

Norwalk Housing Authority

Moving to Work (MTW) Supplement

For Public Review, Board Approval, and Submission to HUD

1. PHA Information

PHA Name: Norwalk Housing Authority

PHA Code: CT002

MTW Supplement for FY Beginning: 04/01/22

PHA Program Type: Housing Choice Voucher (HCV) only

MTW Cohort Number: #4

MTW Supplement Submission Type: Annual Submission

B. Narrative

B.1 MTW Supplement Narrative

As an MTW agency, the Norwalk Housing Authority (NHA) will be given the flexibility and authority to develop policies outside of the limitations of certain HUD regulations and provisions. The NHA was granted participation under the Moving to Work Expansion (MTW), Cohort #4 – Landlord Initiatives demonstration

The Norwalk Housing Authority is an innovative, progressive, high performing housing authority whose mission is to build, maintain, and preserve safe, affordable housing through well managed, mixed income properties that strengthen our community. The flexibilities allowed through the Moving-to-Work Program will support NHA's vision of empowering residents to achieve self-sufficiency by increasing family housing opportunities, supporting deconcentration of assisted families, encouraging greater landlord participation, promoting landlord retention, and reducing administrative burdens.

As the NHA is only applying MTW initiatives to its HCV program in this first supplement, NHA is able to focus its MTW efforts on its Housing Choice Voucher (HCV) program and families. The flexibilities allowed through the Moving-to-Work Program will allow the NHA to better meet its vision of increasing housing choices for families through enacting policies which encourage landlord participation and increase units available to families within the local market.

Through landlord incentives allowable through the MTW program, the NHA hopes to further housing choices and options for participating families, particularly in higher opportunity neighborhoods.

C. MTW Waivers and Associated Activities

All are “Plan to Implement in the Submission Year”

- Activity 2.b. Payment Standards**
- Activity 4.a. Vacancy Loss (HCV Tenant-Based Assistance)**
- Activity 4.b. Damage Claims**

Activity 2.b. Payment Standards – Fair Market Rent

2.b. Payment Standards – Fair Market Rent		
	Core Questions	Sub-Questions
Narrative	<p><i>Description:</i> The PHA will establish a Payment Standard up to 120% of FMR</p> <p><i>Agency goals for MTW activity:</i> Increased housing choice for families.</p> <p><i>How activity contributes to larger initiative (if applicable):</i> This initiative promotes family choice in units, allowing families to potentially lease in higher opportunity areas, thus expanding housing choice.</p>	
MTW Statutory Objective	Housing choice and self-sufficiency	
Cost Implications	Increased expenditures	
Different policy by household status/family types/sites	The MTW activity applies only to a subset or subsets of assisted households	<p><i>Household status:</i> New HCV admissions and currently assisted households</p> <p><i>Family types:</i> The MTW activity applies to all family types</p> <p><i>Location:</i> The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers</p> <p><i>Description:</i> The MTW activity only applies to tenant-based vouchers located in designated higher-opportunity areas.</p>
Safe Harbor Waiver needed?	No	
Hardship Policy required?	Yes	See Hardship Policy Below
Does Hardship Apply to more than this activity?	No	

Has the agency modified the hardship policy since the last submission?	No	
How many hardship requests have been received associated with this activity in the most recently completed PHA FY?	0	
Impact Analysis required?	Yes	See Impact Analysis below
Impact Analysis apply to more than this MTW activity?	No	
What has been accomplished or changed during the implementation	N/A	

2.b. Payment Standards - FMR - Specific Questions	
Please explain the payment standards by FMR.	The Norwalk Housing Authority will establish payment standards using its current two-tier approach, and will pay up to 110 % of FMR for units in low-to-moderate income census tracts and up to 120 % of FMR in units in moderate-to-high income census tracts. This will encourage tenants to move to areas of higher opportunity and will encourage landlords to rent to more section 8 tenants. In the long-term this should result in better outcomes for tenants, particularly families with children, and increased opportunities for housing choice and self-sufficiency.

