

**Attachment M:
Moving To Work Supplement**

Section	Content / Response
A.	PHA Information
A.1	<p>PHA Name: <u>Housing Authority of Clackamas County</u> PHA Code: <u>OR001</u> MTW Supplement for PHA Fiscal Year Beginning: (MM/DD/YYYY): <u>07/01/2023</u> PHA Program Type: Combined Public Housing and Section 8 MTW Cohort Number: <u>4 – Asset Building</u> MTW Supplement Submission Type: Annual Submission</p>
B.	Narrative
B.1	<p>MTW Supplement Narrative</p> <p>The Housing Authority of Clackamas County (HACC) plans to use its MTW flexibility to align the needs of the community and residents with the three (3) MTW statutory objectives in ways that help transform operations, encourage self-sufficiency, and better utilize the funding it receives. After receiving notice of its selection to the Asset Building Cohort of the MTW Expansion, the HACC management team went through a visioning exercise to localize the MTW Statutory Objectives into language that fits the both the agency’s and the community’s “business objectives” for the MTW program. These business objectives will be used to guide staff through its waiver/activity selection and the application of its MTW funding flexibility. They are:</p> <ol style="list-style-type: none"> 1. Efficiencies gained will be used to redirect staff toward activities that have a higher value for the client, such as building trusting relationships, connecting clients to resources, and educating clients on the impacts of financial decisions. 2. Priority will be given to activities that seek a balance between reduced staff time and benefit to HACC’s clientele in order for HACC to serve more families and provide its services more equitably. 3. HACC seeks to impact the homelessness crisis in the County and recognizes that the first step to do this is through eviction and termination prevention measures, requiring innovative programmatic approaches to common problems seen in housing. <p>In order to meet its PHA Annual Plan deadline, HACC chose to only include the activities related to its obligations under the Asset Building cohort in this first Supplement to the PHA Plan. However, work has already begun to review all available waivers and make plans for how each waiver can benefit the agency and the low-income families within the community.</p>
C.	MTW Waivers and Associated Activities
	The Housing Authority of Clackamas County (HACC) does not plan to implement any standard MTW Waivers or Activities this year.
D.	Safe Harbor Waivers
	The Housing Authority of Clackamas County (HACC) does not plan to implement any Safe Harbor Waivers this year.
E.	Agency-Specific Waivers
E.1	Agency-Specific Waivers for HUD Approval
(a)	<p>Savings account deposits for downpayment assistance for Homeownership</p> <p><i>Name of activity:</i> Matched Savings Homeownership Account</p> <p><i>A full description of the activity, including what the agency is proposing to waive (i.e., statute, regulation, and/or Operations Notice)</i></p> <p>The primary goal of the Savings Account Component of the HACC’s proposed asset building initiative is to increase the number of households who are “banked” and to partner with local financial institutions willing to provide savings accounts to low-income families, without the restrictions that</p>

