



King County
Housing
Authority

2027

MOVING TO WORK PLAN





BOARD OF COMMISSIONERS

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TABLE OF CONTENTS

Section I: Introduction

- A. OVERVIEW OF SHORT-TERM MTW GOALS AND OBJECTIVES
- B. OVERVIEW OF LONG-TERM MTW GOALS AND OBJECTIVES

Section II: General Operating Information

- A. HOUSING STOCK INFORMATION
 - Planned New Public Housing Units
 - Planned Public Housing Units to be Removed
 - Planned New Project-based Vouchers
 - Planned Existing Project-based Vouchers
 - Planned Other Changes to MTW Housing Stock Anticipated During the Year
 - General Description of All Planned Capital Fund Expenditures During the Plan Year
- B. LEASING INFORMATION
 - Planned Number of Households Served
 - Discussion of Any Anticipated Issues/Possible Solutions Related to Leasing
- C. WAITING LIST INFORMATION
 - Waiting List Information Anticipated
 - Planned Changes to Waiting List in the Plan Year

Section III: Proposed MTW Activities

- ACTIVITY 2027-1: Housing Assistance for Justice-Involved Individuals
- ACTIVITY 2027-2: Direct Rental Assistance

Section IV: Approved MTW Activities

- A. IMPLEMENTED ACTIVITIES
 - ACTIVITY 2026-1: Housing Continuity Rental Assistance
 - ACTIVITY 2025-1: Young Adult Prosperity Program
 - ACTIVITY 2024-1: Employment Sponsorship Program
 - ACTIVITY 2024-2: Local Homeownership Program
 - ACTIVITY 2022-1 and 2019-1: Acquire and Develop New Affordable Housing
 - ACTIVITY 2018-1: Encouraging the Successful Lease-up of the Housing Choice Voucher Program
 - ACTIVITY 2016-2: Conversion of Former Opt-out Developments to Public Housing
 - ACTIVITY 2015-2: Reporting on the Use of Net Proceeds from Disposition Activities
 - ACTIVITY 2014-2: Revised Definition of "Family"
 - ACTIVITY 2013-1: Passage Point Re-entry Housing Program
 - ACTIVITY 2013-2: Flexible Rental Assistance

- ACTIVITY 2009-1: Project-based Section 8 Local Program Contract Term
- ACTIVITY 2008-1: Acquire New Public Housing
- ACTIVITY 2008-3: FSS Program Modifications
- ACTIVITY 2008-10 and 2008-11: EASY and WIN Rent Policies
- ACTIVITY 2008-21: Public Housing and Housing Choice Voucher Utility Allowances
- ACTIVITY 2007-6: Develop a Sponsor-based Housing Program
- ACTIVITY 2007-14: Enhanced Transfer Policy
- ACTIVITY 2005-4: Payment Standard Changes
- ACTIVITY 2004-2: Local Project-based Section 8 Program
- ACTIVITY 2004-3: Develop Site-based Waiting Lists
- ACTIVITY 2004-5: Modified Housing Quality Standards Inspection Protocols
- ACTIVITY 2004-7: Streamlining Public Housing and Housing Choice Voucher Forms and Data Processing
- ACTIVITY 2004-9: Rent Reasonableness Modifications
- ACTIVITY 2004-12: Energy Performance Contracting
- ACTIVITY 2004-16: Housing Choice Voucher Occupancy Requirements

B. NOT YET IMPLEMENTED ACTIVITIES

- ACTIVITY 2008-5: Allow Limited Double Subsidy between Programs (Project-based Section 8/Public Housing/Housing Choice Vouchers)
- ACTIVITY 2010-11: Incentive Payments to HCV Participants to Leave the Program

C. ACTIVITIES ON HOLD

D. CLOSED-OUT ACTIVITIES

Section V: Planned Application of MTW Funds

A. PLANNED APPLICATION OF MTW FUNDS

B. LOCAL ASSET MANAGEMENT PLAN

Section VI: Administrative

A. BOARD OF COMMISSIONERS RESOLUTION AND CERTIFICATIONS OF COMPLIANCE

B. PUBLIC PROCESS

C. PLANNED AND ONGOING EVALUATIONS

D. LOBBYING DISCLOSURES

Appendices

APPENDIX A: BOARD OF COMMISSIONERS RESOLUTION AND CERTIFICATIONS OF COMPLIANCE

APPENDIX B: PLANNED EXISTING PROJECT-BASED VOUCHERS

APPENDIX C: KCHA'S LOCAL ASSET MANAGEMENT PLAN
APPENDIX D: DISCLOSURE OF LOBBYING ACTIVITIES
APPENDIX E: DESIGNATION PLAN
APPENDIX F: HARDSHIP POLICIES
APPENDIX G: MTW REGIONALIZATION WITH SEDRO-WOOLLEY HOUSING AUTHORITY

SECTION I

OVERVIEW OF SHORT-TERM AND LONG-TERM MTW GOALS AND OBJECTIVES

The King County Housing Authority (KCHA) provides affordable housing and rental assistance to more than 42,000 people throughout 37 cities and unincorporated King County, excluding Seattle and Renton. KCHA's vision is that all people in King County have access to quality affordable housing. As a national leader in affordable housing and Moving to Work (MTW) innovation, KCHA develops reliable, responsive housing solutions that help people and communities prosper.

KCHA serves some of the region's most vulnerable households. Fifty-one percent of assisted households include a person with a disability, 36 percent include a senior household member, more than 14,500 children live in KCHA-assisted housing, and 68 percent of households entering KCHA housing assistance are experiencing homelessness. The median household income among assisted households is \$14,705 annually.

MTW flexibility enables KCHA to respond to local housing needs, leverage partnerships, test innovative approaches, and maximize the impact of limited federal resources. KCHA uses MTW authority to preserve housing assistance, expand housing opportunities, strengthen communities, and improve outcomes for the households it serves.

Short-Term MTW Goals and Objectives

In 2027, KCHA will focus on three primary goals:

- **Preserve housing assistance across KCHA's existing households** by maximizing utilization of available housing resources, maintaining housing stability, and sustaining assistance for vulnerable households.
- **Upgrade and expand affordable housing inventory** through preservation, recapitalization, acquisition, development, and strategic investments that increase the long-term supply of affordable housing.
- **Improve the operational experience for KCHA's households** by modernizing systems, streamlining administrative processes, expanding digital services, and implementing innovative approaches that improve access to housing assistance.

Long-Term MTW Goals and Objectives

Through participation in the MTW demonstration, KCHA uses the flexibility provided under MTW to advance HUD's statutory objectives of increasing housing choice, promoting economic mobility and self-sufficiency, and maximizing the effective use of federal resources. These principles guide KCHA's long-term use of MTW authority and inform the agency's strategic priorities. KCHA's long-term goals are to:

- Preserve and strengthen the long-term viability of KCHA's housing portfolio and rental assistance programs.
- Continue to expand the supply of housing affordable to extremely low-income households.
- Reduce homelessness and improve housing stability through regional partnerships.
- Improve outcomes for residents, families, seniors, people with disabilities, and children.
- Advance policies, programs, and partnerships through research, evaluation and data-informed decision-making.
- Demonstrate the value of MTW flexibilities to support their long-term use in meeting local housing needs.

SECTION II

GENERAL OPERATING INFORMATION

A. HOUSING STOCK INFORMATION

i. Planned New Public Housing Units

AMP Name and Number	Bedroom Size						Total Units	Population Type	Section 504 Accessible Units (Mobility)	Section 504 Units (Hearing / Vision)
	0	1	2	3	4	5+				
Future Acquisition and Conversion of Existing Housing to Public Housing	0	0	0	0	0	0	0	TBD	TBD	TBD
Total Public Housing Units to be Added							0			

ii. Planned Public Housing Units to be Removed

In 2027, KCHA may seek to remove remaining developments from the public housing program to convert them to alternative funding sources through RAD or other HUD-approved strategies.

Property Name and Number	Number of Units to Be Removed	Explanation for Removal
Brookside (WA002000180)	<u>16</u>	Conversion to alternative funding source(s) through RAD or other HUD-approved strategies such as RAD/Section 18 Construction Blend or disposition and replacement units funded by tenant protection vouchers.
Casa Juanita (WA002000251)	<u>80</u>	
College Place (WA002000203)	<u>51</u>	
Forest Glen (WA002000201)	<u>40</u>	
Nia (WA002000355)	<u>40</u>	
Northlake House (WA002000290)	<u>38</u>	
Northwood (WA002000191)	<u>34</u>	
Pacific Court (WA002000354)	<u>32</u>	
Salmon Creek (WA002000343)	<u>50</u>	
Seola Crossing (WA002000340)	<u>77</u>	
Shelcor (WA002000409)	<u>8</u>	
Vantage Point (WA002000452)	<u>77</u>	
Village Plaza (WA002000452)	<u>6</u>	
Westminster Manor (WA002000156)	<u>60</u>	
<u>Total anticipated in 2027</u>	609	
<u>Other Properties</u>		
Ballinger Homes (WA002000101)	<u>110</u>	Conversion to alternative funding source(s) through RAD or other HUD-
Burien Park (WA002000390)	<u>102</u>	

<u>Casa Madrona (WA002000553)</u>	<u>70</u>	approved strategies such as RAD/Section 18 Construction Blend or disposition and replacement units funded by tenant protection vouchers.
<u>Cascade (WA002000403)</u>	<u>108</u>	
<u>Eastbridge (WA002000341)</u>	<u>13</u>	
<u>Fairwind (WA002000346)</u>	<u>87</u>	
<u>Gustaves Manor (WA002000550)</u>	<u>35</u>	
<u>Houghton (WA002000215)</u>	<u>10</u>	
<u>Island Crest (WA002000213)</u>	<u>17</u>	
<u>Kirkland Place (WA002000210)</u>	<u>9</u>	
<u>Mardi Gras (WA002000450)</u>	<u>61</u>	
<u>Northridge (WA002000153)</u>	<u>140</u>	
<u>Northwood Square (WA002000467)</u>	<u>24</u>	
<u>Park Royal (WA002000105)</u>	<u>23</u>	
<u>Peppertree (WA002000101)</u>	<u>28</u>	
<u>Plaza Seventeen (WA002000551)</u>	<u>70</u>	
<u>Sixth Place (WA002000345)</u>	<u>24</u>	
<u>Wayland Arms (WA002000550)</u>	<u>67</u>	
<u>Zephyr (WA002000344)</u>	<u>25</u>	
<u>TOTAL OF ALL PROPERTIES:</u>	<u>1628</u>	

iii. Planned New Project-based Vouchers

In addition to any new Project-based Vouchers (PBV) already included in previously approved MTW plans, specifically those not yet under Housing Assistance Payments (HAP) or Agreement to Enter into a HAP (AHAP) contracts, or expected to be under contract at the start of the plan year, KCHA anticipates PBVs in all units converted from public housing to Section 8 PBV through RAD. The properties most likely to complete conversion in 2027 are listed below

Property Name	Number of Vouchers to be Project-based	RAD?	Description of Project
Brookside	16	Yes	Public Housing conversion through RAD
Casa Juanita	80	Yes	Public Housing conversion through RAD
Cedar Grove	20	Yes	Public Housing conversion through RAD
College Place	51	Yes	Public Housing conversion through RAD
Forest Glen	40	Yes	Public Housing conversion through RAD
Hillsview	60	Yes	Public Housing conversion through RAD
Nia	40	Yes	Public Housing conversion through RAD
Northlake House	38	Yes	Public Housing conversion through RAD
Northwood	34	Yes	Public Housing conversion through RAD
Pacific Court	32	Yes	Public Housing conversion through RAD
Salmon Creek	50	Yes	Public Housing conversion through RAD
Seola Crossing	77	Yes	Public Housing conversion through RAD

Property Name	Number of Vouchers to be Project-based	RAD?	Description of Project
Shelcor	8	Yes	Public Housing conversion through RAD
Vantage Point	77	Yes	Public Housing conversion through RAD
Village Plaza	6	Yes	Public Housing conversion through RAD
Westminster Manor	60	Yes	Public Housing conversion through RAD
Muckleshoot PSH	50	No	Awarded project-based vouchers through the 2022 King County Combined Funders NOFO RFP. AHAP contract executed in Q2 2026 with anticipated project completion in Q3 2027.
LIHI's Child Haven Skyway	21	No	Awarded project-based vouchers through the 2023 King County Combined Funders NOFO. AHAP contract anticipated in Q4 2026 with project completion anticipated in Q4 2027.
Mercy Housing Burien Family Supportive Housing	34	No	Awarded project-based vouchers through the 2023 King County Combined Funders NOFO. Anticipated project completion ready for occupancy in Q4 2026.
Bridge Housing Spring District	8	No	Awarded project-based voucher through the 2022 King County Combined Funders NOFO. Anticipated project completion ready for occupancy in Q3 2026.
Plymouth Redmond PSH	100	No	Awarded project-based voucher through the 2024 ARCH Housing Trust Fund. Anticipated project completion ready for occupancy in Q1 2027.
Planned Total Vouchers to be Newly Project-based	902		

iv. Planned Existing Project-based Vouchers

See Appendix B for a list of KCHA's planned existing project-based voucher contracts at the beginning of the plan year.

v. Planned Other Changes to MTW Housing Stock Anticipated During the Year

While no additional modifications to KCHA's housing stock are anticipated at the time of this plan's drafting, KCHA will continue to use every tool available to expand our reach as additional opportunities arise throughout the plan year, including but not limited to the designation of units as MTW Neighborhood Services Units, the use of banked ACC or MTW working capital to support development and acquisition activities, the use of new Special Purpose and Project-Based Vouchers, flexible rent assistance programs, and sponsor-based supportive housing.

vi. General Description of All Planned Capital Fund Expenditures During the Plan Year

In 2027, KCHA will spend approximately \$17.8 million in MTW working capital to complete improvements critical to maintaining our federally subsidized properties. Overall, these investments improve housing quality, reduce maintenance costs and energy consumption, and extend the life expectancy of our housing stock, enabling us to better fulfill our mission over the long term. Select repairs and rehabilitation will also be completed as identified by capital needs assessments required for conversion of properties through RAD (Rental Assistance Demonstration).

Expenditures include:

- **UNIT UPGRADES AND SPECIAL PROJECTS (\$7.3 MILLION)**

KCHA will continue its committed efforts to upgrade the interiors of our affordable housing units as they turn over in 2027. These renovations, performed by KCHA's skilled in-house workforce, will include the installation of new flooring, cabinets, and fixtures that will extend the useful life of approximately 122 additional units by up to 15 years. The annual investment for this initiative is projected at \$5.7 million.

In addition, we anticipate a need for \$1.6 million in Special Project funding. This will support repairs and improvements to parking lots, playgrounds, tree maintenance, flooring and paint in common areas, site office improvements, and unforeseen issues such as failed power lines, building system breakdowns, and plumbing failures across our portfolio of properties. Special Project funding will also be used to support emergency capital repairs if encountered.

- **BUILDING SYSTEMS IMPROVEMENTS (MECHANICAL, ELECTRICAL, PLUMBING, ELEVATOR, AND FIRE ALARM) (\$1.0 MILLION)**

The fire alarm system at Pacific Court (Tukwila) is planned for full replacement in 2027. Burndale Homes (Auburn) will receive a new transformer and underground power distribution for future installation of additional site lighting and EV charging. Additionally, as part of the RAD conversion work, Briarwood (Shoreline), Brittany Park (Normandy Park), Pacific Court (Tukwila), and Paramount House (Shoreline) will receive updated electrical panels and component upgrades in units that have been identified as requiring replacement.

- **RAD CONVERSION SECTION 18 BLEND REHABILITATION PROJECTS (\$8.5 MILLION)**

Five Section 18 Blend Rehabilitation Projects (Cohort 3) are expected to progress through design completion in 2027, with construction anticipated to begin later in the year. These properties include Casa Juanita (Kirkland), College Place (Bellevue), Forest Glen (Redmond), Northlake House (Bothell), and Westminster Manor (Shoreline). While project scopes are still being finalized, planned improvements include comprehensive building envelope

replacements where needed; mechanical, electrical, and plumbing system upgrades; accessibility and security enhancements; resident amenity improvements; and replacement of aging building components and interior finishes.

- **CRITICAL AND NON-CRITICAL RAD SUBSIDY ONLY PROPERTY REPAIRS (\$1.0 MILLION)**

Third party capital needs assessments are being prepared for properties that are planned for conversion through the RAD program. These assessments will identify scope and quantify costs of required capital repairs or upgrades that must be completed prior to RAD conversion on subsidy only conversions (Cohorts 1, 2, and 4), including but not limited to accessibility improvements and minor systems or site upgrades.

B. LEASING INFORMATION

i. Planned Number of Households Served

SUMMARY

MTW Households to be Served through:	Planned Number of Unit Months Occupied/ Leased	Planned Number of Households to be Served
Public Housing Units Leased	18,024	1,502
Housing Choice Vouchers (HCV) Utilized ¹	163,572	13,631
Local, Non-traditional: Tenant-based	1,440	120
Local, Non-traditional: Property-based	N/A	N/A
Local, Non-traditional: Homeownership	N/A	N/A
Planned Total Households Served	183,036	15,253

LOCAL, NON-TRADITIONAL PROGRAMS

Local, Non-traditional Category	MTW Activity Name/Number	Planned Number of Unit Months Occupied/ Leased	Planned Number of Households to be Served
Tenant-based	2007-6: Develop a Sponsor-based Housing Program	480	40
Tenant-based	2013-2: Flexible Rental Assistance	960	80
Property-Based	N/A	N/A	N/A

¹ In 2027, KCHA also plans to administer housing assistance to an additional 2,100 households that have ported-in to our jurisdiction.

Homeownership	N/A	N/A	N/A
Planned Total Households Served		1,440	120

ii. Discussion of Any Anticipated Issues/Possible Solutions Related to Leasing

Housing Program	Description of Anticipated Leasing Issues and Possible Solutions
MTW Public Housing	No leasing issues are anticipated for this program in 2027
MTW Housing Choice Voucher (HCV)	King County continues to experience population growth, low vacancy rates, and rising rents. The resulting competition among renters for a limited supply of affordable units creates leasing challenges for individuals and families using tenant-based vouchers and people with barriers to housing stability. To address these challenges, contingent on adequate funding, KCHA will continue to deploy a variety of interventions, including: providing housing search services through housing navigators; a ZIP code-based payment standard system; landlord outreach and retention efforts; expedited inspection processes including self-certification of newly constructed and KCHA-owned properties; security deposit assistance; and exploration of the expansion of flexible client assistance funds aimed to mitigate financial leasing barriers for all voucher types.
Local, Non-traditional	Low-income households face steep barriers to securing housing in high-cost rental markets, where wage gaps, high deposit costs, and credit requirements often exclude them. With limited affordable units, landlords tend to favor applicants with stronger financial profiles. To counter this, KCHA uses MTW flexibility and partners with local organizations to reduce leasing barriers and expand access—offering financial support, landlord outreach, and hands-on help with unit searches and applications, especially for Local, Non-traditional clients.

C. WAITING LIST INFORMATION

i. Waiting List Information Anticipated

The following describes KCHA's anticipated waiting lists at the beginning of the plan year.

Waiting List Name	Description	Number of Households on Waiting List	Waiting List Open, Partially Open, or Closed	Plans to Open the Wait List During 2027
Housing Choice Voucher	Community-wide (General)	700	Partially open (accepting targeted voucher referrals only)	No

Public Housing*	Site-based (General and Elderly/Disabled)	5,125	Closed	Yes
Project-based	Regional (General)	2,278	Partially open (accepting targeted voucher referrals only)	No
Public Housing – Conditional Housing	Program-specific (Other)	18	Open	N/A

**KCHA operates combined waiting lists for its owned and managed Public Housing and Project-based Voucher units. For this table and other waiting list references in this document, they are referred to as Public Housing waiting lists.*

Please describe any duplication of applicants across waiting lists:
Policies allow individuals to be listed on multiple waitlists simultaneously.

ii. Planned Changes to Waiting List in the Plan Year

KCHA may open its site-based waiting lists during 2027, contingent upon the successful rollout of the agency’s planned software conversion in 2026 and the agency’s operational readiness to process new applications.

As properties continue to convert from public housing to project-based vouchers through RAD, the site-based waiting lists will convert accordingly. Nearly 1,500 of KCHA’s public housing units are designated as “mixed population” under a HUD-approved public housing designation plan. This establishes preferences, primarily for elderly and near-elderly disabled applicants. KCHA will retain these admissions preferences when converting these properties to project-based vouchers.

KCHA will continue to try and preserve housing stability for households with Emergency Housing Vouchers and others at risk of losing their voucher due to insufficient funding. While KCHA’s goal is to maintain seamless assistance for eligible households, we recognize that may not be possible. Therefore, KCHA may also establish preferences on one or more waiting lists for households at risk of or having lost their voucher due to insufficient funding. KCHA may also automatically place eligible households on the respective waiting list(s) without any action required on the part of the household.

SECTION III

PROPOSED MTW ACTIVITIES

2027-1 Housing Assistance for Justice-Involved Individuals

A. ACTIVITY DESCRIPTION

i. Description

KCHA proposes to implement a pilot rental assistance program for individuals with criminal justice involvement who are either transitioning from incarceration into the community or actively participating in a King County court diversion program.

Individuals with criminal justice involvement frequently encounter substantial barriers to securing housing and employment, both of which are critical factors in successful community reintegration.² More than 640,000 individuals return from prison to communities nationwide each year, many facing significant challenges obtaining stable housing upon release.³ A growing body of research has identified stable housing as a key factor in promoting successful reentry and reducing the risk of future justice system involvement.⁴

KCHA is exploring partnerships with King County diversion courts, behavioral health providers, and community-based organizations that serve individuals with criminal justice involvement. Partner agencies will identify and refer eligible participants and provide supportive services, which may include behavioral health treatment, case management, recovery supports, employment services, and other stabilization services.

The pilot is intended to test whether targeted, time-limited housing assistance, combined with community-based supportive services, can improve housing stability and expand housing choice for individuals who face significant barriers to obtaining housing.

