budget and preparing for the future. In addition, under the Brooks model and SHA's current administrative plan, HCV program participants must report any increase in income within ten days of experiencing that increase and can expect to have their rent portion increased as a result with a 30-day notice. While we believe this is still a fair approach to calculating a client's rent portion, we also believe it does not necessarily provide the benefit that the Tiered Rent policy provides. Under the Tiered Rent structure, while the tenant may have somewhat of an increased burden at the lower levels of the tiers, as that same tenant gains income and passes the midpoint of any particular tier, they begin to pay rent portions below the 30% minimum required by the Brooks model, and they do not experience the more immediate increase to their rent portion as they do under the Brooks calculation, thereby leading to increased savings for the family. In fact, they do not experience any increase in rent portion until they reach the next tier at their triennial income certification. SHA believes this is a tremendous benefit to the participant in that they have more time available to build savings, pay off debt, and to prepare for the increased rent portion that the next tier would require. This means the participant has more time to build savings and eliminate debt due to the fact that their income is not being assessed annually. Furthermore, while, on the surface, it can appear that a family who is not successful at attaining the increases in income necessary would struggle to maintain stable housing, the required hardship policy provides a safety net which ensures that families who find themselves in that situation will not be detrimentally affected by being placed within the Tiered Rent model.

Describe Alternative Rent Policy to the Public

The MTW program moves away from a one-size-fits-all approach to affordable housing by allowing local communities to effectively address the specific issues they face. It allows locally tailored policies to be part of solving the challenges faced by PHAs. It focuses on best practices and providing creative housing solutions by allowing SHA to merge funding streams and design innovative policies. SHA believes the MTW expansion will: 1) reduce cost and achieve greater cost effectiveness in federal expenditures; 2) 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 2) increase housing choices for low-income families. MTW is to simplify, learn and then apply what we've learned.

If SHA is chosen to participate in the next MTW expansion for Cohort #2, it will be specifically focused on rent reform alternatives. An independent research firm will work with HUD and SHA to assist in the implementation and evaluate the effects of the alternative rent policy. Eligible households will include participants in existing and new households admitting during our participation in the six-year demonstration on rent reform. Households on special purpose vouchers and homeownership vouchers are excluded. Within the MTW-eligible households, each will be randomly assigned (lottery) to either a control group, to which the existing rent policy will apply or to a treatment group, to which the new alternative rent policy will apply.

MTW applications are due in January 2021. We believe HUD will take up to two months to select which 10 applicants will be designated as MTW and participate in Cohort #2. It is then believed that it will take 6-12 months to finalize rent policies, train staff,

update data/software systems, and complete any other tasks required before rent policies can be implemented. At that point the enrollment period will begin. We believe the soonest it could be rolled out would be in early 2022. This means that each eligible household will be randomly assigned to the control group rent or the treatment group rent, undergo a regular income examination, be asked to complete a baseline survey, and receive notifications regarding their rent. We expect the enrollment period will last approximately one year, so that regular income examinations can be spread out over time. During the enrollment period, any new admissions who qualify would also undergo random assignment to either the control group or the treatment group. The study is expected to last six years after the enrollment period is concluded.

For those assigned to the treatment group (the new rent), households will be grouped by gross income tiers. Within each tier HCV participant rent contributions are fixed. Any income increase within a tier does not affect the household's rent/tenant contribution. Tiers are in \$2,500 increments. That is the lowest tier includes households with incomes between \$0 and \$2,499. The next tier includes households with gross incomes between \$2,500 and \$4,999; and so on. Table 1 presents the minimum and maximum gross income for each tier.

When a household begins participating in the tiered rent, they will be assigned to a tier based on their total annual gross income in the *prior* year. Within each tier, the rent is set to be affordable at the midpoint of the tier. Households in the lowest tier will pay a minimum rent of \$50. For all other tiers, the rent is equal to the midpoint of the tier divided by 12 times 30%. All households in an income tier have the same rent.

Each household's tiered rent will apply for three years. During that 3-year period, their rent will not increase. After 3 three years, each household will have their income

reexamined and then will be placed on the tier that matches their total annual gross income in the prior year.

Between triennial reexaminations, a household's tiered rent will change if it is approved for a hardship rent. Hardships must be requested by the household and will be received if the household's total annual gross income – measured as current/anticipated income – drops into a lower tier than they were assigned to in their triennial reexamination. The hardship rent will be the tiered rent that corresponds to their new lower tier. This is expected to be temporary. The hardship will last between 1 and 12 months (at our discretion). The hardship may be renewed, if needed. But if the hardship rent expires, and the tenant does not request (or we do not approve) a hardship renewal, then the household's rent will return to the tiered rent assigned at the most recent triennial income reexamination.

Depending on the alternative rent policy that the PHA has chosen, the PHA must also include additional information. The information requested below must be provided for the specific test rent, delineated on its own page(s), and is exempt from the page count and format requirements given in 4(C)(i)(b).

MTW Test Rent #1: Tiered Rent :

presentation of the Tiered Rent table, including the minimum and maximum income for each tier and the rent associated with each tier (30% of the monthly income at the midpoint of the tier). (I build the table as Appendix 1 later) It will only take a few minutes

III. Information Technology Plan

SHA currently uses the Tenmast IT platform to enter participant data and calculate rent. Tenmast software currently supports other MTW agencies and the transition should be relatively smooth. We will work closely with the vendor and draw support from another Tenmast/MTW

client, King County Housing Authority (KCHA), to transition participant records efficiently. This may require an investment of additional staff time and/or purchasing some additional support from the vendor. SHA has adequate administrative fee reserves to support this and a cooperative working agreement with KCHA.

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