



Moving to Work Proposed 2021 Annual Plan Summary

Posted for comment: August 28, 2020

SHA's proposed 2021 MTW Annual Plan is available for public comment through September 28, 2020.

This summary provides highlights from the Seattle Housing Authority's (SHA) proposed 2021 Moving to Work (MTW) Annual Plan. The complete proposed Plan is available at www.seattlehousing.org.

SHA is seeking comment on the proposed 2021 MTW Annual Plan through September 28. The following are ways to comment.

- Email SHA at mtw@seattlehousing.org
- Send a comment via postal mail to Seattle Housing Authority, ATTN: Policy Department, P.O. Box 19028, Seattle, WA 98109
- Call 206.239.1528
- Attend a virtual public hearing at 5:00 p.m. on Tuesday, Sept. 15, 2020. Go to www.seattlehousing.org after Sept. 4 for information on how to join.

To request a paper copy, email mtw@seattlehousing.org or call 206.239.1528.

SHA's Board of Commissioners will be presented with a final version of the Plan that takes into consideration public comment and will vote on it at the October 12 Board Meeting. If adopted by the Board, the Plan will then be submitted to the U.S. Department of Housing and Urban Development (HUD) for approval.

MTW Program Background

2021 is SHA's 23rd year in the Moving to Work program

Since 1999, the Seattle Housing Authority has been one of 39 housing authorities across the country participating in HUD's Moving to Work program. SHA receives about three-quarters of its annual funding from HUD. While this funding comes with numerous rules and requirements, participating in MTW allows SHA certain flexibilities to test and implement innovative approaches to improve housing services and better meet local needs. MTW applies to most of SHA's housing units and programs, including all of public housing and the vast majority of housing choice vouchers.

Contents of the Annual MTW Plan

SHA's MTW Annual Plan follows a HUD-prescribed format and includes information on planned changes in housing stock, leasing and waiting lists, and high-level summaries of sources and uses of funding and plans for capital improvements. The MTW Annual Plan also contains descriptions of SHA's MTW activities: proposals for any new authorizations from HUD in the coming year as well as any updates to already approved MTW activities. HUD-approved MTW authorizations (via HUD's approval of the agency's MTW Annual Plan) provide SHA with the flexibility to adopt local alternatives to HUD policies and regulations. SHA retains these authorizations provided they continue to be included in each year's plan. Over time the agency's adoption and implementation varies depending on what best meets local needs and opportunities. Most of SHA's policies and procedures in practice are contained in its Admissions and Continued Occupancy Policy (ACOP) and the Housing Choice Voucher (HCV) Administrative Plan¹.

During SHA's 20+ years of participation in MTW, HUD has approved more than 20 MTW activities containing more than 125 strategies. Over time, SHA updates or clarifies these activities and strategies to as it continues to innovate and adapt.

Highlights of the Proposed 2021 MTW Annual Plan

Of Note

Projected changes to MTW housing stock, leasing and waiting lists

Up to 100 housing choice vouchers may be converted from tenant-based to project-based to provide housing for homeless individuals and families awarded in conjunction with City of Seattle supportive services funding. The agency may change the funding mechanism for some Scattered Site units, converting them to project-based vouchers from public housing subsidy. If so, SHA would use its MTW flexibilities to minimize any impacts on residents.

Due to the COVID-19 pandemic leasing was delayed for much of 2020 for SHA units as well as among housing partners and in the private market. Despite these challenges, utilization and occupancy rates are anticipated to be strong in 2021 due to adaptations made by SHA and its partners. No changes are planned to waiting lists.

Budget and capital projects

Also due to the pandemic, SHA's proposed 2021 budget is a carry-on budget, based largely on the 2020 budget. It consists of modest operating expense changes, with more significant adjustments to revenue and Housing Assistance Payments projections that take into consideration the impact of COVID-19. Further information can be found in the Proposed 2021 Carry-On Budget on SHA's website at www.seattlehousing.org.

¹ These can be found on SHA's website. The ACOP can be found at: <https://www.seattlehousing.org/admissions-and-continued-occupancy-policy> and the HCV Admin Plan can be found at: <https://www.seattlehousing.org/housing/housing-choice-vouchers/administrative-plan-and-policies>

Proposed new MTW activities

Seattle Housing Authority is not proposing any new MTW activities in 2021.

Proposed updates to existing activities

Key updates for 2021 are summarized below. They can be found in their entirety in Section IV of SHA's Proposed 2021 MTW Annual Plan. Strategy numbers are provided for reference².