Hardship Policy

In order to qualify for a hardship exemption, households must meet all of the criteria listed below:

1. The household is in compliance with all the program rules and regulations.
2. The household does not owe the Norwalk Housing Authority any money or is current with a repayment agreement.
3. The household must be admitted to the program prior to April 1, 2022.
4. The household has not relocated on or after April 1, 2022.
5. The household must experience an increase of 5% or more in rent as a direct result of the MTW rent reform initiatives.
6. The household must request the hardship waiver within 10 business days from the date of the letter notifying them of change and giving the timeline in which to request an Informal Hearing or Hardship Review.
7. The household has not received a rent reform hardship relief for the Payment Standards application at interim recertification previously.

Hardship Waiver Approval Process

Households who meet the criteria listed above may mail, fax, or e-mail their request to the Director of Housing Operations at the Norwalk Housing Authority.

If there are no other issues, the Director of Housing Operations will approve a new rent as calculated by the Housing Specialist. If there are other issues, the supervisor will conduct further review.

Hardship Relief for households who qualify and receive waiver approval may pay their portion of rent based on the calculation under HUD regulations until their next recertification or relocation. At the next annual recertification, biennial recertification, or relocation, whichever comes first, the household will automatically be subject to the payment standards set by the Norwalk Housing Authority at that time.

Each household is only eligible for one term of relief for the payment standards initiative.

Impact Analysis – Activity 2.b. Payment Standards – Fair Market Rents (FMR)

		HCV
1.	Impact on the agency’s finances (e.g., how much will the activity cost, any change in the agency’s per family contribution)	This activity is expected to reduce administrative costs by reducing tenant turnover and inspection needs and increase HAP expenditures.
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)	Increases affordability through increased payment standards so affected families will have more housing options.
3.	Impact on the agency’s waitlist(s) (e.g., any change in the amount of time families are on the waitlist)	None, increasing the payment standards as described in our plan should not have any impact of the amount of time families are on the waitlist.
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)	We do not anticipate the payment standard increase will result in any impact on the termination rate of families, since it will not affect factors which primarily cause termination and will increase housing affordability for families.
5.	Impact on the agency’s current utilization rate in the HCV program	Utilization will increase through increased family choice in units. By increasing the payment standards in areas of higher opportunity, voucher holders will have increased options for where to rent and more easily find units.
6.	Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency and/or housing choice	Increased payment standards implemented in higher cost areas increase family housing choice. Opportunities for families in higher opportunity neighborhoods may also increase self-sufficiency over time.
7.	Impact on the agency’s ability to meet MTW statutory requirements	Increased payment standards will increase housing choices for low-income families by enabling them to move to higher opportunity areas. They will also increase self-sufficiency, as residents will be able to move to areas of higher opportunity with more access to community resources, of job training, transportation and employment. Cost effectiveness will also be increased as increased self-sufficiency will long-term result in decreased HAP payments and a decrease in administrative work as fewer tenants will need to move due to rent increases.
8.	Impact on the rate of hardship requests and the number granted and denied as a result of this activity	No impact on the rate of hardship requests presented or denied are anticipated as payment standards will be increased not decreased.
9.	Impact on protected classes (and any disparate impact)	This activity will apply equally to all HCV voucher holders and should have no disparate impact on protected classes, and access to units in higher opportunity areas may have a positive impact.

