



FY2027

MOVING TO WORK SUPPLEMENT

ROCKVILLE HOUSING ENTERPRISES

Submitted July 2026

October 1, 2026, through September 30, 2027

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A. PHA Information

A.1	PHA Name	Rockville Housing Enterprises
	PHA Code	MD007
	MTW Supplement for PHA Fiscal Year Beginning	10/01/2026
	PHA Program Type	Combined
	MTW Cohort Number	1
	MTW Supplement Submission Type	Annual Submission

B. Narrative

- B.1** Rockville Housing Enterprises (RHE) is situated in Rockville, Maryland. It was established in 1956 as the City of Rockville's public housing agency to provide affordable housing opportunities. RHE 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. RHE is dedicated to being an effective and innovative agency that enhances opportunities for self-sufficiency and provides quality, affordable housing for the citizens of Rockville. The vision of RHE's Moving to Work (MTW) Program is to increase the self-sufficiency of its clients through addressing mental health impediments and removing barriers that discourage income increases, while achieving the highest level of internal operating efficiency.

Little has changed in the way of RHE's Public Housing or HCV programming; however, RHE did welcome a new interim executive director (ED), James Hedrick. The new ED is not only reviewing the current state of operations, but also looking for ways to improve internal operations and increase resident and participant self-sufficiency. RHE is building upon the MTW program that is already in place as well as forging a new path using MTW flexibilities.

Increase Affordable Housing Choices through Portfolio Expansion

RHE plans to expand its non-profit subsidiaries to facilitate the acquisition, renovation, and development of affordable housing units beyond traditional public housing. This strategy aims to increase the availability of affordable housing options for low-income families in Rockville.

Increase Cost-Effectiveness through Streamlined Operations

By leveraging MTW flexibilities, RHE intends to implement measures that reduce administrative burdens and operational costs. RHE has successfully streamlined its operations for workable and non-workable families and will continue to find other ways to lessen costs.

Promote Self-Sufficiency through Supportive Services

RHE aims to provide programs and services that assist residents in achieving economic independence. RHE is implementing term limits and work requirements to encourage upward mobility.

RHE's long-term plan is the conversion to project-based assistance. RHE plans to convert public housing units to long-term project-based assistance under the Rental Assistance Demonstration (RAD) program and Section 18. This strategy aims to secure stable funding and improve housing quality for residents.

C. MTW Waivers and Associated Activities

ACTIVITY 1 3.a., 3.b. Alternative Recertification Schedule For Households (Public Housing & HCV)

CORE QUESTIONS

1. Fiscal Year Introduced

2023

2. Fiscal Year Approved

2023

3. Status

Implemented

4. Narrative

Triennial recertifications will replace annual recertifications for all families. Annual recertifications will remain for non-wage-earning able-bodied families and families claiming zero income. The reduction in the frequency of recertifications provides an employment incentive for families to not be subject to a rent increase when their income improves due to self-sufficiency successes.

Interim recertifications will be limited to one interim per calendar year and will be processed at the request of the household. If the interim is for a decrease in income, only income decreases of 10% or more will be processed. Interim decreases will be limited to one during a calendar year and no interim decreases during the first six months after initial occupancy unless the family is eligible for a reasonable accommodation. Families may also request a hardship if they experience a qualifying hardship. Required interim recertifications for household composition changes, Family Self-Sufficiency, or landlord rent increases will not count against the limit on voluntary interim recertifications.

5. MTW Statutory Objectives

Cost effectiveness

Self-sufficiency

6. Cost implications

Decreased expenditures

7. Policy by household status/family types/sites

The MTW activity applies to all assisted households

8. Household Status

New admissions and currently assisted households

9. Family Types

The MTW activity applies to all family types

10. Location

For PH Activities: The MTW activity applies to all developments

For HCV Activities: The MTW activity applies to all tenant-based units

The MTW activity applies to all properties with project-based vouchers

11. Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

Yes, 3.a.ii and 3.b.ii request to be waived.

To address the systemic issue of abuse, by residents and participants, of being admitted to the program, immediately quitting their jobs, requesting an interim to get a lower rent/rental portion, and then getting a job for the next two to three years before their next recertification, RHE will not process interim decreases during the first six months after initial occupancy for new admissions.

PH - Certain provisions of Sections 3(a)(1) and 3(a)(2)(E) of the 1937 Act and 24 CFR960.257(a)-(b)

HCV - Certain provisions of Section 8(o)(5) of the 1937 Act and 24 CFR982.516 (a)(1) and 982.516(c)(2)

HOTMA - Section 3(a)(6)(A) of the 1937 Act

12. Does this MTW activity require a hardship policy?

Yes

13. Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.

Yes

1. Minimum Rent
2. Landlord Incentive: Alternative Beginning Lease Term
3. Payment Standards – Small Area Fair Market Rents
4. Term Limited Assistance
5. Work Requirement
6. Alternative Recertification Schedule For Households

14. Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?

No

15. How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?

There were no hardship requests received.

16. Does the MTW activity require an impact analysis?

Yes

17. Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.

No

18. 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.

Alternative recertifications have proven effective for both elderly and able-bodied families and RHE by reducing the administrative burden on the agency and also on families. However, RHE has observed a notable increase in interim recertification requests from able-bodied families reporting loss of income following notification of their updated rental portion. In many cases, these requests stem from voluntary resignation, job abandonment, or concerns that their tenant portion has increased significantly compared to prior amounts three years ago.

Able-Bodied Residents and Participants

Once an interim recertification is processed to reflect a loss of income, participants are, sometimes, rehired shortly thereafter to pay only the minimum rent of \$130 until their next recertification. This practice undermines the intent and effectiveness of the MTW program which is to promote financial self-sufficiency. It is also important to note that some of these households previously reported annual incomes ranging from \$50,000 to \$178,000. Their intention is to lower their rental portion with the understanding that they are not required to report new income until their next recertification in three years' time. Only families that claim zero income are required to report new income to RHE on an annual basis.

Elderly Residents and Participants

RHE has received complaints regarding increased tenant portions at the time of triennial recertifications from its elderly participants. Many express difficulty understanding these increases, particularly since their rental portion had remained unchanged for the previous three years.

- 19. Please provide an explanation as to why the activity was discontinued or will be discontinued.**

N/A

CUSTOM QUESTIONS

- 1. What is the recertification schedule?**

Once every three years

- 2. How many interim recertifications per year may a household request?**

1

- 3. Please describe briefly how the MTW agency plans to address changes in family/household circumstances under the alternative reexamination schedule.**

Required interim recertifications for household composition changes, Family Self-Sufficiency, or landlord rent increases will not count against the limit on voluntary interim recertifications.

IMPACT ANALYSIS

The impact analysis of this activity is current and valid for this fiscal year.

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

Public Housing

RHE processes an average of 103 public housing recertifications annually. The implementation of the alternative recertification schedule is estimated to decrease the number of annual recertification to approximately 62 each year; a decrease of 41 annual recertification actions or 60%. The estimated per action cost for public housing actions is \$689 per action. The estimated annual cost savings is estimated to be \$28,249.

Housing Choice Voucher

RHE processes an average of 552 HCV recertifications annually including portability (port-ins). The implementation of the alternative recertification schedule is estimated to decrease the number of annual recertification to approximately 223 each year; a decrease of 329 annual recertification actions or 68%. The estimated per action cost for HCV actions is \$213 per action. The estimated annual cost savings is estimated to be \$70,077.

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)

The alternative recertification schedule will have a positive impact on the affordability of housing costs. Families with increases in earned income will not be obligated to report that increase for three years. A family will be able to utilize their increased income for other purposes, not just towards an increase in their tenant rent portion; the tenant rent will remain stable for a longer period of time. Also, families that experience a decrease in income or an increase in expenses more than once, in a twelve-month period, will be able to apply for a hardship exception to adjust for the loss of income. This policy has no impact on the contract rent, in which a family's tenant rent is based.

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. RHE has yet to terminate a family for failure to comply with the recertification process if the family submits the required documentation.

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

This waiver will decrease the administrative costs associated with processing annual and interim recertifications

MTW Statutory Objective – Self Sufficiency

This waiver will provide incentives for families to work, decrease the incentive to voluntarily make decisions that would reduce household income, and reduce client dependance on the subsidy safety net.

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

This waiver will enable RHE 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

It is anticipated that this waiver will not increase the number of hardship requests for voluntary interim recertifications. Since its inception, there has only been three hardship requests, which is less than the number of interims received in the past when RHE was a non-MTW PHA.

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

This waiver is implemented based on income reviews, in which protected class is not a factor. Therefore, there is no anticipated impact on protected classes. Although elderly and disabled participants are a protected class, this waiver will not have a negative effect on them.

ACTIVITY 2 3.c., 3.d. Self-Certification of Assets (Public Housing & HCV)

CORE QUESTIONS

1. **Fiscal Year Introduced**
2022
2. **Fiscal Year Approved**
2022
3. **Status**
Implemented
4. **Narrative**
The asset self-certification threshold will be increased from \$5,000 to \$50,000 at reexamination. This will reduce the regulatory burden on both families and staff to allow a greater focus on people and not paperwork.
5. **MTW Statutory Objectives**
Cost effectiveness
6. **Cost Implications**
Decreased expenditures
7. **Policy by Household Status/Family Types/Sites**
The MTW activity applies to all assisted households
8. **Household Status**
New admissions and currently assisted households
9. **Family Types**
The MTW activity applies to all family types
10. **Location**
For PH Activities: The MTW activity applies to all developments

For HCV Activities: The MTW activity applies to all tenant-based units
The MTW activity applies to all properties with project-based vouchers
11. **Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?**
No
12. **Does this MTW activity require a hardship policy?**
No
13. **Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
14. **Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**
No
15. **How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?**
There were no hardship requests received.

16. Does the MTW activity require an impact analysis?

No

17. Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.

No

18. 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.

There are no changes to be reported, as most of RHE' residents and participants have accumulated assets that are below \$50,000.

19. Please provide an explanation as to why the activity was discontinued or will be discontinued.

N/A

CUSTOM QUESTIONS

1. Please state the dollar threshold for the self-certification of assets.

\$50,000

ACTIVITY 3 1.v., 1.w. Eliminate Earned Income Disregard (Public Housing & HCV)

CORE QUESTIONS

1. **Fiscal Year Introduced**
2022

2. **Fiscal Year Approved**
2022

3. **Status**
Implemented

4. **Narrative**
RHE will eliminate the Earned Income Disregard. This will increase operational efficiencies by reducing the time it takes to administratively process the EID.

Currently, the EID allows individuals who go from not working in the previous 12 months, to working, to gradually phase in the income counted toward their rental calculation over a period of 2 years. The EID is an opportunity for clients that gain earned income, that did not previously have earned income to experience the benefit of increased income without that income increase being utilized for rent immediately; however, due to cumbersome regulations, the cost to continue offering this exclusion far outweigh the benefits. Families will benefit from an increase in income without an immediate increase in rent.

