



FISCAL YEAR 2022 MOVING TO WORK (MTW) SUPPLEMENT TO 5- YEAR PHA PLAN

The Rockford Housing Authority (RHA) is requesting public review and comment on RHA's Fiscal Year 2022 Moving to Work (MTW) Supplement to the 5-Year Strategic PHA Plan and related policy materials. The public comment period will extend from September 12, 2022 through November 3, 2022. The following documents comprise the MTW Supplement and are included herein:

1. MTW Supplement (HUD Form 50075-MTW)
2. RHA Introduction to MTW
3. Proposed Landlord Incentives
4. Proposed Landlord Initiations
5. Community and Resident Engagement Outreach
6. Hardship Policy: Housing Choice Voucher Program
7. Impact Analysis

1. MTW SUPPLEMENT
(HUD FORM 50075-MTW)

A.	PHA Information.
A.1	PHA Name: Rockford Housing Authority PHA Code: IL022 MTW Supplement for PHA Fiscal Year Beginning: (MM/DD/YYYY): 10/01/2022 PHA Program Type: Public Housing (PH) only Housing Choice Voucher (HCV) only <u>X</u> Combined MTW Cohort Number: 4 MTW Supplement Submission Type: X Annual Submission
B.	Narrative.
B.1	MTW Supplement Narrative. <p>The Rockford Housing Authority (RHA), is located in Winnebago County, Illinois. The RHA administers both the Public Housing and Housing Choice Voucher (HCV) programs as well as affordable housing options to all eligible households regardless of race, color, religion, sex, physical or mental handicap, familial status, national origin, or other protected class. The RHA is committed to providing quality, affordable housing, that enhances the lives of its residents and promotes their independence.</p> <p>The RHA mission is to create strategic partnerships with community stakeholders, design a diverse housing portfolio, and leverage social service programming to unite and ensure residents are provided with safe and nurturing environments that lead to self-sufficiency, responsibility, and individual empowerment.</p> <p>The overall vision for the RHA's Moving to Work (MTW) program is to create a quality housing model that transforms families from poverty to prosperity while sustaining financial viability of the authority through the implementation of efficient business processes. Additionally, the RHA will develop and implement a comprehensive, integrated, and coordinated service delivery model that combines housing, coaching, and mentoring, life skills and empowerment, education, and workforce development.</p> <p>As an MTW Agency, the Rockford Housing Authority (RHA) will be given the flexibility and authority to develop polices outside the limitations of certain HUD regulations and provisions. This will allow RHA to achieve its mission and program goals at a higher level by leveraging the unique needs and concerns of the community and residents of Winnebago County. The MTW Program will allow the RHA to combine resources permitting the use of HUD funds to better address local program priorities and needs. The flexibilities allowed through the Moving-to-Work Program will support the RHA's vision of empowering residents to achieve self-sufficiency by increasing family housing opportunities, supporting deconcentrating assisted families, encouraging greater landlord participation, promoting landlord retention, and reducing administrative burdens.</p> <p>The agency will utilize the MTW funding flexibility regulatory waivers and landlord incentives to market and promote the HCV program to high-performing landlords in the area of the city and county that have not utilized the voucher program or have underutilized the program.</p>

Core Question/Comment	Answer
<p>Narrative. Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative.</p>	<p>The RHA will implement a new sign-on bonus of \$1000 with a one-year contract beginning January 1, 2023. It has to be a new landlord that cannot be current or previous. They will also receive an additional \$250 for every five units signed on. In addition to the current landlords, starting January 1, 2023, each new unit added will receive \$500 up \$2500 while funding is available.</p>
<p>MTW Statutory Objectives. Which of the MTW statutory objectives does this MTW activity serve?</p>	<p>Cost effectiveness Self-sufficiency</p>
<p>Cost implications. What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</p>	<p>Increased revenue Decreased expenditures</p>
<p>Different policy by household status/family types/sites? Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</p>	<p>The MTW activity applies only to a subset or subsets of assisted households</p>
<p>Household Status. Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?</p>	<p>New admissions and currently assisted households</p>
<p>Family Types. Does the MTW activity apply to all family types or only to selected family types?</p>	<p>The MTW activity applies only to selected family types: Non-elderly, non-disabled families</p>
<p>Location. Depending on if responses are being provided for a public housing (PH) or HCV activity, the agency will either see questions applicable to PH or HCV.</p>	<p>For PH activities: N/A</p> <p>For HCV activities:</p> <ol style="list-style-type: none"> 1. The MTW activity applies to all tenant-based units. 2. The MTW activity applies to all properties with Project-based vouchers and Section 8 landlords.
<p>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</p>	<p>No</p>
<p>Does this MTW activity require a hardship policy?</p>	<p>Yes</p>
<p>Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities. (Only upload hardship policy once when said policy applies to multiple MTW activities.)</p>	<p>Yes</p> <ol style="list-style-type: none"> 1. Payment Standards - Fair Market Rents 2. Alternative Recertification Schedule for Households 3. Elimination of Deductions
<p>Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?</p>	<p>No</p>
<p>How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?</p>	<p>N/A</p>
<p>Does the MTW activity require an impact analysis?</p>	<p>Yes</p>
<p>Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities. (Only upload impact analysis once when said impact analysis applies to multiple MTW activities.)</p>	<p>No</p>
<p>Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.</p>	<p>N/A</p>
<p>Please provide an explanation as to why the activity was discontinued or will be discontinued.</p>	<p>N/A</p>