Activity 4.a. – Other Landlord Incentives – Vacancy Loss

4.a. – Other Landlord Incentives – Vacancy Loss		
Narrative	<p><i>Description:</i> At HAP Contract execution, the PHA will pay up to one month’s vacancy loss to participating landlords, upon the unit being vacated by a participating family.</p> <p><i>Agency goals for MTW activity:</i> Increases opportunities for housing choice by encouraging participating landlords to hold units for section 8 tenants. Provides participating landlords with an opportunity to repair and/or upgrade units without experiencing vacancy loss.</p>	Applies to all HCV units
MTW Statutory Objective	Increased housing choices for eligible low-income families.	
Cost Implications	Increased expenditure	
Different policy by household status/family types/sites	The MTW activity applies to all HCV households	
Safe Harbor Waiver needed?	No	
Hardship Policy required?	No	
Does Hardship Apply to more than this activity	[skip]	
Has the agency modified the hardship policy since the last submission	[skip]	
Impact Analysis required?	No	
Impact Analysis apply to more than this MTW activity	[skip]	
What has been accomplished or changed during the implementation	N/A	

4.a. – Other Landlord Incentives – Vacancy Loss - Specific Questions	
Does this policy apply to certain types of units or to all HCV units or only certain types of units (for example, accessible units, units in a low-poverty neighborhood, or units/landlords new to the HCV program)?	Certain type of units Other: All HCV units
What is the maximum payment that can be made to a landlord under this policy?	Up to one month's contract rent under the old HAP contract.
How many payments were issued under this policy in the most recently completed PHA fiscal year	\$0
What is the total dollar value of payments issued under this policy in the most recently completed PHA fiscal year?	\$0

Activity 4.b. – Other Landlord Incentives – Damage Claims

4.b. – Other Landlord Incentives – Damage Claims		
Narrative	<p><i>Description:</i> The NHA will reimburse landlords for tenant-caused damages (minus security deposit) up to two months contract rent after tenancy. The NHA will require proof that damages are beyond ordinary wear and tear, and documentation of the charges to the tenant’s security deposit prior to the claim to the PHA. Documentation of actual damage costs are required; the PHA will not pay based on estimates. The PHA may charge these costs to the tenant as a condition for remaining on the program.</p> <p><i>Agency goals for MTW activity:</i> Increases participating landlords, thus increasing housing opportunities for low-income families.</p>	Applies to all HCV units
MTW Statutory Objective	Increased housing choices for eligible low-income families.	
Cost Implications	Increased expenditure	
Different policy by household status/family types/sites	The MTW activity applies to all HCV households	
Safe Harbor Waiver needed?	No	
Hardship Policy required?	No	
Does Hardship Apply to more than this activity	[skip]	
Has the agency modified the hardship policy since the last submission	[skip]	
Impact Analysis required?	No	
Impact Analysis apply to more than this MTW activity	[skip]	
What has been accomplished or changed during the implementation	N/A	

4.b. – Other Landlord Incentives – Damage Claims - Specific Questions	
Does this policy apply to certain types of units or to all HCV units or only certain types of units (for example, accessible units, units in a low-poverty neighborhood, or units/landlords new to the HCV program)?	Certain type of units Other: tenant-based
What is the maximum payment that can be made to a landlord under this policy?	Up to two month's contract rent under the HAP contract.
How many payments were issued under this policy in the most recently completed PHA fiscal year	\$0
What is the total dollar value of payments issued under this policy in the most recently completed PHA fiscal year?	\$0

D.1. Safe Harbor Waivers seeking HUD Approval:

Will the MTW agency submit request for approval of a Safe Harbor Waiver this year? **No**

E.1 Agency Specific Waivers for HUD Approval

Will the MTW agency submit a request for approval of an Agency-Specific Waiver this year? **YES**

Agency-Specific Waiver

E.1-A Description: Include Targeted Funding Programs (VASH, FUP, Mainstream, NED) in MTW activities.

The NHA will include Veterans Affairs Supportive Housing Program (VASH), Family Unification Program (FUP), Foster Youth to Independence (FYI), and Mainstream Voucher Program in MTW activities.