Additionally, to promote housing stability and prepare participants to successfully use rental subsidies, KCHA may provide flexible participant financial support and assistance designed to address barriers to successful lease-up, housing retention, financial stability, and transition from subsidy. Participant assistance may include, but is not limited to, housing navigation services,

² National Institute of Justice. *Expungement: Criminal Records as Reentry Barriers* (October 26, 2022). <https://nij.ojp.gov/topics/articles/expungement-criminal-records-reentry-barriers>.

³ Goger, Annelies; Harding, David J.; and Henderson, Howard. *Rethinking Prisoner Reentry* (Brookings Institution/Center for Justice Research). https://centerforjusticeresearch.org/wp-content/uploads/2024/02/61a7a44737170d6d308b1822_Rethinking-Prisoner-Reentry-Annelies-Harding-Henderson_1.pdf.

⁴ Goger, Annelies; Harding, David J.; and Henderson, Howard. *Rethinking Prisoner Reentry* (Brookings Institution/Center for Justice Research). https://centerforjusticeresearch.org/wp-content/uploads/2024/02/61a7a44737170d6d308b1822_Rethinking-Prisoner-Reentry-Annelies-Harding-Henderson_1.pdf.

transition planning, and other activities or supports that KCHA determines further the objectives of the pilot. KCHA may determine the type, timing, amount, and duration of financial assistance based on program needs and participant circumstances.

KCHA anticipates initially serving up to 30 households through tenant-based vouchers. Term limits for the program would likely be no less than two years and up to five years.

Participants in the pilot program must meet Housing Choice voucher program statutory requirements related to income, sex offender and immigration status, and methamphetamine production rules. Portability will generally be restricted during participation to ensure program oversight, cost control, and program access including financial incentives. Exceptions will be considered for VAWA-related moves, and reasonable accommodation requests. KCHA anticipates utilizing its existing MTW rent/HAP calculation methods for this pilot in 2027.

ii. Achieving a Statutory Objective:

This initiative will support the MTW statutory objective to increase housing choice for low-income individuals/families by providing housing opportunities for individuals who would otherwise face enormous challenges in finding affordable housing due to screening issues and other obstacles as a result of their participation in the criminal legal system.

iii. Implementation Schedule:

KCHA anticipates implementing the activity in FY 2027, following HUD approval and execution of local partnership agreements and referral protocols with participating community partners.

iv. Special Purpose Voucher Types:

KCHA does not plan to apply this proposed activity to any SPV types.

B. COST IMPLICATIONS

KCHA anticipates that the financial implications of this activity will be generally consistent with the costs associated with administering existing Housing Choice Voucher and other housing assistance programs. Rental assistance costs are expected to be similar to those of other voucher-assisted households with very low incomes. KCHA may provide limited housing stabilization assistance to support successful tenancy. The activity may also require coordination with referral partners and service providers to support participant stability. KCHA regularly utilizes MTW flexibility to support innovative housing interventions and related supportive services.

KCHA estimates that costs associated with participant financial support will not exceed \$50,000 in 2027. Actual expenditures will depend on participant needs, program utilization, and the level of assistance required and may be lower than the maximum projected amount.

C. NEED/JUSTIFICATION:

i. Applicable MTW Authorization(s):

KCHA will utilize the following MTW authorizations for this activity: Attachment C (D)(1)(a), (2), (3) and (4). Under Attachment C (D)(1), only sub-clause (a) is required, as it provides the flexibility to apply KCHA's MTW rent and HAP calculation methods and define the terms of the time-limited tenant-based subsidy. Section (D)(2) provides the authority to apply KCHA's existing MTW rent and subsidy policies and to structure a time-limited assistance model aligned with savings and stabilization incentives. Section (D)(3) is needed to implement local leasing and portability policies that maintain cost control, ensure program oversight, and support continuity of assistance. Section (D)(4) authorizes KCHA to determine waiting list procedures and tenant selection procedures that differ from the currently mandated program requirements. Lastly, KCHA is citing Attachment D (C)(1)(a) to directly fund participant services. Collectively, these authorizations allow KCHA to establish a targeted pilot serving individuals exiting incarceration or participating in diversion programs, including the use of referral-based admissions and program-specific waiting list preferences.

2027-2 Direct Rental Assistance

A. ACTIVITY DESCRIPTION

i. Description

KCHA is requesting authorization to implement a local, non-traditional Direct Rental Assistance (DRA) program that would create new opportunities for low-income households eligible for the Housing Choice Voucher (HCV) program. Through DRA the subsidy is paid directly to the assisted household, rather than being paid to the landlord; the household is then responsible for making the full rental payment.

The HCV program requires participants to search for and lease a unit in the private rental market, but due to source of income discrimination, tight rental markets, and insufficient landlord participation, voucher holders find it increasingly difficult to find suitable rental units. Approximately 40 percent of households offered a voucher cannot find an eligible unit with a willing landlord.⁵ KCHA experiences similar challenges: in 2025, 60% of voucher holders were able to lease a unit within 180 days. Providing subsidies directly to eligible households could streamline housing searches, broaden access to more units in the market, and reduce administrative costs for KCHA.

DRA would be a new approach to housing subsidies for KCHA and a few other PHAs implementing DRA. As a result, KCHA will be participating in a research cohort in partnership with MDRC that will use a randomized controlled trial (RCT) evaluating the

implications of DRA and informing the broader research base about how to best support low-income families utilize tenant-based subsidy.

The research cohort will consist of several PHAs and nonprofits to examine the effects related to quality of housing, timely rent payments, lease up success rates, and associated administrative burdens for tenants, landlords and PHAs. Prior to participating in the RCT, KCHA may implement DRA with no more than 15 households to refine procedures associated with DRA implementation. The total number of households participating in KCHA's initial RCT study is no more than 250, 125 receiving DRA and 125 traditional voucher holders in the control group. In addition to an RCT, KCHA hopes to participate in a descriptive study, also with MDRC, that examines outcomes for current voucher holders seeking to move to a new unit. The total number of households estimated to participate in the descriptive study will be no more than 150 households. We anticipate the voucher issuance for the RCT and the pre-study will be continuous until we meet the enrollment goals (estimated 60 days). KCHA has been participating in program design with MDRC since 2024 and anticipates enrollment beginning in early 2027.

Findings from this study will inform future approaches KCHA uses to maximize shopping success for the households we serve and the extent to which we expand this subsidy structure to other households. Regardless of future enrollment decisions, KCHA anticipates continuing to provide subsidies to participating DRA households until they exit the program through natural attrition. The initial pilot that KCHA is proposing, which will likely be up to 5 years, may include policy elements such as:

- Eligibility:
Potential DRA participants may include new admissions and current voucher holders. Tenant eligibility for the DRA program will be the same as current eligibility for the HCV Program. KCHA pilot will pull applicants, excluding those whose primary source of income is fixed (e.g., Social Security), directly from the current HCV waiting list for the RCT. These households will be briefed on details of the DRA pilot program and provided with an opportunity to opt-in before being placed in a pool to randomly receive either DRA assistance or traditional HCV tenant-based assistance. Households randomly selected to receive traditional HCV tenant-based assistance following the briefing will serve as the study's control group. Households choosing to opt out of the DRA study following their initial briefing will be issued a voucher, subject to availability.
- Modifying the subsidy calculation:

Participants will receive HAP payments directly, instead of KCHA issuing rent checks to the landlord. The subsidy payment will be loaded onto a debit card, issued by a partner bank with no fees to the tenants. DRA HAP subsidy will be calculated as the applicable KCHA payment standard minus the participant contribution (calculated as it is for KCHA's MTW HCV program including TTP, and EAS), up to the gross rent. If leasing a unit with a gross rent that is less than the payment standard, the household's required contribution is reduced (although none would be reduced below \$0). This would be consistent with DRA's goal of increasing participants' agency and treating them more like unassisted renters, who need to weigh how much to spend on housing versus other essential needs. Recertification and interim schedule will be consistent with KCHA's MTW rent policy.

DRA has a natural 'shopping incentive'. The participants will have to consider the trade-offs in selecting a more costly or affordable unit and if they are willing to pay a higher portion of the rent based on those trade-offs. Due to KCHA's MTW funding formula, we will be able to test and learn the implications of this approach without creating additional costs to HUD. The shopping incentive described above creates housing search conditions that more closely resemble those of unassisted tenants in the private market. These conditions will naturally help ensure both DRA assisted households and KCHA do not overpay for housing. To help study these implications, rent reasonableness requirements for initial rents will not be required. This shift will empower participants in the study to control their own budgets and allow them to choose units the same way unassisted households do while ensuring that neither the DRA assisted household nor RHA overpay for housing.

Once DRA participants locate a unit that they opt to lease, KCHA will not require a RFTA submittal. Rather, KCHA will require DRA participants to schedule their pre-inspection of the unit, and once the unit passes inspection, submit a copy of their executed lease agreements to establish tenancy and determine subsidy amounts. As part of KCHA's proposed study, within one year of tenants leasing units in the DRA pilot KCHA will conduct an evaluation to determine if the units would have met the rent reasonableness standards during the lease up process. Should KCHA determine one or more unit(s) would not have passed this test KCHA will determine how much rent has been overpaid to the landlord(s). KCHA will then enter into a repayment agreement with the HUD Voucher Office's Quality Assurance Division (QAD) for any overpayments of rent relative to the rent reasonableness determination. This process will be repeated unless KCHA decides to discontinue this element of the policy.

- Streamlined Lease up process:
KCHA expects to utilize a pre-lease up inspection protocol to ensure appropriate housing quality. Prior to lease up KCHA trained staff will conduct habitability inspections using the ESG Minimum Habitability checklist to ensure that the unit is safe, decent, sanitary and in good repair.⁶ KCHA intends to use the ESG Minimum Habitability checklist as the primary inspection tool for this activity and will require all assisted units to meet the applicable requirements of 24 CFR 5.703, including standards related to sanitary conditions, health and safety, and structural soundness. Following lease-up, KCHA will conduct ongoing habitability inspections at the same frequency as inspections conducted under its regular Housing Choice Voucher program, which is currently biennial. KCHA reserves the right to conduct additional inspections in response to complaints, reported deficiencies, or other circumstances that raise concerns regarding unit conditions.

KCHA will likely issue full or partial subsidy payment to new participants prior to lease up to help expedite the search process. Any overpayment or underpayment would be adjusted for and reflected in the subsidy paid for subsequent months based on actual rent amount. This is an attempt to match the conditions of KCHA's regular HCV program; DRA participants will have access to a similar suite of search and mobility supports as they would under KCHA's HCV program.

- Verifications:
Because there is no HAP contract or landlord-PHA relationship under DRA, to maintain ongoing subsidy payments, participants will be required to provide KCHA with a current, active lease at all times, including all renewals, addenda, and new leases. Households that move with continued assistance must complete the same process and verifications and at initial lease up. Subsidy adjustment may be necessary based on the payment standard applicable to the new unit's location.

KCHA will regularly verify rent payment to the landlord by requiring regular documentation of rent paid (e.g., quarterly for the first year and annually thereafter).

In cases where households do not inform KCHA of a change in residential circumstances according to program rules, KCHA will seek to recoup any over-payments.

- Tenant Protections

Currently, the HCV program provides guidance regarding tenant protections through a briefing prior to voucher issuance. KCHA's DRA program will mirror this approach and apply the existing Hardship Policy to recipients of Direct Rental Assistance. As such, tenant protections such as VAWA and Fair Housing will be included in this onboarding session.

Pursuant to KCHA's Admin Plan for the HCV program and prior to any loss of assistance, KCHA will provide DRA participants with the opportunity to request an informal hearing. Determinations for continued assistance relating to the individual circumstances of the household will then be based on a preponderance of the evidence/documentation presented at this hearing. Beyond this process, there will be no additional hardship or grievance policies.

KCHA does not plan to apply this proposed activity to any SPV types.

ii. **Achieving a Statutory Objective: *Increasing Housing Choice***

The Direct Rental Assistance program will increase housing choice by reducing barriers to leasing in the private market and providing participants with greater flexibility in selecting units. KCHA expects the simplified subsidy calculation and reduced administrative steps will also improve administrative efficiency.

iii. **Implementation Schedule**

KCHA expects to begin piloting the DRA program in early 2027.

B. COST IMPLICATIONS

- i. The ongoing subsidy provided to households will be similar in size to those on average paid for the broader tenant-based Housing Choice Voucher program. Research participation may temporarily increase administrative workload; however, costs are expected to be similar to HCV, and longer term, the program may result in administrative efficiencies that reduce program costs.

KCHA expects to enroll up to 125 households in the DRA RCT. Based on KCHA's average MTW Block Grant Voucher housing assistance cost of \$1,437 per household per month, KCHA estimates annual housing assistance expenditures of up to \$2.16 million per year. Approximately 2 to 3 FTEs will be dedicated to DRA program administration. The evaluation costs will be borne by MDRC through philanthropic support it receives.

C. NEED/JUSTIFICATION:

- i. Applicable MTW Authorization(s): MTW Agreement, Attachment D: Use of MTW Funds and Attachment C(B)(1): Single fund budget with full flexibility. This MTW strategy is also authorized under PIH Notice 2011-45: Parameters for Local, Non-Traditional Activities under the Moving to Work Demonstration Program as it does not follow standard HCV leasing requirements.

SECTION IV

APPROVED MTW ACTIVITIES

A. IMPLEMENTED ACTIVITIES

The following table provides an overview of KCHA's implemented activities, and the statutory objectives they aim to meet. KCHA has received HUD approval to apply all of these flexibilities to our SPV vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

Year-Activity #	MTW Activity	Statutory Objective
2026-1	Housing Continuity Rental Assistance	Housing Choice
2025-1	Young Adult Prosperity Program (YAPP)	Self-sufficiency
2024-1	Employment Sponsorship Program	Self-sufficiency
2024-2	Local Homeownership Program	Housing Choice
2022-1 & 2019-1	Acquire and Develop New Affordable Housing	Housing Choice
2018-1	Encouraging the Successful Lease-up of the Housing Choice Voucher Program	Housing Choice
2016-2	Conversion of Former Opt-out Developments to Public Housing	Cost-effectiveness
2015-2	Reporting on the Use of Net Proceeds from Disposition Activities	Cost-effectiveness
2014-2	Revised Definition of "Family"	Housing Choice
2013-1	Passage Point Re-entry Housing Program	Housing Choice
2013-2	Flexible Rental Assistance	Housing Choice
2009-1	Project-based Section 8 Local Program Contract Term	Housing Choice
2008-1	Acquire New Public Housing	Housing Choice
2008-3	FSS Program Modifications	Self-sufficiency
2008-10 & 2008-11	EASY and WIN Rent Policies	Cost-effectiveness
2008-21	Public Housing and Housing Choice Voucher Utility Allowances	Cost-effectiveness
2007-6	Develop a Sponsor-based Housing Program	Housing Choice
2007-14	Enhanced Transfer Policy	Cost-effectiveness
2005-4	Payment Standard Changes	Housing Choice
2004-2	Local Project-based Section 8 Program	Cost-effectiveness
2004-3	Develop Site-based Waiting Lists	Housing Choice
2004-5	Modified Housing Quality Standards Inspection Protocols	Cost-effectiveness
2004-7	Streamlining Public Housing and Housing Choice Voucher Forms and Data Processing	Cost-effectiveness
2004-9	Rent Reasonableness Modifications	Cost-effectiveness
2004-12	Energy Performance Contracting	Cost-effectiveness
2004-16	Housing Choice Voucher Occupancy Requirements	Cost-effectiveness

ACTIVITY 2026-1: Housing Continuity Rental Assistance

MTW STATUTORY OBJECTIVE: Increase Housing Choice

APPROVAL: 2026

IMPLEMENTED: 2027

KCHA is committed to maximizing the reach and sustainability of housing assistance and, through its Moving to Work (MTW) designation, has expanded support to an additional 1,300 households. However, rising rents and limited housing supply continue to drive demand far beyond available resources, while potential federal funding reductions or policy changes threaten housing stability and could increase homelessness. One imminent concern is the expiration of federal funding for approximately 650 Emergency Housing Voucher (EHV) households. Although KCHA has been working to transition as many of these households as possible into its regular Housing Choice Voucher program, capacity constraints may limit that effort. As a result, KCHA is developing additional tools and strategies to mitigate the impact of EHV funding expiration and other potential funding shortfalls or policy changes that could place assisted households at risk.

Description: A special term-limited rental subsidy program to extend critical housing assistance for households eligible for federal assistance who would otherwise be cut off from assistance for reasons not caused by the household. Term limits for the program would likely be no less than one year and up to three years, largely driven by funding availability. Assistance duration will be based on established criteria such as household needs, barriers to housing stability, and resource management considerations. KCHA anticipates utilizing its existing MTW rent/HAP calculation methods for this program. The program may also include incentives to help participants build savings in preparation for subsidy termination. KCHA may offer incentives such as savings or escrow-style accounts, financial coaching and budgeting supports, housing navigation supports, or financial assistance based upon engagement in stabilization activities.

Transitions from other voucher types to this program may be treated as transfers. KCHA will establish criteria to prioritize eligible households. Criteria may include factors such as vulnerability indicators and long-term subsidy needs. KCHA will allow an interruption of assistance for a reasonable amount of time while maintaining transfer status prior to program enrollment.

KCHA does not plan to apply this proposed activity to any SPV types at this time.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: Similar to for EHV holders whose funding has expired, KCHA intends to offer another form of non-tenant-based assistance to participants in this activity when a unit becomes available upon expiration of the initial year of assistance.

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2025-1: Young Adult Prosperity Program (YAPP)

MTW STATUTORY OBJECTIVE: Increase Self-sufficiency

APPROVAL: 2025

IMPLEMENTED: 2026

Working with the Washington State Department of Children, Youth Families (DCYF) along with expert local youth-centered provider partners, KCHA administers Foster Youth to Independence (FYI) vouchers and Family Unification Program (FUP) Youth vouchers, dedicated to young adults who are exiting foster care and those who were previously in foster care and are now experiencing homelessness. While these participants are eligible for participation under KCHA's Family Self-Sufficiency (FSS) program, the traditional program model is not tailored or designed in a manner that is developmentally appropriate for young adults and does not address the unique circumstances and common barriers faced by youth and young adults in King County.

DESCRIPTION: KCHA created a local MTW self-sufficiency program, the Young Adult Prosperity Program (YAPP). YAPP does not replace the traditional FSS program. Rather it is aimed specifically at households that have FYI and FUP youth vouchers. YAPP will include self-sufficiency services coordinated with and complimentary to existing FUP-youth and FYI case management services provided by KCHA's long-time partner the YMCA and may incorporate incentives that are tied to program-specific pathways and goals.

The program design will include, but not be limited to, the following:

- A contract of participation describing the targeted contract completion date and family obligations (program requirements).
- Participant identified goal(s), active participation in an education or career pathway plan and development of life skills in support of successful goal achievement.
- Youth-centered case management with minimum meetings with a coordinator to facilitate timely and relevant goals and service plan.
- Up to \$500 per month in incentives by meeting program-wide and individual goals. KCHA may require some or all incentive payments be deposited into an escrow account based on participation terms and personal objectives. KCHA will establish guidelines for the use of escrow funds that align with program goals. Incentive payments are excluded from rent calculation income.

YAPP provides services designed to meet the unique needs of FYI and FUP youth participants while addressing system service gaps, increasing youth voucher participants' level of engagement and better supporting their ability to build life skills, economic independence, and long-term housing stability. Self-sufficiency services may incorporate attainment of a General Equivalency Diploma (GED), connections to resources to help finance post-secondary and technical school attendance,

job preparedness coaching, job training programs, internships and employment opportunities; and other pathways to self-sufficiency identified by YAPP young adults. YAPP will also serve to meet related service participation requirements to qualify for HUD-allowable voucher extension beyond the initial three years as described in the Fostering Stable Housing Opportunities Amendment. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

UPDATE: KCHA successfully began enrollment in 2026 and enrolled eligible households consistent with program objectives.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2024-1: Employment Sponsorship Program

MTW STATUTORY OBJECTIVE: Increase Self-sufficiency

APPROVAL: 2024

IMPLEMENTED: 2024

In 2022, the median annual income of residents of KCHA's federally subsidized housing programs was \$13,266. Households with a member able to work had a median income from wage earnings of about \$32,591. Yet high housing costs in King County mean that households need annual incomes of about \$84,000 to afford a one-bedroom rental unit, and \$98,000 to afford a two-bedroom rental unit.⁵ There is a significant opportunity to create greater access to employment and career training programs that increase long-term earnings for residents of subsidized housing.

DESCRIPTION: The Employment Sponsorship Program will promote self-sufficiency among residents by providing unique opportunities to gain on-the-job skills and opportunities in permanent positions that pay living wages.

UPDATE: KCHA is continuing to work with residents, staff, and workforce development service providers to design an employment sponsorship program that will provide opportunities for participants in KCHA's housing programs to engage in job training programs or introductory positions that support a transition to permanent career opportunities. Employment sponsorship activities may include an internship, apprenticeship, a time-limited employment opportunity, or other workforce development training programs. As stated in the agency's approved 2024 MTW Plan, any wages, stipend, or other payments earned through the program would not impact a

⁵ Out of Reach Report. 2023. National Low Income Housing Coalition. www.nlihc.org/oor/state/wa

household's income calculation for a set period of time. This program broadens an existing exclusion for income received due to participation in HUD-funded training programs to include those paid for by KCHA or another provider. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2024-2: Local Homeownership Program

MTW STATUTORY OBJECTIVE: Increase Housing Choice

APPROVAL: 2024

IMPLEMENTED: 2024

The high cost of housing and limited development of lower-cost housing types in KCHA's jurisdiction, combined with the level of subsidy needed to make a home affordable, is largely incongruous with HUD's traditional Housing Choice Voucher Homeownership Program. KCHA is committed to finding ways to support homeownership opportunities for low-income households in King County.

DESCRIPTION: KCHA is committed to finding ways to support homeownership opportunities for low-income households in King County. KCHA received approval to make modifications to HUD's traditional HCV Homeownership Program to operate more effectively within local conditions. As stated in the agency's approved 2025 MTW Annual Plan, KCHA makes monthly housing assistance payments on behalf of low-income homeownership voucher holders to assist in meeting their monthly homeownership obligations. Requirements for program participation may include, but are not limited to the following:

- Must be a program participant in good standing.
- Eligible households must attend pre-purchase and post-purchase homeownership counseling programs. With the aim of assisting program participants reach this requirement, KCHA may develop community partnerships and utilize our internal Resident Services Department to remove barriers and increase access to homeownership classes, credit counseling, and financial education activities.
- Any home must pass an inspection approved by KCHA.

