

# PHA Name : Housing Authority of the County of Kern

**PHA Code :** CA008

**MTW Supplement for PHA Fiscal Year Beginning :** (MM/DD/YYYY): 7/1/2025

**PHA Program Type:** Combined

**MTW Cohort Number:** Stepped and Tiered Rent

**MTW Supplement Submission Type:** Amended Annual Submission

## **B. MTW Supplement Narrative.**

The Housing Authority of the County of Kern's (Kern) overall vision for the Moving to Work Program (MTW) is to reduce cost and achieve greater cost effectiveness in federal expenditures, give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient, and to increase housing choices for low-income families. MTW will help Kern reduce costs related to the administration of the Housing Choice Vouchers (HCV) and Low- Income Public Housing (LIPH) programs through a simplified rent restructure and recertification process for the test group. This improved cost effectiveness will enable the agency to direct additional resources toward full utilization of available HCVs and help fund Housing Navigators and Service Coordinators focused on improving housing choice and participant self-sufficiency. Reduced administrative costs will also allow us to increase payment standards to make additional higher opportunity neighborhoods available to HCV participants and implement local non-traditional activity (Housing Development Program) to expand affordable housing resources. Finally, the stepped rent structure will incentivize tenants and participants (collectively, TP) to increase their income by removing a commonly-sighted deterrent—the idea that a 30% “tax” on earnings is being levied as household income increases.

**C. The policies that the MTW agency is using or has used (currently implement, plan to implement in the submission year, plan to discontinue, previously discontinued).**

<b>1. Tenant Rent Policies</b>	
a. Tiered Rent (PH)	Not Currently Implemented
b. Tiered Rent (HCV)	Not Currently Implemented
c. Stepped Rent (PH)	Currently Implementing
d. Stepped Rent (HCV)	Currently Implementing
e. Minimum Rent (PH)	Plan to Implement in the Submission Year
f. Minimum Rent (HCV)	Plan to Implement in the Submission Year
g. Total Tenant Payment as a Percentage of Gross Income (PH)	Not Currently Implemented
h. Total Tenant Payment as a Percentage of Gross Income (HCV)	Not Currently Implemented
i. Alternative Utility Allowance (PH)	Not Currently Implemented
j. Alternative Utility Allowance (HCV)	Not Currently Implemented
k. Fixed Rents (PH)	Not Currently Implemented
l. Fixed Subsidy (HCV)	Not Currently Implemented
m. Utility Reimbursements (PH)	Not Currently Implemented
n. Utility Reimbursements (HCV)	Not Currently Implemented
o. Initial Rent Burden (HCV)	Not Currently Implemented
p. Imputed Income (PH)	Not Currently Implemented
q. Imputed Income (HCV)	Not Currently Implemented
r. Elimination of Deduction(s) (PH)	Not Currently Implemented
s. Elimination of Deduction(s) (HCV)	Not Currently Implemented
t. Standard Deductions (PH)	Not Currently Implemented
u. Standard Deductions (HCV)	Not Currently Implemented
v. Alternative Income Inclusions/Exclusions (PH)	Currently Implementing
w. Alternative Income Inclusions/Exclusions (HCV)	Currently Implementing
<b>2. Payment Standards and Rent Reasonableness</b>	
a. Payment Standards- Small Area Fair Market Rents (HCV)	Not Currently Implemented
b. Payment Standards- Fair Market Rents (HCV)	Currently Implementing
c. Rent Reasonableness – Process (HCV)	Not Currently Implemented
d. Rent Reasonableness – Third-Party Requirement (HCV)	Plan to Implement in the Submission Year
<b>3. Reexaminations</b>	
a. Alternative Reexamination Schedule for Households (PH)	Currently Implementing
b. Alternative Reexamination Schedule for Households (HCV)	Currently Implementing
c. Self-Certification of Assets (PH)	Not Currently Implemented
d. Self-Certification of Assets (HCV)	Not Currently Implemented
<b>4. Landlord Leasing Incentives</b>	
a. Vacancy Loss (HCV-Tenant-based Assistance)	Not Currently Implemented
b. Damage Claims (HCV-Tenant-based Assistance)	Not Currently Implemented
c. Other Landlord Incentives (HCV- Tenant-based Assistance)	Not Currently Implemented
<b>5. Housing Quality Standards (HQS)</b>	
a. Pre-Qualifying Unit Inspections (HCV)	Currently Implementing
b. Reasonable Penalty Payments for Landlords (HCV)	Not Currently Implemented
c. Third-Party Requirement (HCV)	Currently Implementing
d. Alternative Inspection Schedule (HCV)	Not Currently Implemented
<b>6. Short-Term Assistance</b>	
a. Short-Term Assistance (PH)	Not Currently Implemented
b. Short-Term Assistance (HCV)	Not Currently Implemented
<b>7. Term-Limited Assistance</b>	
a. Term-Limited Assistance (PH)	Not Currently Implemented
b. Term-Limited Assistance (HCV)	Not Currently Implemented
<b>8. Increase Elderly Age (PH &amp; HCV)</b>	

Increase Elderly Age (PH & HCV)	Not Currently Implemented
<b>9. Project-Based Voucher Program Flexibilities</b>	
a. Increase PBV Program Cap (HCV)	Currently Implementing
b. Increase PBV Project Cap (HCV)	Not Currently Implemented
c. Elimination of PBV Selection Process for PHA-owned Projects Without Improvement, Development, or Replacement (HCV)	Currently Implementing
d. Alternative PBV Selection Process (HCV)	Not Currently Implemented
e. Alternative PBV Unit Types (Shared Housing and Manufactured Housing) (HCV)	Currently Implementing
f. Increase PBV HAP Contract Length (HCV)	Not Currently Implemented
g. Increase PBV Rent to Owner (HCV)	Not Currently Implemented
h. Limit Portability for PBV Units (HCV)	Currently Implementing
<b>10. Family Self-Sufficiency Program with MTW Flexibility</b>	
a.PH Waive Operating a Required FSS Program (PH)	Not Currently Implemented
a.HCV Waive Operating a Required FSS Program (HCV)	Not Currently Implemented
b.PH Alternative Structure for Establishing Program Coordinating Committee (PH)	Not Currently Implemented
b. HCV Alternative Structure for Establishing Program Coordinating Committee (HCV)	Not Currently Implemented
c.PH Alternative Family Selection Procedures (PH)	Not Currently Implemented
c.HCV Alternative Family Selection Procedures (HCV)	Not Currently Implemented
d.PH Modify or Eliminate the Contract of Participation (PH)	Not Currently Implemented
d.HCV Modify or Eliminate the Contract of Participation (HCV)	Not Currently Implemented
e.PH Policies for Addressing Increases in Family Income (PH)	Not Currently Implemented
e.HCV Policies for Addressing Increases in Family Income (HCV)	Not Currently Implemented
<b>11. MTW Self-Sufficiency Program</b>	
a.PH Alternative Family Selection Procedures (PH)	Currently Implementing
a.HCV Alternative Family Selection Procedures (HCV)	Currently Implementing
b.PH Policies for Addressing Increases in Family Income (PH)	Not Currently Implemented
b.HCV Policies for Addressing Increases in Family Income (HCV)	Not Currently Implemented
<b>12. Work Requirement</b>	
a. Work Requirement (PH)	Not Currently Implemented
b. Work Requirement (HCV)	Not Currently Implemented
<b>13. Use of Public Housing as an Incentive for Economic Progress (PH)</b>	
Use of Public Housing as an Incentive for Economic Progress (PH)	Not Currently Implemented
<b>14. Moving on Policy</b>	
a. Waive Initial HQS Inspection Requirement (HCV)	Currently Implementing
b.PH Allow Income Calculations from Partner Agencies (PH)	Not Currently Implemented
b.HCV Allow Income Calculations from Partner Agencies (HCV)	Not Currently Implemented
c.PH Aligning Tenant Rents and Utility Payments Between Partner Agencies (PH)	Not Currently Implemented
c.HCV Aligning Tenant Rents and Utility Payments Between Partner Agencies (HCV)	Not Currently Implemented
<b>15. Acquisition without Prior HUD Approval (PH)</b>	
Acquisition without Prior HUD Approval (PH)	Not Currently Implemented
<b>16. Deconcentration of Poverty in Public Housing Policy (PH)</b>	
Deconcentration of Poverty in Public Housing Policy (PH)	Not Currently Implemented
<b>17. Local, Non-Traditional Activities</b>	
a. Rental Subsidy Programs	Not Currently Implemented
b. Service Provision	Not Currently Implemented