These special programs operate under regular HCV regulations (24 CFR Part 5; 24 CFR Part 982) except where special program requirements apply. No special program requirements are included in the agency-specific waiver request. Statutes and regulations requested to be waived include only those standards under the MTW initiative, as described under the individual Activity Sections below:

- Under **2.b. Payment Standards – Fair Market Rents (FMR) Initiative:** The ability for the PHA to pay Housing Assistance Payments (HAP) based on payment standards established between 80% and 120% of the HUD-published FMR (versus between 90% and 110% per regulation). [Regulatory waiver: Certain provisions of section 8(o)(1)(B) and 8(o)(13)(H) of the 1937 Act and 24 CFR 982.503-505 and 983.301.]
- Under **Landlord cohort #4 4.a. Vacancy Loss Initiative:** The ability for the PHA to utilize HCV funds to pay landlords up to one-month contract rent as reimbursement for time the unit spends vacant between HCV participants (not currently authorized in regulations). [Regulatory waiver: Certain provisions of section 8(o)(9) of the 1937 Act and 24 CFR 982.311 and 982.352(c).]
- Under **Landlord cohort #4 4.b. Damage Claims Initiative:** The ability for the PHA to utilize HCV funds to reimburse landlords for tenant-caused damages (minus security deposit) for up to two months contract rent after tenancy. [Regulatory waiver: Certain provisions of section 8(o)(9) of the 1937 Act and 24 CFR 982.311 and 983.352(c).]

Core Questions for Agency-Specific Waivers

Applying MTW Initiatives to Special Programs		
	Core Questions	Sub-Questions
Narrative	<p><i>Description:</i> The PHA will apply MTW waivers to special programs. For all special programs (FUP, VASH, Mainstream), the PHA:</p> <ol style="list-style-type: none"> 1. May establish payment standards between 80% and 120% of FMR (see activity 2.b.) 2. Will implement owner vacancy payments, paying up to one month's rent to participating landlords (see activity 4.a.). 3. Will implement damage claims payments up to two months of contract rent (minus security deposit) between participating tenants (see activity 4.b.) <p><i>Agency goals for MTW activity:</i> Increased housing choice.</p> <p><i>How activity contributes to larger initiative (if applicable):</i> These activities promote landlord participation, which promotes family choice.</p>	
MTW Statutory Objective	Increase housing choices for low-income families)	
Cost Implications	Increased expenditures	
Different policy by household status/family types/sites	The MTW activity applies to all assisted households	
Safe Harbor Waiver needed?	No	
Hardship Policy required?	Yes (2.b.)	See Hardship Policy above
Does Hardship Apply to more than this activity?	No	
Has the agency modified the hardship policy since the last submission?	No	
How many hardship requests have been received associated with this activity in the most recently completed PHA FY?	0	

Impact Analysis required?	Yes (2.b.)	See Impact Analysis below
Impact Analysis apply to more than this MTW activity?	No	
What has been accomplished or changed during the implementation	N/A	

E.1-B How the initiative achieves MTW statutory objectives

- Activity 2.b. Increased Payment Standards/Fair Market Rent:** Increased housing opportunities for low-income families; increased self-sufficiency.
- Activity 4.a. Vacancy Loss (HCV Tenant-Based Assistance):** Increased housing opportunities for low-income families; increased self-sufficiency.
- Activity 4.b. Damage Claims:** Increased housing opportunities for low-income families; increased self-sufficiency.

E.1-C Description of population groups and household types impacted by the Agency-specific request:

The NHA will include Veterans Affairs Supportive Housing Program (VASH), Family Unification Program (FUP), and Mainstream Voucher Program in MTW activities.

Targeted Funding	Allocated	UMA in CY 2021	UML in CY 2021
VASH	23	276	220
FUP	7	84	84
Mainstream	100	1200	835

Targeted Funding*	Allocated	Total Leased	Leasing %
VASH	23	21	91.30%
FUP	7	7	100%
Mainstream	100	84	84%

- Current as of December 2021

E.1-D Cost Implications of the Agency-Specific Waiver

The PHA will experience the same cost implications in adopting the MTW waivers for special programs as listed as will be experienced in adopting for regular Housing Choice Vouchers: Increased HAP expenditures.