The approved changes that KCHA has made to the traditional homeownership program include, but are not limited to:

- Alternative eligibility requirements, including those related to minimum household income, sustained employment, removal of first-time homebuyer requirements, and additional modifications reasonably related to the ability to purchase a home.
- Lowering or eliminating the minimum homeowner contribution requirement.
- An alternative homeownership payment standard that differs from KCHA's multi-tiered HCV payment standards, and/or the establishment of a standard monthly homeownership subsidy amount.
- Alternative time limitations on subsidy assistance of up to 20 years under certain conditions.
- Instead of a KCHA inspection, the home may be inspected by an independent licensed home inspector approved by KCHA. Mortgage assistance will not begin until KCHA reviews and approves the inspection, and KCHA may deny assistance based on the inspection results. (FY 2026)

This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2022-1 & 2019-1: Acquire and Develop New Affordable Housing

MTW STATUTORY OBJECTIVE: Increase Housing Choice

APPROVAL: 2019

IMPLEMENTED: 2019

This activity seeks to address a common barrier to the development of affordable housing. While traditional third-party debt can support a significant portion of total development or acquisition costs, it generally is not sufficient to finance the full cost of a property's acquisition or new development. MTW funds for development, acquisition, financing, or renovation costs can mitigate this financing gap in whole or in part, in accordance with PIH Notice 2011-45.

DESCRIPTION: To expand agency and regional efforts, KCHA re-proposed and was granted approval to modify Activity 2019-1 in order to allow MTW funds to be used to support the development or acquisition of non-federally subsidized affordable housing, including properties owned or controlled by KCHA (already approved by HUD) and those owned or operated by nonprofit entities. Properties supported by this effort may include, but are not limited to, properties also leveraging Low Income Housing Tax Credits (LIHTC) and other federal, state, and local funding sources. Funding provided under this activity may be structured as a loan (or internal loan when supporting a KCHA-owned property), a financial equity contribution to a development, or a recoverable grant. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

KCHA may continue to use MTW funds to support local nonprofits in the acquisition, rehabilitation, or development of small- to medium-sized properties in King County, and will continue to leverage previously authorized flexibility under this activity to support KCHA's Trailhead development, a non-federally subsidized 168-unit family complex in Issaquah, and similar ventures.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2018-1: Encouraging the Successful Lease-up of the Housing Choice Voucher Program

MTW STATUTORY OBJECTIVE: Increase Housing Choice

APPROVAL: 2018

IMPLEMENTED: 2018

King County's low vacancy rate, coupled with the large number of affluent and skilled workers moving to the county, make it difficult for KCHA's voucher holders to compete in the private housing market. The shopping success rate after eight months of searching hovers around 66% — an achievement in this market but lower than our agency stretch goal of 80%.

DESCRIPTION: KCHA is working to increase shopping success rates by streamlining the lease up process and removing barriers in an especially competitive rental market by allowing landlords to inspect and self-certify that the unit passes HUD's standards. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

UPDATE: The program's three pilot phases have been implemented, including: (1) allowing self-certifications for newly constructed, not-previously-occupied units issued a Certificate of

Occupancy or Temporary Certificate of Occupancy; (2) allowing KCHA-owned properties built after 1978 to self-certify; and (3) allowing non-KCHA affiliated LIHTC properties to self-certify. These efficiencies are enabling faster lease-up times and cause less disruption for landlords while ensuring program compliance. Following the implementation of the three-phase self-certification pilot, KCHA has made permanent the self-certification options for certain types of buildings, including newly constructed buildings, KCHA-owned sites built after 1978, and non-KCHA affiliated LIHTC properties.⁶

In addition to strategies to improve landlord recruitment and retention, KCHA will continue to invest in strategies to aid voucher holders in leasing a unit in the geographic location of their choice. Examples of previously implemented activities include: providing access to a security deposit assistance fund; use of multi-tiered, ZIP code-based payment standards; and continuing to focus on the customer experience.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2016-2: Conversion of Former Opt-out Developments to Public Housing

MTW STATUTORY OBJECTIVE: Increase Cost-effectiveness

APPROVAL: 2016

IMPLEMENTED: 2016

The process to convert a property's subsidy model from project-based Section 8 to Public Housing is slow, burdensome, and administratively complex. Under current federal guidelines, units convert only when the original resident moves out with a voucher. This transition is gradual, and at properties that house seniors or residents with disabilities, turnover of units tends to be particularly low. At the same time, two sets of rules — project-based Section 8 and Public Housing — simultaneously govern the management of the development, adding to the administrative complexity of providing housing assistance.

DESCRIPTION: This policy allows KCHA to convert entire Project-based Section 8 opt-out properties to Public Housing at once, while preserving the rights of existing tenants. This activity builds on KCHA's previously approved initiative (2008-1) to expand housing through the use of banked Public Housing ACC units. KCHA can convert former project-based "opt-out" sites to Public Housing through the development process outlined in 24 CFR 905, rather than through the typical

⁶ For additional detail, see Activity 2004-5.

gradual transition. As a result, this policy greatly streamlines operations and increases administrative efficiency.

With transition to Public Housing subsidy, current enhanced voucher participants retain protections against future rent increases in much the same manner previously provided. As Public Housing residents, these households pay an affordable rent (based on policies outlined in KCHA's Public Housing Admissions and Continued Occupancy Policy) and thus remain protected from a private owner's decision to increase the contract rent. At the same time, KCHA's MTW-enhanced Transfer Policy ensures that former enhanced voucher recipients retain the same (if not greater) opportunity for mobility by providing access to transfer to other subsidized units within KCHA's housing portfolio or through use of a general Housing Choice Voucher, should future need arise.

KCHA works with affected residents of selected former opt-out properties, providing ample notification and information (including the right to move using a general voucher for current enhanced voucher participants) in order to ensure the development's seamless transition to the Public Housing program. **This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.**

UPDATE: This activity continues to be implemented as approved.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2015-2: Reporting on the Use of Net Proceeds from Disposition Activities

MTW STATUTORY OBJECTIVE: Increase Cost-effectiveness

APPROVAL: 2015

IMPLEMENTED: 2015

The reporting process for the use of net proceeds from KCHA's disposition activities is duplicative and burdensome. The reporting protocol for the MTW program aligns with the Section 18 disposition code reporting requirements, allowing for an opportunity to simplify this process.

DESCRIPTION: This streamlining activity allows time-savings and administrative efficiencies while continuing to adhere to the guidelines outlined in 24 CFR 941 Subpart F of Section 18 demolition and disposition code. We use our net proceeds from disposition in some of the following ways, all of which are accepted uses under Section 18(a)(5):

- Repair or rehabilitation of existing ACC units.

- Development and/or acquisition of new ACC units.
- Provision of social services for residents.
- Implementation of a preventative and routine maintenance strategy for specific single-family scattered-site ACC units.
- Modernization of a portion of a residential building in our inventory to develop a recreation room, laundry room, or day-care facility for residents.
- Leveraging of proceeds in order to partner with a private entity for the purpose of developing mixed-finance Public Housing under 24 CFR 905.604.

KCHA reports on the uses of net proceeds from disposition activities, including administrative and overhead costs, in the annual MTW report. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2014-2: Revised Definition of "Family"

MTW STATUTORY OBJECTIVE: Increase Housing Choice

APPROVAL: 2014

IMPLEMENTED: 2014

In 2024, 1,037 households experiencing homelessness in King County were families with children.⁷ Thousands more elders and people with disabilities, many with severe rent burdens, are experiencing homelessness and often on our waiting lists.

DESCRIPTION: This policy directs KCHA's limited resources to populations facing the greatest need: elderly and near-elderly households; people with disabilities; families with children; and heads of household designated as emancipated minors (aged 16 and above) pursuant to Washington State regulations. We modified the eligibility standards outlined in the Public Housing Admissions and Continued Occupancy Policy (ACOP) and HCV Administrative Plans to limit eligible households to those that include at least one elderly member, person with a disability, or a minor/dependent child. The current policy affects only admissions and does not affect the eligibility of households currently receiving assistance. Exceptions will be made for participants in programs that target specialized populations, such as survivors of domestic violence or individuals experiencing chronic homelessness. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI,

⁷ King County Regional Homelessness Authority: [Point-In-Time Count - KCRHA](https://kcrha.org/community-data/king-county-point-in-time-count/) <https://kcrha.org/community-data/king-county-point-in-time-count/>

Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

UPDATE: See Appendix G for information regarding how this activity may also be utilized by Sedro Woolley Housing Authority as an MTW Partner Agency. As RAD conversions occur, this MTW activity may be applied to RAD PBV households, as applicable.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2013-1: Passage Point Re-Entry Housing Program

MTW STATUTORY OBJECTIVE: Increase Housing Choice

APPROVAL: 2013

IMPLEMENTED: 2013

Between July 2020 and June 2023, 989 individuals in King County returned to the community after a period of incarceration.⁸ In 2016 (the most recent year statistics are available), 47% of all state prisoners nationally and 57% of all federal prisoners were parents with at least one minor child. Among those minors, 19% with a parent in state prison and 13% with a parent in federal prison were age 4 or younger.⁹ Parents typically face barriers to securing housing and employment upon release from prison due to their criminal record or lack of traditional job skills. Without a home or employment, many are unable to reunite with their children, and their children remain at risk of poorer life outcomes.

DESCRIPTION: Passage Point is a unique supportive housing program in Maple Valley that serves parents trying to reunify with their children following a period of incarceration, improving outcomes for both parents and children. KCHA provides 46 Project-based Vouchers (PBV) while the YWCA Seattle | King | Snohomish provides property management and supportive services. The YWCA identifies eligible individuals through outreach to prisons and correctional facilities and through relationships with the local public child welfare agency. In contrast to typical transitional housing programs that have strict 24-month occupancy limits, Passage Point residents may remain in place until they have completed the reunification process, are stabilized in employment, and are able to succeed in a less service-intensive environment. Passage Point residents who complete the program and regain custody of their children may apply to KCHA's Public Housing program and receive priority placement on the waiting list. This activity applies to KCHA's Special Purpose

⁸ Washington State Department of Corrections. Number of Prison Releases by County of Release. www.doc.wa.gov/docs/publications/reports/200-RE001.pdf

⁹ Maruschak, L.M, Bronson, J., and Alper, M. (2021). Survey of Prison Inmates, 2016: Parents in Prison and Their Minor Children. <https://bjs.ojp.gov/content/pub/pdf/pptmcspi16st.pdf>

Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

UPDATE: This activity continues to be implemented as approved.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: No modifications are anticipated. As mentioned in previous plans, in 2027 KCHA may extend the priority waiting list placement to other developments managed by the agency, including Project-Based Voucher properties that were formerly public housing.

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2013-2: Flexible Rental Assistance

MTW STATUTORY OBJECTIVE: Increase Housing Choice

APPROVAL: 2013

IMPLEMENTED: 2013

The one-size-fits-all approach of traditional federal housing programs does not provide the flexibility needed to quickly and effectively meet the needs of low-income households facing distinct housing crises. In many of these cases, time-limited, short-term rental assistance paired with responsive, individualized case management can help a family or individual out of a crisis situation and into stable housing.

DESCRIPTION: This activity, developed with local service providers and cross-sector partners, offers tailored flexible housing assistance programs to families and individuals experiencing homelessness. KCHA provides flexible financial and rental assistance, which could include time-limited rental subsidy, security deposits, rent arrears, and funds to cover move-in costs, while our partners provide individualized support services. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

UPDATE: KCHA currently administers two distinct flexible rental assistance programs:

- Student and Family Stability Initiative (SFSI): For families with students in K-12 public schools in two local school districts, SFSI pairs short-term rental assistance with housing stability and eviction prevention services that follow the Rapid Rehousing model, coupled with employment navigation services for families experiencing homelessness. School-based McKinney-Vento liaisons identify and connect these families with a community-based service provider under contract with KCHA. The caseworkers of the community-based

provider have the flexibility to determine the most effective approach to quickly stabilize the family in housing.

- While in School Housing Program (WISH): Implemented as part of KCHA's 2019 MTW Plan, flexible housing assistance is provided to college students experiencing homelessness or housing instability. This tenant-based, time-limited subsidy, developed in partnership with Highline College, provides up to 54 months of housing support while leveraging existing on-campus services that support students beyond their housing needs. This program was launched in 2020 with 40 vouchers and today serves up to 70 students at any one time.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: KCHA will continue the exploration of using its flexible rental assistance activity to support:

- Households experiencing or at imminent risk of housing instability, including those fleeing domestic violence, dating violence, sexual assault, stalking, eviction, or other forms of housing loss.
- EHV participants that lose their voucher due to the depletion of EHV funding
- Other KCHA subsidized housing participants who lose their regular subsidy due to no fault of their own (such as funding shortfalls, term limits, or other reasons not caused by the household) but are otherwise eligible for MTW-funded assistance.

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2009-1: Project-based Section 8 Local Program Contract Term

MTW STATUTORY OBJECTIVE: Increase Housing Choice

APPROVAL: 2009

IMPLEMENTED: 2009

Nonprofit and public developers have faced difficulties securing private financing for the development and acquisition of affordable housing projects where short-term rental assistance commitments provided the cash flow. Measured against banking and private financial equity underwriting standards, the maximum Housing Assistance Payments (HAP) contract term allowed by HUD is too short and hinders the underwriting of debt on affordable housing projects.

DESCRIPTION: This activity extends the allowable term for Project-based Section 8 contracts up to 30 years for the initial HAP term and a 30-year cumulative maximum contract renewal term, not to exceed 60 years total. The longer term assists our partners in underwriting and leveraging private financing for development and acquisition projects. At the same time, the longer-term commitment of Project-based contracts signals to lenders and underwriters that the proposed development has sufficient cash flow to take on the debt necessary to develop or acquire

affordable housing units. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

UPDATE: This activity continues to be implemented as approved. As RAD conversions occur, this MTW activity may be applied to RAD PBV households, as applicable.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2008-1: Acquire New Public Housing

MTW STATUTORY OBJECTIVE: Increase Housing Choice

APPROVAL: 2008

IMPLEMENTED: 2008

In King County there are only about 20 affordable and available units for every 100 extremely low-income renter households.¹⁰ Given the gap between the availability of affordable housing and the number of low-income renters, KCHA must continue to increase the inventory of units that are affordable to extremely low-income households.

DESCRIPTION: KCHA's Public Housing Annual Contributions Contract (ACC) is currently below the Faircloth limit in the number of allowable units. These "banked" Public Housing subsidies allow us to add to the affordable housing supply in the region by acquiring new units. This approach is challenging, however, because Public Housing units cannot support debt. We continue our innovative use of MTW working capital, with a particular focus on the creation or preservation of units in high-opportunity neighborhoods. We further simplify the acquisition and addition of units to our Public Housing inventory by collaborating with the local HUD field office to streamline the information needed to add these units to the PIH Information Center (PIC) system and obtain operating and capital subsidies. We also use a process for self-certification of neighborhood suitability standards and Faircloth limits, necessitating the flexibility granted in Attachment D, Section D of our MTW Agreement. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

UPDATE: KCHA continues to look for strategic opportunities to acquire existing private-market properties and turn on banked public housing ACC, both of which may occur within a plan year. For ACC units that we own or acquire, and that meet the definition of physically obsolete, Section

¹⁰ US Census Bureau, American Community Survey 2021 1-year estimate, as reported by the King County Regional Affordable Housing Dashboard. www.kingcounty.gov/depts/community-human-services/housing/affordable-housing-committee/data.aspx

18 will remain a valuable tool in rehabilitation efforts. Combined with this approach through the plan year, KCHA will provide HUD with the respective property's date of construction completion rather than the DOFA date so that while determining the capital fund subsidy in accordance with CFR 905.400(d)(1)(iii), HUD can calculate the age of the project for estimated accrual need.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2008-3: FSS Program Modifications

MTW STATUTORY OBJECTIVE: Increase Self-sufficiency

APPROVAL: 2008

IMPLEMENTED: 2018

Nationally, only about 25% of low-income households that qualify for housing assistance receive it. For more households with limited resources to be served, subsidized households need to be supported in their efforts to achieve economic independence and cycle out of the program. HUD's standard Family Self-Sufficiency (FSS) program may not provide the full range of services and incentives necessary to support greater self-sufficiency among participants.

DESCRIPTION: KCHA is implementing modifications to the FSS program that could increase incentives for resident participation, education and training outcomes, and income growth. With KCHA's rent policy, the new Contract of Participation (COP) length can potentially decrease the number of families served. Through MTW flexibility, the COP will begin on the first day of the following month that is signed and will be in effect for five years, with possible extensions for up to two years. In order to serve even more families, FSS families that are actively seeking employment at contract end date — and are ready to move to market-rate housing or homeownership — will be deemed as successful participants and can graduate from the program. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

UPDATE: We continue to explore the manner and rate at which participants accumulate and access escrow funds as part of a broader economic mobility strategic planning process. As RAD conversions occur, this MTW activity may be applied to RAD PBV households, as applicable.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2008-10 and 2008-11: EASY and WIN Rent Policies

MTW STATUTORY OBJECTIVE: Increase Cost-effectiveness

APPROVAL: 2008

IMPLEMENTED: 2008

The administration of rental subsidies under existing HUD rules can be complex and confusing to the residents we serve. Significant staff time was being spent complying with federal requirements that do not promote better outcomes for residents, safeguard program integrity, or save taxpayer money. The rules regarding medical deductions, annual reviews and recertifications, and income calculations were cumbersome and often hard to understand. In addition, many households headed by seniors and people with disabilities live on fixed incomes that change only when there is a Cost of Living Adjustment (COLA), making annual reviews superfluous. For working households, HUD's rent rules include complications that serve as disincentives to income progression and make program compliance challenging for staff and residents.

DESCRIPTION: KCHA has instituted two comprehensive rent reform policies. The first, EASY Rent, simplifies rent calculations and recertifications for households headed by a senior or person with a disability who derive 90% of their income from a fixed source (such as Social Security, Supplemental Security Income [SSI] or pension benefits), and are enrolled in our Public Housing, Housing Choice Voucher, or project-based Section 8 programs. Rents are calculated at an alternative percentage of adjusted income. EASY Rent streamlines KCHA operations and simplifies the burden placed on residents by reducing recertification reviews to a three-year cycle and placing rent adjustments based on COLA increases in Social Security and SSI payments on an annual cycle.

The second policy, WIN Rent, was implemented in FY 2010 to encourage increased economic self-sufficiency among households where individuals are able to work. WIN Rent is calculated based on a series of income bands and the tenant's share of the rent is calculated at a set percentage of the lower end of each income band. This tiered system is designed to incentivize increases in earnings towards economic self-sufficiency, as the tenant's rent does not change until household income increases to the next band level. Additionally, recertifications are conducted biennially instead of annually, allowing households to retain all increases in earnings during that time period without an accompanying increase to the tenant's share of rent. In addition to changes to the recertification cycle, we also have streamlined processing and reviews. For example, we limit the number of tenant-requested reviews to reduce rent to two occurrences in a two-year period in the WIN Rent program.

Under both rent structures - EASY and WIN Rent - income includes amounts anticipated to be received and adjusted only by deductions for eligible childcare, medical and disability-related

expenses in bands, up to a cap of \$10,000. Both rent structures also eliminate flat rents, income disregards, and all other deductions/allowances and they exclude the employment income of household members under age 21. Households with little or no income are given a temporary reprieve during which they are able to pay a lower rent or, in some cases, receive a credit payment. Following this period, household rent will be set at a minimum monthly payment, which may differ between WIN Rent and EASY Rent, regardless of income calculation.

KCHA may implement changes to address imminent and emergent program needs. For example, updated WIN Rent program Income Bands and Rent Tables may be modified and the percentage of income used when calculating rent for EASY Rent Households may be adjusted to allow KCHA to effectively respond to economic conditions and help ensure short and long-term program viability.

See Appendix G for information regarding how this activity may also be utilized by Sedro Woolley Housing Authority as an MTW Partner Agency.

This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

KCHA regularly assesses the impacts of regulatory and other HUD changes, including final regulations implementing HOTMA Sections 102 and 104, on the agency's existing policies. KCHA continues to leverage our MTW authority waiving HUD regulations in favor of local policies related to rent determination including recertifications, interim reexaminations, income calculations, deductions/allowances, and asset limitations.

UPDATE: KCHA is reviewing findings from the EASY and WIN rent policy evaluation by Abt Global LLC and may consider future policy refinements based on evaluation results and additional analysis.

This activity continues to be implemented as approved. As RAD conversions occur, this MTW activity may be applied to RAD PBV households, as applicable.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: In 2027, KCHA may modify its local minimum rent levels as part of a broader strategy to support its financial capacity to continue to serve as many households as feasible. In addition, KCHA may continue the exploration of modifying exclusion of student financial assistance under the HCV program – simplifying program administration by mirroring the exclusion that applies to Public Housing program residents. Other non-significant changes, such as clarification regarding when changes in rent resulting from a KCHA-required or tenant-requested review become effective, may also be implemented.

In 2027, KCHA also plans to review its asset policies to reduce administrative burden and streamline asset-related determinations. For example, KCHA may establish an asset threshold of up to \$200,000 and/or modify policies relating the definition asset and verification/calculation of asset income for purposes of applying simplified and streamlined asset requirements, as determined by KCHA policy. In the interim, KCHA will continue to apply its current MTW-based asset threshold and passbook rate policy for the calculation of asset income.

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2008-21: Public Housing and Housing Choice Voucher Utility Allowances

MTW STATUTORY OBJECTIVE: Increase Cost-effectiveness

APPROVAL: 2008

IMPLEMENTED: 2010

KCHA was spending an estimated \$20,000 or more annually in staff time to administer utility allowances under HUD's one-size-fits-all national guidelines. HUD's national approach did not to capture average consumption levels in the Puget Sound area.

DESCRIPTION: This activity simplifies the HUD rules on Public Housing and HCV Utility Allowances by applying a single methodology that reflects local consumption patterns and costs. Before this policy change, allowances were calculated for individual units and households using different rules under the various HUD programs. Additionally, HUD required an immediate update of the allowances with each cumulative 10% rate increase by utility companies.