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	<p>often lead to low-income households remaining unbanked. Low-income households without bank accounts pay high fees to cash their paychecks or to obtain money orders, which are often required for rent and utility payments when a household does not have access to a bank account. Evidence suggests that when a low-income household is banked, they establish credit, their credit scores increase, their likelihood of default is reduced, and they have lower amounts of delinquent debt.</p> <p>In 2021, HACC started the environmental review process required to dispose of its 145 scattered sites. HACC’s scattered site portfolio consists of 2-, 3-, and 4-bedroom units in single-family homes, duplexes, triplexes, and 4-plexes throughout the County. These units can be up to thirty-five (35) miles apart from each other and each unit costs an average of \$2,000 more to operate than other units in the Public Housing portfolio. HACC is looking at the potential to sell the single-family scattered sites as affordable homes under a Community Land Trust model. HACC’s hope is that the timeline of the disposition and relocation of the scattered site portfolio aligns with the 24-month reporting period for the demonstration.</p> <p>HACC’s vision for the savings account component of the MTW asset-building program is to offer downpayment assistance to program participants who are ready for homeownership. Selection for program participation will be based on aptitude for homeownership using the criteria described below.</p> <p>HACC will partner with Proud Ground, DevNW, and CASA of Oregon, all who were selected based on their ability to provide savings accounts free of many of the restrictive characteristics of accounts typically offered to lower-income families, such as high annual fees, high penalties, and no over-draft protection. In addition, many banks offer “second chance accounts” and HACC will work to partner local banks with households to help them bridge the banking gap and become banked. Each household will be required to establish an account and HACC will deposit funds into their account equal to 20% of their current Public Housing rent payment each month for twenty-four (24) months. The preliminary analysis shows that even the households with higher incomes rarely report having assets, such as checking or savings accounts. In fact, only four (4) of the 25 households with incomes over \$50,000 reported having any assets at all.</p> <p>HACC will measure the success of the program using the following factors:</p> <ul style="list-style-type: none"> • Difference in credit score between initial baseline and current actual; • Difference in delinquent debt between initial baseline and current actual; • Percent of program participants who were successful in a home purchase. <p>Per HUD PIH Notice 2022-11, the “opt-out” aspect of this savings account program will require HACC to waive certain provisions of the following regulations: sections 23(b)-(f), and (n)(1) of the 1937 Act and 24 CFR 984.101-105, 984.201-204, 984.301-306 and 984.401.</p> <p>PIH Notice 2022-11 also lists the Safe Harbors required for the opt-out savings account, which include:</p> <ol style="list-style-type: none"> i. The PHA must continue to follow all requirements of 2 CFR part 200. ii. 24 CFR 984.305(a) on accounting and reporting must be retained. iii. The PHA must contribute at least \$10 per month for the benefit of each assisted household participating in the savings program. iv. The PHA must not contribute more per month for the benefit of each assisted household participating in the savings program than the applicable fair market rent of the unit in which they reside. v. The PHA must provide an opportunity for households to opt-out of this activity. <p><u><i>How the initiative achieves one or more of the 3 MTW statutory objectives</i></u></p> <ul style="list-style-type: none"> ○ Cost effectiveness: In 2021, HACC started the environmental review process required to dispose of its 145 scattered sites. HACC’s scattered site portfolio consists of 2-, 3-, and 4-bedroom units in single-family homes, duplexes, triplexes, and 4-plexes throughout the

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	<p>County. These units can be up to thirty-five (35) miles apart from each other and each unit costs an average of \$2,000 more to operate than other units in the Public Housing portfolio. This activity will give HACC the opportunity to sell the single-family scattered sites as affordable homes to the current occupants, benefiting the housing authority by reducing the cost to operate its Public Housing portfolio.</p> <ul style="list-style-type: none"> ○ Self-sufficiency: The model proposed by HACC in this activity will enable qualifying households to purchase a home under more favorable terms than traditionally available, helping these households build wealth through homeownership. <p><u><i>A description of which population groups and household types that will be impacted by this activity</i></u> HACC will use the following selection criteria to prioritize households interested in the savings account program:</p> <ol style="list-style-type: none"> 1) Interest in homeownership 2) Currently participating in the IDA homeownership matched savings program 3) Household income above \$30,000/year 4) Debt less than \$40,000 5) Credit Score of 700 or more, or actively working on getting it above 700 6) Completion of Financial Foundations and Homebuying workshops offered through Dev NW. 7) Completion of Proud Ground land trust orientation. <p>In addition, HACC is able to refer residents to DevNW financial education programs and cover the cost through a partnership with Clackamas County Social Services.</p> <p><u><i>Any cost implications associated with the activity</i></u> Depending on the decision on the percentage of rent to contribute, HACC estimates that this program will cost between \$130,00 and \$210,000 over two (2) years. These funds will come from HACC’s HCV Housing Assistance Payment reserves.</p> <p><u><i>An implementation timeline for the initiative</i></u> The implementation timeline is still being developed and this document will be updated when it is ready.</p> <p><u><i>An impact analysis</i></u></p> <ol style="list-style-type: none"> 1. Agency finances – No projected impact to agency finances; funds will come from HUD-held agency HAP reserves. 2. Affordability of housing costs – No projected impact. 3. Agency waitlist – No projected impact. 4. Termination rate – No projected impact. 5. Occupancy / Utilization – No projected impact. 6. MTW Statutory Goals – This activity will help families become self-sufficient 7. Statutory Requirements – No projected impact. 8. Hardship requests – No projected impact. 9. Protected classes / Disparate impact – No project impact. <p><u><i>A description of the hardship policy for the initiative</i></u> Not applicable</p> <p><u><i>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.</i></u> Will gather these during the public process</p>