### C. MTW Activities Plan that Housing Authority of the County of Kern Plans to Implement in the Submission Year or Is Currently Implementing

<b>1.c. - Stepped Rent (PH)</b>
<p><b>Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative</b></p> <p>Kern seeks to implement alternative rent policy MTW Test Rent #2: Stepped Rent (SR). The rationale for why SR was chosen is that it closely aligned with Kern's vision and goals. Kern's vision for the MTW program is to streamline administration of the HCV and LIPH programs, incentivize residents/participants to increase their income, and discover new ways to help them secure housing in higher opportunity neighborhoods. The SR policy will streamline the programs by reducing income recertifications and simplifying rent calculation, incentivize participants and tenants to increase their income by decoupling rent from income increases, and make more financial and human resources available to help TPs find housing in higher opportunity areas through the use of Housing Navigators. Kern will make services and/or referrals to services to support preparing families for the termination of assistance, if applicable</p>
<p><b>Which of the MTW statutory objectives does this MTW activity serve?</b></p> <p>Cost effectiveness; Self-sufficiency; Housing choice</p>
<p><b>What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</b></p> <p>Decreased expenditures</p>
<p><b>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</b></p> <p>The MTW activity applies only to a subset or subsets of assisted households</p>
<p><b>Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?</b></p> <p>New admissions and currently assisted households</p>
<p><b>Does the MTW activity apply to all family types or only to selected family types?</b></p> <p>The MTW activity applies only to selected family types</p>
<p><b>Please select the family types subject to this MTW activity.</b></p> <p>Non-elderly, non-disabled families</p>
<p><b>Does the MTW activity apply to all public housing developments?</b></p> <p>The MTW activity applies to all developments</p>
<p><b>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.</b></p> <p>During the last fiscal year, we completed our first annual step increases and began a full year of enrolling new households into the program. We enrolled 2 new families into the stepped rent program, and processed all step increases for existing families successfully.</p>
<p><b>Does this MTW activity require a hardship policy?</b></p> <p>Yes</p>

This document is attached.

**Does the hardship policy apply to more than this MTW activity?**

Yes

**Please list all of the applicable MTW activities. (Only upload hardship policy once when said policy applies to multiple MTW activities.)**

1.d. - Stepped Rent (HCV)

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

No

**How many hardship requests have been received associated with this activity in the past year?**

4.00

**How many hardship requests were approved?**

4

**How many hardship requests were denied?**

0

**How many are pending?**

0

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

No

**Does the MTW activity require an impact analysis?**

Yes

This document is attached.

**Does the impact analysis apply to more than this MTW activity?**

Yes

**Please list all of the applicable MTW activities. (Only upload impact analysis once when said impact analysis applies to multiple MTW activities.)**

1.d. - Stepped Rent (HCV)

**Describe how the stepped rent is structured, including the following: how each household's rent will be set in the first year; how frequently rents will change and by what amount; and how the stepped rent will end (i.e., what is the maximum rent).**

The first rent amount under the SR calc for recerts is based on 12-mo retrospective adjusted income (RAI). Rent is set at 30% RAI. Then, rent steps up annually by 3% of FMR per unit size. For households eligible for child care and dependent deductions under Kern's current policies, those deductions will be used for the calc of the first rent amount. First rent amount under the SR policy for newly admitted households is based on current adjusted income (CAI). Rent is 30% of CAI. Then rent steps up annually by 3% of FMR per unit size. If an HCV households RAI results in zero HAP at the first recert following study enrollment, implement standard zero-HAP process, 6-mo zero-HAP grace period. However, if the zero-HAP rent, or a loss of income, causes a rent burden above 40% of CAI, the household could request a hardship. This would halt the HCV term process. If an HCV household's CAI is over 120% of AMI at subsequent triennial eligibility check(STEC), this designates the household as zero-HAP. The household would receive a 6-mo zero HAP grace period. At the end of that grace period, the household exits the voucher program. However, if the zero-HAP rent, or a loss of income, causes a rent burden above 40% of CAI, the household can request a hardship which would halt the HCV

termprocess. If a PH households income is over the limit the first recert following study enrollment or at a STEC, Kern's standard over-income procedures will be triggered. Kern will then measure income the following year. Over-income rent rules supersede the SR policy. In public housing, is when the households TTP reaches flat rent.

**Please upload a document that presents the stepped rent schedule in the form of a table.**

This document is attached.

**If a household progresses all the way through the stepped rent schedule, what will their status be?**

Other\Not Applicable. [If checked]: Please explain

#### **1.d. - Stepped Rent (HCV)**

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

Kern seeks to implement alternative rent policy MTW Test Rent #2: Stepped Rent (SR). The rationale for why SR was chosen is that it closely aligned with Kern's vision and goals. Kern's vision for the MTW program is to streamline administration of the HCV and LIPH programs, incentivize residents/participants to increase their income, and discover new ways to help them secure housing in higher opportunity neighborhoods. The SR policy will streamline the programs by reducing income recertifications and simplifying rent calculation, incentivize participants and tenants to increase their income by decoupling rent from income increases, and make more financial and human resources available to help TPs find housing in higher opportunity areas through the use of Housing Navigators. Kern will make services and/or referrals to services to support preparing families for the termination of assistance, if applicable.