Now, KCHA provides allowance adjustments annually when the Consumer Price Index produces a cumulative change of more than 10% rather than every time an adjustment is made to the utility equation. We worked with data from a Seattle City Light study completed in late 2009 to identify key factors in household energy use and develop average consumption levels for various types of units in the Puget Sound region. We used this information to create a new utility schedule that considers multiple factors: type of unit (single vs. multi-family); size of unit; high-rise vs. low-rise units; and the utility provider. We modified allowances for units where the resident pays water and/or sewer charges. KCHA's Hardship Policy, adopted in July 2010, also allows KCHA to respond to unique household or property circumstances, and documented cases of financial hardship.

See Appendix G for information regarding how this activity may also be utilized by Sedro Woolley Housing Authority as an MTW Partner Agency.

This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

KCHA regularly assesses the impacts of regulatory and other HUD changes, including final regulations implementing HOTMA Sections 102 and 104, on the agency's existing policies. KCHA continues to leverage our MTW authority waiving HUD regulations in favor of local policies related to utility allowances.

UPDATE: This activity continues to be implemented as approved. As RAD conversions occur, this MTW activity may be applied to RAD PBV households, as applicable.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY:

- KCHA may implement a policy allowing alternative utility allowances for certain properties that meet sustainability criteria. In analyzing and implementing this policy, KCHA would establish criteria for energy modeling reports or other tools used to determine the alternative EAS, limit eligibility to certain types of properties, and establish criteria regarding periodic updates to models and approved allowances.
- In 2027, KCHA will continue to explore making changes to the content, structure, and scope of our utility allowances to better meet the needs of households living in our subsidized housing or the long-term viability of the housing programs. If KCHA pursues such changes in addition to those related to project-based vouchers, we will ensure that the proper public process is followed.

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None.

ACTIVITY 2007-6: Develop a Sponsor-based Housing Program

MTW STATUTORY OBJECTIVE: Increase Housing Choice

APPROVAL: 2007

IMPLEMENTED: 2007

According to the King County Regional Homelessness Authority's most recent Point-in-Time Count in January 2024, 16,385 people in the county lacked housing, and about half of them (49%) reported that they were experiencing chronic homelessness.¹¹

DESCRIPTION: KCHA provides housing funds directly to our behavioral health care and nonprofit partners, including Sound and Navos. Providers use the funds to provide affordable housing to subsidy program participants. The programs operate as scattered site permanent supportive

¹¹ 2024 Point in Time Count. King County Regional Homelessness Authority. <https://kcrha.org/data-overview/king-county-point-in-time-count>

housing, which couples individualized services with affordable housing that help residents maintain long-term housing stability. As openings occur, recipients are referred through the mental health system, street outreach teams, and King County's Coordinated Entry system. Once a participant is stabilized and ready for a more independent living environment, KCHA works with King County government to offer a move-on strategy as tenant-based non-elderly disability voucher, issued by KCHA are available. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

UPDATE: This activity continues to be implemented as approved.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2007-14: Enhanced Transfer Policy

MTW STATUTORY OBJECTIVE: Increase Cost-effectiveness

APPROVAL: 2007

IMPLEMENTED: 2007

HUD rules restrict a resident to move from Public Housing to HCV, from HCV to Public Housing, or between voucher types. This hampers KCHA's ability to meet the needs of our residents. For example, project-based Section 8 residents may need to move if their physical abilities change and they no longer can access an upper-story, walk-up apartment. A Public Housing property may have an accessible unit available. Under traditional HUD regulations, this resident would not be able to move into this available unit.

DESCRIPTION: KCHA's policy allows a resident to transfer among KCHA's various subsidized programs and expedites access to Uniform Federal Accessibility Standards (UFAS)-rated units for mobility-impaired households. In addition to mobility needs, a household might grow in size and require a larger unit with more bedrooms. The enhanced transfer policy allows a household to move to a larger unit when one becomes available in either program. In 2009, KCHA took this one step further by actively encouraging over-housed or under-housed residents to transfer when an appropriately sized unit becomes available through incentive payments. The flexibility provided through this policy allows us to swiftly meet the needs of our residents by housing them in a unit that suits their situation best and enables KCHA to provide the most efficient fit of family to unit size, regardless of which federal subsidy is being received. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

UPDATE: See Appendix G for information regarding how this activity may also be utilized by Sedro Woolley Housing Authority as an MTW Partner Agency.

This activity continues to be implemented as approved. As RAD conversions occur, this MTW activity may be applied to RAD PBV households, as applicable.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: In 2027, KCHA may introduce changes that clarify policy and streamline the transfer process to better meet identified needs of our clients, promote housing stability and ensure efficient use of available resources. KCHA may utilize this activity to further streamline transfer processes between subsidy types. For example, in circumstances where funding limitations jeopardize the continuation of a household's current subsidy, KCHA may utilize streamlined transfer processes to expedite a client's shift to an alternative subsidy type without requiring action from the household. Additionally, KCHA may revise the criteria and prioritization for transfers to respond to urgent operational needs or to address specific household circumstances.

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None.

ACTIVITY 2005-4: Payment Standard Changes

MTW STATUTORY OBJECTIVE: Increase Housing Choice

APPROVAL: 2005

IMPLEMENTED: 2005

KCHA's jurisdiction covers more than 2,000 square miles, 25% larger than the state of Rhode Island. Rental stock and rents vary widely throughout the county. When market rents exceed allowable subsidy levels provided under HUD's payment standard methodology, participating HCV households must pay the overage directly out of pocket. If payment standards do not reflect escalating housing costs, this directly increases the amount paid by HCV participants and can hamper the ability of some households to secure new housing. KCHA's multi-tiered approach to setting payment standards based on location expands geographic choice for families while minimizing the number of families experiencing severe rent burden.

DESCRIPTION: This initiative develops local criteria for the determination and assignment of payment standards to better match local rental markets, with the goals of increasing affordability in high-opportunity neighborhoods and ensuring the best use of limited financial resources. We develop our payment standards through a regular analysis of local submarket conditions, trends, and projections. This approach means that we can provide subsidy levels sufficient for families to afford the rents in high-opportunity areas of the county and not have to pay market-leading rents

in less expensive neighborhoods. Our regular monitoring ensures we are positioned to act quickly amid changing market conditions. As a result, our residents are less likely to be displaced by rising rents and have greater geographic choice.

In 2007, we expanded this initiative and allowed approval of payment standards of up to 120% of Fair Market Rent (FMR) without HUD approval. In early 2008, we decoupled the payment standards from HUD's FMR calculations entirely so that we could be responsive to the range of rents in local submarkets.

In 2016, KCHA implemented a five-tiered payment standard system based on ZIP codes. We arrived at a five-tiered approach by analyzing recent tenant lease-up records, consulting local real estate data, holding forums with residents and staff, reviewing small area FMR payment standard systems implemented by other housing authorities, and assessing the financial implications of various approaches. In designing the new system, we sought to have enough tiers to account for submarket variations but not so many that the new system became burdensome and confusing for staff and residents. Outcomes demonstrate an increase in lease-up rates in high-opportunity neighborhoods within the top two tiers. In 2018, we added an additional tier and instituted the practice of conducting a second market analysis and potential payment standard adjustment to account for the rapidly changing rental submarkets.

In 2022, 30% of all KCHA's federally subsidized households with children lived in high-opportunity neighborhoods — an increase of six percentage points since 2016. These neighborhoods offer proven benefits to residents, including improved educational opportunities, increased access to public transportation, and greater economic opportunities, leading to better outcomes for children and families.¹² This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

In 2024 HUD confirmed KCHA's exemption from the mandatory use of the Small Area Fair Market Rents as a result of our alternative payment standards policy, per the MTW exemption criteria in section 6 of Notice PIH 2018-01.

KCHA regularly assesses the impacts of regulatory and other HUD changes, including final regulations implementing HOTMA Sections 102 and 104, on the agency's existing policies. KCHA continues to leverage our MTW authority waiving HUD regulations in favor of local policies related to payment standards.

¹² High-opportunity areas in this case align with those identified as part of the Creating Moves to Opportunity (CMTO) project. To identify high-opportunity neighborhoods, CMTO researchers used the Opportunity Atlas which provides the rates of "upward income mobility for children growing up in low-income families" across census tracts. See: www.opportunityatlas.org

UPDATE: This activity continues to be implemented as approved. As RAD conversions occur, this MTW activity may be applied to RAD PBV households, as applicable.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2004-2: Local Project-based Voucher Program

MTW STATUTORY OBJECTIVE: Increase Cost-effectiveness

APPROVAL: 2004

IMPLEMENTED: 2004

Standard project-basing regulations are cumbersome and present multiple obstacles. The ability to streamline the Project-based Voucher (PBV) program is an important factor in addressing the distribution of affordable housing in King County, coordinating effectively with local initiatives, and operating KCHA's affordable housing stock efficiently.

DESCRIPTION: KCHA places Project-based Vouchers in high-opportunity neighborhoods in order to increase access to these opportunities for low-income children and families. We also partner with nonprofit community service providers to create housing targeted to special-needs populations, opening new housing opportunities for people experiencing homelessness throughout King County who are traditionally not served through our mainstream Public Housing and Housing Choice Voucher programs. Additionally, we coordinate with county government and suburban jurisdictions to assist with underwriting a pipeline of new affordable housing developed by local nonprofit housing providers. MTW flexibility granted by this activity has helped us implement the following policies.

The goals of this activity are to:

CREATE HOUSING TARGETED TO SPECIAL-NEEDS POPULATIONS BY:

- Assigning Project-based Voucher subsidy to a limited number of demonstration projects not qualifying under standard policy in order to serve important public purposes. (FY 2004)
- Modifying eligibility and selection policies as needed to align with entry criteria for nonprofit-operated housing programs. (FY 2004)

SUPPORT A PIPELINE OF NEW AFFORDABLE HOUSING BY:

- Prioritizing assignment of PBV assistance to units located in high-opportunity census tracts, including those with poverty rates lower than 20%. (FY 2004)
- Waiving the 25% cap on the number of units that can be project-based on a single site. (FY 2004)

- Allocating PBV subsidy non-competitively to KCHA-controlled sites or other jurisdictions and using an existing local government procurement process for project-basing Voucher assistance. (FY 2004)
- Allowing owners and agents to conduct their own construction and/or rehab inspections, and having the management entity complete the initial inspection rather than KCHA, with inspection sampling at annual review. (FY 2004)
- Modifying eligible unit and housing types to include shared housing, cooperative housing, transitional housing, and high-rise buildings. (FY 2004)
- Allowing PBV rules to defer to Public Housing rules when used in conjunction with a mixed finance approach to housing preservation or when assigned to a redeveloped former Public Housing property. (FY 2008)
- Partnering with local municipalities to develop a local competitive process that pairs project-based assistance with local zoning incentives. (FY 2016)
- Allowing KCHA to enter into a HAP contract for any type of unit that does not qualify as existing housing and is under construction or has been recently constructed, regardless of whether an AHAP has been executed. (FY 2019)

IMPROVE PROGRAM ADMINISTRATION BY:

- Allowing project sponsors to manage project waiting lists as determined by KCHA. (FY 2004)
- Using KCHA's standard HCV process for determining Rent Reasonableness for units in lieu of requiring third-party appraisals. (FY 2004)
- Allowing participants in "wrong-sized" units to remain in place, if needed, and pay the higher rent. (FY 2004)
- Assigning standard HCV payment standards to PBV units, allowing modification with approval of KCHA where deemed appropriate. (FY 2004)
- Offering moves to Public Housing in lieu of an HCV exit voucher (FY 2004) or allowing offer of a tenant-based voucher for a limited period as determined by KCHA in conjunction with internal Public Housing disposition activity. (FY 2012)
- Allowing KCHA to modify the HAP contract. (FY 2004)
- Using Public Housing preferences for PBV units in place of HCV preferences. (FY 2008)
- Allowing KCHA to inspect units at contract execution rather than contract proposal. (FY 2009)
- Modifying the definition of "existing housing" to include housing that could meet Housing Quality Standards within 180 days. (FY 2009)
- Allowing direct owner or provider referrals to a PBV vacancy when the unit has remained vacant for more than 30 days. (FY 2010)

- Waiving the 20% cap on the amount of HCV budget authority that can be project-based, allowing KCHA to determine the size of our PBV program. (FY 2010)
- Allowing KCHA to remove the requirement that all units placed under contract pass inspection before the contract is executed. In these scenarios, KCHA will ensure that the property communal areas pass inspection before execution of the contract, and each individual unit intended for inclusion under the contract will undergo inspection and must pass prior to tenants moving into the unit and before KCHA pays the PBV subsidy. (FY 2025)
- Leverage MTW authority waiving HUD regulations in favor of local policies when HUD makes regulatory and other changes such as final regulations implementing HOTMA. (FY 2025)

This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

UPDATE: This activity continues to be implemented as approved. As RAD conversions occur, this MTW activity may be applied to RAD PBV households, as applicable.

KCHA's longstanding practice is that Project-Based Voucher (PBV) households whose Housing Assistance Payment (HAP) is reduced to zero may remain in the PBV program, provided they remain otherwise eligible. If a subsequent decrease in household income, increase in rent, or other eligible change results in a subsidy need, HAP payments may resume in accordance with KCHA policy and program requirements.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY:

- Since 2004 KCHA has offered moves to Public Housing in lieu of exit vouchers. Since that time some Public Housing units have converted to PBV Section 8 (pre-RAD). KCHA is clarifying that it may also offer moves to PBV Section 8 units in KCHA-controlled properties in lieu of tenant-based exit vouchers (except where prohibited).
- In addition to using KCHA's standard HCV process for determining Rent Reasonableness for units in lieu of requiring third-party appraisals since 2004, KCHA will determine its rent adjustments based on HUD published OCAF where applicable.

PLANNED SIGNIFICANT CHANGES TO ACTIVITY:

- KCHA does not anticipate residents experiencing significant rent increases due solely to the conversion of their property from public housing to PBV under RAD. If such rent increases do occur, KCHA may modify the RAD-prescribed three-year phase-in of rent increases due

solely to RAD to allow up to \$100 per month in the first year, up to \$200 in the second year and any remaining amounts in the third year.

ACTIVITY 2004-3: Develop Site-based Waiting Lists

MTW STATUTORY OBJECTIVE: Increase Housing Choice

APPROVAL: 2004

IMPLEMENTED: 2004

DESCRIPTION: Under this initiative, KCHA has implemented a streamlined waitlist system for KCHA-owned Public Housing and Project-Based HCV units that provides applicants additional options for choosing the location where they want to live. In addition to offering site-based waiting lists, we have established a Conditional Housing waiting list to accommodate the needs of households ready to transition from the region's network of transitional housing and KCHA's targeted housing programs that assist households experiencing or at risk of homelessness to move toward self-sufficiency. In general, applicants are selected for occupancy using a rotation between the site-based and transitional housing applicant pools, based on an equal ratio. Units are not held vacant if a particular waiting list is lacking an eligible applicant. Instead, a qualified applicant is pulled from the next waiting list in the rotation. Exceptions to this selection system are allowed to address documented cases of urgent need as approved by KCHA's Executive Director (or designee) or to ensure compliance with KCHA's HUD-approved Public Housing Designation Plan which prioritizes occupancy for designated "Mixed-Population" developments to elderly (over 62) or near-elderly (locally-defined as age 55 through 61) disabled households.

KCHA in 2025 changed the structure of the existing site-based waiting lists for our subsidized housing program. To create greater choice for applicants, as outlined in our approved 2025 MTW Plan, KCHA implemented a change in 2025 allowing applicants to select as many waiting lists as they desire. This change allows greater opportunities for families to identify and select housing opportunities in communities of their choice, based on their desired neighborhood and site amenities.

This activity applies to KCHA's Special Purpose Vouchers, including Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

See Appendix G for information regarding how this activity may also be utilized by Sedro Woolley Housing Authority as an MTW Partner Agency.

UPDATE: This activity continues to be implemented as approved. As RAD conversions occur, this MTW activity may be applied to RAD PBV households, as applicable.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: KCHA is continuing to consider changes in its tenant selection system to further address identified community needs. For instance, to address

high levels of students experiencing homelessness in the area, KCHA partnered with the Bellevue School District and local community organizations to provide families experiencing homelessness priority access to subsidized housing within the school district. KCHA may expand this strategy to other areas of King County or implement other preferences to increase housing choice among identified groups.

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2004-5: Modified Inspection Protocols

MTW STATUTORY OBJECTIVE: Increase Cost-effectiveness

APPROVAL: 2004

IMPLEMENTED: 2004

HUD's inspection protocols often require multiple trips to the same neighborhood, the use of third-party inspectors, and blanket treatment of different housing types, adding administrative costs and delays. Follow-up inspections for minor "fail" items impose additional burdens on landlords, who may then resist renting to families with Housing Choice Vouchers.

DESCRIPTION: Through a series of HCV program modifications, we have streamlined the inspection process to simplify administration, improve stakeholder satisfaction, and reduce administrative costs. Specific policy changes include: (1) allowing the release of HAP payments when a unit fails an inspection due to minor deficiencies (applies to both annual and initial move-in inspections); (2) geographically clustering inspections to reduce repeat trips to the same neighborhood or building by accepting annual inspections completed eight to 20 months after initial inspection, allowing us to align inspection of multiple units in the same geographic location; and (3) self-inspecting KCHA-owned units rather than requiring inspection by a third party. KCHA also utilizes a risk-based inspection model that places multi-family apartment complexes on a biennial inspection schedule.

We have also streamlined our protocol even further by allowing landlords to inspect and self-certify that the unit passes HUD's standards. Currently, KCHA applies this to initial and turn-over inspections in newly constructed, not-previously-occupied units issued a Certificate of Occupancy or Temporary Certificate of Occupancy, KCHA-owned properties built after 1978, non-KCHA affiliated LIHTC properties and landlords who qualify for biennial inspections. KCHA is also pursuing a local NSPIRE variance that would allow qualified third-party verification when an inspector is unable to access a system or component, helping avoid unnecessary inspection failures while maintaining health and safety protections.

This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with

an MTW activity for biennial inspections. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

UPDATE: KCHA's planned enterprise-wide software conversion is planned for late 2026. As noted in previous MTW Plans, KCHA is moving toward aligning inspections with HUD's relevant implementation guidance where it does not conflict with approved MTW activities. In lieu of immediate implementation, KCHA will continue to leverage our MTW authority and previously approved activities - maintaining existing policies relating to inspection protocols including continued use of HQS inspection standards. As RAD conversions occur, this MTW activity may be applied to RAD PBV households, as applicable.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY:

KCHA will adopt a local NSPIRE variance permitting the use of qualified third-party verification when an inspector is unable to physically access or inspect a system or component. This variance applies in situations where access is not feasible due to, for example, safety risks, physical obstructions, or structural/design limitations. Covered items include, but are not limited to, fuel-burning systems (e.g., gas or oil furnaces) located in confined or hazardous spaces.

When an NSPIRE inspector cannot safely access a system or component, KCHA will accept documentation from a qualified, independent third party—such as a licensed HVAC professional—confirming that the system is in safe and proper working condition. Such documentation will serve as verification that the applicable NSPIRE standard(s) are met.

Third-party documentation must:

- Identify the system or component evaluated;
- Include the date of inspection or assessment;
- Specify the qualifications and licensing of the individual or entity performing the evaluation; and
- Confirm that the system complies with applicable safety and performance standards.

KCHA will maintain documentation in the inspection record and may establish additional procedural controls (e.g., time limits on the validity of third-party reports or criteria for acceptable credentials) to ensure consistency and reliability.

This variance reduces unnecessary inspection failures attributable to inaccessible equipment, supports efficient inspection operations, and maintains resident health and safety. By requiring independent professional verification in lieu of that by an NSPIRE inspector, KCHA establishes a standard that is at least as protective as, and in certain cases more stringent than, NSPIRE inspection requirements.

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2004-7: Streamlining Public Housing and Housing Choice Voucher Forms and Data Processing

MTW STATUTORY OBJECTIVE: Increase Cost-effectiveness

APPROVAL: 2004

IMPLEMENTED: 2004

Duplicative recertifications, complex income calculations, and strict timing rules cause unnecessary and regular intrusions into residents' day-to-day work, family responsibilities, and other activities. These processes often require KCHA to expend our limited resources on work that does not support program goals.

DESCRIPTION: After analyzing our business processes, forms, and verification requirements, we have eliminated or replaced the administrative burdens that have little or no value. Using lean engineering techniques, KCHA continues to review office workflow and identify ways that tasks can be accomplished more efficiently and intrude less into the lives of program participants, while still assuring program integrity and quality control. Under this initiative, we have made a number of changes to our business practices and processes for verifying and calculating tenant income and rent.

Key elements of this activity include:

CHANGING BUSINESS PROCESSES:

- Modifying HCV policy to require notice to move prior to the 20th of the month in order to have paperwork processed during the month. (FY 2004)
- Allowing applicant households to self-certify membership in the family at the time of admission. (FY 2004)
- Modifying HUD inspection requirements for units converted to project-based subsidy from another KCHA subsidy, and allow the most recent inspection completed within the prior 12 months to substitute for the initial inspection required before entering the HAP contract. (FY 2012)
- Modifying standard PBV requirements to allow the most recent recertification (within last 12 months) to substitute for the full recertification when a tenant's unit is converted to a PBV subsidy and maintaining their recertification schedule. (FY 2012)
- Allowing Public Housing and HCV applicant households to qualify for a preference when household income is below 30% of AMI. (FY 2004)
- Streamlining procedures for processing interim rent changes resulting from wholesale reductions in state entitlement programs. (FY 2011)

- Modifying the inspection process to allow streamlined processing of inspections and related data. (FY 2010)
- Establishing a local release form that replaces HUD Form 9886 — clearly defining verifications that could be obtained and extending authorization for use to 40 months. (FY 2014)

CHANGING VERIFICATION AND INCOME CALCULATION PROCESSES:

- Excluding state Department of Social and Health Services (DSHS) payments made to a landlord on behalf of a tenant from the income and rent calculation under the HCV program. (FY 2004)
- Allowing HCV residents to self-certify income of \$50 or less received as a pass-through DSHS childcare subsidy. (FY 2004)
- Extending to 180 days the term over which verifications are considered valid. (FY 2008)
- Changing income exclusion policies and practices by:
 - Modifying the definition of “income” to exclude income from assets with a value less than \$50,000 and income from Resident Service Stipends less than \$500 per month. (FY 2008)
 - Subsequently Modifying the Resident Service Stipend maximum income exclusion allowance from \$500 to \$750 per month, and updating the policy so that the maximum amount is annually adjusted based on the COLA increases received by KCHA employees. (FY 2023)
- Applying any change in Payment Standard at the time of the resident’s next annual review or update, and for entering households, on the effective date. (FY 2004)
- Allowing HCV residents who are at \$0 HAP to self-certify income at the time of review. (FY 2004)

This activity applies to KCHA’s Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

- KCHA regularly assesses the impacts of regulatory and other HUD changes, including final regulations implementing HOTMA Sections 102 and 104, on the agency’s existing policies. KCHA continues to leverage our MTW authority waiving HUD regulations in favor of local policies.