RHA ACTIVITY 1
Sign-On Bonus (HCV)

2. Impact on affordability of housing costs for affected families (e.g., any change in how much affected families will pay towards their housing costs)

Housing Choice Voucher

This waiver will not affect the impact of affordable housing costs for the families.

3. Impact on the agency's waitlist(s) (e.g., any change in the amount of time families are on the waitlist) This waiver will not affect the waiting list.

4. Impact on the agency's termination rate of families (e.g., any change in the rate at which families non-voluntarily lose assistance from the agency)

This waiver will not affect the termination rate of families.

5. Impact on the agency's current occupancy level in public housing and utilization rate in the HCV program

This waiver will not affect the agency's current occupancy level in public housing or utilization rate in the HCV program.

6. Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency, and/or housing choice *MTW Statutory Objective - Cost Effectiveness*

7. Impact on the agency's ability to meet the MTW statutory requirements

This waiver will enable RHA to meet both the statutory objectives of Cost Effectiveness and Self-Sufficiency.

8. Impact on the rate of hardship requests and the number granted and denied as a result of this activity

9. Across the other factors above, the impact on protected classes (and any associated disparate impact)

This waiver is implemented based on landlord incentives in which protected class is not a factor. Therefore, there is no anticipated impact on protected classes.

RHA ACTIVITY 2
Damage Claims (HCV)

Core Question/Comment	Answer
<p>Narrative. Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative.</p>	<p>To incentivize a landlord's current participation in the HCV program, the RHA will allow owners to submit a damage claim of up to one month's contract rent. The amount of compensation may not exceed the lesser of the cost of damages or one months of contract rent. Damages must be documented by and accepted by the RHA.</p>
<p>MTW Statutory Objectives. Which of the MTW statutory objectives does this MTW activity serve?</p>	<p>Housing Choice</p>
<p>Cost implications. What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</p>	<p>Increased revenue, Increased expenditures</p>
<p>Different policy by household status/family types/sites? Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted</p>	<p>The MTW activity applies to all assisted households</p>
<p>Household Status. Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?</p>	<p>New admissions and currently assisted households</p>
<p>Family Types. Does the MTW activity apply to all family types or only to selected family types?</p>	<p>The MTW activity applies to all family types</p>
<p>Location. Depending on if responses are being provided for a public housing (PH) or HCV activity, the agency will either see questions applicable to PH or HCV.</p>	<p>For PH activities: N/A For HCV activities: 1. The MTW activity applies to all tenant-based units. 2. The MTW activity applies to all properties with project-based vouchers and section 8 landlords.</p>
<p>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</p>	<p>No</p>
<p>Does this MTW activity require a hardship policy?</p>	<p>No</p>
<p>Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities. (Only upload hardship policy once when said policy applies to multiple MTW activities.)</p>	<p>No</p>
<p>Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?</p>	<p>No</p>
<p>How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal</p>	<p>N/A</p>
<p>Does the MTW activity require an impact analysis?</p>	<p>No</p>
<p>Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities. (Only upload impact analysis once when said impact analysis applies to multiple MTW activities.)</p>	<p>No</p>

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.	N/A
Please provide an explanation as to why the activity was discontinued or will be discontinued.	N/A