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(b)	<p>Expansion of Existing Credit Reporting Program</p> <p><i>Name of activity:</i> Expansion of Existing Credit Building Program</p> <p><i>A full description of the activity, including what the agency is proposing to waive (i.e., statute, regulation, and/or Operations Notice)</i></p> <p>HACC currently operates the Rent Reporting for Credit Building program. The goal of this program is to educate program participants of the importance of establishing credit and helping them establish credit by regularly reporting rent payments to the credit bureaus. This program has the following attributes:</p> <ul style="list-style-type: none"> • HACC partners with financial capability providers to provide credit coaching and workshops to HACC Public Housing residents; • HACC has a contract with Esusu, a company that collects rent payment data from property owners and submits the data to the credit bureau, enabling the households to gain credit. <p>HACC pays for the services provided by Esusu and can only report payments made to HACC, which is why the program has traditionally only been offered to Public Housing residents. However, HACC proposes using MTW flexibility to expand these services beyond Public Housing by offering incentives and reimbursements to landlords for reporting rent payments to Esusu or a comparable credit reporting company. In addition, HACC proposes expanding its credit counseling services to include Housing Choice Voucher participants and residents in the affordable housing portfolio interested in financial literacy and building credit. HACC will offer the program to all participants initially but may need to randomly select applicants if the level of interest makes it cost-prohibitive.</p> <p>Below are some of the policy decisions HACC has made regarding the operation of the credit reporting program. These new and expanded program will follow these same guidelines.</p> <ol style="list-style-type: none"> 1. HACC can report up to two years of rent payment history as a part of a participant’s initial enrollment. If a resident is more than 30 days late on a rent payment or missed a rent payment in the previous two years, HACC will report rent payment history beginning the month following the missed monthly payment. 2. HACC will check both rent payments and rent amounts on a monthly basis. 3. Rent will be reported as “on-time” with the credit bureaus as long as the resident is not over 30 days late. 4. Residents will be dis-enrolled if they miss a monthly payment. Residents are eligible to re-enroll if they make 3 months of on-time payments. 5. If a resident misses a rent payment, Resident Services will contact them immediately to determine if they wish to dis-enroll. 6. If resident decides to dis-enroll, they may elect to re-enroll after 3 months of on-time rental payments. 7. Residents who are dis-enrolled because of a loss of income related to being laid off can be re-enrolled immediately upon returning to their job or receiving unemployment. <p>HACC will measure success of the program using the following factors:</p> <ul style="list-style-type: none"> • Increase in the percentage of residents enrolled in rent reporting • Additional number of HACC-owned properties managed by third parties • Number of landlords agreeing to initiate a rent reporting program for their property(s) • Difference in credit score between initial baseline and current actual • Correlation between participation in credit counseling services and credit score increase • Increased enrollment over time • Regular long-term participation in the program • Number of credit-invisible households who now have a credit score • Other factors to be defined

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	<p><u>How the initiative achieves one or more of the 3 MTW statutory objectives</u></p> <ul style="list-style-type: none"> • Cost effectiveness: encouraging households to pay their rent on time through incentive-based programs like credit reporting will likely increase the amount of on-time rent payments, reducing the need for late fee processing, Public Housing eviction proceedings, and Housing Choice Voucher terminations. • Self-sufficiency: better credit scores are directly related to increased buying power, which will allow households to pay lower interest rates and associated debt service and/or pay-day-loan fees, increasing their ability to secure loans and take advantage of traditional financing tools. • Housing Choice: households with better credit have more financial opportunities when it comes to finding a home. <p><u>A description of which population groups and household types that will be impacted by this activity</u></p> <p>Through the HACC newsletters and Property Management and Resident Services staff, residents will be informed of the value of building credit through rent reporting and will be instructed on how to enroll in the program. Households will be selected for the program based on their history of making on-time rent payments and their level interest in increasing their credit score.</p> <p>As part of the enrollment process, resident services staff will meet with the resident to provide enrollment paperwork and discuss how to access and review their credit report. When residents have complex financial situations, such as high amounts of debt or debt in collections, Resident Services staff will make referrals to community partners who can help them find and use tools to improve their financial position.</p> <p>Below are the general requirements that HACC will use when determining eligibility for the rent reporting program:</p> <ol style="list-style-type: none"> 1. Resident must be paying a minimum of \$10 in rent 2. Residents must have no late payments in the previous three (3) months. 3. Residents with late payments in the previous three months, will be required to make three months of on-time rent payments to become eligible to enroll in Rent Reporting. 4. Residents enrolling in Rent Reporting must be over the age of 18 and be on the lease. <p><u>Any cost implications associated with the activity</u></p> <p>HACC estimates that 5% of households living in one of its properties will choose to participate in the program. Due to the landlord's required involvement in the HCV program, HACC estimates around 3% of HCV households will choose to participate. This equates to about 80 households, which will cost the agency \$8,000 over the two-year reporting period.</p> <p><u>An implementation timeline for the initiative</u></p> <p>The implementation timeline is still being developed and this document will be updated when it is ready.</p> <p><u>An impact analysis</u></p> <ol style="list-style-type: none"> 1. Agency finances – No projected impact. 2. Affordability of housing costs – No projected impact. 3. Agency waitlist – No projected impact. 4. Termination rate – No projected impact. 5. Occupancy / Utilization – No projected impact. 6. MTW Statutory Goals – This activity will help families become self-sufficient and increase housing choice through the increased opportunities that good credit can bring. 7. Statutory Requirements – No projected impact. 8. Hardship requests – No projected impact. 9. Protected classes / Disparate impact – No project impact.