See Appendix G for information regarding how this activity may also be utilized by Sedro Woolley Housing Authority as an MTW Partner Agency.

UPDATE: This activity continues to be implemented as approved. As RAD conversions occur, this MTW activity may be applied to RAD PBV households, as applicable.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY:

- As KCHA transitions to a new housing management software platform in 2027, KCHA will continue to explore and may implement further streamlining policies that use the new software functionality to reduce administrative burdens. No further authorizations are needed at this time. Any changes are justified using the authorization granted in KCHA's MTW Restated and Amended Agreement: Attachment C, Item D.5.

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2004-9: Rent Reasonableness Modifications

MTW STATUTORY OBJECTIVE: Increase Cost-effectiveness

APPROVAL: 2004

IMPLEMENTED: 2004

Under current HUD regulations, a housing authority must perform an annual Rent Reasonableness review for each voucher holder. If a property owner is not requesting a rent increase, however, the rent does not fall out of federal guidelines and does not necessitate a review.

DESCRIPTION: KCHA now performs Rent Reasonableness determinations only when a landlord requests an increase in rent. Under standard HUD regulations, a Rent Reasonableness review is required annually in conjunction with each recertification completed under the program. After reviewing this policy, we found that if an owner had not requested a rent increase, it was unlikely the current rent fell outside of established guidelines. In response to this analysis, KCHA eliminated an annual review of rent levels. In bypassing this burdensome process, we intrude less in the lives of residents and can redirect our resources to more pressing needs. Additionally, KCHA performs Rent Reasonableness determinations at our own properties rather than contracting with a third party, allowing us to save additional resources. We also may modify our Rent Reasonableness review to exclude any properties that are financed in whole or in part by local or federal programs, including tax credit properties. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

UPDATE: This activity continues to be implemented as approved. As RAD conversions occur, this MTW activity may be applied to RAD PBV households, as applicable.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2004-12: Energy Performance Contracting

MTW STATUTORY OBJECTIVE: Increase Cost-effectiveness

APPROVAL: 2004

IMPLEMENTED: 2004

KCHA could recapture up to \$3 million in energy savings per year if provided the upfront investment necessary to make efficiency upgrades to our aging housing stock.

DESCRIPTION: KCHA employs energy efficiency measures and improvements through Energy Performance Contracts (EPCs) — a financing tool that allows housing authorities to make needed energy upgrades without having to self-fund the upfront necessary capital expenses. The energy services partner identifies these improvements through an investment-grade energy audit that is then used to underwrite loans to pay for the measures. Project expenses, including debt service, are then paid for out of the energy savings while KCHA and our residents receive the long-term savings and benefits. Upgrades may include: installation of energy-efficient light fixtures, solar panels, and low-flow faucets, toilets, and showerheads; upgraded appliances and plumbing; and improved irrigation and HVAC systems.

In 2016, we extended the existing EPC for an additional eight years and implemented a new 20-year EPC with Johnson Controls for both incremental and existing Public Housing properties to make needed capital improvements. As noted in its 2025 MTW Plan RAD amendment, KCHA will pay down EPC debt as necessary throughout the conversion of public housing properties to project-based vouchers under RAD. This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.

UPDATE: This activity continues to be implemented as approved.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: None

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

ACTIVITY 2004-16: Housing Choice Voucher Occupancy Requirements

MTW STATUTORY OBJECTIVE: Increase Cost-effectiveness

APPROVAL: 2004

IMPLEMENTED: 2004

More than 20% of tenant-based voucher households move two or more times while receiving subsidy. Moves can be beneficial for the household if they lead to improved economic or educational opportunities or housing quality, but moves also can be burdensome because they

incur the costs of finding a new unit through application fees and other moving expenses. KCHA also incurs additional costs in staff time through processing moves and working with families to locate a new unit.

DESCRIPTION: Households may continue to live in their current unit when their family size exceeds the standard occupancy requirements by just one member. Under standard guidelines, a seven-person household living in a three-bedroom unit would be considered overcrowded and thus be required to move to a larger unit. Under this modified policy, the family may remain voluntarily in its current unit, avoiding the costs and disruption of moving. This initiative reduces the number of processed annual moves, increases housing choice among these families, and reduces our administrative and HAP expenses. KCHA's policies allow for revised occupancy standards; implementation is pending due to uncertainty of federal funding. **This activity applies to KCHA's Special Purpose Vouchers, including EHV, FUP, FYI, Mainstream, NED, and VASH vouchers, except where specific statutory requirements for a program conflict with an MTW activity.**

UPDATE: This activity continues to be implemented as approved. As RAD conversions occur, this MTW activity may be applied to RAD PBV households, as applicable.

PLANNED NON-SIGNIFICANT CHANGES TO ACTIVITY: In FY 2005 KCHA established occupancy standards that reduced the number of bedrooms for which a family qualified by allocating one bedroom per two adults or per two minors. In 2027, KCHA may continue to reexamine our occupancy standards to allow bedrooms to again be allocated using such family characteristics as sex, age, and disability status.

PLANNED SIGNIFICANT CHANGES TO ACTIVITY: None

B. Not Yet Implemented Activities

Activities listed in this section are approved but have not yet been implemented.

ACTIVITY 2008-5: Allow Limited Double Subsidy between Programs (Project-based Section 8/Public Housing/Housing Choice Vouchers)

APPROVAL: 2008

This policy change facilitates program transfers in limited circumstances, increases landlord participation, and reduces the impact on the Public Housing program when tenants transfer. Based upon recent evaluation it is unlikely that this activity will not be implemented in 2027, but we continue to consider implementation options.

ACTIVITY 2010-11: Incentive Payments to HCV Participants to Leave the Program

APPROVAL: 2010

KCHA may offer incentive payments to families receiving less than \$100 per month in HAP to voluntarily withdraw from the program. Based upon recent evaluation this activity will not be implemented in 2027, but we will continue to consider implementation in a future fiscal year.

C. Activities on Hold

N/A

D. Closed-Out Activities

Activities listed in this section are closed out, meaning they never have been implemented, that we do not plan to implement them in the future, or that they are completed or obsolete.

ACTIVITY 2016-1: Budget-based Rent Model

APPROVAL: 2016

CLOSEOUT YEAR: 2018

This activity would have allowed KCHA to adopt a budget-based approach to calculating the contract rent at our Project-based Section 8 developments. Traditionally, HUD requires Public Housing Authorities to set rent in accordance with Rent Reasonableness statutes. These statutes require that a property's costs reflect the average costs of a comparable building in the same geographic region at a particular point in time. However, a property's needs and purpose can change over time. This set of rules does not take into consideration variations in costs, which might include added operational expenses, necessary upgrades, and increased debt service to pay for renovations. This budget-based rent model would have allowed KCHA to create an appropriate annual budget for each property from which a reasonable, cost-conscious rent level would derive. This policy is no longer under consideration.

ACTIVITY 2015-1: Flat Subsidy for Local, Non-traditional Housing Programs

APPROVAL: 2015

CLOSEOUT YEAR: 2025

This activity would have provided a flat, per-unit subsidy in lieu of a monthly Housing Assistance Payment (HAP) and allowed the service provider to dictate the terms of the tenancy (such as length of stay and the tenant portion of rent). The funding would have been block-granted based on the number of units authorized under contract and occupied in each program. This flexibility would have allowed KCHA to better support high-risk homeless populations with supportive housing

programs tailored to nimbly meet an individual's needs. Based upon evaluation, this activity is no longer under consideration.

ACTIVITY 2014-1: Stepped-down Assistance for Homeless Youth

APPROVAL: 2014

CLOSEOUT YEAR: 2024

Through this activity, KCHA implemented a flexible "stepped-down" rental assistance model in partnership with local youth service providers. KCHA partnered with Valley Cities Counseling and Consultation (VCCC) to operate the Coming Up Program (CUP). This program offered independent housing opportunities to young adults (ages 18 to 25) who were transitioning out of homelessness. With support from the provider, the youth moved into housing in the private rental market, signed a lease, and worked with a resource specialist who prepared them to take over the lease after a period of being stabilized in housing.

For the past several years our partner agency has faced many challenges administering the Sponsor-based stepped rent model through a master-lease, and decided to end the CUP model and terminate its contract with KCHA through attrition. The contract between KCHA and VCCC ended on December 31, 2022. This activity is closed out as KCHA was not able to find another youth-serving agency to partner with us on this innovative model.

ACTIVITY 2013-3: Short-term Rental Assistance Program

APPROVAL: 2013

CLOSEOUT YEAR: 2015

In partnership with the Highline School District, KCHA implemented a program called the Student and Family Stability Initiative (SFSI), a Rapid Re-housing demonstration program. Using this evidence-based approach, our program paired short-term rental assistance with housing stability and employment connection services for families experiencing or on the verge of homelessness. This activity is ongoing but has been combined with Activity 2013-2: Flexible Rental Assistance, as the program models are similar and enlist the same MTW flexibilities.

ACTIVITY 2012-2: Community Choice Program

APPROVAL: 2012

CLOSEOUT YEAR: 2016

This initiative was designed to encourage and enable HCV households with young children to relocate to areas of the county with higher achieving school districts and other community benefits. Through collaboration with local nonprofits and landlords, the Community Choice Program offered one-on-one counseling to households in deciding where to live, helped

households secure housing in their community of choice, and provided ongoing support once a family moved to a new neighborhood. Lessons learned from this pilot informed Creating Moves to Opportunity, KCHA's completed research partnership that sought to expand geographic choice.

ACTIVITY 2012-4: Supplemental Support for the Highline Community Healthy Homes Project

APPROVAL: 2012

CLOSEOUT YEAR: 2012

This project provided supplemental financial support to low-income families not otherwise qualified for the Healthy Homes project but that required assistance to avoid loss of affordable housing. This activity is completed. An evaluation of the program by Breyse *et al* was included in KCHA's 2013 Annual MTW Report.

ACTIVITY 2011-1: Transfer of Public Housing Units to Project-based Subsidy

APPROVAL: 2011

CLOSEOUT YEAR: 2012

By transferring Public Housing units to Project-based subsidy, KCHA preserved the long-term viability of 509 units of Public Housing. By disposing these units to a KCHA-controlled entity, we were able to leverage funds to accelerate capital repairs and increase tenant mobility through the provision of tenant-based voucher options to existing Public Housing residents. This activity is completed.

ACTIVITY 2011-2: Redesign the Sound Families Program

APPROVAL: 2011

CLOSEOUT YEAR: 2014

KCHA developed an alternative model to the Sound Families program that combines HCV funds with state Department of Social and Health Services funds. The goal was to continue the support of at-risk, homeless households in a FUP-like model after the completion of the Sound Families demonstration. This activity is completed and the services have been incorporated into our existing conditional housing program.

ACTIVITY 2010-1: Supportive Housing for High-need Homeless Families

APPROVAL: 2010

CLOSEOUT YEAR: 2025

This activity was intended to be a demonstration program for up to 20 households in a project-based Family Unification Program (FUP)-like environment. As our program partners opted for a tenant-based model instead, this activity is no longer under consideration.

ACTIVITY 2010-2: Resident Satisfaction Survey

APPROVAL: 2010

CLOSEOUT YEAR: 2010

KCHA developed our own resident survey in lieu of the requirement to comply with the Resident Assessment Subsystem portion of HUD's Public Housing Assessment System (PHAS). The Resident Assessment Subsystem is no longer included in PHAS so this activity is obsolete. KCHA nevertheless continues to survey residents on a regular basis.

ACTIVITY 2010-9: Limit Number of Moves for an HCV Participant

APPROVAL: 2010

CLOSEOUT YEAR: 2025

This policy aimed to increase family and student classroom stability and reduce program administrative costs by limiting the number of times an HCV participant can move per year or over a set time. Reducing household and classroom relocations during the school year is currently being addressed through a counseling pilot. Based upon evaluation, this activity is no longer under consideration.

ACTIVITY 2010-10: Implement a Maximum Asset Threshold for Program Eligibility

APPROVAL: 2010

CLOSEOUT YEAR: 2016

This activity would have limited the value of assets that can be held by a family in order to obtain (or retain) program eligibility. This policy is no longer under consideration.

ACTIVITY 2009-2: Definition of Live-in Attendant

APPROVAL: 2009

CLOSEOUT YEAR: 2014

In 2009, KCHA considered a policy change that would have redefined who is considered a "Live-in Attendant." This policy is no longer under consideration.

ACTIVITY 2008-4: Combined Program Management

APPROVAL: 2008

CLOSEOUT YEAR: 2009

This activity streamlined program administration through a series of policy changes that ease operations of units converted from Public Housing to Project-based Section 8 subsidy or those located in sites supported by mixed funding streams. This policy change is completed.

ACTIVITY 2008-6: Performance Standards

APPROVAL: 2008

CLOSEOUT YEAR: 2014

In 2008, KCHA investigated the idea of developing performance standards and benchmarks to evaluate the MTW program. We worked with other MTW agencies in the development of the performance standards. This activity is closed out as KCHA continues to collaborate with other MTW agencies on industry metrics and standards.

ACTIVITY 2008-17: Income Eligibility and Maximum Income Limits

APPROVAL: 2008

CLOSEOUT YEAR: 2016

This policy would have capped the income that residents may have and also still be eligible for KCHA programs. KCHA is no longer considering this activity.

ACTIVITY 2007-4: Housing Choice Voucher Applicant Eligibility

APPROVAL: 2007

CLOSEOUT YEAR: 2007

This activity increased program efficiency by removing eligibility for those currently on a federal subsidy program.

ACTIVITY 2007-8: Remove Cap on Voucher Utilization

APPROVAL: 2007

CLOSEOUT YEAR: 2014

This initiative allowed us to award HCV assistance to more households than permissible under the HUD-established baseline. Our savings from a multi-tiered payment standard system, operational efficiencies, and other policy changes have been critical in helping us respond to the growing housing needs of the region's extremely low-income households. Despite ongoing uncertainties around federal funding levels, we intend to continue to use MTW program flexibility to support

housing voucher issuance levels above HUD's established baseline. This activity is no longer active as agencies are now permitted to lease above their ACC limit.

ACTIVITY 2007-9: Develop a Local Asset Management Funding Model

APPROVAL: 2007

CLOSEOUT YEAR: 2007

This activity streamlined current HUD requirements to track budget expenses and income down to the Asset Management Project level. This activity is completed.

ACTIVITY 2007-18: Resident Opportunity Plan (ROP)

APPROVAL: 2007

CLOSEOUT YEAR: 2015

An expanded and locally designed version of FSS, ROP's mission was to advance families toward self-sufficiency through the provision of case management, supportive services, and program incentives, with the goal of positive transition from Public Housing or HCV into private-market rental housing or homeownership. KCHA implemented this five-year pilot in collaboration with community partners, including Bellevue College and the YWCA. These partners provided education and employment-focused case management, such as individualized career planning, a focus on wage progression, and asset-building assistance. In lieu of a standard FSS escrow account, each household received a monthly deposit into a savings account, which continued throughout program participation. Deposits to the household savings account were made available to residents upon graduation from Public Housing or HCV subsidy. After reviewing the mixed outcomes from the multi-year evaluation, KCHA decided to close out the program and re-evaluate the best way to assist families in achieving economic independence.

ACTIVITY 2006-1: Block Grant Non-mainstream Vouchers

APPROVAL: 2006

CLOSEOUT YEAR: 2006

This policy change expanded KCHA's MTW Block Grant by including all non-mainstream program vouchers. This activity is completed.

ACTIVITY 2005-18: Modified Rent Cap for Housing Choice Voucher Participants

APPROVAL: 2005

CLOSEOUT YEAR: 2005

This modification allowed a tenant's portion of rent to be capped at up to 40% of gross income upon initial lease-up rather than 40% of adjusted income. *Note: KCHA may implement a rent cap modification in the future to increase housing choice.*

ACTIVITY 2004-8: Resident Opportunities and Self-Sufficiency (ROSS) Grant Homeownership

APPROVAL: 2004

CLOSEOUT YEAR: 2006

This grant funded financial assistance through MTW reserves with rules modified to fit local circumstances, modified eligibility to include Public Housing residents with HCV, required minimum income and minimum savings prior to entry, and expanded eligibility to include more than first-time homebuyers. This activity is completed.

SECTION V

PLANNED APPLICATION OF MTW FUNDS

A. PLANNED APPLICATION OF MTW FUNDS

i. Estimated Sources of MTW Funds

FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	\$10,217,556,38
70600	HUD PHA Operating Grants	\$250,087,377
70610	Capital Grants	\$9,269,481
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	\$0
71100+72000	Interest Income	\$1,366,454
71600	Gain or Loss on Sale of Capital Assets	\$0
71200+71300+71310+71400+71500	Other Income	\$48,621,292
70000	Total Revenue	\$319,562,162

ii. Estimated Application of MTW Funds

FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700+91800+91900)	Total Operating - Administrative	\$27,499,768
91300+91310+92000	Management Fee Expense	\$5,983,929
91810	Allocated Overhead	\$0
92500 (92100+92200+92300+92400)	Total Tenant Services	\$10,070,853
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	\$4,163,341
93500+93700	Labor	\$0
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	\$9,438,896
95000 (95100+95200+95300+95500)	Total Protective Services	\$0
96100 (96110+96120+96130+96140)	Total Insurance Premiums	\$ 1,510,006
96000 (96200+96210+96300+96400+96500+96600+96800)	Total Other General Expenses	\$301,800

96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	\$0
97100+97200	Total Extraordinary Maintenance	\$4,644,547
97300+97350	Housing Assistance Payments + HAP Portability-in	\$236,861,314
97400	Depreciation Expense	\$7,951,149
97500+97600+97700+97800	All Other Expenses	\$0
90000	Total Expenses	\$313,070,151

iii. Description of Planned Application of MTW Funding Flexibility

KCHA seeks to make efficient, effective, and creative use of our single-fund flexibility while adhering to the statutory requirements of the MTW program. The agency's ability to blend funding sources gives us the freedom to implement new approaches to program delivery in response to the varied and challenging housing needs of low-income households in the Puget Sound region. In 2027, KCHA will continue to use MTW funds to invest in programs that expand our programs' reach and effectiveness. The planned uses of MTW single fund flexibility identified below are separate from, and do not include, activities described in Sections III and IV of this plan.

- HOMELESSNESS INITIATIVES
KCHA will continue to use MTW funding to help reduce homelessness in King County. These initiatives address the varied needs of the most vulnerable populations experiencing homelessness, including the supportive services necessary to meet their complex needs.
- FUNDING FOR HOUSING STABILITY SERVICES
This funding provides emergency financial assistance to qualified households to maintain stable housing, including limited rental assistance to avoid eviction, security deposits, and utility support. In the case of KCHA's Housing Stability Fund, a designated agency partner disburses funds to third parties on behalf of program participants and screens for eligibility according to the program's guidelines.
- SUBSIDY RETENTION PROGRAM
The subsidy retention program pairs KCHA internal resident services coordinators with voucher holders who are at acute risk of losing their voucher or housing. The coordinators provide a range of services, including referring clients to community resources and providing guidance on KCHA policies, processes, and landlord relations. Over a three-year period, 1,776 households were served through this program, with 87% retaining their voucher eight months beyond service intervention.
- EDUCATIONAL INITIATIVES

KCHA continues to actively partner with local education stakeholders to improve outcomes for the more than 15,000 children who live in our federally funded housing each year. In 2027, KCHA will continue to partner with our network of out-of-school time providers to ensure school-aged children served by KCHA have access to critical after-school and summer learning programming. Additionally, we will continue operating programs such as the Neighborhood Early Learning Connectors (NELC) and new programming to support youth leadership and violence prevention programming at some of KCHA targeted properties.

- YOUTH SAFETY AND BELONGING INITIATIVE

KCHA is using MTW funds to support youth development, community safety, and violence prevention efforts through partnerships with local organizations. Following a robust application review process, KCHA has partnered with Choose180 and Northwest Credible Messenger. Programming includes mentoring, outreach, restorative support, and other evidence-informed services that help young people build connections, develop skills, and thrive in KCHA communities.

- ACQUISITION AND PRESERVATION OF AFFORDABLE HOUSING

We continue to use MTW resources to preserve affordable housing at risk of market-rate redevelopment and create additional affordable housing opportunities in partnership with the state and local jurisdictions. We will continue to look for opportunities to purchase small- to medium-sized apartment complexes and turn on banked ACC, providing new housing choices for extremely low-income households across the region. KCHA's partnerships with the region's major technology companies has enabled the acquisition and preservation of over 2,000 units of non-subsidized housing over the past several years, and we plan to expand these efforts if feasible and when opportunities arise.

- INCREASE ACCESS TO HEALTH CARE THROUGH PARTNERSHIPS AND COLLABORATIVE PLANNING

If funding is available, KCHA will continue efforts to partner with local healthcare delivery systems to support residents in accessing the services they need to maintain housing stability and a high quality of life.

- LONG-TERM VIABILITY OF OUR GROWING PORTFOLIO

KCHA uses our single-fund flexibility to reduce outstanding financial liabilities and assure and plan for the long-term physical viability of our housing portfolio. Single-fund flexibility allows us to make loans, often in conjunction with LIHTC financing, to recapitalize properties in our federally subsidized inventory. With an eye toward the long-term needs of our portfolio, KCHA will explore establishing replacement reserves for public housing properties, and in doing so may deposit amounts sufficient to bring reserves up to levels commensurate with projected capital needs. MTW working capital also provides an essential backstop for outside debt,

addressing risk concerns of lenders, enhancing our credit worthiness (currently rated as AA by S&P Global), and enabling our continued access to private capital markets.