**Which of the MTW statutory objectives does this MTW activity serve?**

Cost effectiveness; Self-sufficiency; Housing choice

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Decreased expenditures

**Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?**

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

**Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?**

New admissions and currently assisted households

**Does the MTW activity apply to all family types or only to selected family types?**

The MTW activity applies only to selected family types

**Please select the family types subject to this MTW activity.**

Non-elderly, non-disabled families

**Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?**

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

**Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.**

Applies to all tenant based and PBV units

**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.**

During the last fiscal year, we completed our first annual step increases and began a full year of enrolling new households into the program. We enrolled 48 new families into the stepped rent program, and processed all step increases for existing families successfully.

**Does this MTW activity require a hardship policy?**

Provided Already

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

No

**Does the MTW activity require an impact analysis?**

Provided Already

**Describe how the stepped rent is structured, including the following: how each household's rent will be set in the first year; how frequently rents will change and by what amount; and how the stepped rent will end (i.e., what is the maximum rent).**

Recertifying Households: The first rent amount under the SR calc for recerts is based on 12-mo retrospective adjusted income (RAI). Rent is set at 30% RAI. Then, rent steps up annually by 3% of FMR per unit size. For households eligible for child care and dependent deductions under Kern's current policies, those deductions will be used for the calc of the first rent amount. Retrospective period: The period ending 120 days prior to the recert effective date. Always begins on the first of the month, ends the last day of the mo. New Admissions: First rent amount under the SR policy for newly admitted households is based on current adjusted income (CAI). Rent is 30% of CAI. Then rent steps up annually by 3% of FMR per unit size. HCV Zero-HAP at first recert following study enrollment: If an HCV households RAI results in zero HAP at the first recert following study enrollment, implement standard zero-HAP process, 6-mo zero-HAP grace period. However, if the zero-HAP rent, or a loss of income, causes a rent burden above 40% of CAI, the household could request a hardship. This would halt the HCV term process. HCV Zero-HAP at subsequent triennial recerts: If an HCV households CAI is over 120% of AMI at subsequent triennial eligibility check (STEC), this designates the household as zero-HAP. The household would receive a 6-mo zero HAP grace period. At the end of that grace period, the household exits the voucher program. However, if the zero-HAP rent, or a loss of income, causes a rent burden above 40% of CAI, the household can request a hardship which would halt the HCV term process. Public Housing (PH) over-income rule: If a PH households income is over the limit the first recert following study enrollment or at a STEC, Kern's standard over-income procedures will be triggered. Kern will then measure income the following year. Over-income rent rules supersede the SR policy. The last rent step: In public housing, is when the households TTP reaches flat rent.

**Please upload a document that presents the stepped rent schedule in the form of a table.**

This document is attached.

**If a household progresses all the way through the stepped rent schedule, what will their status be?**

Other\Not Applicable. [If checked]: Please explain

### **1.e. - Minimum Rent (PH)**

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

Effective April 1, 2026, the Minimum Rent for all households, excluding households participating in the Stepped Rent Demonstration Study (until the study concludes), will increase from \$50 per month to \$105 per month. This increase is equivalent to the inflation adjusted Minimum Rent of \$50 first established in 1996. The minimum rent will be adjusted annually thereafter by the increase in CPI, rounded to the nearest whole dollar amount. Tenants/participants who are unable to pay the minimum rent can receive a temporary waiver of the minimum rent if they participate in designated services or activities.

The goal of this activity is to free up additional funds to serve more households and incentivize households with little or no income to participate in services that will help them increase their income.

**Which of the MTW statutory objectives does this MTW activity serve?**

Cost effectiveness; Self-sufficiency

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Increased revenue; Increased expenditures

**Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?**

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

**Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?**

New admissions and currently assisted households

**Does the MTW activity apply to all family types or only to selected family types?**

The MTW activity applies only to selected family types

**Please select the family types subject to this MTW activity.**

Other – another specifically defined target population or populations.

**If Other Selected in Previous Question: Please describe this target population in the text box.**

Target population is all households excluding households participating in the stepped rent demonstration study.

**Does the MTW activity apply to all public housing developments?**

The MTW activity applies to all developments

**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 not yet been implemented.

**Does this MTW activity require a hardship policy?**

Yes

This document is attached.

**Does the hardship policy apply to more than this MTW activity?**

Yes

**Please list all of the applicable MTW activities. (Only upload hardship policy once when said policy applies to multiple MTW activities.)**

1.f. - Minimum Rent (HCV)

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

No
<b>How many hardship requests have been received associated with this activity in the past year?</b> No hardship were requested in the most recent fiscal year.
<b>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</b> Yes
<b>What is the status of the Safe Harbor Waiver request?</b> The waiver request is being submitted for review with this submission of the MTW Supplement (see Section D).
<b>Does the MTW activity require an impact analysis?</b> Yes  This document is attached.
<b>Does the impact analysis apply to more than this MTW activity?</b> Yes
<b>Please list all of the applicable MTW activities. (Only upload impact analysis once when said impact analysis applies to multiple MTW activities.)</b> 1.f. - Minimum Rent (HCV)
<b>How much is the minimum rent or minimum Total Tenant Payment (TTP)?</b> \$105.00

<b>1.f. - Minimum Rent (HCV)</b>
<b>Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative</b> Effective April 1, 2026, the Minimum Rent for all households, excluding households participating in the Stepped Rent Demonstration Study (until the study concludes), will increase from \$50 per month to \$105 per month. This increase is equivalent to the inflation adjusted Minimum Rent of \$50 first established in 1996. The minimum rent will be adjusted annually thereafter by the increase in CPI, rounded to the nearest whole dollar amount. Tenants/participants who are unable to pay the minimum rent can receive a temporary waiver of the minimum rent if they participate in designated services or activities.  The goals of this activity are to free up funds to serve additional households and incentivize households with little or no income to participate in services to help them increase their income.
<b>Which of the MTW statutory objectives does this MTW activity serve?</b> Cost effectiveness; Self-sufficiency
<b>What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</b> Increased revenue; Increased expenditures
<b>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</b> The MTW activity applies only to a subset or subsets of assisted households

**Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?**

New admissions and currently assisted households

**Does the MTW activity apply to all family types or only to selected family types?**

The MTW activity applies only to selected family types

**Please select the family types subject to this MTW activity.**

Other – another specifically defined target population or populations.

**If Other Selected in Previous Question: Please describe this target population in the text box.**

All households excluding households participating in the Stepped Rent Demonstration Study.

**Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?**

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

**Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.**

All tenant based units and properties

**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.**

Not implemented yet.

**Does this MTW activity require a hardship policy?**

Provided Already

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

Yes

**What is the status of the Safe Harbor Waiver request?**

The waiver request is being submitted for review with this submission of the MTW Supplement (see Section D).