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F.	Public Housing Operating Subsidy Grant Reporting																				
F.1	<p>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.</p> <table border="1"> <thead> <tr> <th>Federal Fiscal Year (FFY)</th> <th>Total Operating Subsidy Authorized Amount</th> <th>How Much PHA Disbursed by the 9/30 Reporting Period</th> <th>Remaining Not Yet Disbursed</th> <th>Deadline</th> </tr> </thead> <tbody> <tr> <td>2021</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> <td>09/30/2029</td> </tr> <tr> <td>2022</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> <td>09/30/2030</td> </tr> <tr> <td>2023</td> <td>\$1,306,533</td> <td>\$1,197,157</td> <td>\$109,376</td> <td>09/30/2031</td> </tr> </tbody> </table>	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	N/A	N/A	N/A	09/30/2029	2022	N/A	N/A	N/A	09/30/2030	2023	\$1,306,533	\$1,197,157	\$109,376	09/30/2031
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G.	MTW Statutory Requirements																				
G.1	<p>75% Very Low Income – Local, Non-Traditional.</p> <p>The Housing Authority of Clackamas County (HACC) will not be implementing any Local, Non-Traditional programs this year. Therefore, this section does not apply.</p>																				
G.2	<p>Establishing Reasonable Rent Policy.</p> <table border="1"> <thead> <tr> <th>Question</th> <th>Input Options and Instructions</th> </tr> </thead> <tbody> <tr> <td>Has the MTW agency established a rent reform policy to encourage employment and self-sufficiency?</td> <td>No.</td> </tr> </tbody> </table>	Question	Input Options and Instructions	Has the MTW agency established a rent reform policy to encourage employment and self-sufficiency?	No.																
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G.3	<p>Substantially the Same (STS) – Local, Non-Traditional.</p> <table border="1"> <thead> <tr> <th>Question</th> <th>Input Options and Instructions</th> </tr> </thead> <tbody> <tr> <td>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.</td> <td>0 # of unit months</td> </tr> <tr> <td>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.</td> <td>0 # of unit months</td> </tr> <tr> <td>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)?</td> <td>Please include only those units that serve households at or below 80% of AMI in the table provided.</td> </tr> </tbody> </table>	Question	Input Options and Instructions	Please provide the total number of unit months that families were housed in a local, non-traditional rental subsidy for the prior full calendar year.	0 # of 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 # of 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.												
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G.4	<p>Comparable Mix (by Family Size) – Local, Non-Traditional.</p> <p>The Housing Authority of Clackamas County (HACC) will not be implementing any Local, Non-Traditional programs this year. Therefore, this section does not apply.</p>																				

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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 (<i>will be completed after public comment period</i>)	
	Question	Input Options and Instructions
	Please provide copy of all comments received by the public, Resident Advisory Board, and tenant associations.	Upload Attachment
	Please attach a narrative describing the MTW agency's analysis of the comments and any decisions made based on these comments.	Upload Attachment
	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.	Upload Attachment
I.	Evaluations	
	Question	Input Options and Instructions
	Does the PHA have an agency-sponsored evaluation?	No.
J.	MTW Certification of Compliance	
J.1	The MTW agency must execute the MTW Certifications of Compliance form and submit as part of the MTW Supplement submission to HUD. Certification is provided below.	