5. **MTW Statutory Objectives**
Cost effectiveness
Self-sufficiency

6. **Cost Implications**
Decreased expenditures

7. **Policy by Household Status/Family Types/Sites**
The MTW activity applies only to a subset or subsets of assisted households

8. **Household Status**
New admissions and currently assisted households

9. **Family Types**
The MTW activity applies only to selected family types:
1. Non-elderly, non-disabled families
2. Disabled families (to the extent those families are not exempt via a reasonable accommodation)

10. **Location**
For PH Activities: The MTW activity applies to all developments
For HCV Activities: The MTW activity applies to all tenant-based units

11. **Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?**
No

12. **Does this MTW activity require a hardship policy?**
No

13. Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.
No
14. Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?
No
15. How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?
There were no hardship requests received.
16. Does the MTW activity require an impact analysis?
No
17. Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.
No
18. 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.
The elimination of the EID has simplified the recertification process, making it less complex and easier to manage. EID required detailed tracking and reporting, which became increasingly difficult to maintain, especially due to staff turnover. As a result, removing EID has helped streamline recertifications and reduce administrative burden.
19. Please provide an explanation as to why the activity was discontinued or will be discontinued.
N/A

CUSTOM QUESTIONS

1. What inclusions or exclusions will be eliminated, modified, or added?
RHE will eliminate the Earned Income Disregard.

ACTIVITY 4 1.e., 1.f. Minimum Rent (Public Housing & HCV)

CORE QUESTIONS

1. **Fiscal Year Introduced**
2022
2. **Fiscal Year Approved**
2022
3. **Status**
Implemented
4. **Narrative**
To incentivize families to maintain employment, become accustomed to paying rent that is akin to what non-subsidized families pay, decrease program expenses, and increase self-sufficiency, RHE will increase the minimum rent from \$50 to \$130 for workable families.
5. **MTW Statutory Objectives**
Cost effectiveness
Self-sufficiency
6. **Cost Implications**
Increased revenue
Decreased expenditures
7. **Policy by Household Status/Family Types/Sites**
The MTW activity applies only to a subset or subsets of assisted households
8. **Household Status**
New admissions and currently assisted households
9. **Family Types**
The MTW activity applies only to selected family types: Non-elderly, non-disabled families
10. **Location**
For PH Activities: The MTW activity applies to all developments
For HCV Activities: The MTW activity applies to all tenant-based units
The MTW activity applies to all properties with project-based vouchers
11. **Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?**
No
12. **Does this MTW activity require a hardship policy?**
Yes

13. Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.

Yes

1. Minimum Rent
2. Landlord Incentive: Alternative Beginning Lease Term
3. Payment Standards – Small Area Fair Market Rents
4. Term Limited Assistance
5. Work Requirement
6. Alternative Recertification Schedule For Households

14. Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?

No

15. How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?

RHE received eight requests in total, two requests cancelled by clients and six approved and renewed requests. Families have identified new ways to address their financial hardships, enabling them to meet their minimum rent obligations. This, in turn, supports housing stability and helps ensure their continued participation in the program. Families are given the opportunity to renew their requests, as needed, based on the submission of appropriate supporting documentation.

16. Does the MTW activity require an impact analysis?

Yes

17. Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.

No

18. 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.

This activity has resulted in a high number of rebuffs from able-bodied families reporting zero income, many of whom were previously accustomed to receiving a Utility Reimbursement Payment (URP). Despite initial resistance, the implementation has demonstrated measurable success in reducing program expenditures while promoting greater family self-sufficiency.

For example, total URP expenditures over the past three fiscal years reflect a consistent decline:

- **FY2023:** \$85,151
- **FY2024:** \$84,697
- **FY2025:** \$62,260

This downward trend highlights the financial impact of the policy change and supports its effectiveness in decreasing reliance on subsidy payments while encouraging increased financial responsibility among participating households.

19. Please provide an explanation as to why the activity was discontinued or will be discontinued.

N/A

CUSTOM QUESTIONS

1. How much is the minimum rent or minimum Total Tenant Payment (TTP)?

\$130 minimum rent

IMPACT ANALYSIS

The impact analysis of this activity is current and valid for this fiscal year.

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

Public Housing

There are currently approximately 20 workable families in the Public Housing Program whose income-based rent is less than the minimum rent for which the minimum rent increase will affect. It is anticipated that the increase in the minimum rent by \$80 from \$50 to \$130 will increase the amount of tenant rent collected annually by a total of \$1,600.

Housing Choice Voucher

There are currently approximately 45 workable families in the Voucher Program whose income-based rent is less than the minimum rent for which the minimum rent increase will affect. It is anticipated that the increase in the minimum rent by \$80 from \$50 to \$130 will increase the amount of tenant rent collected annually by a total of \$3,600.

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)

It is anticipated that the implementation of an increased minimum rent will raise the tenant rent paid by affected families by 160%.

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

This waiver will increase the cost effectiveness of both the Public Housing and HVC Programs. The amount of tenant rent collected in the Public Housing Program will increase and the amount of HAP paid under the HCV program will decrease. These funds will be available to fund self-sufficiency activities, preserve existing affordable housing assets, and acquire new affordable housing assets.

MTW Statutory Objective – Self Sufficiency

This waiver will provide incentives for families to work, decrease the incentive to voluntarily make decisions that would reduce household income, and reduce client dependence on the subsidy safety net.

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

This waiver will enable RHE 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

It is anticipated that the rate of hardship requests will not increase regarding minimum rent waivers. Historically RHE has only received one request to waive the minimum rent in the last seven years.

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

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

ACTIVITY 5 1.o. Initial Rent Burden (HCV)

CORE QUESTIONS

1. **Fiscal Year Introduced**
2022
2. **Fiscal Year Approved**
2022
3. **Status**
Implemented
4. **Narrative**
RHE will increase the maximum family rent share, which is currently 40% of adjusted monthly income. The initial rent burden will increase not to exceed 50% of the family's monthly income. This will increase housing choices and lessen workable families' dependence on Federal subsidy.
5. **MTW Statutory Objectives**
Self-sufficiency
Housing choice
6. **Cost Implications**
Cost Neutral
7. **Policy by Household Status/Family Types/Sites**
The MTW activity applies only to a subset or subsets of assisted households
8. **Household Status**
New admissions and currently assisted households
9. **Family Types**
The MTW activity applies only to selected family types: Non-elderly, non-disabled families
10. **Location**
For HCV activities:
The MTW activity applies to all tenant-based units
The MTW activity applies to all properties with project-based vouchers
11. **Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?**
No
12. **Does this MTW activity require a hardship policy?**
No
13. **Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
14. **Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**
No

15. **How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?**
There were no hardship requests received.
16. **Does the MTW activity require an impact analysis?**
Yes
17. **Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
18. **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.**
No changes have been made; however, families continue to successfully secure units of their choice across various zip codes and benefit from the flexibility provided under this MTW waiver activity.
19. **Please provide an explanation as to why the activity was discontinued or will be discontinued.**
N/A

CUSTOM QUESTIONS

1. **If the MTW agency plans to implement a new maximum income-based rent percentage (higher than 40% of adjusted monthly income), what is that maximum?**
50%

IMPACT ANALYSIS

The impact analysis of this activity is current and valid for this fiscal year.

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 waiver will have a little impact on the Agency's financials. The majority of families that pay above 40% of their income toward rent are also have gross rents above the payment standard. Current program rules do not allow HAP to be paid for expenses above the Payment Standard; therefore, any additional increases in rent to be paid would be borne by the family.

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 waiver may increase a family's rent burden, which may have a negative effect on housing affordability; however, this waiver is completely optional for the family.

3. Impact on the agency's waitlist(s) (e.g., any change in the amount of time families are on the waitlist)

The 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 agency's 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 Goal – Self Sufficiency

This waiver will increase self-sufficiency by allowing families to pay more of their income towards their housing costs which is in line with the open rental market.

MTW Statutory Goal – Housing Choice

This waiver will increase housing choices as families are able to choose from a broader pool of available units.

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

This waiver will enable RHE to meet both the statutory objectives of Housing Choice and Self-Sufficiency.

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

RHE does not anticipate this waiver will result in hardship requests as this is voluntary on the part of the HCV participant.

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

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

ACTIVITY 6 1v., 1.w. Modify Income Exclusion for Full Time Students (Public Housing & HCV)

CORE QUESTIONS

1. **Fiscal Year Introduced**
2022
2. **Fiscal Year Approved**
2022
3. **Status**
Implemented
4. **Narrative**
RHE will increase self-sufficiency opportunities by giving an allowance for money spent directly on educational expenses. RHE will exclude income for household members (both head of household and household members) that are full-time students. The income exclusion will equal the amount the student pays for educational costs (books, tuition, fees etc.).
5. **MTW Statutory Objectives**
Cost effectiveness
Self-sufficiency
6. **Cost Implications**
Cost Neutral
7. **Policy by Household Status/Family Types/Sites**
The MTW activity applies only to a subset or subsets of assisted households
8. **Household Status**
New admissions and currently assisted households
9. **Family Types**
The MTW activity applies only to selected family types: Non-elderly, non-disabled families
10. **Location**
For PH Activities: The MTW activity applies to all developments
For HCV Activities: The MTW activity applies to all tenant-based units
The MTW activity applies to all properties with project-based vouchers
11. **Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?**
No
12. **Does this MTW activity require a hardship policy?**
No
13. **Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
14. **Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**
No

15. **How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?**
There were no hardship requests received.
16. **Does the MTW activity require an impact analysis?**
No
17. **Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
18. **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.**
Since the implementation of this activity, fewer families are identifying household members as full-time students who also work full-time to qualify for the student income exclusion. Currently, many family members between the ages of 18 and 24 are either not enrolled in school, not working, or both. In contrast, in previous years, residents and participants more frequently reported household members within this age range as both full-time students and full-time employees. With respect to the heads of household reporting full-time students, most receive scholarships, Pell Grants, or other forms of financial aid that cover their educational expenses. As a result, they typically do not have out-of-pocket expenses to report.
19. **Please provide an explanation as to why the activity was discontinued or will be discontinued.**
N/A

CUSTOM QUESTIONS

1. **What inclusions or exclusions will be eliminated, modified, or added?**
RHE will exclude income for household members (both head of household and household members) that are full-time students. The income exclusion will equal the amount the student pays for educational costs (books, tuition, fees etc.).