Emergency response and recovery

SHA sought and was approved for amendments to the 2020 MTW Annual Plan, enabling SHA to leverage several MTW flexibilities to respond to the COVID-19 pandemic. As it continues to adapt within the pandemic and draw upon lessons learned and best practices in emergency preparedness, SHA is extending and refining the emergency provisions in the 2021 Plan to ensure SHA has the flexibility to best serve and protect residents, voucher participants, partners and staff during current and future states of emergency and recovery, including: **accepting property owner/manager self-certification of inspections for new voucher move-ins** (Strategy 3.A.01: Private sector cost-benefit and risk management approaches to inspections), **deferring inspections** (Strategy 3.A.03: Reduced frequency of inspections), **deferring regular rent reviews** (Activity 10: Local rent reviews), **treating all sources of income verification equally** (Strategies 10.A.01: Streamlined income verification and 12.A.02: Streamlined eligibility verification) and **freezing the 180-day end of participation clock for voucher households** (Strategy 13.H.02: 180-day EOP clock).

In addition, due to the immense impacts of COVID-19 on the community and the people SHA serves, the agency is updating Strategy 18.A.03 **short-term rental assistance** to clarify that assistance may also be provided by SHA or contracted providers and may be provided for residents and participants in any of SHA's housing units or programs.

Income and rent certification, eligibility and verification processes

SHA continuously seeks to leverage MTW flexibility to streamline and improve processes and service. Below are key 2021 updates in the areas of certifications, eligibility and verification:

- SHA began using **remote authorizations** (including via email or phone) with the advent of COVID-19. Moving forward the agency may allow these flexibilities in states of emergency and in other situations to better assist people who may have trouble providing signed documents due to mobility issues, health conditions or other circumstances.
- SHA may set a **local income verification hierarchy** to better structure the process to reduce administrative burden and better serve residents, participants and applicants. (Strategy 10.A.01: Streamlined income verification)
- SHA may also expand the circumstances for **extending the timeframe income documentation and determination are valid**, including during voucher shopping. (Strategy 10.A.01: Streamlined income verification)

² The first number in the strategy corresponds to the activity number in Section IV. For example, Strategy 3.A.01 corresponds to Activity 3: Inspection protocols.

- Allowing SHA the flexibility to apply the same approach to **self-employment expenses** in the housing choice voucher program as in public housing (to declare expenses up to a set threshold without further verification) (Strategy 10.A.02: Self-employment expenses).
- SHA's MTW authority includes **triennial certifications for entirely elderly/disabled adult households**, using cost of living adjustment to set rent in the intervening years. Given that incomes change very little for seniors and adults with disabilities who do not have wages, in lieu of traditional three-year full certifications SHA may use a streamlined certification process for qualifying households in which SHA would rely primarily on HUD's Enterprise Income Verification (EIV) system and other upfront income verification systems to monitor household incomes. Unless a discrepancy is identified that exceeds the agency's interim threshold, rent may continue to be calculated in the same manner as the "intervening years." Households will retain the opportunity and obligation to report household changes and income changes that exceed the agency's interim thresholds. SHA may also continue implementation of our current approach to elderly/disabled adult household certifications for some portfolios or subgroups. (Strategy 10.A.03: Rent reviews for entirely elderly/disabled adult households).

Inspections

SHA uses MTW to reduce the frequency of inspections and use alternative formats, all with a risk management approach. In 2021, the Housing Choice Voucher program is making a few updates.

- Buildings with new **certificates of occupancy** may be able to self-certify to housing quality standards (Strategy 3.A.01: Private sector cost-benefit and risk management approaches to inspections)
- SHA may conduct **unit sampling inspections** in buildings with multiple vouchers (Strategy 3.A.03: Reduced frequency of inspections).

Administrative streamlining and updates

SHA may use MTW authority in 2021 to further streamline administrative processes in the Housing Choice Voucher program. These include:

- SHA may adopt an **alternative Tenancy Addendum** to the Housing Assistance Payment (HAP) contract (a form required by HUD for tenant-based and project-based voucher households) to reduce the amount of paperwork a tenant and property manager/owner has to complete every year. (Strategy 5.H.01: HAP contracts)
- Instituting **blanket HAP contracts** in buildings with many voucher holders, eliminating redundant paperwork. This could apply in private market units as well as SHA owned and managed units. (Strategy 5.H.01: HAP contracts)
- Further **streamlining rent reasonableness determination** procedures by eliminating the process for units that have rent restrictions that keep the rents within affordable guidelines and by establishing criteria that would make the determination very simple in some other cases. (Strategy 10.H.09: Rent reasonableness streamlining)
- Additionally, SHA will allow for a **local definition of bedrooms size** for units of all sizes. (Strategy 10.H.04: Payment standard)