FY23 RHA Impact Analysis Activity 2

Damage Claims

- 1. Impact on the agency's finances (e.g., how much will the activity cost, any change in the agency's per family contribution).**
- 2. Impact on affordability of housing costs for affected families (e.g., any change in how much affected families will pay towards their housing costs)**
This activity will not affect the costs for affected families.
- 3. Impact on the agency's waitlist(s) (e.g., any change in the amount of time families are on the waitlist)** This activity will not affect the waiting list.
- 4. Impact on the agency's termination rate of families (e.g., any change in the rate at which families non-voluntarily lose assistance from the agency)**
This activity will not affect the termination rate of families.
- 5. Impact on the agency's current occupancy level in public housing and utilization rate in the HCV program.**
- 6. Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency, and/or housing choice**
MTW Statutory Objective – Housing Choice
- 7. Impact on the agency's ability to meet the MTW statutory requirements**
The RHA will be able to meet the statutory objective of Housing Choice.
- 8. Impact on the rate of hardship requests and the number granted and denied as a result of this activity** The RHA does not expect to see an increase in hardship requests as a result of this activity.
- 9. Across the other factors above, the impact on protected classes (and any associated disparate impact)**

RHA ACTIVITY 3

Payment Standards - Fair Market Rents (HCV)

Core Question/Comment	Answer
<p>Narrative. Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative.</p>	<p>The RHA will raise the payment standard to 120% of the Fair Market Rents (FMR). Housing choices are dwindling due to growing local market rents, and this limits where RHA households can live. This activity is a remedy to this concern.</p> <p>The current RHA payment standard is 110% of the FMR. A payment standard of 120% of FMR will increase the payment standard by an average of \$105 for all bedroom sizes.</p>
<p>MTW Statutory Objectives. Which of the MTW statutory objectives does this MTW activity serve?</p>	<p>Housing choice</p>
<p>Cost implications. What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</p>	<p>Decreased revenue</p>
<p>Different policy by household status/family types/sites? Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</p>	<p>The MTW activity applies to all assisted households</p>
<p>Household Status. Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?</p>	<p>New admissions and currently assisted households</p>
<p>Family Types. Does the MTW activity apply to all family types or only to selected family types?</p>	<p>The MTW activity applies to all family types</p>
<p>Location. Depending on if responses are being provided for a public housing (PH) or HCV activity, the agency will either see questions applicable to PH or HCV.</p>	<p>For HCV activities: The MTW activity applies to all tenant-based units The MTW activity applies to all properties with project-based vouchers</p>
<p>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</p>	<p>No</p>
<p>Does this MTW activity require a hardship policy?</p>	<p>Yes</p>
<p>Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities. (Only upload hardship policy once when said policy applies to multiple MTW activities.)</p>	<p>Yes</p> <ol style="list-style-type: none"> 1. Minimum Rent 2. Elimination of Deductions 3. Alternative Reexamination Schedule for Households
<p>Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?</p>	<p>N/A</p>
<p>How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?</p>	<p>N/A</p>
<p>Does the MTW activity require an impact analysis?</p>	<p>Yes</p>
<p>Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities. (Only upload impact analysis once when said impact analysis applies to multiple MTW activities.)</p>	<p>No</p>
<p>Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.</p>	<p>N/A</p>
<p>Please provide an explanation as to why the activity was discontinued or will be discontinued.</p>	<p>N/A</p>

Please explain the payment standards by FMR.

- The current RHA payment standard is 110% of the FMR. Standard payment of 120% of FMR will increase the payment by a standard average of \$105 for all bedroom sizes.

Bedroom Size	Current Fair Market Rent	Current Payment Standard	120% FMR - PS
0	\$555	\$611	\$666
1	\$635	\$699	\$762
2	\$836	\$920	\$1,003
3	\$1,140	\$1,254	\$1,368
4	\$1,214	\$1,335	\$1,457
5	\$1396	\$1536	\$1675
6	\$1578	\$1736	\$1894

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FY23 RHA Impact Analysis Activity 3
Payment Standard – Fair Market Rents

1. Impact on the agency’s finances (e.g., how much will the activity cost, any change in the agency’s per family contribution)

The RHA will raise the payment standard to 120% of the Fair Market Rents (FMR). It is anticipated that this activity will increase the RHA’s federal expenditures in terms of housing assistance payments (HAP). The average HAP is projected to increase by \$105 per family, per month. Augmenting the payment standard for FMR will expand housing choices for families and deconcentrate poverty.

2. Impact on affordability of housing costs for affected families (e.g., any change in how much affected families will pay towards their housing costs)

Families will, similarly, see an increase in their tenant rent portion; however, it will be insubstantial. Due to increases in local market rents, all families will see an increase in rent regardless of their income status.