ACTIVITY 7 2.d. Rent Reasonableness – Third-Party Requirement (HCV)

CORE QUESTIONS

1. **Fiscal Year Introduced**
2022
2. **Fiscal Year Approved**
2022
3. **Status**
Implemented
4. **Narrative**
RHE will remove the requirement to have a third-party perform rent reasonableness determinations on Project-Based Voucher units owned, managed, or controlled by RHE.
5. **MTW Statutory Objectives**
Cost effectiveness
6. **Cost Implications**
Decreased expenditures
7. **Policy by Household Status/Family Types/Sites**
The MTW activity applies to all assisted households
8. **Household Status**
New admissions and currently assisted households
9. **Family Types**
The MTW activity applies to all family types
10. **Location**
For HCV activities:
The MTW activity applies to all properties with project-based vouchers
11. **Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?**
No. At the Department's request, RHE must obtain the services of a third-party entity to determine rent reasonableness for PHA-owned units.
12. **Does this MTW activity require a hardship policy?**
No
13. **Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
14. **Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**
No
15. **How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?**
There were no hardship requests received.

16. Does the MTW activity require an impact analysis?

No

17. Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.

No

18. 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.

The leasing process for RHE' PBV units have been streamlined due to the implementation of this activity, significantly accelerating participant move-ins. As a result, RHE has experienced lease-ups occurring within 12 days of RFTA packet submission.

19. Please provide an explanation as to why the activity was discontinued or will be discontinued.

N/A

CUSTOM QUESTIONS

1. Please explain or upload a description of the quality assurance method.

RHE will ensure quality by making the new method visible, reviewing the policies used in developing the data, providing documentation, consulting with experts and users (if and when needed), and by keeping users informed about corrections and revisions.

2. Please explain or upload a description of the rent reasonableness determination method.

The rent reasonableness process involves utilizing the on-line search engine to identify at least 3 similar units and documenting the reasonableness of the rent compared to the similar units found. This process is the standard method RHE uses for all voucher rent reasonableness tests. The standard rent reasonableness process would not change.

ACTIVITY 8 5.c. Housing Quality Standards -Third-Party Requirement (HCV)

CORE QUESTIONS

1. **Fiscal Year Introduced**
2022
2. **Fiscal Year Approved**
2022
3. **Status**
Implemented
4. **Narrative**
RHE will remove the requirement to have a third-party perform HQS inspections on Project-Based Voucher units owned, managed, or controlled by RHE. Participants are able to request an interim inspection. HQS inspection standards, as stated 24 CFR 982.401, will not be altered in any way, shape, or form. At the request of HUD, RHE will obtain the services of a third-party entity to determine if RHE-owned units pass HQS.
5. **MTW Statutory Objectives**
Cost effectiveness
6. **Cost Implications**
Decreased expenditures
7. **Policy by Household Status/Family Types/Sites**
The MTW activity applies to all assisted households
8. **Household Status**
New admissions and currently assisted households
9. **Family Types**
The MTW activity applies to all family types
10. **Location**
For HCV activities:
The MTW activity applies to all properties with project-based vouchers
11. **Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?**
No
12. **Does this MTW activity require a hardship policy?**
No
13. **Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
14. **Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**
No

15. **How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?**
There were no hardship requests received.
16. **Does the MTW activity require an impact analysis?**
No
17. **Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
18. **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.**
PBV tenants have benefited the most from this activity, as inspections are now conducted more promptly and follow NSPIRE guidelines, ensuring faster unit readiness and improved housing quality.
19. **Please provide an explanation as to why the activity was discontinued or will be discontinued.**
N/A

CUSTOM QUESTIONS

1. **Please explain or upload a description of the quality assurance method.**
The quality control/assurance methodology that will be used for RHE performed HQS inspections, on RHE owned units, will be to have a third-party contractor conduct the quality control inspections on those units. The quality control inspection size will be based on the SEMAP quality control sample size requirement.

ACTIVITY 9 9.a. Increase PBV Program Cap (HCV)

CORE QUESTIONS

1. **Fiscal Year Introduced**
2022

2. **Fiscal Year Approved**
2022

3. **Status**
Implemented

4. **Narrative**
RHE will increase the cap on the number of vouchers that can be project-based from 20% not to exceed 50%. This will allow RHE the flexibility to utilize the project-based voucher program to support the repositioning of public housing assets.

5. **MTW Statutory Objectives**
Cost effectiveness
Housing choice

6. **Cost Implications**
Increased revenue

RHE estimates the revenue will increase due to the ability to leverage financing on project-based units. The more project-based voucher units there are the more financing leverage will be available.

7. **Policy by Household Status/Family Types/Sites**
The MTW activity applies to all assisted households

8. **Household Status**
New admissions and currently assisted households

9. **Family Types**
The MTW activity applies to all family types

10. **Location**
For HCV activities:
The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers.

RHE will apply this activity to RHE owned properties that are converting to project-based voucher developments through HUD's conversion programs, specifically David Scull Courts MD00700001. RHE will also make this waiver available to future affordable housing developments in which RHE may participate.

11. **Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?**
No

12. **Does this MTW activity require a hardship policy?**
No

13. **Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No

14. **Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**
No
15. **How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?**
There were no hardship requests received.
16. **Does the MTW activity require an impact analysis?**
No
17. **Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
18. **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.**
RHE is still working on converting its remaining PH units to PBV; however, RHE has yet to reach the program cap of 50%.
19. **Please provide an explanation as to why the activity was discontinued or will be discontinued.**
N/A

CUSTOM QUESTIONS

1. **What percentage of total authorized HCV units will be authorized for project-basing?**
Up to 50%

ACTIVITY 10 9.b. Increase PBV Project Cap (HCV)

CORE QUESTIONS

1. **Fiscal Year Introduced**
2022
2. **Fiscal Year Approved**
2022
3. **Status**
Implemented
4. **Narrative**
RHE will increase the cap on the percentage of project-based vouchers that can be project based in a building or project from 25% to 100%. This will allow RHE the flexibility to utilize the project-based voucher program to support the repositioning of public housing assets. RHE is subject to Notice PIH 2013-27 where applicable, or successor.
5. **MTW Statutory Objectives**
Cost effectiveness
Housing choice
6. **Cost Implications**
Increased revenue. RHE estimates the revenue will increase due to the ability to leverage financing on project-based units. The more PBV units there are the more financing leverage will be available.
7. **Policy by Household Status/Family Types/Sites**
The MTW activity applies to all assisted households
8. **Household Status**
New admissions and currently assisted households
9. **Family Types**
The MTW activity applies to all family types
10. **Location**
The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers

RHE will apply this activity to RHE owned properties that are converting to project-based voucher developments through HUD's conversion programs, specifically David Scull Courts MD00700001. RHE will also make this waiver available to future affordable housing developments in which RHE may participate.
11. **Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?**
No
12. **Does this MTW activity require a hardship policy?**
No
13. **Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No

14. **Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**
No
15. **How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?**
There were no hardship requests received.
16. **Does the MTW activity require an impact analysis?**
No
17. **Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
18. **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.**
RHE has not yet utilized this waiver; however, RHE anticipates doing so soon.
19. **Please provide an explanation as to why the activity was discontinued or will be discontinued.**
N/A

ACTIVITY 11 9.c. Elimination of PBV Selection Process for PHA-owned Projects Without Improvement, Development, or Replacement (HCV)

CORE QUESTIONS

1. Fiscal Year Introduced
2022

2. Fiscal Year Approved
2022

3. Status
Implemented

4. Narrative
RHE will eliminate the selection process in the award of Project Based Vouchers to properties owned by RHE that are not public housing without engaging in an initiative to improve, develop, or replace a public housing property on site.

RHE will conduct a subsidy layering review and complete site selection requirements. Through the use of the Housing Quality Standards -Third-Party Requirement waiver, RHE has removed the requirement to have a third-party perform HQS inspections on Project-Based Voucher units owned, managed, or controlled by RHE. RHE will follow Notice PIH 2013-27 where applicable, or its successor, and the property will be owned by a single-asset entity of RHE, as dictated through Notice PIH 2017-21.

5. MTW Statutory Objectives
Cost effectiveness
Housing choice

6. Cost Implications
Decrease expenditures. This will decrease the administrative burden associated with the RFP process.

7. Policy by Household Status/Family Types/Sites
The MTW activity applies to all assisted households

8. Household Status
New admissions and currently assisted households

9. Family Types
The MTW activity applies to all family types

10. Location
For HCV activities:
The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers

RHE will apply this activity to RHE owned properties that are converting to project-based voucher developments through HUD's conversion programs, specifically David Scull Courts MD00700001. RHE will also make this waiver available to future affordable housing developments in which RHE may participate.

11. Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?
No

12. Does this MTW activity require a hardship policy?
No

13. **Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
14. **Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**
No
15. **How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?**
There were no hardship requests received.
16. **Does the MTW activity require an impact analysis?**
No
17. **Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
18. **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.**
Previously, RHE purchased a new development in December 2022 of 121 units and was able to apply 30 PBVs to the property. This waiver helped RHE to provide affordability to this property to add new affordable units, thereby increasing housing choices for participants. There have been no new recent developments.
19. **Please provide an explanation as to why the activity was discontinued or will be discontinued.**
N/A

ACTIVITY 12 9.f. Increase PBV HAP Contract Length (HCV)

CORE QUESTIONS

1. **Fiscal Year Introduced**
2022
2. **Fiscal Year Approved**
2022
3. **Status**
Implemented
4. **Narrative**
RHE will increase the length of the term of a Project Based Contract up to 50 years including extensions subject to appropriations and the end of the MTW Authorization. This will allow RHE to have an initial contract year of 15 to 20 years with renewal options.
5. **MTW Statutory Objectives**
Cost effectiveness
Housing choice
6. **Cost Implications**
Increase revenue. The ability to leverage PBV units for a longer period of time will allow for more financing to be leveraged.
7. **Policy by Household Status/Family Types/Sites**
The MTW activity applies to all assisted households
8. **Household Status**
New admissions and currently assisted households
9. **Family Types**
The MTW activity applies to all family types
10. **Location**
For HCV activities:
The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers

RHE will apply this activity to RHE owned properties that are converting to project-based voucher developments through HUD's conversion programs, specifically David Scull Courts MD00700001. RHE will also make this waiver available to future affordable housing developments in which RHE may participate.
11. **Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?**
No
12. **Does this MTW activity require a hardship policy?**
No
13. **Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No

14. **Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**
No
15. **How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?**
There were no hardship requests received.
16. **Does the MTW activity require an impact analysis?**
No
17. **Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
18. **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.**
Previously, RHE purchased a new development in December 2022 of 121 units and was able to apply 30 PBVs to the property and secured a longer affordability term of a 20-year PBV contract instead of a 15-year PBV contract. This waiver helped RHE to provide affordability to this property to add new affordable units, thereby increasing housing choices for participants. There have been no new recent development deals.
19. **Please provide an explanation as to why the activity was discontinued or will be discontinued.**
N/A

ACTIVITY 13 9.h. Limit Portability for PBV Units (HCV)

CORE QUESTIONS

1. Fiscal Year Introduced

2022

2. Fiscal Year Approved

2022

3. Status

Implemented

4. Narrative

RHE will waive the requirement to provide a tenant-based voucher at 12 months when requested by a Project Based Voucher household. RHE will require Project Based Voucher households to remain in place for 24 months prior to being eligible to receive an available tenant-based voucher. Participants are able to request a tenant-based voucher for reasonable accommodations.

