

## Proposed: 2020-2 Modified Terms of Over Subsidy (Replacing versions 2018-2 and 2017-1)

### A. ACTIVITY DESCRIPTION

i. **Describe the proposed activity.**

The definition of over-subsidy will be modified in the tenant based and project-based voucher programs. The 2017 update of this initiative focused on families who were living in these communities at the time of conversion to the RAD program. It did not speak to new residents who would lease after conversion as part of the regular unit turnover process. As such, the proposed change would expand the existing flexibility to allow new residents moving into RAD PBV communities with tenant portions of rent that are equal to or exceed the contract rent where the contract rent is lower than the payment standard. Once housed these families will be exempt from the 180-day over-subsidy requirement until the household income reaches 80% of AMI.

ii. **Describe how the proposed activity will achieve one or more of the three statutory objectives and the specific impacts on that statutory objective(s).**

Significantly amending this activity is designed to expand housing choice. Adjustments to this activity are meant to expand existing flexibility to allow new residents moving into RAD PBV communities with tenant portions of rent that are equal to or exceed the contract rent where the contract rent is lower than the payment standard. Once housed these families will be exempt from the 180-day over-subsidy requirement until the household income reaches 80% of AMI.

iii. **Provide the anticipated schedule for implementing the proposed activity.**

This activity will be implemented immediately upon HUD approval.

### B. ACTIVITY METRICS INFORMATION

<i>HC #7: Households Assisted by Services that Increase Housing Choice</i>				
<b>Unit of Measurement</b>	<b>Baseline</b>	<b>Benchmark</b>	<b>Outcome</b>	<b>Benchmark Achieved?</b>
Number of households receiving services aimed to increase housing choice (increase).	230	325	Actual number of households receiving these services after implementation of the activity (number).	Whether the outcome meets or exceeds the benchmark.

### C. COST IMPLICATIONS

i. **State whether the proposed activity will result in any cost implications (positive and/or negative) for the MTW PHA.**

This activity should result in positive costs savings based on staff time savings.

ii. **If the proposed activity does result in cost implications, provide an estimate of the amount and discuss how the MTW PHA will manage the surplus or deficit anticipated.**

N/A – this activity does not result in a positive or negative cost implication.

### D. NEED/ JUSTIFICATION FOR MTW FLEXIBILITY

- i. **Cite the authorization(s) detailed in Attachment C and/or D of the Standard MTW Agreement (or applicable successor section in future iterations of the MTW Agreement) that gives the MTW PHA flexibility to conduct the proposed activity.**

Agreement that gives the PHA the flexibility to conduct the activity. INVLIVIAN is authorized to undertake this activity through Attachment C. Section D. 3. a. The Agency is authorized to determine income qualifications for participation in the rental assistance program that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations, as long as the requirement that i) at least 75 percent of those assisted under the demonstration are “very low-income” as defined in section 3 (b)(2) of the 1937 Act, ii) substantially the same number of low-income are assisted under the demonstration as would be without the MTW authorization contained herein, iii) a comparable mix of families are assisted under the agreement as would have been otherwise in Section I.C. of the MTW Agreement are met.

- ii. **Explain why the cited authorization(s) is needed to engage in the proposed activity.**

INVLIVIAN requires such authorization to amend its definition of over- subsidy from Zero Housing Assistance Payments to \$75.00 or less, or what is equivalent to INVLIVIAN’s minimum rent in Housing Assistance Payments.