**Does the MTW activity require an impact analysis?**

Provided Already

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

\$105.00

**1.v. - Alternative Income Inclusions/Exclusions (PH)**

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

The MTW activity for 1.v. is to increase the minimum "cash value" of a households asset or assets to be factored into their income calculation at \$5,000 and increase that to \$25,000 for all Public Housing residents. The goal for this MTW activity is to streamline program administration and reduce administrative burdens to benefit both the tenant and the agency. This activity ties directly to the MTW goal of increasing the cost effectiveness of operation.

**Which of the MTW statutory objectives does this MTW activity serve?**

Cost effectiveness; Self-sufficiency; Housing choice

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Decreased expenditures

**Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?**

The MTW activity applies to all assisted households

**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.**

During the last fiscal year HUD implemented sections of HOTMA that increased the asset threshold to \$50,000. We adopted this section of HOTMA and will be moving forward with the new asset threshold making this activity obsolete.

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

No

**What inclusions or exclusions will be eliminated, modified, or added?**

None

**1.w. - Alternative Income Inclusions/Exclusions (HCV)**

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

The MTW activity for 1.w. is to increase the minimum "cash value" of a households asset or assets to be factored into their income calculation at \$5,000 and increase that to \$25,000 for all HCV participants. The goal for this MTW activity is to streamline program administration and reduce administrative burdens to benefit both the tenant and the agency. This activity ties directly to the MTW goal of increasing the cost effectiveness of operations.

**Which of the MTW statutory objectives does this MTW activity serve?**

Cost effectiveness; Self-sufficiency; Housing choice

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Decreased expenditures

**Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?**

The MTW activity applies to all assisted households

**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.**

During the last fiscal year HUD implemented sections of HOTMA that increased the asset threshold to \$50,000. We adopted this section of HOTMA and will be moving forward with the new asset threshold making this activity obsolete.

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

No

**What inclusions or exclusions will be eliminated, modified, or added?**

None

**2.b. - Payment Standards- Fair Market Rents (HCV)**

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

This waiver will allow Kern to increase Fair Market Rents (FMR) for the (HCV) program to 120% of FMR. This activity may impact cost effectiveness by reducing the staff time committed to helping participants find new units and granting extensions for vouchers nearing expiration. This activity may impact self-sufficiency by making new housing choices available to households in areas where more amenities are available than where the household currently resides. If those resources are availed, increased self-sufficiency may result. This activity will directly impact housing choice by making more units available to voucher holders.

**Which of the MTW statutory objectives does this MTW activity serve?**

Cost effectiveness; Self-sufficiency; Housing choice

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Increased expenditures

**Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?**

The MTW activity applies to all assisted households

**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.**

During the last fiscal year our housing authority's HCV program experienced a shortfall in funding restricting our ability to increase payment standards with the changing FMR's. We will re-evaluate our ability to increase payment standards and exercise this flexibility again when we are out of shortfall status.

**Does this MTW activity require a hardship policy?**

No

No document is attached.

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

No

**Does the MTW activity require an impact analysis?**

No

No document is attached.

**Please explain the payment standards by FMR:**

0 bedroom payment standards (PS) are set at 98% of FMR

o 1 bedroom PS are set at 98% of FMR

o 2 bedroom PS are set at 91% of FMR

o 3 bedroom PS are set at 92% of FMR

o 4 bedroom PS are set at 92% of FMR

o 5 bedroom PS are set at 92% of FMR

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

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

The Authority intends to implement a MTW waiver of the requirement of a third party to perform rent reasonableness determinations on Project-Based voucher units that it owns, manages, and/or controls. The Authority will be authorized to perform rent reasonableness determinations on units it owns, manages, or controls, subject to the following requirements:

- o The Authority shall establish and make available a quality assurance method to ensure impartiality.
- o The Authority shall make available the method used to determine that rents charged by owners to voucher participants are reasonable when compared to similar unassisted units in the market area.
- o At HUD's request, the Authority must obtain the services of a third-party entity to determine rent reasonableness for Authority owned units.

This activity will reduce the administrative cost of the rent reasonableness process for Agency owned/managed properties.

**Which of the MTW statutory objectives does this MTW activity serve?**

Cost effectiveness

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Decreased expenditures

**Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?**

The MTW activity applies to all assisted households

**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 is new and has not been implemented yet.

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

No

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

All rent reasonableness determinations are reviewed by a supervisor or administrator to ensure the proper procedure was followed in determining the rent.

No document is attached.

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

In making a rent reasonableness determination, the Agency will input the unit data into an automated system. Agency will compare the rent for the unit to the rent of comparable units in the same or comparable neighborhoods, considering the location, quality, size, unit type, number of bedrooms, age, amenities, housing services, maintenance and owner provided utilities of the unit and the comparable units. Agency will maintain current rent comparable information on rental units in the jurisdiction. Information will be maintained in compliance with the Records Retention Policy. Rent comparable of similar/like units will consist of the following: • Comparison of three (3) units within a 5-mile radius, • within the same zip code as the subject unit (supervisor approval will be require to increase the radius if there are not enough comparable units, which may include an adjacent zip code). The methodology used assigns a Value of the Unit Location (VUL), which provides for a much more accurate location comparison. To determine rent reasonableness VUL: 1. Assigns neighborhood (location) value rating (above average neighborhood, average neighborhood, and below average neighborhood) to target property by considering a one- to three-block area immediately surrounding the target property 2. Assigns a value rating to the eight remaining HUD required characteristics (building type, quality, age, unit size, amenities, housing services, maintenance, and utilities provided by owner) 3. Combines all value ratings for a total property value rating 4. Identifies the closest comparable properties with the same or closest total value rating as the target property (these comps may or may

not be in the same immediate geographical area).

No document is attached.

### 3.a. - Alternative Reexamination Schedule for Households (PH)

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

Kern has implemented an Alternative Reexamination Schedule for Households (PH & HCV) ("ARS") whereby reexaminations will occur at least every three years. The rationale for why ARS was chosen is that it is an integral component of the stepped-rent activity. Kern's vision for the MTW program is to streamline administration of the LIPH and HCV programs, incentivize residents/participants to increase their income, and discover new ways to help them secure housing in higher opportunity neighborhoods. The ARS policy is an integral part of streamlining processes by minimizing the number of recertification examinations. This activity will not only free up human resources to assist residents/participants in other self-sufficiency activities but also reduce the amount of time households spend planning for, and attending, recertification examinations.

**Which of the MTW statutory objectives does this MTW activity serve?**

Cost effectiveness

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Decreased expenditures

**Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?**

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

**Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?**

New admissions and currently assisted households

**Does the MTW activity apply to all family types or only to selected family types?**

The MTW activity applies only to selected family types

**Please select the family types subject to this MTW activity.**

Non-elderly, non-disabled families

**Does the MTW activity apply to all public housing developments?**

The MTW activity applies to all developments

**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.**

Staff experienced the first stepped rent increase during this fiscal year, which reduced the number of recertifications due. This allowed staff the time to build on their understanding of the new MTW flexibilities and enhance their training on the program. We will not conduct full re-examinations for the first stepped rent households until May of 2025.