The family may terminate the assisted lease at any time after 24 months of occupancy. The family must give the owner advance written notice of intent to vacate (with a copy to the PHA) in accordance with the lease. If the family has elected to terminate the lease in this manner, RHE must offer the family the opportunity for continued tenant-based rental assistance, in the form of either assistance under the voucher program or other comparable tenant-based rental assistance. Before providing notice to terminate the lease, a family must contact RHE to request comparable tenant-based rental assistance if the family wishes to move with continued assistance. If voucher or other comparable tenant-based rental assistance is not immediately available upon termination of the family's lease of a PBV unit, RHE must give the family priority to receive the next available opportunity for continued tenant-based rental assistance.

The above policies do not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L, and the move is needed to protect the health or safety of the family or family member, or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move. RHE may not terminate assistance if the family, with or without prior notification to RHE, moves out of a unit in violation of the lease, if such move occurs to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believed he or she was threatened with imminent harm from further violence if he or she remained in the dwelling unit, or any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move. If a family breaks up as a result of an occurrence of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L, RHE may offer the victim the opportunity for continued tenant-based rental assistance.

5. MTW Statutory Objectives

Cost effectiveness

Housing choice

6. Cost Implications

Increased revenue

Decreased expenditures

7. Policy by Household Status/Family Types/Sites

The MTW activity applies to all assisted households

8. Household Status

New admissions and currently assisted households

9. Family Types

The MTW activity applies to all family types

10. Location

For HCV activities:

The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers

RHE will apply this activity to RHE owned properties that are converting to project-based voucher developments through HUD's conversion programs, specifically David Scull Courts MD00700001. RHE will also make this waiver available to future affordable housing developments in which RHE may participate.

11. Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

12. Does this MTW activity require a hardship policy?

No

13. Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.

No

14. Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?

No

15. How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?

There were no hardship requests received.

16. Does the MTW activity require an impact analysis?

No

17. Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.

No

18. 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.

No families have requested portability.

19. Please provide an explanation as to why the activity was discontinued or will be discontinued.

N/A

ACTIVITY 14 17.c Local Non-Traditional Housing Development Program

CORE QUESTIONS

1. **Fiscal Year Introduced**
2022
2. **Fiscal Year Approved**
2022
3. **Status**
Discontinued FY2024
4. **Narrative**
RHE will utilize block grant funding to acquire, renovate, and/or build affordable units for low-income families that are not public housing units. Activities would be inclusive of, but not limited to, construction financing, gap financing, funding of reserves, and guarantees for non-public housing authority development of affordable housing. Development or investment in other affordable housing will include a variety of funding sources to include, but not limited to, project-based vouchers, Low Income Housing Tax Credits (LIHTC), federally insured loans, and state and local funding. Ownership structures are expected to vary depending on the deal structure.
5. **MTW Statutory Objectives**
Cost effectiveness
Housing choice
6. **Cost Implications**
Neutral (no cost implications). This activity will initially be a cost neutral activity as funding is shifted from one activity to another. However, the shift to development activities will allow RHE to leverage additional funding which will ultimately lead to increased revenue.
7. **Policy by Household Status/Family Types/Sites**
The MTW activity applies to all assisted households
8. **Household Status**
New admissions and currently assisted households
9. **Family Types**
The MTW activity applies to all family types
10. **Location**
For PH Activities: The MTW activity applies to all developments
For HCV Activities: The MTW activity applies to all tenant-based units
The MTW activity applies to all properties with project-based vouchers
11. **Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?**
No
12. **Does this MTW activity require a hardship policy?**
No
13. **Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No

14. **Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**
No
15. **How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?**
No
16. **Does the MTW activity require an impact analysis?**
No
17. **Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
18. **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.**
RHE has discontinued this activity.
19. **Please provide an explanation as to why the activity was discontinued or will be discontinued.**
RHE used this LNT activity to convert PH units into PBV units. RHE no longer needs to use this LNT activity, because it can use the HCV program for the conversion.

ACTIVITY 15. 1.c., 1.d. Graduated Total Tenant Payment (Public Housing & HCV)

CORE QUESTIONS

1. Fiscal Year Introduced

2022

2. Fiscal Year Approved

2022

3. Status

Discontinued FY2025

4. Narrative

RHE will increase client graduation from both the public housing and HCV programs and eliminate subsidy dependence by initiating a graduated total tenant payment (TTP) for workable families. The TTP will increase by the greater of the increase in TTP based on the increase in household income or 5% each year for families on annual recertifications schedules and 10% for families with triennial recertification schedules.

RHE will adhere to the following safe harbor guidelines:

1. Rent increases may not occur more than once per year.
2. Services, or referrals to services, must be made available by RHE or a partner organization to support preparing families for the termination of assistance, if applicable.
3. At HUD's request, the agency shall make available the method used to determine that rents charged to families are reasonable when compared to similar unassisted units in the market area.
4. Initial rents will be set at no more than 32% of a household's gross income, or 35% of a household's adjusted income.
5. RHE will establish a stepped rent increase by unit size.
6. The increase may be no more than 4% of the Fair Market Rent for the applicable area

5. MTW Statutory Objectives

Cost effectiveness

Self-sufficiency

6. Cost Implications

Increased revenue

Decreased expenditures

7. Policy by Household Status/Family Types/Sites

The MTW activity applies only to a subset or subsets of assisted households

8. Household Status

New admissions and currently assisted households

9. Family Types

The MTW activity applies only to selected family types: Non-elderly, non-disabled families

10. Location

For PH Activities: The MTW activity applies to all developments

For HCV Activities: The MTW activity applies to all tenant-based units
The MTW activity applies to all properties with project-based vouchers

11. Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?
No
12. Does this MTW activity require a hardship policy?
Yes
13. Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.
Yes
1. Minimum Rent
 2. Landlord Incentive: Alternative Beginning Lease Term
 3. Payment Standards – Small Area Fair Market Rents
 4. Term Limited Assistance
 5. Work Requirement
 6. Alternative Recertification Schedule For Households
14. Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?
No
15. How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?
N/A
16. Does the MTW activity require an impact analysis?
Yes
17. Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.
No
18. 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.
RHE has discontinued this activity.
19. Please provide an explanation as to why the activity was discontinued or will be discontinued.
Although RHE received HUD approval for this activity, RHE has yet to implement this activity due to Information Technology systems not being properly set-up to assist with such complexities. RHE has already implemented other rent reform measures and has decided to pursue term-limited assistance instead of continuing with this stepped rent option.

ACTIVITY 16 1.v., 1.w. Lump Sum & Sporadic Income Inclusion (Public Housing & HCV)

CORE QUESTIONS

1. **Fiscal Year Introduced**
2023
2. **Fiscal Year Approved**
2023
3. **Status**
Implemented
4. **Narrative**
To further prepare RHE residents and participants for program graduation, RHE will now include lump sum and sporadic income for all household members in the rent calculation. Social security, military, and disability lump sum payments are excluded.
5. **MTW Statutory Objectives**
Cost effectiveness
Self-sufficiency
6. **Cost Implications**
Increase revenue
Decrease expenditures
7. **Policy by Household Status/Family Types/Sites**
The MTW activity applies only to a subset or subsets of assisted households
8. **Household Status**
New admissions and currently assisted households
9. **Family Types**
The MTW activity applies only to selected family types: Non-elderly, non-disabled families
10. **Location**
For PH Activities: The MTW activity applies to all developments

For HCV Activities: The MTW activity applies to all tenant-based units
The MTW activity applies to all properties with project-based vouchers
11. **Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?**
No
12. **Does this MTW activity require a hardship policy?**
No
13. **Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
14. **Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**
No

15. **How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?**
There were no hardship requests received.
16. **Does the MTW activity require an impact analysis?**
No
17. **Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
No
18. **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.**
A few families reported lump sum and sporadic income to RHE which impacted their rent and rental portion.
19. **Please provide an explanation as to why the activity was discontinued or will be discontinued.**
N/A

CUSTOM QUESTIONS

1. **What inclusions or exclusions will be eliminated, modified, or added?**
RHE will include lump sum and sporadic income for all household members in the rent calculation. Social security, military, and disability lump sum payments are excluded.

ACTIVITY 17 ASW Landlord Incentive: Alternative Beginning Lease Term (HCV)

CORE QUESTIONS

1. Fiscal Year Introduced

2023

2. Fiscal Year Approved

2023

3. Status

Implemented

4. Narrative

RHE is requesting this Agency-Specific Waiver (ASW) to incentivize landlords to continue leasing to their tenants, that are already in place, when they receive a Housing Choice Voucher (HCV) and other similarly situated circumstances where a lease has been executed prior to the commencement of a HAP contract. Instead of the HAP contract starting on the first day of the initial lease term, as required in the HAP contract, the term may start on the first day the unit has passed HQS inspection or the date of execution of the tenancy addendum, whichever is later. The HAP contract takes effect when the owner and tenant execute the tenancy addendum (or the latter of the tenancy addendum and the unit passing HQS). Per the OMB-approved MTW Rider to the HAP Contract form, MTW agencies may request HUD approval to waive certain requirements pertaining to the HAP contract in certain instances.

RHE has found that some landlords are refusing to participate in the HCV program when un-assisted tenants already in the unit receive a voucher and seek to lease in place using their newly issued voucher. This is due to having to create a new lease and the time involved. This is causing undo anguish and anxiety to tenants who wish to remain in their unit. To help tenants in these situations and to incentivize landlords to participate in the HCV program, RHE is utilizing the MTW Rider to the HAP Contract form that provides the flexibility to change the terms set forth in the HAP contract. RHE proposes utilizing its MTW flexibility, through this ASW, to have the HAP contract term commence on the first day of the initial lease term OR the HAP contract term may commence on the first day the unit passes HQS inspection or the date of execution of the tenancy addendum, whichever is later. The HAP contract takes effect when the owner and tenant execute the tenancy addendum (or the latter of the tenancy addendum and the unit passing HQS). The dwelling lease, between the landlord and tenant, and the HAP Tenancy Addendum are still required. The MTW Rider states: Pursuant to the Public Housing Agency's (PHA) participation in the MTW demonstration, the PHA may establish Section 8 HCV or PBV policies or requirements that differ from statutory requirements for both programs contained in the U.S. Housing Act of 1937, the relevant, regulatory requirements, and applicable Public and Indian Housing Notices. This ASW in no way allows for a HAP contract to be executed prior to a HQS inspection.