3. Impact on the agency’s waitlist(s) (e.g., any change in the amount of time families are on the waitlist) This activity will not affect the waiting list.

4. Impact on the agency’s termination rate of families (e.g., any change in the rate at which families non-voluntarily lose assistance from the agency)

This activity will not affect the termination rate of families.

5. Impact on the agency’s current occupancy level in public housing and utilization rate in the HCV program Due to an increase in HAP, this activity may affect the agency’s current utilization rate in the HCV program. It is the expectation that this activity will have a neutral effect on the HCV utilization rate when combined and implemented with the other RHA MTW activities.

6. Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency, and/or housing choice

MTW Statutory Objective – Housing Choice

This activity will enlarge the pool of available and affordable housing choices from which a family can choose.

7. Impact on the agency’s ability to meet the MTW statutory requirements

The RHA will be able to meet the statutory objective of Housing Choice.

8. Impact on the rate of hardship requests and the number granted and denied as a result of this activity The RHA does not expect to see an increase in hardship requests as a result of this activity.

9. Across the other factors above, the impact on protected classes (and any associated disparate impact)

This activity is based on income reviews, in which protected class is not a factor, and there is no anticipated impact on protected classes. Elderly and disabled participants are a protected class; however, this activity will not have a negative impact on them.

F.	Public Housing Operating Subsidy Grant Reporting.
F.1	Please provide the public housing Operating Subsidy grant information in the table below for Operating Subsidy grants appropriated in each Federal Fiscal Year the PHA is designated an MTW PHA.



Federal Fiscal Year (FFY)	Total Operating Subsidy Authorized Amount	How Much PHA Disbursed by the 9/30 Reporting Period	Remaining Not Yet Disbursed	Deadline
2022	\$7,477,063	\$568,7	\$426,110	9/30/2031



Income Level	Number of Local, Non-Traditional Households Admitted in the Fiscal Year*
80%-50% Area Median Income	0
49%-30% Area Median Income	0
Below 30% Area Median Income	0
Total Local, Non-Traditional Households	0

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

G.	MTW Statutory Requirements.
G.1	<p>75% Very Low Income – Local, Non-Traditional.</p> <p>HUD will verify compliance with the statutory requirement that at least 75% of the households assisted by the MTW agency are very low-income for MTW public housing units and MTW HCVs through HUD systems. The MTW PHA must provide data for the actual families housed upon admission during the PHA's most recently completed Fiscal Year for its Local, Non-Traditional program households.</p>

G.2	Establishing Reasonable Rent Policy.
Question	Input options and instructions
Has the MTW agency established a rent reform policy to encourage employment and self-sufficiency?	No.

G.3 Substantially the Same (STS) – Local, Non-Traditional.	
Questions	Input options and instructions
Please provide the total number of unit months that families were housed in a local, non-traditional rental subsidy for the prior full calendar year.	<u>0</u> unit months
Please provide the total number of unit months that families were housed in a local, non-traditional housing development program for the prior full calendar year.	<u>0</u> unit months
How many units, developed under the local, non-traditional housing development activity, were available for occupancy during the prior full calendar year (by bedroom size)?	Please include only those units that serve households at or below 80% of AMI in the table provided. <u>0</u>

PROPERTY NAME/ADDRESS	0/1 BR	2 BR	3 BR	4 BR	5 BR	6+ BR	TOTAL UNITS	POPULATION TYPE*	# of Section 504 Accessible (Mobility)**	# of Section 504 Accessible (Hearing/Vision)	Was this Property Made Available for Initial Occupancy during the Prior Full Calendar Year?	What was the Total Amount of MTW Funds Invested into the Property?
	0	0	0	0	0	0	0	General	0	0	No	N/A
	0	0	0	0	0	0	0	General	0	0	No	N/A
	0	0	0	0	0	0	0	General	0	0	No	N/A
	0	0	0	0	0	0	0	General	0	0	No	N/A
	0	0	0	0	0	0	0	General	0	0	No	N/A
	0	0	0	0	0	0	0	General	0	0	No	N/A
	0	0	0	0	0	0	0	General	0	0	No	N/A

G.4 Comparable Mix (by Family Size) – Local, Non-Traditional.	
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In order to demonstrate that the MTW statutory requirement of “maintaining a comparable mix of families (by family size) are served, as would have been provided had the amounts not been used under the demonstration” is being achieved, the MTW agency will provide information for its most recently completed Fiscal Year in the following table.