**Does this MTW activity require a hardship policy?**

Yes

This document is attached.

**Does the hardship policy apply to more than this MTW activity?**

Yes

**Please list all of the applicable MTW activities. (Only upload hardship policy once when said policy applies to multiple MTW activities.)**

3.b. - Alternative Reexamination Schedule for Households (HCV)

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

No

**How many hardship requests have been received associated with this activity in the past year?**

No hardship were requested in the most recent fiscal year.

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

Yes

**What is the status of the Safe Harbor Waiver request?**

The waiver was previously approved.

**Please describe the extent to which the Safe Harbor Waiver is supporting the MTW agency's goal in implementing this MTW activity.**

This Safe Harbor simply allows households the ability to apply for a hardship waiver instead of an Interim. This allows households to benefit from the hardship policy which aligns with stepped rent and the triennial review.

**Does the MTW activity require an impact analysis?**

Yes

This document is attached.

**Does the impact analysis apply to more than this MTW activity?**

Yes

**Please list all of the applicable MTW activities. (Only upload impact analysis once when said impact analysis applies to multiple MTW activities.)**

3.b. - Alternative Reexamination Schedule for Households (HCV)

**What is the recertification schedule?**

Once every three years

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

0

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

There is no set limit, however participants in the Stepped Rent program would request a hardship for potential loss of income which impacts their ability to pay their TTP. If a family has changes in their circumstance not related to income, we would complete an interim certification to update the family's situation. If the changes are related to income, we would provide a hardship request form.

### **3.b. - Alternative Reexamination Schedule for Households (HCV)**

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

Kern has implemented an Alternative Reexamination Schedule for Households (PH & HCV) ("ARS") whereby reexaminations will occur at least every three years. The rationale for why ARS was chosen is that it is an integral component of the stepped-rent activity. Kern's vision for the MTW program is to streamline administration of the LIPH and HCV programs, incentivize residents/participants to increase their income, and discover new ways to help them secure housing in higher opportunity neighborhoods. The ARS policy is an integral part of streamlining processes by minimizing the number of recertification examinations. This activity will not only free up human resources to assist residents/participants in other self-sufficiency activities but also reduce the amount of time households spend planning for, and attending, recertification examinations.

**Which of the MTW statutory objectives does this MTW activity serve?**

Cost effectiveness

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Decreased expenditures

**Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?**

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

**Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?**

New admissions and currently assisted households

**Does the MTW activity apply to all family types or only to selected family types?**

The MTW activity applies only to selected family types

**Please select the family types subject to this MTW activity.**

Non-elderly, non-disabled families

**Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?**

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

**Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.**

All tenant and PBV units in the targeted family type

**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.**

Staff experienced the first stepped rent increase during this fiscal year, which reduced the number of recertifications due. This allowed staff the time to build on their understanding of the new MTW flexibilities and enhance their training on the program. We will not conduct full re-examinations for the first stepped rent households until May of 2025.

**Does this MTW activity require a hardship policy?**

Provided Already

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

Yes

**What is the status of the Safe Harbor Waiver request?**

The waiver was previously approved.

**Please describe the extent to which the Safe Harbor Waiver is supporting the MTW agency's goal in implementing this MTW activity.**

It allows the tenants and participants to utilize a hardship waiver.

**Does the MTW activity require an impact analysis?**

Provided Already

**What is the recertification schedule?**

Once every three years

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

2 or more

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

There is no set limit, however participants in the Stepped Rent program would request a hardship for potential loss of income which impacts their ability to pay their TTP. If a family has changes in their circumstance not related to income, we would complete an interim certification to update the family's situation. If the changes are related to income, we would provide a hardship request form.

**5.a. - Pre-Qualifying Unit Inspections (HCV)**

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

This waiver will allow Kern to pre-qualify HCV units for their HQS inspections. Kern's goal for this request is to increase cost effectiveness by expediting the lease-up process. Increases in efficiency result in cost effectiveness, freeing up staff time to so that there are additional resources available to focus on cost effectiveness measures, self-sufficiency efforts, and increasing household's housing choices. This inspection will be valid for 90 days maximum. TPs will be able to request an interim inspection. HQS inspection standards will not be altered as found at 24 C.F.R. 982.401

**Which of the MTW statutory objectives does this MTW activity serve?**

Cost effectiveness

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Decreased expenditures

**Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?**

The MTW activity applies to all assisted households

**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.**

Pre-qualifying units for a longer time frame has allowed landlords to reduce the leasing time when trying to enter into a HAP contract. They market a pre-inspected unit to voucher holders searching for units and enter into contract with the Housing Authority at an accelerated rate.

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

No

**How long is the pre-inspection valid for?**

The pre-inspection is valid for 90 days.

### 5.c. - Third-Party Requirement (HCV)

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

This waiver will allow Kern to perform HQS inspections on PBV units that it owns, manages, and/or controls. Kern's goal for this request is to increase cost effectiveness by expediting the lease-up process. Increases in efficiency result in cost effectiveness, freeing up staff time to so that there are additional resources available to focus on cost effectiveness measures, self-sufficiency efforts, and increasing household's housing choices. Kern will establish and make available a quality assurance method to ensure an objective analysis. TPs will be able to request an interim inspection. HQS inspection standards will not be altered as found at 24 C.F.R. 982.401. At the Department of Housing and Urban Development's request, Kern will obtain the services of a third-party entity to determine if PHA-owned units pass HQS.

**Which of the MTW statutory objectives does this MTW activity serve?**

Cost effectiveness

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Decreased expenditures

**Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?**

The MTW activity applies to all assisted households

**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 waiver allowed us to end our contract with an independent entity that conducted HQS inspections on PBV units owned, managed, or controlled by the Housing Authority. We have folded these inspections into our regular HQS teams schedule resulting in a cost savings to the agency.

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

No

**Please explain or upload the description of the quality assurance method:**

Following will explain the quality assurance method

Kern will utilize the form HUD-52580 "Inspection Checklist" to ensure the quality of the HQS inspections.

No document is attached.

**9.a. - Increase PBV Program Cap (HCV)**

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

This waiver will allow Kern to increase the number of authorized units that it project-bases. Kern's goal for this request is to increase cost effectiveness by freeing up new units that can be accessed by voucher holders. This will help keep vacancies low and development cash-flow optimal. This activity will also help with our goal of increasing housing choices because there are so many households looking for available units on which they can use their vouchers, the fewer the household are searching the higher the chance they will be able to find a suitable unit. Kern will authorize project-basing more than 50% of the lower of either the total authorized units or annual budget authority.