Line 7. Initial Housing Assistance Payment of the Housing Assistance Payment (HAP) contract states, "The HAP contract term commences on the first day of the initial lease term." RHE would like the term to commence either on the first day of the initial lease term, or the term may start on the first day the unit has passed HQS inspection or the date of execution of the tenancy addendum, whichever is later.

Some of the local challenges RHE is experiencing should be mitigated by the use of this ASW, including:

- Any situation where a client leases in place. *The HAP contract term commences on the first day the unit passes HQS inspection and the execution of the tenancy addendum (or the latter of the tenancy addendum and the unit passing HQS, if the unit has not yet passed HQS at the time of the tenancy addendum).*
- A client may move into a unit prior to HQS or other necessary PHA approvals due to a rental rate discount being given by the landlord for moving in early. *The HAP contract term commences on the first day the unit passes HQS inspection and the execution of the tenancy addendum (or the latter of the tenancy*

addendum and the unit passing HQS, if the unit has not yet passed HQS at the time of the tenancy addendum).

- A client may move in prior to HQS or other necessary PHA approvals by mistake because they may have intellectual capacity issues and may not have understood the HCV process. *The HAP contract term commences on the first day the unit passes HQS inspection and the execution of the tenancy addendum (or the latter of the tenancy addendum and the unit passing HQS, if the unit has not yet passed HQS at the time of the tenancy addendum).*
- A client may be homeless or has some other housing emergency and must move in prior to HQS or other necessary approvals to secure the unit. *The HAP contract term commences on the first day the unit passes HQS inspection and the execution of the tenancy addendum (or the latter of the tenancy addendum and the unit passing HQS, if the unit has not yet passed HQS at the time of the tenancy addendum).*

5. MTW Statutory Objectives

Housing choice

6. Cost Implications

Neutral

7. Policy by Household Status/Family Types/Sites

The MTW activity applies to all assisted households

8. Household Status

New admissions and currently assisted households

9. Family Types

The MTW activity applies to all family types

10. Location

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

11. Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

Yes

12. Does this MTW activity require a hardship policy?

Yes

13. Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.

Yes

1. Minimum Rent
2. Landlord Incentive: Alternative Beginning Lease Term
3. Payment Standards – Small Area Fair Market Rents
4. Term Limited Assistance
5. Work Requirement
6. Policies for Addressing Increases in Family Income
7. Alternative Recertification Schedule For Households

14. Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?

No

15. How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?

There were no hardship requests received.

16. Does the MTW activity require an impact analysis?

Yes

17. Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.

No

18. 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.

This activity has made portability much easier and less complex for waitlisted households transferring to the City of Rockville. Landlords can now transition units from unsubsidized to subsidized more smoothly, without disrupting the household's initial lease agreement. As a result, lease-up times have improved, and landlord participation in the program has increased due to the simplified and predictable transition process.

19. Please provide an explanation as to why the activity was discontinued or will be discontinued.

N/A

20. Statue or Regulation Waived

24 CFR 982.451(a)(2) and 24 CFR 982.305(c)

IMPACT ANALYSIS

The impact analysis of this activity is current and valid for this fiscal year.

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

Although this waiver is based on a MTW Rider to the HAP contract, it will not impact the agency's finances.

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 waiver will not impact the affordability of housing 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)

The 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 agency's 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 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 Goal – Housing Choice

This waiver will assist in maintaining and even increasing the pool of qualified landlords in the HCV program, thereby increasing housing choices for RHE participants.

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

This waiver will enable RHE 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

This waiver will not result in additional hardship requests.

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

This waiver does not affect any protected class and is therefore not applicable.

ACTIVITY 18 2.a. Payment Standards – Small Area Fair Market Rents (HCV)

CORE QUESTIONS

1. Fiscal Year Introduced

2024

2. Fiscal Year Approved

2024

3. Status

Implemented

4. Narrative

RHE is raising the Small Area Fair Market Rents (SAFMR) to 120% for tenant-based voucher families living in the following zip codes: 20850, 20851, 20852, 20853, 20854, and 20855. These families are experiencing extremely high rental increases, in which the family is paying over 50% of their adjusted income.

The current RHE payment standard is 100% of the FMR. A payment standard of 120% of SAFMR will increase the payment standard by an overall average of \$605 for all bedroom sizes across all zip codes.

Currently, there are 88 families affected by excessive rent increases, of which this activity would apply. Although the rents are high; they are considered “reasonable” for the Washington/Arlington/Alexandria, DC-VA-MD Metro area. These families are paying, on average, 42% of their adjusted income towards rent. This circumstance, unintentionally, places limits on the self-sufficiency strides of these families. This waiver would alleviate that.

5. MTW Statutory Objectives

Housing choice

6. Cost Implications

Increased expenditures

7. Policy by Household Status/Family Types/Sites

The MTW activity applies to all assisted households

8. Household Status

New admissions and currently assisted households

9. Family Types

The MTW activity applies to all family types

10. Location

For HCV activities: The MTW activity applies to all tenant-based units

11. Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

12. Does this MTW activity require a hardship policy?

Yes

- 13. Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**

Yes

1. Minimum Rent
2. Landlord Incentive: Alternative Beginning Lease Term
3. Payment Standards – Small Area Fair Market Rents
4. Term Limited Assistance
5. Work Requirement
6. Alternative Recertification Schedule For Households

- 14. Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**

No

- 15. How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?**

There were no hardship requests received.

- 16. Does the MTW activity require an impact analysis?**

Yes

- 17. Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**

No

- 18. 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.**

RHE has changed the payment standard from 150% of the SAFMR to 120% of the SAFMR. This activity has had a tremendously positive impact on participants by improving their ability to secure housing more easily, offering greater flexibility in unit selection, and increasing access to higher-quality units. As a result, RHE has observed improved lease-up rates and increased participant satisfaction, as families are better able to find housing that meets their needs within a reasonable timeframe.

- 19. Please provide an explanation as to why the activity was discontinued or will be discontinued.**

N/A

CUSTOM QUESTIONS

1. Please explain the payment standards by ZIP code or “grouped” ZIP codes.

The current RHE payment standard is 100% of the FMR. A payment standard of 120% of SAFMR will increase the payment standard by an overall average of \$605 for all bedroom sizes across all zip codes.

Zip Code 20850			
Bedroom Size	Current FMR	Current PS	120% FMR-PS
0	\$2,420	\$2,904	\$2,904
1	\$2,470	\$2,964	\$2,964
2	\$2,780	\$3,336	\$3,336
3	\$3,480	\$4,176	\$4,176
4	\$4,100	\$4,920	\$4,920

Zip Code 20851			
Bedroom Size	Current FMR	Current PS	120% FMR-PS
0	\$2,010	\$2,412	\$2,412
1	\$2,050	\$2,460	\$2,460
2	\$2,310	\$2,772	\$2,772
3	\$2,890	\$3,468	\$3,468
4	\$3,410	\$4,092	\$4,092

Zip Code 20852			
Bedroom Size	Current FMR	Current PS	120% FMR-PS
0	\$2460	\$2,952	\$2,952
1	\$2510	\$3,012	\$3,012
2	\$2830	\$3,396	\$3,396
3	\$3540	\$4,248	\$4,248
4	\$4170	\$5,004	\$5,004

Zip Code 20853			
Bedroom Size	Current FMR	Current PS	120% FMR-PS
0	\$2,080	\$2,496	\$2,496
1	\$2,120	\$2,544	\$2,544
2	\$2,390	\$2,868	\$2,868
3	\$2,990	\$3,588	\$3,588
4	\$3,530	\$4,236	\$4,236

Zip Code 20854			
Bedroom Size	Current FMR	Current PS	120% FMR-PS
0	\$3,020	\$3,624	\$3,624
1	\$3,080	\$3,696	\$3,696
2	\$3,470	\$4,164	\$4,164
3	\$4,340	\$5,208	\$5,208
4	\$5,120	\$6,144	\$6,144

Zip Code 20855			
Bedroom Size	Current FMR	Current PS	120% FMR-PS
0	\$2,400	\$2,880	\$2,880
1	\$2,450	\$2,940	\$2,940
2	\$2,760	\$3,312	\$3,312
3	\$3,450	\$4,140	\$4,140
4	\$4,070	\$4,884	\$4,884

IMPACT ANALYSIS

The impact analysis of this activity is current and valid for this fiscal year.

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

RHE is raising the Small Area Fair Market Rents (SAFMR) to 120% for tenant-based voucher families living in the following zip codes: 20850, 20851, 20852, 20853, 20854, and 20855. These families are experiencing extremely high rental increases, in which the family is paying over 50% of their adjusted income.

The current RHE payment standard is 100% of the FMR. A payment standard of 120% of SAFMR will increase the payment standard by an overall average of \$605 for all bedroom sizes across all zip codes.

Currently, there are 88 families affected by excessive rent increases, of which this activity would apply. Although the rents are high; they are considered "reasonable" for the Washington/Arlington/Alexandria, DC-VA-MD Metro area. These families are paying, on average, 42% of their adjusted income towards rent. This circumstance, unintentionally, places limits on the self-sufficiency strides of these families. This waiver would alleviate that.

The average payment standard increase, for all bedroom sizes, by zip codes is as following:

Zip Code 20850: \$610

Zip Code 20851: \$507

Zip Code 20852: \$620

Zip Code 20853: \$524

Zip Code 20854: \$761

Zip Code 20855: \$605

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 waiver will make housing costs more affordable for affected families. The tenant rent portion for families is increasing due to an overall increase in market rents. By increasing the payment standard, this activity will reduce the rent burden on families.

3. Impact on the agency's waitlist(s) (e.g., any change in the amount of time families are on the waitlist)

The 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 agency's termination rate of families.

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

The intention of this waiver is to maintain the current utilization rate in HCV.

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

MTW Statutory Goal – Housing Choice

This waiver will assist families by increasing their housing choices.

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

This waiver will enable RHE 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

This waiver will not result in additional hardship requests.

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

This waiver does not affect any protected class and is therefore not applicable.

ACTIVITY 19 10.e. Policies for Addressing Increases in Family Income (Public Housing & HCV)

CORE QUESTIONS

1. Fiscal Year Introduced

2024

2. Fiscal Year Approved

2024

3. Status

Implemented

4. Narrative

RHE will alter its Family Self-Sufficiency (FSS) Program by changing the traditional FSS escrow savings model. Instead of escrowing monies from rent increases based on income increases, FSS participants will now earn escrow credits based on the completion of predetermined goals. RHE will adopt a modified escrow savings model in which FSS participants accrue escrow incentives by completing specific activities and goals that align with both participant goals and the FSS program objectives. The escrow savings model will enable participants to earn escrow credits based on the attainment of various goals of the program including but not limited to employment, education, financial literacy, homeownership, and/or transition out of subsidized housing. Quarterly, as participants achieve their goals, FSS participants will earn a quarterly escrow incentive to be placed into their escrow account. For participants that are not meeting their goals for the FSS program, they will be provided with resources and supportive services that will assist them in their goal completions. FSS participants must work towards either homeownership or program graduation in the form of unsubsidized rent. FSS participants must meet the mandatory goal of being FREE from TANF for the last 12 months of the FSS contract. FSS participants also must maintain employment and achieve financial literacy goals. Participation in the FSS program is not a condition for housing subsidy.