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

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

G.5 Housing Quality Standards.	
	Certification is included in MTW Certifications of Compliance for HCV and local, non-traditional program. The public housing program is monitored through physical inspections performed by the Real Estate Assessment Center (REAC).

H.	Public Comments.	
H.1		Input options and instructions
	Please provide copy of all comments received by the public, Resident Advisory Board, and tenant associations.	
	Please attach a narrative describing the MTW agency's analysis of the comments and any decisions made based on these comments.	
	If applicable, was an additional public hearing held for an Agency-Specific Waiver and/or Safe Harbor waiver?	
	If yes, please attach the comments received along with the MTW agency's description of how comments were considered.	
I	Evaluations.	
I.1	Please list any ongoing and completed evaluations of the MTW agency's MTW policies, that the PHA is aware of, including the information requested in the table below. In the box "title and short description," please write the title of the evaluation and a brief description of the focus of the evaluation.	

Question	Input options and instructions
Does the PHA have an agency-sponsored evaluation?	No



Table I.1 - Evaluations of MTW Policies			
Title and short description	Evaluator name and contact information	Time period	Reports available
J	MTW Certifications of Compliance.		
J.1	The MTW agency must execute the MTW Certifications of Compliance form and submit as part of the MTW Supplement submission to HUD. Certification is provided below.		

2. RHA INTRODUCTION TO MTW

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The Rockford Housing Authority (RHA), is in Winnebago County, Illinois. The RHA administers both the Public Housing and Housing Choice Voucher (HCV) programs as well as affordable housing options to all eligible households regardless of race, color, religion, sex, physical or mental handicap, familial status, national origin, or other protected class. The RHA is committed to providing quality, affordable housing, that enhances the lives of its residents and promotes their independence.

The RHA mission is to create strategic partnerships with community stakeholders, design a diverse housing portfolio, and leverage social service programming to unite and ensure residents are provided with safe and nurturing environments that lead to self-sufficiency, responsibility, and individual empowerment.

The overall vision for the RHA's Moving to Work (MTW) program is to create a quality housing model that transforms families from poverty to prosperity while sustaining financial viability of the authority through the implementation of efficient business processes. Additionally, the RHA will develop and implement a comprehensive, integrated, and coordinated service delivery model that combines housing, coaching, and mentoring, life skills and empowerment, education, and workforce development.

As an MTW Agency, the Rockford Housing Authority (RHA) will be given the flexibility and authority to develop policies outside the limitations of certain HUD regulations and provisions. This will allow RHA to achieve its mission and program goals at a higher level by leveraging the unique needs and concerns of the community and residents of Winnebago County.

The MTW Program will allow the RHA to combine resources permitting the use of HUD funds to better address local program priorities and needs. In addition, the RHA will streamline its business processes to operate more cost effectively and efficiently by implementing innovative business solutions, redesign processes, and amend policies that will reduce administrative complexity, costs, and staff time.

The agency will utilize the MTW funding flexibility regulatory waivers and landlord incentives to market and promote the HCV program to high-performing landlords in the area of the city and county that have not utilized the voucher program or have underutilized the program.

This measure establishes the housing choice voucher landlord incentive program and requires the Rockford Housing Authority to adopt rules without regard to chapter 91, HRS, to establish specified incentives for landlords who participate in the tenant-based assistance housing choice voucher program under section 8 for the United States Housing Act of 1937.

One of the programs in which the RHA assists our low-income families is through the Section 8 Housing Choice Voucher Program, also known as "Section 8 HCV". The Section 8 HCV program is one of the federal government's major programs for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market, including single-family homes, townhouses, and apartments. The program currently brings in over millions of dollars a year and supports over 3,200 families and over 11,200 individuals.

There are many landlords who are reluctant to lease their units to our Section 8 voucher holders leaving many families with no choice but to return the voucher that they waited many years to receive. Therefore, the proposed landlord incentives program will certainly make a difference in the lives of our most disadvantaged families by assisting them find suitable permanent housing.

In October of 2021, the RHA applied for the "Moving to Work" (MTW) Demonstration Program expansion- Landlord Incentives Cohort with the U.S. Department of Housing and Urban Development (HUD). The MTW designation would allow the RHA the flexibility to use it's currently restrictive federal funding to increase economic self-sufficiency and prosperity, create innovative local solutions to address unique needs in Rockford, and would increase housing choices for low-income families in Winnebago County.