**Which of the MTW statutory objectives does this MTW activity serve?**

Cost effectiveness

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Increased revenue; Decreased expenditures

**Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?**

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

**Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?**

New admissions and currently assisted households

**Does the MTW activity apply to all family types or only to selected family types?**

The MTW activity applies to all family types

**Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?**

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

**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.**

During the last fiscal year our agency experienced a shortfall in funding in the HCV program limiting our ability to commit PBV's to new projects. We anticipate using the flexibility in this activity when the shortfall ends and we are able to begin making commitments again.

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

No

**What percentage of total authorized HCV units will be authorized for project-basing?**

50.00%

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

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

This waiver will allow Kern to eliminate the selection process in the award of PBVs to properties owned by Kern that are not public housing without engaging in an initiative to improve, develop, or preplace a public housing property or site, though site selection requirements will be met for this activity. Kern's goal for this request is to increase cost effectiveness by eliminating this process. Increases in efficiency result in cost effectiveness, freeing up staff time to so that there are additional resources available to focus on cost effectiveness measures, self-sufficiency efforts, and increasing household's housing choices. With this waiver, a subsidy layering review will be conducted and HQS inspections will be performed by an independent entity according to 24 C.F.R. 983.59(b) or 24 C.F.R. 983.103(f). Also with this waiver, Kern is subject to Notice PIH 2013-27 where applicable, or successor and the property must be owned by a single-asset entity of the agency, per Notice PIH 2017-21.

**Which of the MTW statutory objectives does this MTW activity serve?**

Cost effectiveness

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Decreased expenditures

**Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?**

The MTW activity applies to all assisted households

**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.**

Kern will leverage this waiver as new developments are initiated.

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

No

**9.e. - Alternative PBV Unit Types (Shared Housing and Manufactured Housing) (HCV)**

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

This waiver will allow Kern to attach and pay PBV assistance for shared housing units and/or manufactured housing. Kern's goal for this request is to increase cost effectiveness by freeing up new units that can be accessed by voucher holders. This will help voucher holders to more readily find available units, reducing staff time devoted to attempting to find new, viable units. Of course, more households who are able to find homes, results in more households take one major step toward self-sufficiency. This activity also clearly and directly increases housing choices for voucher holders by opening up housing options. PBV units must comply with HQS and must comply with deconcentration and desegregation requirements under 24 C.F.R. part 903. Also, a subsidy layering review will be conducted and shared housing units will not be owner occupied. This coming year Kern anticipates assisting 25 shared housing units and 25 manufactured housing units in the Fiscal Year.

**Which of the MTW statutory objectives does this MTW activity serve?**

Cost effectiveness; Self-sufficiency; Housing choice

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Increased revenue

<p><b>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</b></p> <p>The MTW activity applies to all assisted households</p>
<p><b>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.</b></p> <p>During the last fiscal year our agency experienced a shortfall in finding in the HCV program preventing us from issuing new vouchers. This impacted our ability to explore PBV contracts on shared housing models or manufactured housing. We anticipate using this flexibility when the shortfall ends.</p>
<p><b>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</b></p> <p>No</p>
<p><b>How many shared housing units does the MTW agency anticipate assisting in the Fiscal Year?</b></p> <p>0</p>
<p><b>How many shared housing units did the MTW agency assist in the most recently completed PHA Fiscal Year?</b></p> <p>0</p>
<p><b>How many manufactured housing units does the MTW agency anticipate assisting in the Fiscal Year?</b></p> <p>0</p>
<p><b>How many manufactured housing units did the MTW agency assist in the most recently completed PHA Fiscal Year?</b></p> <p>0</p>

<p><b>9.h. - Limit Portability for PBV Units (HCV)</b></p>
<p><b>Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative</b></p> <p>This waiver will allow Kern to extend the requirement to provide a tenant-based voucher, when requested by a PBV household, from 12 to 24 months. Kern's goal for this request is to increase cost effectiveness by reducing the staff time committed to these requests by extending the wait time. The extended wait time may result in some participants not wanting to move at all. Therefore, this activity may also limit the amount of staff time devoted to these requests. As part of the process of self-sufficiency for many households is stability; of home, relationship, amenities, etc., we believe this activity may also help increase household self-sufficiency. Kern has, and will utilize, our clear and uniform policy that addresses how move requests are received and how they are approved/denied for PBV households. Participants will still retain the ability to request a tenant-based voucher for reasonable accommodation according to existing rules.</p>
<p><b>Which of the MTW statutory objectives does this MTW activity serve?</b></p> <p>Cost effectiveness</p>
<p><b>What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</b></p> <p>Decreased expenditures</p>
<p><b>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</b></p> <p>The MTW activity applies only to a subset or subsets of assisted households</p>
<p><b>Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new</b></p>

**admissions and currently assisted households?**

New admissions and currently assisted households

**Does the MTW activity apply to all family types or only to selected family types?**

The MTW activity applies to all family types

**Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?**

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

**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 waiver has been initiated, resulting in cost savings with reduced transfers.

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

No

**11.a.PH - Alternative Family Selection Procedures (PH)**

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

This waiver will allow Kern to establish a new, alternative to the current Family Self-Sufficiency Program (FSS). The goal of the MTW self-sufficiency program (Program) is to assist TPs in improving their quality of life by increasing their level of self-sufficiency. Though there will be new costs that accompany the establishment and operation of the Program, Kern anticipates that this activity will contribute to greater cost effectiveness in the long-run by focusing financial resources on the area that has the greatest hope for life-long return on investment which is in the lives of the TPs. The Program is specifically focused on self-sufficiency so all related efforts aim to meet that goal. Finally, Kern expects that as households become more self-sufficient, more housing choices will become available. Kern will ensure that this program does not have a disparate impact on protected classes and will be operated in a manner that is consistent with the requirements of nondiscrimination and equal opportunity authorities, including but not limited to section 504 of the Rehabilitation Act. More specifically, under no circumstances will participants of this programs be required to participate in Self-Sufficiency Programs that are targeted to persons with disabilities in general, or persons with any specific disability. In addition, admission to any of the programs or priority for supportive services developed under this section will not be conditioned on a diagnosis or specific disability of a member of an applicant or participant household. Kern will also not require participation for the elderly. It is mandatory that one person in each eligible household participate in this program. Participation will be defined uniquely between the TP and Kern staff focusing on opportunities for self-sufficiency. There is no work requirement in the program and work is not required to remain in good standing in the program. Kern will not make program participation mandatory for individuals that do not meet the definition of an eligible household at section 23(n)(3) of the U.S. Housing Act of 1937 (1937 Act) and those exempted from the Community Service Requirement under section 12(c)(2)(A), (B), (D) and (E) of the 1937 Act. If Kern terminates the housing subsidy or tenancy of a household for alleged violation of this program, the household will be entitled to a hearing under the agency's Grievance Procedure (24 C.F.R. part 966, subpart B) or the HCV informal hearing process (24 C.F.R. part 982.555). Kern will not use income increases during participation in the program to change a household's eligibility status for purposes of participation in the program or for the receipt public housing or HCV assistance. Household members will be allowed to participate regardless of their increase in earnings.