Participants have the opportunity to accrue \$1,000 annually for up to five years, for a maximum of \$5,000, based on goals completed as follows:

Homeownership

- A. Escrow credits are disbursed upon the successful completion of the program to purchase a home for down payment assistance/closing costs.
- B. Escrow credits are disbursed upon the successful completion of the program to purchase a home without subsidy for down payment assistance/closing costs.
 - a. Earn an escrow credit upon the completion of the first-time homeownership class.
 - b. Earn an escrow credit upon the completion of working with the Homeownership Coordinator all 5 years or until the COP is completed (whichever comes first).
- C. Engagement in homeownership preparation activities (workshops, seminars, classes, etc.).

Unsubsidized Rent

Escrow credits are disbursed upon the successful completion of the program to assist with the transition off of subsidy to a private market rate rental with the approval of a lease in the head of household's name.

Education

- A. Earn an escrow credit upon the completion of a GED program.
- B. Earn an escrow credit upon the completion of an associate degree.
- C. Earn an escrow credit upon the completion of a bachelor's degree.
- D. Earn an escrow credit upon the completion of a master's degree.
- E. Earn an escrow credit upon the completion of a Training/Certificate Program during the 5-year COP.

Employment

- A. Earn an escrow credit upon the completion of a new full-time employment job training (non-working households).
- B. Earn an escrow credit upon the completion of obtaining full-time employment in their chosen career field within the 5-year COP.
- C. Earn an escrow credit upon the completion of receiving a promotion, an increase in pay, or going from part-time to full-time.
- D. Earn an escrow credit for retaining employment.

Financial Literacy

- A. Earn an escrow credit upon the completion of financial coaching/classes.
- B. Earn an escrow credit upon the completion of improving their credit score (680 by the completion of COP for homeownership).
- C. Earn an escrow credit upon the completion of improving credit score of 640 for all others.
- D. Earn an escrow credit upon the completion of opening and maintaining a checking and savings account for the duration of the COP.
- E. Earn an escrow credit upon completion of increasing personal savings by \$500.

Engagement

- A. Earn an escrow credit upon the completion of face-to-face FSS progress meetings.
- B. Earn an escrow credit for participating in FSS activities (workshops, seminars, classes, etc.).

RHE will adhere to the following safe harbor guidelines:

- 1. RHE must review FSS Guidance.
- 2. RHE must execute a Contract of Participation, or other locally developed agreement, that is at least five years but not more than ten years, with each participant participating in their FSS program.
- 3. RHE, if implementing an FSS program, even with MTW modifications, must have an up to date, approved FSS Action Plan in accordance with 24 CFR984.201 that incorporates all modifications to the FSS program approved under the MTW Contract.
- 4. RHE must not use income increases during participation in the MTW FSS Program to change a family's eligibility status for purposes of participation in the MTW FSS Program or for the receipt public housing or HCV assistance.

5. MTW Statutory Objectives

Cost effectiveness
Self-sufficiency

6. Cost Implications

Decreased expenditures

7. Policy by Household Status/Family Types/Sites

The MTW activity applies to all assisted households

8. Household Status

New admissions and currently assisted households

9. Family Types

The MTW activity applies to all family types

10. Location

For PH Activities: The MTW activity applies to all developments

For HCV Activities: The MTW activity applies to all tenant-based units
The MTW activity applies to all properties with project-based vouchers

11. Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?
No
12. Does this MTW activity require a hardship policy?
Yes
13. Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.
Yes
1. Minimum Rent
 2. Landlord Incentive: Alternative Beginning Lease Term
 3. Payment Standards – Small Area Fair Market Rents
 4. Term Limited Assistance
 5. Work Requirement
 6. Alternative Recertification Schedule For Households
14. Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?
No
15. How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?
There were no hardship requests received.
16. Does the MTW activity require an impact analysis?
Yes
17. Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.
No
18. 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.
RHE is still in the process of collecting accurate data to assess the full impact of this activity, particularly in promoting financial self-sufficiency among families enrolled in the FSS program. Preliminary observations suggest that the activity has positively contributed to participants' ability to manage housing costs more effectively, with early signs of increased financial stability. Ongoing efforts are focused on evaluating how this initiative continues to support participants in achieving financial independence, with the expectation that long-term benefits will include improved employment outcomes, better access to quality housing, and sustained economic mobility for families.
19. Please provide an explanation as to why the activity was discontinued or will be discontinued.
N/A

CUSTOM QUESTIONS

1. How will the MTW agency treat increased earnings for families participating in the FSS Program with MTW flexibility?
In lieu of addressing increased earnings for families participating in the FSS program, RHE will give FSS participants escrow credits based on the completion of goals set within the homeownership/unsubsidized rent, education, employment, and financial literacy parameters.

ACTIVITY 20 10.d. Modify or Eliminate the Contract of Participation (Public Housing & HCV)

CORE QUESTIONS

1. Fiscal Year Introduced

2025

2. Fiscal Year Approved

2025

3. Status

Implemented

4. Narrative

RHE will modify the terms of the FSS Contract of Participation (HUD-52650) changing the traditional FSS escrow savings model. Instead of escrowing monies from rent increases based on income increases, the new FSS contract will state participants will earn escrow credits based on the completion of predetermined goals. The FSS program participation is not mandatory for individuals that do not meet the definition of an eligible family at section 23(n)(3) of the 1937 Act, and those exempted from the Community Service Requirement under section 12(c)(2)(A), (B), (D) and (E) of the 1937 Act. RHE does not require FSS program participation as a condition for housing subsidy for able-bodied, elderly, or disabled families. RHE will not use income increases during participation in the FSS program to change a family's eligibility status for purposes of participation in the FSS program or for the receipt of public housing or HCV assistance.

RHE will review FSS Guidance. RHE will execute a Contract of Participation, or other locally developed agreement, that is at least five years but not more than ten years, with each participant participating in its FSS program. RHE will have an up-to-date, approved FSS Action Plan in accordance with 24 CFR 984.201 that incorporates all modifications to the FSS program approved under the MTW Contract.

5. MTW Statutory Objectives

Cost effectiveness

Self-sufficiency

6. Cost Implications

Decreased expenditures

7. Policy by Household Status/Family Types/Sites

The MTW activity applies to all assisted households

8. Household Status

New admissions and currently assisted households

9. Family Types

The MTW activity applies to all family types

10. Location

For PH Activities: The MTW activity applies to all developments

For HCV Activities: The MTW activity applies to all tenant-based units

The MTW activity applies to all properties with project-based vouchers

11. Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

12. **Does this MTW activity require a hardship policy?**
No
13. **Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
N/A
14. **Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?**
N/A
15. **How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?**
N/A
16. **Does the MTW activity require an impact analysis?**
No
17. **Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.**
N/A
18. **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.**
No changes have been implemented, and no significant accomplishments have been achieved due to FSS coordinator staffing turnover during FY2025.
19. **Please provide an explanation as to why the activity was discontinued or will be discontinued.**
N/A

ACTIVITY 21 7.a., 7.b. Term Limited Assistance (Public Housing & HCV)

CORE QUESTIONS

1. Fiscal Year Introduced

2026

2. Fiscal Year Approved

Pending

3. Status

Not implemented

4. Narrative

All workable families will be subject to a time-limited housing term of nine (9) years beginning at the resident or participant's next triennial recertification. Households requiring additional time to exit the programs may apply for a one (1) year extension. Extension requests will be granted by RHE, at its discretion, following the completion of a household's nine-year term limit.

The one-year extension can be applied for and granted a maximum of one (1) time. The absolute household term-limit is ten years commencing at the resident or participant's next triennial recertification. Households that reach ten years of tenancy originating at the resident or participant's next triennial recertification, regardless of consecutiveness, with RHE are unable to reapply for the public housing or HCV programs.

RHE or one of its partner organizations will offer supportive services or service referrals to prepare families for the termination of assistance.

5. MTW Statutory Objectives

Cost effectiveness

Self-sufficiency

6. Cost Implications

Increase revenue

Decrease expenditures

7. Policy by Household Status/Family Types/Sites

The MTW activity applies only to a subset or subsets of assisted households

8. Household Status

New admissions and currently assisted households

9. Family Types

The MTW activity applies only to selected family types: Non-elderly, non-disabled families

10. Location

For PH Activities: The MTW activity applies to all developments

For HCV Activities: The MTW activity applies to all tenant-based units
The MTW activity applies to all properties with project-based vouchers

11. Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

12. Does this MTW activity require a hardship policy?

Yes

13. Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.

Yes

1. Minimum Rent
2. Landlord Incentive: Alternative Beginning Lease Term
3. Payment Standards – Small Area Fair Market Rents
4. Term Limited Assistance
5. Work Requirement
6. Alternative Recertification Schedule For Households

14. Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?

No

15. How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?

N/A

16. Does the MTW activity require an impact analysis?

Yes

17. Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.

No

18. 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

19. Please provide an explanation as to why the activity was discontinued or will be discontinued.

N/A

CUSTOM QUESTIONS

1. Does the term-limited assistance MTW activity exempt any type of household or individual other than the elderly or individuals with disabilities?

Yes. This activity exempts elderly and/or disabled households.

2. Please describe how the MTW agency supports households to prepare for the end of assistance.

RHE will collaborate with its partners to provide support to households as they prepare for the end of assistance.

3. How many households are currently subject to this policy?

360 households

IMPACT ANALYSIS

The impact analysis of this activity is current and valid for this fiscal year.

- 1. Impact on the agency's finances (e.g., how much will the activity cost, any change in the agency's per family contribution)**
RHE will implement term-limited assistance for workable families. This program will allow the RHE to continually assist low-income families on a revolving basis. The work requirement along with a graduated total tenant payment and a minimum rent all work in harmony to make term-limited assistance feasible for workable families. This program will gradually increase the tenant rent, which will increase the revenue for the RHE.
- 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)**
RHE is giving families up to ten years, commencing at the resident or participant's next triennial recertification, to prepare for non-subsidized housing. RHE is also including a work requirement, a combined graduated total tenant payment, and a minimum rent. Each facet works in accord to increase the income of workable families and achieve self-sufficiency. Tenant rent will increase every three years, and families will be able to afford these increases with their increased earnings.
- 3. Impact on the agency's waitlist(s) (e.g., any change in the amount of time families are on the waitlist)**
The average time to house a family from the waitlist is 10 years. As this activity progresses, this will drastically change, allowing RHE to assist more families 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)**
This waiver will not affect the agency's 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 impact the current occupancy level in public housing or the utilization rate in the HCV program. As assistance is terminated for current families, RHE will be able to assist other families in need.
- 6. Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency, and/or housing choice**
MTW Statutory Objective - Cost Effectiveness
This waiver will increase the cost effectiveness of program operations over time. As families leave program and new families join the program, the RHE will be able to better manage funds creating a steady ebb and flow of financials.