The RHA's submission would seek to implement 3 landlord incentives:

1. Provide a sign-on bonus of \$1,000 with a one-year contract; has to be a new landlord that cannot be current or previous.
 - a. Plus, an additional \$250 for every five units signed on.
 - b. Current landlords starting January 1, 2023, each new unit added will receive \$500 up to \$2500 while funding is available.
2. Provide a landlord damage claims; the amount of compensation may not exceed the lesser of the cost of damages or one months of contracted rent.
 - a. Damages must be documented and accepted by the PHA.
3. The RHA will raise the payment standard to 120% of the Fair Market Rents (FMR).

On January 27, 2022, the RHA received an award letter from HUD indicating that the RHA was selected for admission to HUD's Landlord Incentives Cohort of the MTW Demonstration Program. The RHA believes that the proposed landlord incentives will be an extremely useful tool that will allow the RHA to increase the effectiveness of administering the Section 8 program.

The RHA accepted the designation and anticipated that it will take approximately 1 year to complete its MTW plan and officially roll out the landlord incentives. With the creation of these landlord incentives the RHA will be able to provide these landlord incentives right away, and then be able to use its federal funds to serve more families.

The Section 8 HCV program is an important part of the State's efforts in addressing the affordable housing needs of our low-income families. All families go through a criminal background, sex offender and Homeland Security screenings before being given a voucher to pursue a rental unit, and the RHA is willing to work and assist all landlords that would like to participate in the program.

3. PROPOSED LANDLORD INCENTIVES

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Payment Standards – FMR

RHA will meet the statutory objective of increasing housing by raising the payment standards to 120% of Fair Market Rent. Expanding the payment standards will give families a better opportunity to find decent and safe housing and increase the Authority's utilization rate for the program. In addition to increasing the payment standards.

The current RHA payment standard is 110% of the Fair Market Rent (FMR). A payment standard of 120% of FMR will increase the payment standard by an average of \$105 for all bedroom sizes.

Current FMR:

0	1	2	3	4	5	6
\$555	\$635	\$836	\$1,140	\$1,214	\$1,396	\$1,578

Current Payment Standard:

0	1	2	3	4	5	6
\$611	\$699	\$920	\$1,254	\$1,335	\$1,536	\$1,736

120% FMR – Payment Standard:

0	1	2	3	4	5	6
\$666	\$762	\$1,003	\$1,368	\$1,457	\$1,675	\$1,894

Damage Claims

To incentivize landlord's continued participation in the HCV program, the RHA is authorized under its Moving-To-Work (MTW) status to make damage claim payments to participating landlords. Damage Claim payments will only be made after an HCV family vacates the unit with the following conditions:

1. Damage claim payments will only be made for damage caused to the unit by the tenant or their guests beyond ordinary wear and tear and not for unpaid rent.
2. Damages must be documented and accepted by the RHA.
3. The damage claim amount of compensation may not exceed the lesser of the cost of damages or one month's of contracted rent.
4. The maximum damage claims the RHA will pay is one month's contract rent under the former HCV tenant's HAP contract.
5. The owner must comply with requests for documentation from the RHA in order to be eligible for damage claim payments.
6. Requests for damage claim payments should be made in writing with the appropriate documentation to the LIPH Program Manager within 30 days of the tenant moving out. If an

owner does not have complete repair costs at the time, they can request a 30-day extension to provide that documentation. The LIPH Program Manager will approve or deny the claim in full or in part based on the criteria listed above. Suppose the owner wishes to appeal the decision of the LIPH Program Manager. In that case, they may do so in writing to the Director within ten days of receiving the response from the LIPH Program Manager.

Sign-On Bonus

RHA hopes to recruit more landlords by offering a sign-on bonus to provide the HCV participants with more choices for housing. The RHA will implement a new sign-on bonus of \$1000 with a one-year contract beginning January 1, 2023. It must be a new landlord that cannot be current or previous. They will also receive an additional \$250 for every five signed-on units. In addition to the current landlords, starting January 1, 2023, each new unit will receive \$500 up \$2500 while funding is available.

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4. PROPOSED LANDLORD INITIATIVES

As a member of the Move to Work Cohort #4, Rockford Housing Authority would hire on two new roles at the agency: Landlord Liaison and Occupancy Specialist under the MTW Cohort #4 approval.