**Which of the MTW statutory objectives does this MTW activity serve?**

Self-sufficiency; Housing choice

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Increased expenditures

**Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?**

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

**Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?**

New admissions and currently assisted households

**Does the MTW activity apply to all family types or only to selected family types?**

The MTW activity applies only to selected family types

**Please select the family types subject to this MTW activity.**

Non-elderly, non-disabled families

**Does the MTW activity apply to all public housing developments?**

The MTW activity applies to all developments

**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.**

We currently have 444 participants enrolled in our Building Hope program, which includes a mix from both the Public Housing program and the HCV program. As of the end of the Fiscal Year 77% of participants had met their quarterly goals and earned their financial incentive. Only 1% of the participants were terminated from their housing program for non-participation, which demonstrates successful engagement in the program.

**Does this MTW activity require a hardship policy?**

Yes

This document is attached.

**Does the hardship policy apply to more than this MTW activity?**

No

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

No

**How many hardship requests have been received associated with this activity in the past year?**

No hardship were requested in the most recent fiscal year.

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

No

**Does the MTW activity require an impact analysis?**

Yes

This document is attached.

**Does the impact analysis apply to more than this MTW activity?**

No

**Will the MTW agency's MTW Self-Sufficiency policy make the program mandatory for anyone?**

Yes

**Please describe the population group for whom participation in the MTW Self-Sufficiency program is mandatory.**

Non-elderly, non-disabled households

**11.a.HCV - Alternative Family Selection Procedures (HCV)**

**Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative**

This waiver will allow Kern to establish a new, alternative to the current Family Self-Sufficiency Program (FSS) and Building Hope. The goal of the MTW self-sufficiency program (Program) is to assist TPs in improving their quality of life by increasing their level of self-sufficiency. Though there will be new costs that accompany the establishment and operation of the Program, Kern anticipates that this activity will contribute to greater cost effectiveness in the long-run by focusing financial resources on the area that has the greatest hope for life-long return on investment which is in the lives of the TPs. The Program is specifically focused on self-sufficiency so all related efforts aim to meet that goal. Finally, Kern expects that as households become more self-sufficient, more housing choices will become available. Kern will ensure that this program does not have a disparate impact on protected classes and will be operated in a manner that is consistent with the requirements of nondiscrimination and equal opportunity authorities, including but not limited to section 504 of the Rehabilitation Act. More specifically, under no circumstances will participants of this programs be required to participate in Self-Sufficiency Programs that are targeted to persons with disabilities in general, or persons with any specific disability. In addition, admission to any of the programs or priority for supportive services developed under this section will not be conditioned on a diagnosis or specific disability of a member of an applicant or participant household. Kern will also not require participation for the elderly. It is mandatory that one person in each eligible household participate in this program. Participation will be defined uniquely between the TP and Kern staff focusing on opportunities for self-sufficiency. There is no work requirement in the program and work is not required to remain in good standing in the program. Kern will not make program participation mandatory for individuals that do not meet the definition of an eligible household at section 23(n)(3) of the U.S. Housing Act of 1937 1937 Act) and those exempted from the Community Service Requirement under section 12(c)(2)(A), (B), (D) and (E) of the 1937 Act. If Kern terminates the housing subsidy or tenancy of a household for alleged violation of this program, the household will be entitled to a hearing under the agency's Grievance Procedure (24 C.F.R. part 966, subpart B) or the HCV informal hearing process (24 C.F.R. part 982.555). Kern will not use income increases during participation in the program to change a household's eligibility status for purposes of participation in the program or for the receipt public housing or HCV assistance. Household members will be allowed to participate regardless of their increase in earnings.

**Which of the MTW statutory objectives does this MTW activity serve?**

Self-sufficiency; Housing choice

**What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.**

Increased expenditures

**Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?**

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

**Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?**

New admissions and currently assisted households

**Does the MTW activity apply to all family types or only to selected family types?**

The MTW activity applies only to selected family types

**Please select the family types subject to this MTW activity.**

Non-elderly, non-disabled families
<b>Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?</b> The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers
<b>Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.</b> All tenant based and PBV units with target households
<b>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.</b> We currently have 444 participants enrolled in our Building Hope program, which includes a mix from both the Public Housing program and the HCV program. As of the end of the Fiscal Year 77% of participants had met their quarterly goals and earned their financial incentive. Only 1% of the participants were terminated from their housing program for non-participation, which demonstrates successful engagement in the program.
<b>Does this MTW activity require a hardship policy?</b> Provided Already
<b>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</b> No
<b>Does the MTW activity require an impact analysis?</b> Provided Already
<b>Will the MTW agency's MTW Self-Sufficiency policy make the program mandatory for anyone?</b> Yes
<b>Please describe the population group for whom participation in the MTW Self-Sufficiency program is mandatory.</b> Non-elderly, non-disabled households

<b>14.a. - Waive Initial HQS Inspection Requirement (HCV)</b>
<b>Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative</b> This waiver will allow Kern to accept the most recent HQS inspection in place of an initial HQS inspection for Moving On participants who will be leasing the same unit. Kern's goal for this activity is to increase cost effectiveness by eliminating an unnecessary step in this process. Increases in efficiency result in cost effectiveness, freeing up staff time to so that there are additional resources available to focus on cost effectiveness measures, self-sufficiency efforts, and increasing household's housing choices. This activity will also aid Moving On households that are making a clear step toward self-sufficiency. Kern will determine Initial income eligibility in accordance with 24 C.F.R. 5.609 of the 1937 Act and TPs will be allowed to request an interim HQS inspection. Any income calculations that Kern accepts from partner agencies will have been calculated within the past year and screenings for lifetime sex offender status and convictions of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing will continue.
<b>Which of the MTW statutory objectives does this MTW activity serve?</b> Cost effectiveness
<b>What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</b>

Decreased expenditures
<b>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</b>
The MTW activity applies only to a subset or subsets of assisted households
<b>Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?</b>
New admissions (i.e., applicants) only
<b>Does the MTW activity apply to all family types or only to selected family types?</b>
The MTW activity applies to all family types
<b>Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?</b>
The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers
<b>Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity.</b>
All tenant-based units and/or properties with project-based vouchers that require an HQS inspection.
<b>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.</b>
During the last fiscal year our HCV program experienced a shortfall of funding preventing us from issuing any vouchers under our moving on preference. We anticipate this waiver to reduce the administrative burden of re-inspecting a unit when a participant transitions to a new voucher in the same unit.
<b>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</b>
No