E.1-E Implementation timeline for initiative

The PHA’s goal is to implement these initiatives effective September 1, 2022.

1. Activity 2.b. (Payment Standards – Fair Market Rents)

Once established, the new policies will be implemented at the time of admission, annual/biennial recertification, or change of unit.

2. Activity 4.a. (Vacancy Loss)

Once established, the initiative will be applied as appropriate to all new tenant-based units where both the previous tenant and the new tenant are HCV assisted families.

3. Activity 4.b. (Damage Claims)

Once established, the initiative will be applied as appropriate to all HCV assisted families.

E.1-F Impact Analysis

Impact Analysis – Agency Specific Waiver: Applying MTW Initiatives to Special Programs (VASH, FUP, NED, Mainstream)

		HCV
1.	Impact on the agency’s finances	This activity is expected to reduce administrative costs by reducing tenant turnover and inspection needs and increase HAP expenditures.
2.	Impact on affordability of housing costs for affected families	Increases affordability through increased payment standards.
3.	Impact on the agency’s waitlist(s)	None.
4.	Impact on the agency’s termination rate of families	We do not anticipate an impact on termination rates, as all the current proposed changes should make it easier for HCV tenants to find and maintain residences.
5.	Impact on the agency’s current utilization rate in the HCV program	Utilization will increase through increased family choice in units, from payment standard increases and through reduced barriers and incentives to rent to HCV tenants through the other landlord incentives.
6.	Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency and/or housing choice	Implemented MTW initiatives increase housing choice for low-income families, and self-sufficiency through increased housing choice allowing families to find units in areas with greater access to community resources such as support services, transportation and employment.
7.	Impact on the agency’s ability to meet MTW statutory requirements	The PHA is expected to assist substantially the same total number of eligible low-income families as would have been served absent MTW. No negative impact on other statutory requirements.

8.	Impact on the rate of hardship requests and the number granted and denied as a result of this activity	No impact on the rate of hardship requests presented or denied are anticipated as payment standards will be increased not decreased.
9.	Impact on protected classes (and any disparate impact)	This activity will apply equally to all voucher holders and should have no disparate impact on protected classes. This activity may increase access to high opportunity areas for people in protected classes.

E.1-G Hardship Policy Description

The PHA will implement the same hardship policy as for regular voucher holders.

E.1-H Public Comments

[(Pending): copy of all comments received at the public hearing along with the MTW agency’s description of how the comments were considered, as a required attachment to the MTW Supplement.]

G.1 MTW Statutory Requirements

75% Very Low Income – Local, Non-Traditional

HUD will verify compliance with income targeting through HUD systems.

Income Level	FYE 03/31/22 Number of Local, Non-Traditional Households Admitted in the Fiscal Year
50%-80% AMI	0
31%-49% AMI	8
30% and below AMI	91
Total Local, Non-Traditional Households	99

G.2 Establishing Reasonable Rent Policy

Has the MTW agency established a rent reform policy to encourage employment and self-sufficiency?

No.

G.3 Substantial the Same (STS) – Local, Non-Traditional

The total number of unit months that families were housed in a local, non-traditional rental subsidy for the prior full calendar year.	12,709
The total number of unit months that families were housed in a local, non-traditional housing development program for the prior full calendar year.	8,976

G.4 Comparable Mix (by Family Size) – Local, Non-traditional

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

Family size	HCV Occupied Number of Local Non- Traditional units by Household Size
1 Person	399
2 Person	230
3 Person	163
4 Person	104
5 Person	38
6+ Person	20
TOTALS	954

ATTACH Form HUD-50075-MTW: MTW Certifications of Compliance

<https://www.hud.gov/sites/dfiles/PIH/documents/50075-MTWCertOnly.pdf>