The landlord liaison will serve as a single point of contact devoted solely to landlords to provide customer service, communication about their units, or any update regarding their housing stock. The landlord liaison will develop and maintain a network of professional contacts in the property management and real estate industry through the local Realtors Association, apartments association, and property management companies to promote RHA. The landlord liaison will utilize the Landlord Incentive funding as landlord recruitment and retention tool. They will also coordinate the landlord orientation and education workshop schedules and facilitate education workshops. In addition, the Landlord Liaison will maintain the landlord portal, landlord webpage, and landlord web-based forms and assist the landlords with navigating and setting up their inspections.

In addition to the Landlord Liaison, the Occupancy Specialist will field calls from applicants and tenants searching for housing or having concerns/questions regarding housing. With both a Landlord Liaison and Occupancy Specialist on staff, RHA is confident Housing Quality Standard concerns and/or questions that may arise between inspections would be addressed through special reviews as both tenants and landlords have dedicated communication channels to voice concerns.

RHA will continue its comprehensive engagement efforts with the local community, including outreach to racial and ethnic minorities, persons with limited English proficiency, persons with disabilities, families with children, and groups representing such persons. Moreover, RHA will continue to discuss the MTW plan with the Board Commissioners, local leaders, staff, voucher holders, and community stakeholders. RHA's Landlord Liaison attends RAB, property management, and real estate industry association meetings to promote the Landlord Incentive program. Additionally, RHA will establish a Landlord Advisory Committee that meets quarterly with Landlord Liaison and discusses ways to market the Landlord Incentive program. RHA also has a Family Self-Sufficiency (FSS) Program Coordinating Committee (PCC) active in the community and has assisted with promoting a consistent and positive message that supports establishing a favorable public image for the RHA and the MTW Landlord Incentive program.

5. COMMUNITY AND RESIDENT ENGAGEMENT OUTREACH

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Plan for Future Community/Resident Engagement Outreach and Engagement Strategies

RHA strives to be inclusive, accessible, and flexible in keeping the community engaged and informed by delivering information through various channels. As an MTW agency, the RHA will partner with the City of Rockford and the Resident Advisory Board to disseminate outreach information and receive resident input. The RAB meets once a month, and RHA will meet with them and attend their monthly meetings for an opportunity to connect with participants and answer questions related to the MTW Plan or MTW participation.

More importantly, RHA plans to schedule yearly meetings to provide all assisted households and stakeholders an opportunity to receive MTW updates and any proposed changes that RHA may have for consideration. These meetings will be independent of any other required meetings and will be recorded, offering access to assisted families at any time.

RHA's community engagement currently consists of participation in various community meetings, including City Council, service providers, community meetings, resident advisory council, and resource events county-wide.

RHA is dedicated to the belief that resident and community engagement is a pillar to an effective, successful, and inclusive housing program(s). RHA has robust engagement with residents and the community, including but not limited to:

- One appointed commissioner on our agency's board who is also a resident of Public Housing.
- An active Resident Advisory Board comprised of residents of public housing and participants of our tenant-based housing programs.

6. HARDSHIP POLICY
(HOUSING CHOICE VOUCHER PROGRAM)

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ROCKFORD HOUSING AUTHORITY HARDSHIP POLICY

The RHA has established a hardship policy to evaluate individual circumstances to address hardship exemption requests.

Applicable Family Situations

Qualifying hardships include the following:

1. The family has experienced a decrease in income because of changed circumstances including,
 - a) Involuntary loss or reduction of employment
 - b) Death in the family
 - c) Involuntary reduction in or loss of earnings or other assistance
2. The family has experienced an increase in expenses because of changed circumstances, for
 - a) Medical costs that exceed 25% or more of the family's current expense
 - b) Childcare costs that exceed 25% or more of the family's current expense
 - c) Involuntary loss of transportation, such as a serious car accident
 - d) Education
 - e) Similar items
 - f) Such other situations and factors determined by the RHA to be appropriate.