- REMOVAL OF THE CAP ON VOUCHER UTILIZATION

This flexibility enables us to utilize savings achieved through MTW initiatives to over-lease and provide HCV assistance to more households than permissible under our HUD-established baseline. Our cost-containment from operational efficiencies and policy changes has been critical in helping us respond to the growing housing needs of the region's extremely low-income households. Despite uncertainties around future federal funding levels, we continue to use MTW program flexibility to support housing voucher issuance above HUD baseline levels.

- SUPPORTING ROBUST AND EFFICIENT OPERATIONS

KCHA's single-fund flexibility ensures that the agency can invest in robust staffing, safety and security measures, and software systems that assure the agency has the resources to deliver quality customer service and ensure resident health and safety. In 2027, KCHA will continue to advance its comprehensive safety strategy, leveraging technology to further invest in the security of our communities. In addition, as KCHA transitions to a new core housing management software platform, the agency may utilize MTW single-fund budget flexibility to support the implementation, optimization, and other operational needs associated with the software conversion.

- SELF SUFFICIENCY PROGRAMMING

In 2027, KCHA plans to continue the exploration of our single-fund budget flexibility to invest in new economic independence pathways programming. The core aim is to coach and mentor families to create pathways to self-sufficiency by seeking employment, training, and/or education. Additionally, participants will receive financial capability services to help them set goals and prepare for income changes. Program participants may be eligible for financial incentives, based on reaching certain goals. Incentives will be capped annually. The program initially will serve between 100 and 150 participants.

- DIGITAL ACCESS

In 2025 KCHA created strategic planning playbooks focused on connectivity, devices, and digital literacy in alignment with HUD's ConnectHomeUSA (CHUSA) program. These playbooks guided KCHA's digital access programming by ensuring strategic alignment of all new projects and partners. KCHA has used MTW funds to support our digital access initiatives at six CHUSA properties, totaling 295 households.

In 2026 KCHA launched a new digital literacy and device distribution program in partnership with three non-profit organizations: YWCA, Neighborhood House, and PCs for People. This program supports CHUSA households, Family Self Sufficiency (FSS) participants, and Resident

Advisory Committee (RAC) members. Program participants are eligible to receive free 1:1 or group digital literacy training including computer and internet basics, how to use a smartphone, and more. Program staff utilize Northstar Digital Literacy curriculum and assessments to ensure access to high-quality education resources. Program participants without personal computers can receive a free refurbished laptop from PCs for People, which allows them to continue their education outside the classroom.

KCHA has also expanded device access through the launch of two Resident Services programs: a laptop distribution program with over 270 devices available to public housing and voucher holder clients, and a loaner tablet and hotspot program to assist participants during our upcoming transition to Rent Cafe. Both programs are managed in partnership by Resident Services leadership, IT staff, and PCs for People.

KCHA has used MTW funds to increase KCHA participant access to high-speed, affordable internet. We have launched a new partnership with Comcast to provide KCHA-paid internet service to our six CHUSA properties at a significant discount through bulk billing arrangements. All 295 households will have free, in-unit service. Each property will have a new community WiFi network, which was not previously available. Access to free internet access will help connect residents to essential services like telehealth appointments, education, jobs, and more. Additionally, residents will save potentially hundreds of dollars per month on internet cost.

In 2027 KCHA will continue to expand our digital access services, including expanding KCHA-paid internet service to more public housing properties and continuing to fund our existing digital literacy program.

- **SUPPORT FINANCIAL VIABILITY OF KCHA’S HOUSING PROGRAMS**
KCHA’s single-fund flexibility enables the agency to support existing housing programs that require additional funding to continue effectively meeting participant needs, while also safeguarding the agency’s long-term financial health. This flexibility is especially valuable when a program’s funding falls short of anticipated costs and additional support is needed to bridge the gap.

iv. **Planned Application of PHA Unspent Operating Fund and HCV Funding**

Original Funding Source	Beginning of FY – Unspent Balances	Planned Application of PHA Unspent Funds during FY
HCV HAP	\$25,513,342	\$25,513,342
HCV Admin Fee	\$0	\$0
PH Operating Subsidy	\$0	\$0
Total:	\$25,513,342	\$25,513,342

KCHA's unspent HCV HAP funds will be used to support a variety of initiatives, such as the rehabilitation of Public Housing properties, HCV subsidy retention, and housing navigation, and to support various activities targeting people experiencing homelessness. KCHA does not expect to have any unspent Public Housing Operating Subsidy funds at the beginning of the year as these funds are needed to support the ongoing operations of our public housing portfolio.

v. Local Asset Management Plan

Is the MTW PHA allocating costs within statute?	No
Is the MTW PHA implementing a local asset management plan (LAMP)?	Yes
Has the MTW PHA provided a LAMP in the appendix?	Yes

In FY 2008, as detailed in the MTW Annual Plan for that year and adopted by our Board of Commissioners under Resolution No. 5116, KCHA developed and implemented our own local funding model for the Public Housing and HCV programs using our MTW block grant authority. Under our current agreement, KCHA's Public Housing Operating, Capital, and HCV funds are considered fungible and may be used interchangeably. In contrast to 990.280 regulations, which require transfers between projects only after all project expenses are met, KCHA's model allows budget-based funding at the start of the fiscal year from a central ledger, not other projects. We maintain a budgeting and accounting system that gives each property sufficient funds to support annual operations, including allowable fees. Actual revenues include those provided by HUD and allocated by KCHA based on annual property-based budgets. As envisioned, all block grants are deposited into a single general ledger fund.

KCHA is not making changes to the LAMP in 2027.

i. Rental Assistance Demonstration (RAD) Participation

In 2027, KCHA may continue efforts to remove up to all its developments from the public housing program to convert them to alternative funding sources through RAD or other HUD-approved strategies. The developments are listed in KCHA's amended 2025 MTW Plan.

Has the MTW PHA submitted a RAD Significant Amendment in the appendix? A RAD Significant Amendment should only be included if it is a new or amended version that requires HUD approval.

No

SECTION VI

ADMINISTRATIVE

A. BOARD OF COMMISSIONERS RESOLUTION AND CERTIFICATIONS OF COMPLIANCE

Attached as Appendix A.

B. PUBLIC PROCESS

Public comment is planned to begin on September 8 and conclude on October 8, 2026.

KCHA will hold a virtual public hearing to review and receive comments on Thursday, September 17th, 2026 at 12:00PM. Information on connecting to the virtual public hearing can be found at www.kcha.org.

C. PLANNED AND ONGOING EVALUATIONS

As described in previous MTW Plans, KCHA has been evaluating its WIN and EASY Rent policies to better understand their impacts, participant experience, administrative efficiency, and cost implications. In 2027, KCHA will focus on reviewing evaluation findings and conducting any additional internal analyses needed to inform potential policy refinements.

In addition, KCHA will continue working with MDRC on research activities related to its proposed Direct Rental Assistance (DRA) initiative, including implementation planning and preparation for a future randomized controlled trial designed to evaluate DRA outcomes and operational impacts.

Beyond these efforts, KCHA will continue to undertake data analysis, research, and evaluation activities to assess existing programs and inform future program design, policy development, and operational strategies.

D. LOBBYING DISCLOSURES

Attached as Appendix D.

APPENDIX A

BOARD OF COMMISSIONERS RESOLUTION AND CERTIFICATIONS OF COMPLIANCE

Associated and signed documentation will be included in the final 2027 MTW Plan, prior to submission to the U.S. Department of Housing and Urban Development.

APPENDIX B

PLANNED EXISTING PROJECT-BASED VOUCHERS

Project-based Voucher Contracts

Property Name	# of Project-based Vouchers	Planned Status at EOY 2027	RAD?	Project Description
30Bellevue	23	Leased	No	Mainstream/NED
30Bellevue	8	Leased	No	Low Income Families
Alpine Ridge	27	Leased	No	Low Income Families
Andrew's Glen	30	Leased	No	Low Income Families; Homeless Veterans
Athene	8	Leased	No	Low Income Seniors
August Wilson Place	8	Leased	No	Homeless Veterans
August Wilson Place	8	Leased	No	Homeless Families
Aventine Apartments	32	Leased	No	Homeless Families
Avondale Manor	20	Leased	No	Low Income Families, Elderly, or Disabled
Avondale Park	43	Leased	No	Homeless Families
Bellepark East	12	Leased	No	Low Income Families
Bellevue House # 1	1	Leased	No	Homeless Families
Bellevue House # 2	1	Leased	No	Homeless Families
Bellevue House # 3	1	Leased	No	Homeless Families
Bellevue House # 4	1	Leased	No	Homeless Families
Bellevue House # 5	1	Leased	No	Homeless Families
Bellevue House # 6	1	Leased	No	Homeless Families
Bellevue House # 7	1	Leased	No	Homeless Families
Bellevue House # 8	1	Leased	No	Homeless Families
Bellevue Manor	66	Leased	No	Low Income Seniors/Disabled
Birch Creek	262	Leased	No	Low Income Families
Burien Heights	15	Leased	No	Homeless Young Adults
Bloomside	95	Leased	No	Homeless Families, homeless veterans, or elderly or disabled
Campus Court I	12	Leased	No	Low Income Families, Elderly, or Disabled
Campus Court II (House)	1	Leased	No	Low Income Families, Elderly, or Disabled
Carriage House	8	Leased	No	Homeless Veterans
Cedarwood	25	Leased	No	Low Income Families, Elderly, or Disabled
Chalet	4	Leased	No	Homeless Families
Chalet	5	Leased	No	Low Income Families
City Park Townhomes	12	Leased	No	Homeless Families
Renton Veterans Center	58	Leased	No	Homeless Veterans
Copper Lantern	4	Leased	No	Homeless Individuals
Copper Lantern	7	Leased	No	Low Income Families
Cove East Apartments	12	Leased	No	Homeless Veterans
Eastbridge	31	Leased	No	Low Income Families

Project-based Voucher Contracts

Eastridge House	40	Leased	No	Low Income Seniors/Disabled
Eernisse	13	Leased	No	Low Income Families
Enumclaw Fourplex	5	Leased	No	Homeless Families
Esterra Park	8	Leased	No	Homeless Families
Evergreen Court	30	Leased	No	Low Income Families
Evergreen Court Apartments	15	Leased	No	Low Income Seniors
Family Village	10	Leased	No	Homeless Families
Family Village	26	Leased	No	Low Income Families
Federal Way House #1	1	Leased	No	Low Income Families, Elderly, or Disabled
Federal Way House #2	1	Leased	No	Low Income Families, Elderly, or Disabled
Federal Way House #3	1	Leased	No	Low Income Families, Elderly, or Disabled
Forest Grove	25	Leased	No	Low Income Families, Elderly, or Disabled
Francis Village	3	Leased	No	Low Income Families
Francis Village	10	Leased	No	Homeless Young Families
Francis Village	10	Leased	No	Homeless Veterans
Gilman Square	25	Leased	No	Low Income Families
Glenview Heights	10	Leased	No	Low Income Seniors/Disabled
Green Leaf	27	Leased	No	Low Income Families, Elderly, or Disabled
Green River Homes	59	Leased	No	Low Income Families, Elderly, or Disabled
Harrison House	49	Leased	No	Low Income Seniors
Heritage Park	15	Leased	No	Homeless Families
Heritage Park	36	Leased	No	Low Income Families
Hidden Village	78	Leased	No	Low Income Families, Elderly, or Disabled
Highland Village	8	Leased	No	Low Income Families
Houser Terrace	25	Leased	No	Homeless Veterans
Illahee	24	Leased	No	Low Income Families
Independence Bridge	24	Leased	No	Homeless Young Adults
Inland Empire Group Home	1	Leased	No	Disabled Individuals
Inland Empire Group Home	1	Leased	No	Disabled Individuals
Inland Empire Group Home	1	Leased	No	Disabled Individuals
Inland Empire Group Home	1	Leased	No	Disabled Individuals
Inland Empire Group Home	1	Leased	No	Disabled Individuals
Inland Empire Group Home	1	Leased	No	Disabled Individuals
Inland Empire Group Home	1	Leased	No	Disabled Individuals
Inland Empire Group Home	1	Leased	No	Disabled Individuals
Island Center Homes	8	Leased	No	Maintream/NED
Johnson Hill	8	Leased	No	Low Income Families

Project-based Voucher Contracts

Joseph House	10	Leased	No	Low Income Seniors
Juanita Court	30	Leased	No	Low Income Families, Elderly, or Disabled
Juanita Trace I & II	39	Leased	No	Low Income Families, Elderly, or Disabled
Juanita View	51	Leased	No	Low Inome Families
Kensington Square	6	Leased	No	Homeless Families
Kent PSH	35	Leased	No	Homeless Veterans
Kent PSH	44	Leased	No	Mainstream/NED
Kings Court	30	Leased	No	Low Income Families
Kirkland Avenue Townhomes	1	Leased	No	Homeless Veterans
Kirkland Heights	106	Leased	No	Low Income
Kirkwood Terrace	28	Leased	No	Low Income Families, Elderly, or Disabled
Landmark Apartments	28	Leased	No	Low Income Families
Laurelwood Gardens	8	Leased	No	Low Income Families
Lauren Heights	5	Leased	No	Homeless Families
New Arcadia	5	Leased	No	Homeless Young Adults
Newport	23	Leased	No	Low Income Families, Elderly, or Disabled
Newporter Apartments	22	Leased	No	Low Income Families
NIA Apartments	41	Leased	No	Low Income Seniors
Parkview Group Home	1	Leased	No	Disabled Individuals
Parkview Group Home	1	Leased	No	Disabled Individuals
Parkview Group Home	1	Leased	No	Disabled Individuals
Parkview Group Home	1	Leased	No	Disabled Individuals
Passage Point	46	Leased	No	Homeless Families/Re-entry
Patricia Harris Manor	41	Leased	No	Low Income Seniors/Disabled
Petter Court	4	Leased	No	Homeless Families
Phoenix Rising	24	Leased	No	Homeless Young Adults
Pickering Court	30	Leased	No	Low Income Families, Elderly, or Disabled
Plum Court	26	Leased	No	Low Income Families
Plymouth Crossing	87	Leased	No	Low Income Individuals; Mainstream/NED
Providence John Gabriel House	43	Leased	No	Low Income Seniors
Renton Commons	12	Leased	No	Homeless Families
Renton Commons	14	Leased	No	Homeless Veterans
Riverton Terrace I	30	Leased	No	Low Income Families
Ronald Commons	8	Leased	No	Homeless Veterans
Rose Crest	10	Leased	No	Homeless Families
Rose Crest	8	Leased	No	Homeless Families

Project-based Voucher Contracts

Salmon Creek	9	Leased	No	Low Income Families
Seola Crossing I & II	55	Leased	No	Low Income Families
Shoreham	18	Leased	No	Low Income Families, Elderly, or Disabled
Shoreline Permanent Supportive Housing	78	Leased	No	Homeless Veterans; Mainstream/NED; Low Income Families
Shoreline Veteran's Center	25	Leased	No	Homeless Veterans
Somerset Gardens	8	Leased	No	Low Income Families
Sophia's Home - Bellepark East	1	Leased	No	Homeless Individuals
Sophia's Home - Timberwood	2	Leased	No	Homeless Individuals
Sophia's Home - Woodside East	4	Leased	No	Homeless Individuals
Southwood Square	104	Leased	No	Low Income Families
Spiritwood Manor	128	Leased	No	Low Income Families, Elderly, or Disabled
Summerfield Apartments	13	Leased	No	Low Income Families
Summerwood	20	Leased	No	Low Income Families
Sunset Gardens	38	Leased	No	Homeless Veterans
The Willows	15	Leased	No	Homeless Families
Timberwood	20	Leased	No	Low Income Families
Timberwood Apartments	14	Leased	No	Homeless Veterans
Unity Village of White Center	6	Leased	No	Homeless Families
Valley Park East & West	12	Leased	No	Homeless Families
Valley Park East & West	16	Leased	No	Low Income Families
Valley Park East & West	2	Leased	No	Disabled Individuals
Vashon Terrace	16	Leased	No	Low Income Seniors/Disabled
Velocity Apartments	9	Leased	No	Homeless Families
Velocity Apartments	9	Leased	No	Homeless Veterans
Victorian Woods	15	Leased	No	Low Income Families, Elderly, or Disabled
Villa Capri	5	Leased	No	Homeless Families
Villa Esperanza	23	Leased	No	Homeless Families
Village at Overlake Station	8	Leased	No	Disabled Individuals
Village at Overlake Station	12	Leased	No	Low Income Families
Villages at South Station	11	Leased	No	Homeless Veterans
Vista Heights	30	Leased	No	Low Income Families, Elderly, or Disabled
Wellswood	30	Leased	No	Low Income Families, Elderly, or Disabled
William J. Wood Veterans House	44	Leased	No	Homeless Veterans
Woodcreek Lane	20	Leased	No	Low Income Families, Elderly, or Disabled

Project-based Voucher Contracts

Woodland North	8	Leased	No	Homeless Veterans
Woodland North	5	Leased	No	Low Income Families
Woodside East	23	Leased	No	Low Income Families
Young's Lake	28	Leased	No	Low Income Families
Connection Angle Lake	8	Leased	No	Mainstream/NED
Totem Lake	8	Leased	No	FUP
Burien Family Housing	34	<i>Leased</i>	No	Homeless Families
Plymouth Redmond	100	<i>Leased</i>	No	Homeless Individuals
Spring District	8	<i>Leased</i>	No	Mainstream/NED
Henry House	40	Leased	No	Low Income Families
Muckleshoot PSH	50	<i>Leased</i>	No	Mainstream/NED Homeless Families & Individuals
Child Haven Skyway	15	<i>Leased</i>	No	Homeless Families
Prisma	8	Issued	No	Homeless Families
Briarwood	70	<i>Leased</i>	Yes	Low Income Families
Brittany Park	43	<i>Leased</i>	Yes	Low Income Families
Lake House	70	<i>Leased</i>	Yes	Low Income Families
Munro Manor	60	<i>Leased</i>	Yes	Low Income Families
Riverton Terrace II	30	<i>Leased</i>	Yes	Low Income Families
Yardley Arms	67	<i>Leased</i>	Yes	Low Income Families
Boulevard Manor	70	<i>Leased</i>	Yes	Low Income Families
Burndale Homes	50	<i>Leased</i>	Yes	Low Income Families
Firwood Circle	50	<i>Leased</i>	Yes	Low Income Families
Paramount House	70	<i>Leased</i>	Yes	Low Income Families
Southridge House	80	<i>Leased</i>	Yes	Low Income Families
Valli Kee Homes	115	<i>Leased</i>	Yes	Low Income Families
Eastside Terrace	50	<i>Leased</i>	Yes	Low Income Families
Cedar Grove	20	<i>Leased</i>	Yes	Low Income Families
Hillsview	60	<i>Leased</i>	Yes	Low Income Families
Casa Juanita	80	<i>Leased</i>	Yes	Low Income Families
College Place	51	<i>Leased</i>	Yes	Low Income Families
Forest Glen	40	<i>Leased</i>	Yes	Low Income Families
Northlake House	38	<i>Leased</i>	Yes	Low Income Families
Westminster Manor	60	<i>Leased</i>	Yes	Low Income Families
Brookside	16	<i>Leased</i>	Yes	Low Income Families
Nia Apartments	40	<i>Leased</i>	Yes	Low Income Families

Project-based Voucher Contracts

Northwood	34	<i>Leased</i>	Yes	Low Income Families
Pacific Court	32	<i>Leased</i>	Yes	Low Income Families
Salmon Creek	50	<i>Leased</i>	Yes	Low Income Families
Seola Crossing	77	<i>Leased</i>	Yes	Low Income Families
Shelcor	8	<i>Leased</i>	Yes	Low Income Families
Vantage Point Apartments	77	<i>Leased</i>	Yes	Low Income Families
Village Plaza	6	<i>Leased</i>	Yes	Low Income Families

Total Units	5,014
Issued through AHAP	0
Pending contract issuance at time of plan	0

APPENDIX C

KCHA'S LOCAL ASSET MANAGEMENT PLAN

KCHA'S LOCAL ASSET MANAGEMENT PLAN

As detailed in KCHA's FY 2008 MTW Annual Plan and adopted by the Board of Commissioners under Resolution No. 5116, KCHA implemented a Local Asset Management Plan (LAMP). Much has changed since the LAMP was originally adopted. Therefore, a revised LAMP is being adopted.

Definitions

HCV Block Grant is the term used to describe Housing Choice Voucher program revenue for Housing Assistance Payments (HAP) and Administrative fees for the ACC vouchers that are considered as part of the MTW program.

MTW Block Grant is the term used to describe the revenue sources of the Public Housing Operating Fund Subsidy (OpSub), the Capital Fund Program (CFP), and the HCV Block grant which are all considered to be fungible and can be used for any allowed purpose in Section 8 or 9 of the 1937 Act.

The **MTW Fund** is a self-balancing set of accounts that will be the focal point for most MTW financial activity and will account for program inflows and outflows.

An **AMP** is an Asset Management Property and is a term used by HUD to describe a grouping of Public Housing Properties.

Overview

KCHA will use its own local funding model for the Public Housing (PH) and Housing Choice Voucher (HCV) programs. As allowed under the current MTW contract, KCHA will use funds from the Public Housing Operating Fund Subsidy, the Capital Fund Program, and the HCV Block interchangeably as part of its MTW Block Grant.

The MTW Fund will be the accounting vehicle to track MTW activity.

- Inflows will consist of revenue from the HCV Block Grant and OpSub revenue intended to support resident services which will be recorded in the MTW fund along with other sources such as interest income. CFP grant revenue will be recorded directly on the books of each AMP as funds are drawn.
- Outflows will occur in multiple ways:
 - Certain expenses will be charged directly to the MTW fund, such as resident service costs, administrative costs, and other expenses directly related to MTW program activity.
 - Transfers will be made to and from Public Housing AMPs in support of operations. This is explained further below under Public Housing Program Considerations.
 - Transfers will be made to the HCV fund to pay for the costs of HCV Block Grant HAP costs and related administrative expenses.
 - Transfers will be made to Public Housing AMPs and other eligible properties to pay for rehabilitation projects, along with amounts to support related management fees
 - Loans will be made, both internally and externally, in support of eligible program purposes. Once the loans are made, the funds are considered as expended.