MTW Statutory Goal – Self-Sufficiency
This waiver will prepare families to live in the market rate world.
- 7. Impact on the agency's ability to meet the MTW statutory requirements**
This waiver will enable RHE to meet the statutory objective of Self-Sufficiency.
- 8. Impact on the rate of hardship requests and the number granted and denied as a result of this activity**
This waiver will not result in additional hardship requests.
- 9. Across the other factors above, the impact on protected classes (and any associated disparate impact)**
This waiver does not affect any protected class and is therefore not applicable.

ACTIVITY 22 12.a., 12.b. Work Requirement (Public Housing & HCV)

CORE QUESTIONS

1. Fiscal Year Introduced

2026

2. Fiscal Year Approved

Pending

3. Status

Not implemented

4. Narrative

RHE will implement a mandatory work requirement for all non-elderly and non-disabled individuals ages 18 up to 62 years of age. These individuals must work a minimum of 15 hours per week.

Eligible individuals will meet with RHE staff or one of its partner organizations to determine the best course of action, on an individual basis, to meet this activity's ultimate goal of self-sufficiency. RHE, at its discretion, will allow acceptable substitutes for employment, such as education, job training, or rehabilitation to fulfill this requirement.

Residents and participants shall be given notice six months in advance of the sanction policy for non-compliance.

The following individuals will be exempt from this activity: individuals that are exempt from the Community Service Requirement, elderly and/or disabled individuals, individuals aged 18 years and younger, live-in aides, individuals that are the primary caretaker for a child under 6 years of age, and women who are pregnant.

Work requirements shall not be applied to exclude, or have the effect of excluding, the admission into housing or participation in supportive services by persons with disabilities or elderly individuals, or families that include persons with disabilities or elderly individuals.

5. MTW Statutory Objectives

Cost effectiveness

Self-sufficiency

6. Cost Implications

Increased revenue

Decreased expenditures

7. Policy by Household Status/Family Types/Sites

The MTW activity applies only to a subset or subsets of assisted households

8. Household Status

New admissions and currently assisted households

9. Family Types

The MTW activity applies only to selected family types: Non-elderly, non-disabled families

10. Location

For PH Activities: The MTW activity applies to all developments

- 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

11. Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?

No

12. Does this MTW activity require a hardship policy?

Yes

13. Does the hardship policy apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.

Yes

1. Minimum Rent
2. Landlord Incentive: Alternative Beginning Lease Term
3. Payment Standards – Small Area Fair Market Rents
4. Term Limited Assistance
5. Work Requirement
6. Alternative Recertification Schedule For Households

14. Has the MTW agency modified the hardship policy since the last submission of the MTW Supplement?

No

15. How many hardship requests have been received associated with this activity in the most recently completed PHA fiscal year?

N/A

16. Does the MTW activity require an impact analysis?

Yes

17. Does the impact analysis apply to more than this MTW activity? If yes, then please list all of the applicable MTW activities.

No

18. 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

19. Please provide an explanation as to why the activity was discontinued or will be discontinued.

N/A

CUSTOM QUESTIONS

1. Does the work requirement MTW activity exempt any type of household or individual other than those required to be excluded through the MTW Operations Notice or those excluded as a reasonable accommodation?

No

2. What counts as "work" under this the work requirement MTW activity?

Part-time, full-time, and seasonal employment

3. How will the MTW agency monitor compliance with the work requirement MTW activity?

Compliance will be monitored by RHE through yearly prescheduled reviews and triennial recertifications. Compliance will also be monitored through the residents and participants themselves, as they must report any non-compliance to the work requirement to RHE within 10 days.

4. What supportive services are offered to support households to comply with the work requirement?

Supportive services will be offered through RHE's client services & community engagement department and/or a community partner of RHE. RHE will provide job readiness training, employment placement assistance (worksource development), access to childcare, transportation support, financial literacy programs, and referrals to education or vocational training programs. RHE fully intends to partner with additional agencies in the community to broaden the services offered.

Housing Stability

- Eviction prevention & mediation
- Housing navigation & landlord outreach
- Homeownership & FSS enrollment
- Support for youth aging and non-traditional households
- Financial Literacy: Workshops on savings, investments, and debt reduction, credit building and budgeting
- Temporary Rental Assistance: Emergency financial help for rent payments

Education

- Tutoring, literacy, and STEM for youth
- Teen readiness: SAT/FAFSA prep, resume help, job shadowing, scholarships applications
- GED, ESL, and adult basic education
- Digital literacy & device access
- Scholarships & financial aid navigation
- Back-to-School Drives: supplies, backpacks
- Job Readiness Programs: Resume building, interview preparation, and soft skills training
- Job placement assistance & connections to employers
- Workforce Development: Soft skills training, leadership workshops
- Local Job Fairs: Connecting residents to open positions with local businesses

Health & Wellness

- Health screenings & mobile clinics
- Mental health awareness & referrals
- Family nutrition & youth fitness
- Insurance enrollment & telehealth support
- Chronic Disease Management: Education for managing conditions like diabetes, hypertension
- Substance Abuse Support: Counseling, resources, and group therapy
- Wellness Incentive Programs: Encouraging exercise, nutrition, and preventive care with rewards
- Hygiene Pantry: Providing essential personal care items such as soap, toothpaste, deodorant, feminine hygiene products, and other toiletries to promote cleanliness and health.

Life Skills

- Teen life skills: communication, time management, relationships
- "Adulting 101" workshops for young adults
- Tenant rights & responsibilities
- Parenting & family dynamics
- Senior tech safety & fraud prevention
- Home Maintenance Skills: Upkeep
- Self-Care & Stress Management: Tools for maintaining mental and emotional well-being

Community Engagement

- National Night Out & seasonal community events
- Holiday Assistance: food baskets, toys, coats, adopt-a-family
- Teen Leadership Council & service hour opportunities
- Resident Councils & Youth Ambassadors
- Back-to-School Events & community fairs
- Cultural Celebrations: Highlighting community diversity with events, arts, and performances
- Community Cleanup Events: Neighborhood beautification and environmental awareness initiatives
- Volunteer Opportunities: Encouraging residents to give back through service projects

Food Distribution

- Holiday Meal Assistance: Special food drives for Thanksgiving, Christmas, and other holidays
- Emergency Food Support: Short-term food assistance for families in need
- Nutrition Education: Workshops on meal planning, cooking on a budget, and healthy eating
- Partnering with Local Organizations: Collaboration with food banks and pantries for regular distribution (monthly or weekly food pantries: access to fresh produce, canned goods, and essential food items)

5. How does the agency address noncompliance with the work requirement policy?

Residents and participants will have 10 days to report non-compliance. If the lack of compliance is not due to a hardship, the RHE will issue a written warning and the resident or participant must gain employment within six months. The RHE will also refer the resident or participant to one of RHE's community partners for services, of which the resident or participant must attend. The resident or participant must check in monthly with RHE regarding the progress of his/her job search. If in good faith the resident or participant has not obtained employment in six months, the RHE will extend the job search for another 60 days. If the or participant has not obtained employment in six months, has failed to check-in with RHE, and has failed to participate in the employment services offered, RHE will terminate the resident or participant's participation in the public housing or HCV program.

If the resident or participant fails to give notice within 10 days, the resident or participant will receive a "curable" deficiency notice from RHE stating the resident or participant's non-compliance. Additionally, the notice will state the new requirements for the resident or participant, which includes finding employment within 90 days, checking in monthly with RHE, and partaking in services with RHE's community partner. If in good faith the resident or participant has not obtained employment in three months, the RHE will extend the job search for another 30 days. If the resident or participant has not obtained employment in three months, has failed to check-in with RHE, and has failed to participate in the employment services offered, RHE will terminate the resident or participant's participation in the public housing or HCV program.

If the resident or participant fails to give notice within 10 days, the resident or participant will receive a "curable" deficiency notice from RHE stating the resident or participant's non-compliance. If the resident or participant completely disregards the "curable" deficiency notice, RHE will terminate the resident or participant's participation in the public housing or HCV program.

6. How many households are currently subject to the policy?

360 households

7. How many households in the most recently completed PHA fiscal year were sanctioned for non-compliance with the work requirement?

N/A

IMPACT ANALYSIS

The impact analysis of this activity is current and valid for this fiscal year.

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

RHE will implement a work requirement for individuals between the ages of 18 and 62. Tenant rent and the tenant portion of rent may increase because of this activity. If so, the increased tenant rent will increase revenue for RHE, and the increased tenant portion of rent will decrease HAP for RHE.

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 provide a neutral effect on the affordability for RHE families. The increase in income received from families will affect their tenant rent or tenant portion of rent. The additional funds received and the decrease in HAP will be utilized to increase resident services and increase the payment standard. Mandatory employment and other RHE supportive services will allow families to afford the progressive rent preparing them for program graduation.

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

This activity will not affect the agency's current occupancy level in public housing or the 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

This activity will increase the tenant rent for families and increase the revenue received by RHE in the public housing program. This activity will increase the tenant portion of rent for families and decrease the HAP given to landlords by RHE in the HCV program.

MTW Statutory Objective – Self Sufficiency

This activity will obligate able-bodied individuals to work; thereby, allowing them to accumulate funds in preparation of program graduation.

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

The RHE will be able to meet 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

The RHE does not anticipate the number of hardship requests increasing due to the implementation of this activity. The RHE has an all-encompassing program of supportive services to mitigate such hardships should they arise.

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

This activity is based on able-bodied individuals, in which protected class is not a factor, and there is no anticipated impact on protected classes.

Activities that Will Use Only MTW Funding Flexibility

In addition to the MTW and Agency-Specific waivers, RHE will use the MTW funding flexibility to support Foster Youth Initiative (FYI) Voucher and Stability Voucher (SV) holders through the following initiatives:

I. Security Deposit Assistance

- RHE will provide security deposit assistance for FYI voucher and SV holders of up to two (2) month's rent.
- RHE will send deposit checks directly to the landlord.
- FYI voucher and SV holders must show proof of seeking assistance from other agencies. (Department of Health and Human Services and the City of Rockville)
- Landlords must agree to return deposit back to RHE upon move out of the FYI voucher and SV holders. If there are any tenant caused damages beyond normal wear and tear, RHE has to mutually agree that the damages are in fact beyond normal wear and tear. If there damages are beyond normal wear and tear, the FYI voucher or SV holder must pay RHE back the amount of the security deposit lost due to damages. Additionally, FYI voucher and SV holders will not be eligible for additional security deposit or application fee assistance until the damage claim is paid back to RHE.