Process for Agency Review and Determination

When a client requests a hardship exemption from an MTW activity, the RHA will take the following actions:

1. Suspend the MTW activity beginning the next month after the request until the agency has determined if the request is warranted.
2. Determine whether a hardship exists within a reasonable time after the family request and whether it is temporary or long term.
3. The RHA will not evict the family during the 90-day period beginning the month following the family's request for a hardship exemption.
4. If it is determined that a financial or other hardship exists and is **TEMPORARY**, the RHA will continue providing an exemption from the MTW activity at a reasonable level for up to 90 days. After that time, the RHA will reinstate the MTW activity from the beginning of the suspension. The RHA will offer the family a reasonable repayment agreement, on terms and conditions established by the RHA for the amount of back rent owed by the family.
5. If it is determined that a financial or other hardship exists and is **LONG-TERM**, the RHA will continue providing an exemption from the MTW activity at a reasonable level for a specified duration determined by the RHA. After that time, the RHA will reinstate the MTW activity from the beginning of the suspension. The RHA will offer the family a reasonable repayment agreement on terms and conditions established by the RHA for the amount of back rent owed by the family.
6. If it is determined that a financial or other hardship request did not meet hardship standards, the client must resume the MTW activity and collect any retroactive rent, if applicable, through a reasonable repayment agreement.

Resident and Participant Notification

The RHA will notify families of its Hardship Policy through its Administrative Plan, Admissions and Continued Occupancy Policy (ACOP), at intake, at recertification, and when a family is to be terminated due to an MTW activity.

Grievance Procedure

If a family's hardship request is denied, the family is permitted to go before the Hearing Officer for a second review.

Reasonable Accommodations

The RHA will address persons with handicaps requesting a reasonable accommodation under 24 CFR part 8 through the RHA's

Reasonable Accommodations Policy and procedures.

Record Keeping

The RHA will keep clear records for hardship requests and determinations for three (3) years. These records are available for public review and inspection at the RHA's principal office during normal business hours and supplied to HUD if requested.

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7. IMPACT ANALYSIS

- a. **Agency Finances:** The impact on agency finances is projected to be neutral both in the short and long term. It is anticipated that the payment standard activity will increase the RHA's federal expenditures in terms of housing assistance payments (HAP). The average HAP is projected to increase by \$105 per family, per month. Augmenting the payment standard for FMR will expand housing choices for families and deconcentrate poverty.
- b. **Impact on affordability for affected families:** Families will, similarly, see an increase in their tenant rent portion; however, it will be insubstantial. Due to increases in local market rents, all families will see an increase in rent regardless of their income status.
- c. **Impact on waitlists:** The activity will not affect the waiting list.
- d. **Impact on occupancy rate for project-based voucher communities and utilization rate in the HCV Program:** Due to an increase in HAP, this activity may affect the agency's current utilization rate in the HCV program. It is the expectation that this activity will have a neutral effect on the HCV utilization rate when combined and implemented with the other RHA MTW activities.
- e. **Impact on the termination rate for families:** This activity will not affect the termination rate of families.
- f. **Impact on MTW statutory goals of cost effectiveness, self-sufficiency, and housing choice:**
 - **Cost Effectiveness:** Offering monetary incentives to landlords for renting to voucher holders and retaining landlords would reduce the administrative burden in assisting voucher holders with housing search activities and may reduce the number of new inspections and paperwork. The landlord would also lose less rent while waiting for a new tenant to be processed. Monetary incentives would also likely increase landlord participation in the program and decrease the amount of time vouchers remained issued but not used. Housing Catalyst would continue offering non-monetary incentives such as excellent customer service and timely HAP payments.
 - **Self-Sufficiency:** Using the MTW flexibilities to adjust payment standards would allow voucher holders to live in high opportunity areas they are currently priced out of; access to better schools; and job opportunities. This would equate to increased economic mobility for residents. It would allow program participants to be more competitive with market-rate tenants.
 - **Housing Choice:** RHA is dedicated to exploring mortgage assistance and expanded homeownership programs. We believe homeownership is a key element in ending generational poverty. The use of MTW incentives to increase landlord participation and retention and expand housing options outside low-income or minority

concentration to increase the number of participating landlords would ultimately provide increased choice for voucher holders. The ability to use their vouchers would be enhanced, and the amount of time searching would be reduced.

- g. **Impact on the agency's ability to meet the MTW statutory requirements:** Rockford housing Authority already has a strong commitment and track record for bringing collaborative and innovative projects to our community. With an MTW status, we would utilize MTW flexibility to align the needs of the community and residents with the (3) MTW statutory objectives in ways that help transform operations, encourage self-sufficiency, and better utilize the funding it receives.
- h. **Impact on hardship requests:** The RHA does not expect to see an increase in hardship requests as a result of this activity.
- i. **Impact on protected classes:** This waiver is implemented based on landlord incentives in which protected class is not a factor. Therefore, there is no anticipated impact on protected classes.

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