Public Housing Program Considerations

In contrast to regulations found in 990.280 which allows transfers between projects only after all project expenses are met, KCHA's model allows budget-based funding at the start of the fiscal year from the MTW Block Grant. KCHA will maintain a budgeting and accounting system that gives each property sufficient funds to support annual operations, including fees that have been determined to be reasonable under the LAMP. Actual revenues will include those provided by HUD and those allocated by KCHA from the MTW fund based on annual property-based budgets.

- KCHA will record OpSub revenue directly to each AMP. As the OpSub formula results in some AMPs being over-funded and others under-funded, transfers will be made to and from the MTW fund to insure adequate budget-based funding.
- CFP grant revenue will be recorded directly on the books of each AMP as funds are drawn.
- Resident services costs will be accounted for in a centralized fund that is a sub-fund of the MTW fund and not assigned to individual programs or AMPs. The portion of the Operating Fund Subsidy that is specifically intended to support Resident Services will be allocated directly to this sub-fund and not to the AMP.
- KCHA will maintain a public housing operating reserve equivalent of at least two months' expenses, but will not be less than any amounts required by HUD.
- KCHA may establish Replacement Reserves for Public Housing Properties, and may deposit amounts in arrears to bring the reserves up to levels commensurate with projected capital needs.
- KCHA will provide accounting for each site AMP; however, KCHA, as owner of the properties will determine how much revenue will be included as each project's federal support.
- Central Office Cost Center (COCC) fees will be charged to each AMP at the amounts detailed below. However, in all cases, if federal funding is insufficient to support such fee levels, lower amounts may be substituted.
 - Property Management fees shall be set at the HUD-published 80th percentile Administrative Costs in FHA Housing by Field Office for the Seattle area.
 - Bookkeeping fees shall be set at the rate of \$7.50 PUM (as authorized under original Asset Management guidelines, and inflated annually from the 2006 baseline of 203.8, using the Bureau of Labor Statistics CPI-W for the Seattle-Tacoma-Bellevue area, as published for June for each year. The fee of \$7.50 has been in effect since 2006, and per HUD guidance (Federal Register, Volume 71, number 172, page 52712, section IX), "if a PHA considers the fees in this notice to be inadequate to address their individual circumstances, a PHA may use data that reflects the conditions of the local or national market". As KCHA considers a fee set in 2006 and never increased to be inadequate, it will use the index listed above as the basis for adjusting to local conditions.
 - Asset Management fees shall be set at the rate of \$10.00 PUM (as authorized under original Asset Management guidelines, and inflated annually from the 2006 baseline of 203.8, using the Bureau of Labor Statistics CPI-W for the Seattle-Tacoma-Bellevue area, as published for June for each year. The fee of \$10.00 has been in effect since 2006, and per HUD guidance (Federal Register, Volume 71, number 172, page 52712, section IX), "if a PHA considers the fees in this notice to be inadequate to address their individual circumstances, a PHA may use data that reflects the conditions of the local or national market". As KCHA considers a fee set in 2006 and never increased to be adequate, it will use the index listed above as the basis for adjusting to local conditions.

Housing Choice Voucher Program Considerations

- Amounts needed for Housing Assistance Payments (HAP) and program administrative costs will be transferred to the Housing Choice Voucher program fund, including sufficient funds to pay all management and bookkeeping fees. Block grant reserves and their interest earnings will not be commingled with Section 8 operations, enhancing budget transparency. Section 8 program managers will become more responsible for their budgets in the same manner as public housing site managers.
- HCV block grant revenue may be used to support other voucher types that are not part of the MTW program, such as FUP, NED or VASH vouchers. This will be done via an internal transfer.
- Central Office Cost Center (COCC) fees will be charged to each property at the amounts detailed below. However, in all cases, if federal funding is insufficient to support such fee levels, lower amounts may be substituted.
 - Management fees will be set at the HUD authorized amount of \$12.00 PUM or 20% of the Administrative Fee whichever is greater. KCHA is defining the Administrative Fee amount as the Column B rate for the Authority for each calendar year.
 - Bookkeeping fees shall be set at the rate of \$7.50 PUM (as authorized under original Asset Management guidelines, and inflated annually from the 2006 baseline of 203.8, using the Bureau of Labor Statistics CPI-W for the Seattle-Tacoma-Bellevue area, as published for June for each year. The fee of \$7.50 has been in effect since 2006, and per HUD guidance (Federal Register, Volume 71, number 172, page 52712, section IX), “if a PHA considers the fees in this notice to be inadequate to address their individual circumstances, a PHA may use data that reflects the conditions of the local or national market”. As KCHA considers a fee set in 2006 and never increased to be inadequate, it will use the index listed above as the basis for adjusting to local conditions.

APPENDIX D

DISCLOSURE OF LOBBYING ACTIVITIES

Associated and signed documentation will be included in the final 2027 MTW Plan, prior to submission to the U.S. Department of Housing and Urban Development.

APPENDIX E

DESIGNATION PLAN

King County Housing Authority
Designation Plan Report
as of 6/30/2026

Development #	Project	Public Housing Units	Designated Units	0 Bedrooms (Studio)	1 Bedroom	2 Bedrooms	# Units Occupied	Number Pre- Imp. Elderly Units	Target Number Elderly Units	Target Percent Elderly Units	Actual Number Elderly Units	Actual Percent Elderly Units	Count Over/Under Elderly Units	Waitlist Selection Action for Next Applicant
NORTH MIXED POPULATION														
WA002000150	Paramount House	70	70	42	27	1	70	-12	55	78%	56	80%	1	No restrictions on younger households
WA002000153	Northridge I	70	70	42	27	1	68	-7	55	78%	56	80%	1	No restrictions on younger households
WA002000153	Northridge II	70	70	0	69	1	69	-2	55	78%	62	88%	7	No restrictions on younger households
WA002000152	Briarwood	70	70	0	70	0	70	-2	55	78%	63	90%	8	No restrictions on younger households
WA002000152	The Lake House	70	70	0	69	1	66	-5	55	78%	60	85%	5	No restrictions on younger households
WA002000156	Westminster Manor	58	58	35	23	0	57	-	46	78%	49	84%	3	No restrictions on younger households
WA002000191	Northwood	34	34	0	34	0	34	-	27	78%	31	91%	4	No restrictions on younger households
WA002000251	Casa Juanita	80	80	0	80	0	79	4	63	78%	69	86%	6	No restrictions on younger households
WA002000290	Northlake House	38	38	0	38	0	38	-	30	78%	37	97%	7	No restrictions on younger households
EASTSIDE MIXED POPULATION														
WA002000201	Forest Glen	40	40	0	39	1	40	-2	32	78%	39	97%	7	No restrictions on younger households
WA002000452	Vantage Point	77	77	0	72	5	75		61	78%	66	85%	5	No restrictions on younger households
SOUTHEAST MIXED POPULATION														
WA002000550	Wayland Arms	67	67	24	42	1	62	2	53	78%	52	77%	-1	Freeze admission of younger households
WA002000552	Southridge House	80	80	0	80	0	80	14	63	78%	72	90%	9	No restrictions on younger households
WA002000551	Plaza 17	70	70	3	67	0	69	7	55	78%	64	91%	9	No restrictions on younger households
WA002000553	Casa Madrona	70	70	0	69	1	64	6	55	78%	53	75%	-2	Freeze admission of younger households
WA002000550	Gustaves Manor	35	35	4	31	0	34	6	28	78%	29	82%	1	No restrictions on younger households
SOUTHWEST MIXED POPULATION														
WA002000355	Nia	42	42	0	35	7	39	0	33	78%	38	90%	5	No restrictions on younger households
WA002000350	Boulevard Manor	70	70	0	70	0	68	-11	55	78%	59	84%	4	No restrictions on younger households
WA002000352	Munro Manor	60	60	0	60	0	60	-5	47	78%	53	88%	6	No restrictions on younger households
WA002000352	Yardley Arms	67	67	0	67	0	65	-9	53	78%	54	80%	1	No restrictions on younger households
WA002000354	Brittany Park	43	43	0	43	0	42	-8	34	78%	34	79%	0	Monitor for next vacancy
WA002000354	Riverton Terrace	30	30	1	29	0	29	-3	24	78%	23	76%	-1	Freeze admission of younger households
WA002000390	Burien Park	102	102	0	102	0	101	-	80	78%	84	82%	4	No restrictions on younger households
WA002000450	Mardi Gras	61	61	3	57	1	60	10	48	78%	54	88%	6	No restrictions on younger households
Total		1474	1474	154	1300	20								

King County Housing Authority
Designation Plan Report
as of 6/30/2026

Project		Public Housing Units	Designated Units	0 Bedrooms (Studio)	1 Bedroom	2 Bedrooms	# Units Occupied	Number Pre- Imp. Elderly Units	Target Number Elderly Units	Target Percent Elderly Units	Actual Number Elderly Units	Actual Percent Elderly Units	Count Over/Under Elderly Units	Waitlist Selection Action for Next Applicant
Non-PH Unit in Public Housing Property														
	Westminster Manor	2	2	2	0	0		-	-	-	-	-	-	
	Nia	40	40	0	30	10		-	-	-	-	-	-	
HOPA														
	Eastridge House	40	40	0	39	1	39	-	36	90%	37	92%	1	No restrictions on younger households
	Bellevue Manor	66	66	0	65	1	65	5	60	90%	63	95%	3	No restrictions on younger households
	Patricia Harris	41	41	0	40	1	41	6	37	90%	41	100%	4	No restrictions on younger households
SEDRO-WOOLLEY														
WA030000155	Hillsvew	60	60	0	60	0	60	-	-	-	44	73%	-	
Total		249	249	2	234	13								

APPENDIX F

Hardship Policies

- b. To the extent necessary to meet mixed finance agreements entered into for certain public housing developments, residents will remain subject to existing annual certification requirements applicable to overlaying programs, such as those of the Low Income Housing Tax Credit (LIHTC) program. However, these certifications will be conducted to determine the residents continued eligibility for program participation only. Actual tenant rent will be calculated according to the criteria established herein. (See Section 10 of this ACOP for additional information.)

D. HARDSHIP POLICY

Households notified of a rent increase will be informed, in writing, of their ability to seek a waiver based on financial hardship through the Housing Authority's established **Hardship Policy**. The policy is designed to allow KCHA flexibility to address unique, unforeseeable circumstances that may occur and to protect families in crisis. In order to receive a hardship rent, the household must apply for all benefits for which it may be eligible. Zero income households will be required to submit monthly budgets (KCHA Form #409) to their Property Manager, until income is restored to the household.

1. **Hardship Criteria.** The following categories for Hardship will apply to all program participants under KCHA's EASY Rent and WIN Rent programs:
 - a. **Extraordinary Cost of Living:** A household may apply for a hardship review when they experience an extraordinary cost of living that exceeds 50% of the household's monthly income. Examples of when a family might meet this criterion include:
 - ☐ Any household whose combined **gross rent** plus monthly out-of-pocket medical or childcare expenses exceeds 50% of household monthly income. Gross Rent is defined as actual monthly rent paid plus the assigned energy assistance supplement, or, minimum rent (if applicable). Only unreimbursed medical expenses incurred for the care of an elderly and/or disabled household member will be considered in determining extraordinary costs. Childcare expenses will only be allowed when the expense meets eligibility thresholds for all other WIN Rent households as defined by the Housing Authority and when the amount is not reimbursed from another source.
 - b. **Waiver of \$25 Minimum Rent / Extension of Energy Assistance Reimbursement beyond six (6) months:** A household may apply for an extension of its energy assistance reimbursement (credit rent) beyond the initial six month cap. To be eligible for hardship relief, the household would need to demonstrate that: (1) the loss of additional energy assistance would put the household at risk of losing their housing; and (2) their continued lack of income has not been through the

Admission and Continued Occupancy Policy (ACOP)

fault of the household (3) the household has applied for but been unsuccessful in connecting to available financial resources for which they might be eligible.

- ☐ Exception: Residents with exempt or excluded income and those who have been denied assistance (TANF, etc.) due to non-compliance with program requirements would not be considered to have a hardship meeting this category.
- c. **Additional Interim Review:** A WIN Rent household that has previously requested the maximum number of interim reviews to decrease their rent, but experiences an additional unforeseen decrease in income may request a hardship review. To be eligible for relief (1) the family's decrease in income could not have been due to the action or inaction of a member of the household; and (2) if the interim review was not applied, the family's shelter burden would exceed 50% of monthly income. No hardship will be granted if KCHA determines the family could (but is not) accessing an available alternate income source.
- d. **Deduction for Medical or Childcare Expenses above the \$10,000 Cap:** A household eligible to receive a reduction from gross income for medical or childcare related expenses may request a hardship review to request a reduction of gross income above the \$10,000 cap. In order to be eligible for relief under this criterion, the family must document that (1) the claimed expense is not reimbursable from an outside source; and (2) annualized costs for rent and out-of-pocket medical and/or childcare expenses would exceed 50% of gross income. In the case of childcare expenses, the amount of childcare assistance paid is reasonable in relation to amounts charged for similar care available in close proximity to the household's current childcare provider.
- e. **Mandatory Reductions to Fixed Income in excess of \$500.** Households who experience a reduction in a "fixed" source of income (GAU, SSI, and Social Security) may be eligible for a reduction in rent when KCHA determines the loss of income was out of the control of the recipient. In such cases, KCHA will:
 - ☐ Conduct an interim review for reductions to a fixed income source in an amount greater than \$500 per year. [Rather than the standard \$2,000 threshold required under KCHA's Interim Review policy].
 - ☐ Coordinate with state and/or federal agencies as possible to document the income change and streamline the interim review process using its existing tenant database to re-calculate rent "in mass" in order to limit the impact upon the participating household. Under such circumstances, a modified interim review policy will be utilized to allow KCHA to adjust rent based ONLY upon the revised income reported by the state and/or federal

Admission and Continued Occupancy Policy (ACOP)

agency. Additional income and deduction amounts for the household will be carried over from the previous Recertification completed for the household. Any errors in rent resulting from the use of data supplied directly from the state and/or federal agency will be considered caused by KCHA action and will be corrected as outlined in Section 10 of this ACOP. Such reviews will not count against a WIN Rent household's limit of 2 interim reviews during the 2-year Recertification cycle.

2. **Hardship Committee.** A KCHA appointed Hardship Committee will be responsible for review of all Hardship Requests. The Committee shall be comprised of KCHA staff, including the Director of Housing Initiatives, the Senior Programs Manager, and an additional Resident Services Department staff person. Once a hardship review request has been submitted, the Committee will examine each family's circumstances on a case-by-case basis. The Committee has a choice of remedies it can recommend (including permanent, family-specific rent caps) as deemed appropriate, to reduce a qualifying household's rent burden.
 - a. **Remedies Available under the Hardship Policy:** The Hardship Committee has a number of determinations that can be made under the policy including:
 - No hardship exists;
 - Rent should be set at a permanent, family specific cap;
 - The energy assistance reimbursement (credit rent) should be extended for a specific period of time;
 - The rent increase should be phased in over a specific period of time;
 - The \$100 per month rent increase cap should be extended for up to one year – resulting in a two year maximum (Available only to families in occupancy when the Easy Rent and WIN Rent programs were implemented);
 - The \$100 per month rent increase cap should be phased out over a specific period of time – not to exceed three years for Easy Rent households and two years for WIN Rent households; (Available only to families in occupancy when the Easy Rent and WIN Rent programs were implemented);
 - Approval of an additional interim review for a family that has previously exhausted the established limit of 2 interim reviews per every 2-year cycle for WIN Rent households. In order to be considered for relief, the household must first meet the criteria for an interim review established above.
 - Approval of a Medical or Childcare Expense reduction from gross income in an amount above the \$10,000 maximum. Relief may be granted for a

Admission and Continued Occupancy Policy (ACOP)

specific period of time, or indefinitely, as determined by the Committee. However, no relief will be granted without documentation of extraordinary circumstances beyond the control of the household.

- Authorize completion of an interim rent recalculation for reductions in income below established thresholds. [**Note:** Available only to households affected by a reduction in a “fixed” source of income through no fault of their own.]
 - Appropriate combination of above listed options.
3. **Appeals:** Families, who disagree with the recommendation of the Hardship Committee and/or final approval of the Director of Housing Management or Director of Resident Services, as applicable, may appeal the determination through the Housing Authority’s existing Grievance Procedure.

E. RENT FOR FAMILIES UNDER THE NONCITIZEN RULE

A mixed family will receive full continuation of assistance if all of the following conditions are met:

1. The family was receiving assistance on June 19, 1995;
2. The family was granted continuation of assistance before November 29, 1996;
3. The family's head or spouse has eligible immigration status; **AND,**
4. The family does not include any person who does not have eligible status other than the head of household, the spouse of the head of household, any parent of the head or spouse, or any child (under the age of 18) of the head or spouse.

If a mixed family qualifies for prorated assistance but decides not to accept it, or if the family has no eligible members, the family may be eligible for temporary deferral of termination of assistance to permit the family additional time for the orderly transition of some or all of its members to locate other affordable housing. Under this provision, the family receives full assistance. If assistance is granted under this provision prior to November 29, 1996, it may last no longer than three (3) years. If granted after that date, the maximum period of time for assistance under the provision is eighteen (18) months. The Housing Authority will grant each family a period of six (6) months to find suitable affordable housing. If the family cannot find suitable affordable housing, the Housing Authority will provide additional search periods up to the maximum time allowable.

Suitable housing means housing that is not substandard and is of appropriate size for the family. Affordable housing means that it can be rented for an amount not exceeding the amount the family pays for rent, plus utilities, plus 25%.

established Minimum Rent of \$25 and the credit rent will be removed. Adjustment to the minimum rent does not constitute an interim review and therefore income and family composition verification requirements do not apply

- iv. **Hardship Review:** A family may request and be determined eligible for relief from the calculated Tenant Rent when documentation shows the family meets the criteria outlined under KCHA's established Hardship Policy(see below).
- v. **Recertifications and Cost of Living Adjustment (COLA):** WIN Rent Households will be required to undergo a recertification once every two (2) years.
 - Rent will not be adjusted to reflect (COLA) increases in the intervening years.

c. Hardship Policy⁸⁰

Households notified of a rent increase will be informed, in writing, of their ability to seek a waiver based on financial hardship through the Housing Authority's established Hardship Policy. The policy is designed to allow KCHA flexibility to address unique, unforeseeable circumstances that may occur and to protect families in crisis. In order to receive a hardship rent, the household must apply for all benefits for which it may be eligible. Zero income households will be required to report income changes on a quarterly basis, until income is restored to the household.

- i. **Hardship Criteria.** The following categories for Hardship will apply to all program participants under KCHA's EASY Rent and WIN Rent programs:
 - **Extraordinary Cost of Living:** A household may apply for a hardship review when they experience an extraordinary cost of living that exceeds 50% of the household's monthly income. Examples of when a family might meet this criterion include:
 - o Any household whose combined gross rent plus monthly out-of-pocket medical or childcare expenses exceeds 50% of household monthly income. Gross Rent is defined as actual monthly rent paid plus the assigned energy assistance supplement, or, minimum rent (if applicable). Only unreimbursed medical expenses incurred for the care of an elderly and/or disabled household member will be considered in determining extraordinary costs. Childcare expenses

⁸⁰ Approved under MTW 11/1/10

will only be allowed when the expense meets eligibility thresholds for all other WIN Rent households as defined by the Housing Authority and when the amount is not reimbursed from another source.

- **Waiver of Minimum Rent / Extension of Energy Assistance Reimbursement beyond six (6) months:** A household may apply for an extension of its energy assistance reimbursement (credit rent) beyond the initial six month cap. To be eligible for hardship relief, the household would need to demonstrate that: (1) the loss of additional energy assistance would put the household at risk of losing their housing; (2) their continued lack of income has not been through the fault of the household, and (3) the household has applied for, but been unsuccessful in connecting to available financial resources for which they might be eligible.
 - **Exception:** Residents with exempt or excluded income and those who have been denied assistance (TANF, etc.) due to non-compliance with program requirements would not be considered to have a hardship meeting this category.
- **Additional Interim Review:** A WIN Rent household that has previously requested the maximum number of interim reviews to decrease their rent, but experiences an additional unforeseen decrease in income may request a hardship review. To be eligible for relief (1) the family's decrease in income could not have been due to the action or inaction of a member of the household; and (2) if the interim review was not applied, the family's shelter burden would exceed 50% of monthly income. No hardship will be granted if KCHA determines the family could (but is not) accessing an available alternate income source.
- **Deduction for Medical or Childcare Expenses above the \$10,000 Cap:** A household eligible to receive a reduction from gross income for medical or childcare related expenses may request a hardship review to request a reduction of gross income above the \$10,000 cap. In order to be eligible for relief under this criterion, the family must document that (1) the claimed expense is not reimbursable from an outside source; and (2) annualized costs for rent and out-of-pocket medical and/or childcare expenses would exceed 50% of gross income. In the case of childcare expenses, the amount of childcare assistance paid is reasonable in relation to amounts charged for similar care available in close proximity to the household's current childcare provider.
- **Mandatory Reductions to Fixed Income in excess of \$500.** Households who experience a reduction in a "fixed" source of income (GAU, Disability

Lifeline, SSI, Social Security, TANF, and Government of Private Pensions) may be eligible for a reduction in rent when KCHA determines the loss of income was out of the control of the recipient. In such cases, KCHA will:

- o Conduct an interim review for reduction to a fixed income source in an amount greater than \$500 per year. (Rather than the standard \$2,000 threshold required under KCHA's Interim Review policy.)
- o Coordinate with state and/or federal agencies as soon as possible to document the income changes and streamline the interim review process using its existing tenant database to recalculate rent "in mass" in order to limit the impact upon the participating household. Under such circumstances, a modified interim review policy will be utilized to allow the HA to adjust rent based ONLY upon the revised income reported by the state and/or federal agency. Additional income and deduction amounts for the household will be carried over from the previous Recertification completed for the household. Any errors in rent resulting from use of data supplied directly from the state and/or federal agency will be considered caused by HA action and will be corrected as outlined in [Section 10](#) of this plan.

ii. **Hardship Committee.** A KCHA appointed Hardship Committee will be responsible for review of all Hardship Requests. The Committee shall be comprised of KCHA staff, including the Director of Housing Initiatives, the Senior Programs Manager, and an additional Resident Services Department staff person. Once a hardship review request has been submitted, the Committee will examine each family's circumstances on a case-by-case basis. The Committee has a choice of remedies it can recommend (including permanent, family-specific rent caps) as deemed appropriate, to reduce a qualifying household's rent burden.