II. Utility Deposit Assistance

- RHE will provide FYI voucher and SV holders with assistance paying utility deposits of up to \$1,000. RHE will provide utility deposits for water, gas, electric, and internet.
- RHE will send utility deposits directly to the utility company.
- FYI voucher and SV holders must have exhausted all other available utility deposit resources.
- Deposit returns must be given back to RHE once the FYI voucher and SV holders moves.

III. Apartment Application Fee Assistance

- RHE will assist FYI voucher and SV holders with paying application fees for housing applications of up to three (3) units per move.
- FYI voucher and SV holders must have exhausted all other available application fee resources.

IV. U-Haul Moving Assistance

RHE will assist FYI voucher and SV holders in picking up donated furniture for moves up to \$250 per move or the actual cost, whichever is lower, when the voucher holder must move to another unit due to a reason that is not caused by the tenant.

V. Transportation Assistance

RHE will provide public transit passes, up to three months until a new job is secured, to FYI voucher and SV holders for the following purposes:

- Working or looking for work
- School
- Medical appointments
- Grocery Shopping

D. Safe Harbor Waivers

D.1 Safe Harbor Waivers seeking HUD Approval:

The MTW Operations Notice describes a simplified process for MTW agencies to implement MTW activities outside of the safe harbors described in Appendix I. For each Safe Harbor Waiver request, a document that includes the following information must be provided: (a) the name and number of the MTW Waiver and associated activity for which the MTW agency is seeking to expand the safe harbor, (b) the specific safe harbor and its implementing regulation, (c) the proposed MTW activity the MTW agency wishes to implement via this Safe Harbor Waiver, (d) a description of the local issue and why such an expansion is needed to implement the MTW activity, (e) an impact analysis, (f) a description of the hardship policy for the MTW activity, if applicable, and (g) a 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.

Will the MTW agency submit request for approval of a Safe Harbor Waiver this year?

☒ No

E. Agency-Specific Waivers

E.1 Agency-Specific Waivers for HUD Approval:

The MTW demonstration program is intended to foster innovation and HUD encourages MTW agencies, in consultation with their residents and stakeholders, to be creative in their approach to solving affordable housing issues facing their local communities. For this reason, flexibilities beyond those provided for in Appendix I may be needed. Agency-Specific Waivers may be requested if an MTW agency wishes to implement additional activities, or waive a statutory and/or regulatory requirement not included in Appendix I.

In order to pursue an Agency-Specific Waiver, an MTW agency must include an Agency-Specific Waiver request, an impact analysis, and a hardship policy (as applicable), and respond to all of the mandatory core questions as applicable.

For each Agency-Specific Waiver(s) request, please upload supporting documentation, that includes: a) a full description of the activity, including what the agency is proposing to waive (i.e., statute, regulation, and/or Operations Notice), b) how the initiative achieves one or more of the 3 MTW statutory objectives, c) a description of which population groups and household types that will be impacted by this activity, d) any cost implications associated with the activity, e) an implementation timeline for the initiative, f) an impact analysis, g) a description of the hardship policy for the initiative, and h) a 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.

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

☒ No

E.2 Agency-Specific Waiver(s) for which HUD Approval has been Received:

For each previously approved Agency-Specific Waiver(s), a set of questions will populate. Does the MTW agency have any approved Agency-Specific Waivers?

☒ Yes

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
2021	\$673,465	\$673,465	\$0	09/30/2029
2022	\$630,095	\$630,095	\$0	09/30/2030
2023	\$715,424	\$715,424	\$0	09/30/2031
2024	\$617,988	\$617,988	\$0	09/30/2032
2025	\$233,942	\$233,942	\$0	09/30/2033
2026	\$257,047	\$166,080	\$90,967	09/30/2034

G. MTW Statutory Requirements

G.1 75% Very Low Income – Local, Non-Traditional.

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.

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.2 Establishing Reasonable Rent Policy

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

Yes. RHE has introduced a minimum rent requirement and graduated total tenant payment for workable families, eliminated the Earned Income Disallowance, modified income exclusions for full-time students, and increased the initial rent burden of HCV participants.

Additional, RHE now includes lump sums and sporadic income in the calculation of rent and offers term-limited assistance for workable families.

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

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.

0 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.

0 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.

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		0	0		

* User will select one of the following from the “Population Type” dropdown box: General, Elderly, Disabled, Elderly/Disabled, Other

If the “Population Type” of is Other is selected, please state the Property Name/Address and describe the population type. [Text box]

** The federal accessibility standard under HUD’s Section 504 regulation is the Uniform Federal Accessibility Standards (UFAS) for purposes of Section 504 compliance. HUD recipients may alternatively use the 2010 ADA Standards for Accessible Design under Title II of the ADA, except for certain specific identified provisions, as detailed in HUD’s Notice on “Instructions for use of alternative accessibility standard,” published in the Federal Register on May 23, 2014 (“Deeming Notice”) for purposes of Section 504 compliance, <https://www.govinfo.gov/content/pkg/FR-2014-05-23/pdf/2014-11844.pdf>. This would also include adaptable units as defined by HUD’s Section 504 regulation (See 24 CFR § 8.3 and § 8.22).

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

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 Please provide copy of all comments received by the public, Resident Advisory Board, and tenant associations.

Attached

Please attach a narrative describing the MTW agency's analysis of the comments and any decisions made based on these comments.

Attached

If applicable, was an additional public hearing held for an Agency-Specific Waiver and/or Safe Harbor waiver?

☐ Yes

☐ No

☒ N/A

If yes, please attach the comments received along with the MTW agency's description of how comments were considered.

Attached

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.

Does the PHA have an agency-sponsored evaluation?

No

Table I.1 – Evaluation 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 Supplementsubmission to HUD. Certification is provided below.

APPENDICES

Activity Organizer

Activity #	MTW Waiver	Core Questions	Custom Questions	Safe Harbor	Impact Analysis	Hardship Policy	FY Intro	FY Approved
1. Tenant Rent Policies								
4	e. f. Minimum Rent (PH & HCV)	X	X	X	X	X	2022	2022
5	o. Initial Rent Burden (HCV)	X	X	X	X		2022	2022
3	v. & w. Alternative Income Inclusions/Exclusions (PH & HCV) <i>Exclude EID</i>	X	X				2022	2022
6	v. & w. Alternative Income Inclusions/Exclusions (PH & HCV) <i>Exclude specific income for full-time students</i>	X	X				2022	2022
16	v. & w. Alternative Income Inclusions/Exclusions (PH & HCV) <i>Include lump sums and sporadic income</i>	X	X				2023	2023
2. Payment Standards and Rent Reasonableness								
18	2.a. Payment Standards –Small Area Fair Market Rents (HCV)	X	X	X	X	X	2024	2024
7	d. Rent Reasonableness - Third-Party Requirement (HCV)	X	X				2022	2022
3. Reexaminations								
1	a. & b. Alternative Reexamination Schedule for Households (PH & HCV)	X	X	X	X	X	2022	2022
2	c. & d. Self-Certification of Assets (PH & HCV)	X	X	X			2022	2022
5. Housing Quality Standards (HQS)								
8	c. Third-Party Requirement (HCV)	X	X				2022	2022
7. Term-Limited Assistance								
21	a. & b. Term Limited Assistance (PH & HCV)	X	X	X	X	X	2026	Pending
9. Project-Based Voucher Program Flexibilities								
9	a. Increase PBV Program Cap (HCV)	X	X	X			2022	2022
10	b. Increase PBV Project Cap (HCV)	X		X			2022	2022
11	c. Elimination of PBV Selection Process for PHA-owned Projects Without Improvement, Development, or Replacement (HCV)	X					2022	2022
12	f. Increase PBV HAP Contract Length (HCV)	X		X			2022	2022
13	h. Limit Portability for PBV Units (HCV)	X					2022	2022
10. FSS Program With MTW Flexibility Activities								
20	d. Modify or Eliminate the Contract of Participation (PH & HCV)	X	X	X			2025	2025
19	e. Policies for Addressing Increases in Family Income (PH & HCV)	X	X	X			2024	2024
12. Work Requirement								
22	a. & b. Work Requirement (PH & HCV)	X	X	X	X	X	2026	Pending

Funding Fungibility								
Foster Youth Initiative (FYI) Vouchers and Stability Vouchers (SV)								
Activity #	Agency Specific Waiver	Core Questions	Custom Questions	Safe Harbor	Impact Analysis	Hardship Policy	FY Intro	FY Approved
17	Landlord Incentive: Alternative Beginning Lease Term (HCV)	X			X	X	2023	2023
History								
Fiscal Year Eliminated	Activity					Change		
2022	ASW Restrict Move to Higher Contract Rent for Zero HAP Families (HCV)					Proposed activity eliminated		
2022	ASW Eliminate Flat Rent (PH)					Proposed activity eliminated		
2024	Activity 14 – 17.c Local Non-Traditional Housing Development Program RHE used this LNT activity to convert PH units into PBV units. RHE no longer needs to use this LNT activity, because it can use the HCV program for the conversion.					Approved activity eliminated		
2025	Activity 15 – 1 c. & d. Stepped Rent - Graduated Total Tenant Payment (PH & HCV) RHE decided to pursue other rent reform measures and term-limited assistance instead of stepped rent.					Approved activity eliminated		

Hardship Policy

Rockville Housing Enterprises (RHE) 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 RHE to be appropriate.

Process for Agency Review and Determination

When a client requests a hardship exemption from an MTW activity RHE 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. RHE 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**, RHE will continue providing an exemption from the MTW activity at a reasonable level for up to 90 days. After that time, RHE will reinstate the MTW activity from the beginning of the suspension. RHE will offer the family a reasonable repayment agreement, on terms and conditions established by RHE 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**, RHE will continue providing an exemption from the MTW activity at a reasonable level for a specified duration determined by RHE. After that time, RHE will reinstate the MTW activity from the beginning of the suspension. RHE will offer the family a reasonable repayment agreement on terms and conditions established by RHE 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.

Repayment Agreement

Families that have entered into a repayment agreement, of any kind, with RHE must comply with the terms of the repayment agreement. Failure to comply with any provision of the repayment agreement may result in termination of tenancy and/or assistance. Late and/or missed payments constitute default of the repayment agreement and may result in termination of tenancy and/or assistance. Qualified hardships will not be extended unless the family is in compliance with the repayment agreement.

Resident Notification

RHE 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

RHE will address persons with handicaps requesting a reasonable accommodation under 24 CFR part 8 through RHE's Reasonable Accommodations Policy and procedures.

Record Keeping

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