<b>17.c. - Housing Development Programs</b>
<b>Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative</b>
The Authority intends to implement a Local Non-Traditional activity under Moving to Work (MTW). Specifically, we intend to create a Housing Development Program that will provide predevelopment, construction, and/or permanent financing for acquiring, renovating, or building affordable housing developments that include project-based vouchers and/or low income housing tax credits. MTW funds will be utilized, and the following safe harbor requirements will be adhered to: <ul style="list-style-type: none"> <li>o The Authority must not spend more than 10% of its HAP budget on local, non-traditional activities.</li> <li>o Families receiving housing or services through local, non-traditional activities must meet the HUD definition of low-income.</li> <li>o The Authority is subject to Notice PIH 2011-45 or any successor notice and/or guidance.</li> <li>o Authority must comply with Section 30 of the 1937 Housing Act.</li> <li>o Any MTW Funding awarded to a third-party provider must be competitively bid.</li> </ul> This activity will allow us to serve more households and increase housing choice
<b>Which of the MTW statutory objectives does this MTW activity serve?</b>
Housing choice
<b>What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</b>

Increased expenditures
<b>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</b>
The MTW activity applies to all assisted households
<b>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.</b>
This program has not started yet.
<b>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</b>
No

**Table 17.c.1 - Housing Development Programs that the MTW Agency plans to commit Funds to in Fiscal Year**

Name of Development and Address	MTW Role: Acquisition, Rehabilitation, New Construction?	Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other	Number of Affordable Units	Total Number of Units	Number of Units by Affordability - 80% of AMI	Number of Units by Affordability - 50% of AMI	Number of Units by Affordability - 30% of AMI	Number of Units by Affordability - Other
Bakersfield Senior Affordable Housing	New Construction	Predevelopment financing for tax credit partnership	35.00	36.00	11.00	7.00	17.00	0.00
Newman Gardens	New Construction	Predevelopment financing for tax credit partnership	50.00	49.00	10.00	25.00	15.00	0.00
Little Village RAD	Acquisition & rehabilitation	Predevelopment financing for RAD tax credit partnership	153.00	154.00	82.00	24.00	47.00	0.00
Village Park Apartments	Acquisition	Interim gap financing for tax credit partnership	59.00	60.00	17.00	36.00	6.00	0.00

**Housing Development Programs that the MTW Agency plans to spend funds on in the Fiscal Year**

Name of Development and Address	MTW Role: Acquisition, Rehabilitation, New Construction?	Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other	Number of Affordable Units	Total Number of Units	Number of Units by Affordability - 80% of AMI	Number of Units by Affordability - 50% of AMI	Number of Units by Affordability - 30% of AMI	Number of Units by Affordability - Other
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**Table 17.c.2 - Housing Development Programs that the MTW Agency committed funds to in prior Fiscal Year**

Name of Development and Address	MTW Role: Acquisition, Rehabilitation, New Construction?	Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other	Number of Affordable Units	Total Number of Units	Number of Units by Affordability - 80% of AMI	Number of Units by Affordability - 50% of AMI	Number of Units by Affordability - 30% of AMI	Number of Units by Affordability - Other
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**Housing Development Programs that the MTW Agency spent funds on in prior Fiscal Year**

Name of Development and Address	MTW Role: Acquisition, Rehabilitation, New Construction?	Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other	Number of Affordable Units	Total Number of Units	Number of Units by Affordability - 80% of AMI	Number of Units by Affordability - 50% of AMI	Number of Units by Affordability - 30% of AMI	Number of Units by Affordability - Other

<b>D.</b>	<b>Safe Harbor Waivers.</b>
<b>D.1</b>	<p><b>Will the MTW agency submit request for approval of a Safe Harbor Waiver this year?</b></p> <p>Yes, the Safe Harbor Waiver request(s) for 1e, 1f, 3a, 3b is(are) attached.</p>

<b>E.</b>	<b>Agency-Specific Waiver(s).</b>
<b>E.1</b>	<p><b>Agency-Specific Waiver(s) for HUD Approval:</b></p> <p>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.</p> <p>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.</p> <p>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.</p> <p><b>Will the MTW agency submit a request for approval of an Agency-Specific Waiver this year?</b></p> <p>No</p>

<b>E.2</b>	<p><b>Agency-Specific Waiver(s) for which HUD Approval has been Received:</b></p> <p><b>Does the MTW agency have any approved Agency-Specific Waivers?</b> No</p>

<b>F.</b>	<b>Public Housing Operating Subsidy Grant Reporting.</b>
<b>F.1</b>	Total Public Housing Operating subsidy amount authorized, disbursed by 9/30, remaining, and deadline for disbursement, by Federal Fiscal Year for each year the PHA is designated an MTW agency.

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	\$4,018,936	\$4,018,936	\$0	2026-12-31
2022	\$4,177,013	\$4,177,013	\$0	2027-12-31
2023	\$4,311,935	\$4,311,935	\$0	2028-12-31
2024	\$3,689,649	\$3,689,649	\$0	2029-12-31

<b>G.</b>	<b>MTW Statutory Requirements.</b>	
<b>G.1</b>	<b>75% Very Low Income – Local, Non-Traditional.</b> 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.	
	<b>Income Level</b>	<b>Number of Local, Non-Traditional Households Admitted in the Fiscal Year*</b>
	80%-50% Area Median Income	
	49%-30% Area Median Income	
	Below 30% Area Median Income	
	Total Local, Non-Traditional Households	<b>0</b>

\*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.

<b>G.2</b>	<b>Establishing Reasonable Rent Policy.</b>
<b>Has the MTW agency established a rent reform policy to encourage employment and self-sufficiency?</b> Yes	

<b>G.3</b>	<b>Substantially the Same (STS) – Local, Non-Traditional.</b>
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
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

**Number of units developed under the local, non-traditional housing development activity that were available for occupancy during the prior full calendar year:**

PROPERTY NAME/ ADDRESS	0/1 BR	2 BR	3 BR	4 BR	5 BR	6+ BR	TOTAL UNITS	POPULATION TYPE*	if 'Population Type' is Other	# 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?
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<b>G.4</b>	<b>Comparable Mix (by Family Size) – Local, Non-Traditional.</b>
To demonstrate compliance with the statutory requirement to continue serving a 'comparable mix' of families by family size to that which would have been served without MTW, the MTW agency will provide the number of families occupying local, non-traditional units by household size for the most recently completed Fiscal Year in the provided table.	

Family Size:	Occupied Number of Local, Non-Traditional units by Household Size
1 Person	
2 Person	
3 Person	
4 Person	
5 Person	
6+ Person	
Totals	<b>0</b>

H.	Public Comment
	Attached you will find a copy of all of the comments received and a description of how the agency analyzed the comments, as well as any decisions made based on those comments.
	Please see attached for an additional public hearing held for Agency-Specific Waiver(s) and/or Safe Harbor Waiver(s)

I.	Evaluations.
	No known evaluations.