- **Remedies Available under the Hardship Policy:** The Hardship Committee has a number of determinations that can be made under the policy including:
 - o No hardship exists;
 - o Rent should be set at a permanent, family specific cap;
 - o The energy assistance reimbursement (credit rent) should be extended for a specific period of time;
 - o The rent increase should be phased in over a specific period of time;
 - o The \$100 per month rent increase cap should be extended for up to one year – resulting in a two year maximum (Available only to

families in occupancy when the EASY Rent and WIN Rent programs were implemented);

- o The \$100 per month rent increase cap should be phased out over a specific period of time – not to exceed three years for EASY Rent Households and two years for WIN Rent households; (Available only to families in occupancy when the EASY Rent and WIN Rent programs were implemented);
- o Approval of an additional interim review for a family that has previously exhausted the established limit of 2 interim reviews per every 2-year cycle for WIN Rent households. In order to be considered for relief, the household must first meet the criteria for an interim review established above;
- o Approval of a Medical or Childcare Expense reduction from gross income in an amount above the \$10,000 maximum. Relief may be granted for a specific period of time, or indefinitely, as determined by the Committee. However, no relief will be granted without documentation of extraordinary circumstances beyond the control of the household;
- o Authorize completion of an interim rent recalculation for reductions in income below established thresholds. (NOTE: Available only to households affected by a reduction in a “fixed” source of income through no fault of their own.)
- o Appropriate combination of above listed options.

- ii. **Appeals:** Families, who disagree with the recommendation of the Hardship Committee and/or final approval of the Director of Housing Management or Director of Resident Services, as applicable, may appeal the determination through the Housing Authority’s existing Informal Hearing process.

E. RENT CALCULATIONS FOR OVER-INCOME PUBLIC HOUSING REDEVELOPMENT PARTICIPANTS

A family housed in a former Public Housing Redevelopment unit who has a total income above 80% AMI for their family size will have their rent amount capped at the lower of the contract rent for the unit or the amount determined through the normal WIN or EASY rent calculation method.

for the assigned unit plus the net amount by which the GR exceeds the PS (if any) subject to any Minimum Rent (as defined).

- i. Energy Assistance Supplement tables approved by KCHA are listed in **Exhibit I** of this Plan
- c. **Minimum Rent:** When the TTP calculated for a household is **less than** the EAS, the family will be provided with an Energy Reimbursement for the difference between the EAS and calculated TTP. However, the household may remain at the resulting Credit Rent for a limited period of six (6) months. After this six (6) month period, if the family's calculated TTP remains below the established utility allowance, the Tenant Rent will be adjusted to the established Minimum Rent of \$25 and the credit rent will be removed. Adjustment to the minimum rent does not constitute an interim review and therefore income and family composition verification requirements do not apply.
- d. **Hardship Review:** A family may request and be determined eligible for relief from the calculated Tenant Rent when documentation shows the family meets the criteria outlined under KCHA's established Hardship policy. (see Section 9.III.A.3 below).
- e. **Recertifications and Cost of Living Adjustment (COLA) :** WIN Rent Households will be required to undergo a recertification once every two (2) years.
 - i. Rent **will not** be adjusted to reflect (COLA) increases in the intervening years.

3. Hardship Policy:⁵⁰

Households notified of a rent increase will be informed, in writing, of their ability to seek a waiver based on financial hardship through the Housing Authority's established **Hardship Policy**. The policy is designed to allow KCHA flexibility to address unique, unforeseeable circumstances that may occur and to protect families in crisis. In order to receive a hardship rent, the household must apply for all benefits for which it may be eligible. Zero income Household will be required to report income changes on a quarterly basis, until income is restored to the household.

- a. **Hardship Criteria.** The following categories for Hardship will apply to all program participants under KCHA's EASY Rent and WIN Rent programs:
- b. **Extraordinary Cost of Living:** A household may apply for a hardship review when they experience an extraordinary cost of living that exceeds 50% of the household's monthly income. Examples of when a family might meet this criterion include:

⁵⁰ Approved under MTW 11/1/10

- Any household whose combined **gross rent** plus monthly out-of-pocket medical or childcare expenses exceeds 50% of household monthly income. Gross Rent is defined as actual monthly rent paid plus the assigned energy assistance supplement, or, minimum rent (if applicable). Only unreimbursed medical expenses incurred for the care of an elderly and/or disabled household member will be considered in determining extraordinary costs. Childcare expenses will only be allowed when the expense meets eligibility thresholds for all other WIN Rent households as defined by the Housing Authority and when the amount is not reimbursed from another source.
- c. **Waiver of \$25 Minimum Rent / Extension of Energy Assistance Reimbursement beyond six (6) months:** A household may apply for an extension of its energy assistance reimbursement (credit rent) beyond the initial six month cap. To be eligible for hardship relief, the household would need to demonstrate that: (1) the loss of additional energy assistance would put the household at risk of losing their housing; (2) their continued lack of income has not been through the fault of the household, and (3) the household has applied for, but been unsuccessful in connecting to available financial resources for which they might be eligible.
- Exception: Residents with exempt or excluded income and those who have been denied assistance (TANF, etc.) due to non-compliance with program requirements would not be considered to have a hardship meeting this category.
- d. **Additional Interim Review:** A WIN Rent household that has previously requested the maximum number of interim reviews to decrease their rent, but experiences an additional unforeseen decrease in income may request a hardship review. To be eligible for relief (1) the family's decrease in income could not have been due to the action or inaction of a member of the household; and (2) if the interim review was not applied, the family's shelter burden would exceed 50% of monthly income. No hardship will be granted if KCHA determines the family could (but is not) accessing an available alternate income source.
- e. **Deduction for Medical or Childcare Expenses above the \$10,000 Cap:** A household eligible to receive a reduction from gross income for medical or childcare related expenses may request a hardship review to request a reduction of gross income above the \$10,000 cap. In order to be eligible for relief under this criterion, the family must document that (1) the claimed expense is not reimbursable from an outside source; and (2) annualized costs for rent and out-of-pocket medical and/or childcare expenses would exceed 50% of gross income. In the case of childcare expenses, the amount of childcare assistance paid is reasonable in relation to amounts charged for

similar care available in close proximity to the household's current childcare provider.

- f. **Mandatory Reductions to Fixed Income in excess of \$500.** Households who experience a reduction in a "fixed" source of income (GAU, Disability Lifeline, SSI, Social Security, TANF, and Government of Private Pensions) may be eligible for a reduction in rent when KCHA determines the loss of income was out of the control of the recipient. In such cases, KCHA will:
 - Conduct an interim review for reduction to a fixed income source in an amount greater than \$500 per year. (Rather than the standard \$2,000 threshold required under KCHA's Interim Review policy.)
 - Coordinate with state and/or federal agencies as soon as possible to document the income changes and streamline the interim review process using its existing tenant database to recalculate rent "in mass" in order to limit the impact upon the participating household. Under such circumstances, a modified interim review policy will be utilized to allow the HA to adjust rent based ONLY upon the revised income reported by the state and/or federal agency. Additional income and deduction amounts for the household will be carried over from the previous Recertification completed for the household. Any errors in rent resulting from use of data supplied directly from the state and/or federal agency will be considered caused by HA action and will be corrected as outlined in [Section 10](#) of this plan.
- g. **Hardship Committee.** A KCHA appointed Hardship Committee will be responsible for review of all Hardship Requests. The Committee shall be comprised of KCHA staff, including the Director of Housing Initiatives, the Senior Programs Manager, and an additional Resident Services Department staff person. Once a hardship review request has been submitted, the Committee will examine each family's circumstances on a case-by-case basis. The Committee has a choice of remedies it can recommend (including permanent, family-specific rent caps) as deemed appropriate, to reduce a qualifying household's rent burden.
- h. **Remedies Available under the Hardship Policy:** The Hardship Committee has a number of determinations that can be made under the policy including:
 - No hardship exists;
 - Rent should be set at a permanent, family specific cap;
 - The energy assistance reimbursement (credit rent) should be extended for a specific period of time;
 - The rent increase should be phased in over a specific period of time;

- The \$100 per month rent increase cap should be extended for up to one year – resulting in a two year maximum (Available only to families in occupancy when the EASY Rent and WIN Rent programs were implemented);
 - The \$100 per month rent increase cap should be phased out over a specific period of time – not to exceed three years for Easy Rent households and two years for WIN Rent households; (Available only to families in occupancy when the EASY Rent and WIN Rent programs were implemented);
 - Approval of an additional interim review for a family that has previously exhausted the established limit of 2 interim reviews per every 2-year cycle for WIN Rent households. In order to be considered for relief, the household must first meet the criteria for an interim review established above.
 - Approval of a Medical or Childcare Expense reduction from gross income in an amount above the \$10,000 maximum. Relief may be granted for a specific period of time, or indefinitely, as determined by the Committee. However, no relief will be granted without documentation of extraordinary circumstances beyond the control of the household.
 - Authorize completion of an interim rent recalculation for reductions in income below established thresholds. (NOTE: Available only to households affected by a reduction in a “fixed” source of income through no fault of their own.)
 - Appropriate combination of above listed options.
- i. **Appeals:** Families, who disagree with the recommendation of the Hardship Committee and/or final approval of the Director of Housing Management or Director of Resident Services, as applicable, may appeal the determination through the Housing Authority’s existing Informal Hearing process.

D. DETERMINATION OF THE ENERGY ASSISTANCE SUPPLEMENT⁵¹

1. Energy Assistance Supplement Tables

- a. The Housing Authority has established an Energy Assistance Supplement (EAS) table based upon regional average consumption and are designed to project the energy needs of a reasonably energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful

⁵¹ Approved under MTW 11/1/10



CENTRAL OFFICE

600 ANDOVER PARK WEST, TUKWILA, WA, 98188

PHONE: (206) 574-1100 FAX: (206) 574-1104 TTY: (800) 833-6388

OFFICE USE ONLY

FORM #: 443EW

HOUSEHOLD ID:

TICKLER #:

EFFECTIVE DATE:

HARDSHIP POLICY

The **Hardship Policy** is designed to allow KCHA flexibility to address unique, unforeseeable circumstances that may occur and to protect families in crisis. In order to be considered for a hardship rent, the household must apply for all benefits for which it may be eligible. Zero income households will be required to report income changes on a quarterly basis, until income is restored to the household.

Hardship Criteria.

The following categories for Hardship will apply to all KCHA housing programs participants:

1. **Extraordinary Cost of Living:** A household may qualify for hardship relief if they experience an extraordinary cost of living that exceeds 50 percent of monthly income. Cost of living expenses include: rent (excluding amounts above the applicable Payment Standard); Energy Assistance Supplement (EAS); and eligible out-of-pocket child care or medical expenses.
2. **Waiver of Minimum Rent / Extension of Energy Assistance Reimbursement beyond six (6) months:** The household would need to demonstrate that: (1) the loss of additional energy assistance would put the household at risk of losing their housing; (2) their continued lack of income has not been through the fault of the household and (3) the household has applied for, but been unsuccessful in connecting to available financial resources for which they might be eligible. NOTE: The household has been denied assistance (TANF, etc.) due to non-compliance with program requirements would not be considered a hardship under this category.
3. **Additional Interim Review:** A WIN Rent household that has previously requested the maximum number of interim reviews to decrease their rent, but experiences an additional unforeseen decrease in income may request a hardship review. To be eligible for relief (1) the family's decrease in income could not have been due to the action or inaction of a member of the household; and (2) if the interim review was not applied, the family's shelter burden would exceed 50% of monthly income. No hardship will be granted if KCHA determines the family could (but is not) accessing an available alternate income source.
4. **Deduction for Medical or Child Care Expenses above the \$10,000 Cap:** A household eligible to receive a reduction from gross income for medical or child care related expenses may request a hardship review to request a reduction of gross income above the \$10,000 cap. In order to be eligible for relief under this criterion, the family must document that (1) the claimed expense is not reimbursable from an outside source; and (2) annualized costs for rent and out-of-pocket medical and/or child care expenses, for which they are eligible, would exceed 50% of gross income. In the case of child care expenses, the amount of child care assistance paid is reasonable in relation to amounts charged for similar care available in close proximity to the household's current child care provider.
5. **Mandatory reductions to fixed income in excess of \$500:** Households who experience a reduction in a "fixed" source of income (GAU, Disability Lifeline, SSI, Social Security and Government or Private Pensions) may be eligible for a reduction in rent when KCHA determines the loss of income was out of the control of the recipient. In such cases, KCHA will: (1) conduct an interim review for reductions to a fixed income source in an amount greater than \$500 per year. (Rather than the standard \$2,000 threshold required under KCHA's Interim Review policy.) and (2) coordinate with state and/or federal agencies as possible to document the income change, streamline the review process and recalculate rent in order to limit the impact upon the participating household.

Applying for Consideration: To be considered for relief under the Hardship Policy, complete the attached form and submit it to your Sr. Housing Specialist (Section 8) or KCHA Property Management Office (Public Housing). The paper will be forwarded to the Hardship Committee for review. While most decisions are made in less time, the Hardship Committee will make every effort to render and inform you of a decision within thirty (30) calendar days.

Appeals: Families who disagree with the Hardship review decision may request an appeal of the determination through the Housing Authority's existing Grievance or Informal Hearing processes as applicable.

HARDSHIP REVIEW REQUEST FORM

Head of Household:			
Address:			
Telephone:		Client Number:	

I am requesting a hardship review for the following reason (please check appropriate box):

☐ Extraordinary Cost of Living

(When combined monthly expenses including Rent, KCHA Energy Assistance Supplement and unreimbursed medical and/or child care expenses exceed 50% of income.)

☐ Waiver of Minimum Rent /Extension of Energy Assistance Reimbursement beyond six (6) months

☐ Deduction for Medical Expenses above \$10,000 cap

☐ Deduction for Child Care Expenses above \$10,000 cap

☐ Additional Interim Review

☐ Decrease in fixed income source in excess of \$500 (fixed income sources include: GAU, Disability Lifeline, SSI, Social Security and Government or Private Pensions)

Please describe why you need this hardship consideration (use the back of this page if necessary):

Signature: _____ Date: _____

For KCHA Use ONLY:

Additional Information: _____

IMPORTANT INSTRUCTIONS FOR FIELD STAFF: Attach current and prior KCHA 413 forms and submit COMPLETED Hardship Review request form to Hardship Review Committee Chair at Central Office.

APPENDIX G

MTW Regionalization Efforts

MTW Regionalization Overview

A. GENERAL OVERVIEW OF THE REGIONAL MTW AGENCY AND A DESCRIPTION OF PLANNED REGIONAL INITIATIVES.

KCHA has a long-standing contract to manage and assist the Sedro Woolley Housing Authority (SWHA) in the administration of their 80-unit Public Housing inventory. In 2025, HUD approved KCHA's partnership with the Sedro-Woolley Housing Authority (SWHA) to create a Regional MTW Agency through an updated and revised management agreement. Becoming a regional MTW Agency Partner allows SWHA and its clients to benefit from regulatory flexibility provided under the MTW program to increase housing choice, support economic self-sufficiency of SWHA households and simplify and streamline programs – allowing both KCHA and SWHA to operate more efficiently and effectively in support of affordable housing in the region. This is particularly essential for SWHA as a very small housing authority with limited resources. This attachment to KCHA's MTW Plan outlines SWHA's planned use of MTW flexibilities.

B. SPECIFIC MTW FLEXIBILITIES UTILIZED AND ANY ADDITIONAL PLANNED MTW FLEXIBILITIES FOR THE UPCOMING FISCAL YEAR.

SWHA will take advantage of several of KCHA's existing MTW activities to facilitate streamlined operations and capacity to meet the needs of the Sedro-Woolley community. Below is a list of specific MTW initiatives SWHA may implement in 2027, which are further described below.

Activity #	MTW Activity	Statutory Objective
2014-2	Revised Definition of "Family"	Housing Choice
2008-10 & 2008-11	EASY and WIN Rent Policies	Cost-effectiveness
2008-21	Public Housing Utility Allowances	Cost-effectiveness
2007-14	Enhanced Transfer Policy	Cost-effectiveness
2004-7	Streamlining Public Housing Forms and Data Processing	Cost-effectiveness

SWHA may also leverage MTW flexibilities to effectively respond to economic/financial conditions and help ensure short and long-term program viability.

SWHA regularly assesses the impacts of regulatory and other HUD changes, including final regulations implementing HOTMA Sections 102 and 104, on the agency's existing policies. While the agency undertakes analysis, SWHA leverages its authority as an MTW Partner Agency and previously approved activities to maintain existing policies.

2014-2: Definition of a Family

SWHA may utilize authority as an MTW Agency Partner to modify the eligibility standards outlined in the Public Housing Admissions and Continued Occupancy Policy (ACOP). Mirroring policy adopted by KCHA in 2014. SWHA may limit eligible households to those that include at least one elderly member, person with a disability, or a minor/dependent child. Policy changes will direct SWHA's limited resources to populations facing the greatest need: elderly and near-elderly households; people with disabilities; families with children; and heads of household designated as emancipated minors (aged 16 and above) pursuant to Washington State regulations. This would apply only to admissions and does not affect the eligibility of households currently receiving assistance.

2008-10 and 2008-11: EASY and WIN Rent Policies

SWHA may implement rent reform policies designed to simplify and streamline the rent calculation process and incentivize income growth and savings for household. Modeling after KCHA's Easy and Win Rent policies, SWHA implement alternatives to the HUD standard of annual recertifications that set rent at 30% of adjusted income. instituted by KCHA, or portions thereof. For example, EASY Rent, simplifies rent calculations and the burden placed on residents by reducing recertification reviews to a three-year cycle. Rents are calculated at an alternative percentage of adjusted income with streamlined processing of increases resulting from annual COLA increases in Social Security and SSI payments.

WIN Rent, utilizes a series of income bands – setting the tenant's rent at a percentage of the lower end of each income band. This tiered system is designed to incentivize increases in earnings, as the tenant's rent does not change until household income increases to the next band level. Recertifications are conducted biennially instead of annually, allowing households to retain all increases in earnings during that time period without an accompanying increase to the tenant's share of rent. Both structures streamline processing of tenant-requested interim reviews and In addition to changes to the recertification cycle, WIN Rent also streamlines processing and reviews. For example, the number of tenant-requested reviews to reduce rent is limited to two (2) occurrences in a two-year period in the WIN Rent program.

Under both rent structures anticipated income is adjusted only by deductions for eligible childcare, medical and disability-related expenses in bands up to a cap of \$10,000. Additionally, both rent structures include streamlined processing of interim reviews, eliminate flat rents and income disregards, and exclude the employment income of household members under age 21 from the rent calculation. Households with little or no income are given a six-month reprieve during which they are able to pay a lower rent or, in some cases, receive a credit payment. Following this period, household is set at a minimum monthly payment which may differ between WIN Rent and EASY Rent, regardless of income calculation. A Hardship Policy is included to address documented urgent.

SWHA will look at each of these models – in whole, in part or through a blended approach - to develop and implement an MTW-based rent policy that addresses the need to streamline and simplify operations while encouraging economic self-sufficiency for residents.

2008-21: Public Housing Utility Allowances

This activity simplifies the HUD rules on Public Housing Utility Allowances by applying a single methodology that reflects local consumption patterns and costs. For the non-MTW Agency, allowances are calculated for individual units and households using different rules under the various HUD programs. Additionally, HUD requires tracking of rate changes and immediate update of the allowances with each cumulative 10% rate increase by utility companies. In FY 2026, SWHA may implement changes previously implemented by KCHA - its MTW Regionalization Lead Agency. Working with data from a Seattle City Light study completed in late 2009, KCHA identified key factors in household energy use and developed average consumption levels for various types of units in the Puget Sound region. This information was used to create a new utility schedule that considers multiple factors: type of unit (single vs. multi-family); size of unit; high-rise vs. low-rise units; and the utility provider. In addition, the revised policy provides for allowance adjustment based upon a cumulative change of more than 10% in the Consumer Price Index, rather than every time an adjustment is made to the utility equation. The Policy will also allow SWHA to respond to unique household or property circumstances and documented cases of financial hardship.

2007-14: Enhanced Transfer Policy

This activity allows households to transfer between subsidized housing programs and provides expedited access to Uniform Federal Accessibility Standards (UFAS)-rated units for mobility-impaired households. The policy also supports transfers to appropriately sized units when household composition changes, improving occupancy efficiency, and helping ensure households are matched with housing that meets their current needs. The policy includes tools to encourage transfers when appropriately sized units become available. SWHA may implement KCHA's Enhanced Transfer policy as a whole, or in part as determined necessary to meet local needs. Streamlining the transfer process provides greater flexibility for SWHA residents.

2004-7: Streamlining Public Housing and Housing Choice Voucher Forms and Data Processing

Duplicative recertifications, complex income calculations, and strict timing rules cause unnecessary and regular intrusions into the lives of the residents we serve. These processes often require limited resources on work that does not support program goals. Through the use of lean engineering techniques, SWHA will review office workflow and identify ways that tasks can be accomplished more efficiently and intrude less into the lives of program participants, while still assuring program

integrity and quality control. Under this initiative, SWHA will apply a number of changes to our business practices and processes for verifying and calculating tenant income and rent as follows:

Changes to Business Processes:

- Allow applicant households to self-certify membership in the family at the time of admission.
- Households to qualify for a preference when household income is below 30% of AMI.
- Streamline procedures for processing interim rent changes resulting from wholesale reductions in state entitlement programs.
- Modify the HUD-required inspection process to allow streamlined processing of inspections and related data.
- Establish a local release form that replaces HUD Form 9886 — clearly defining verifications that could be obtained and extending authorization for use to 40 months.

Changes to Verification and Income Calculation Processes:

- Extend to 180 days the term over which verifications are considered valid.
- Modify the definition of “income” to exclude income from assets with a value less than \$50,000 and income from Resident Service Stipends, if applicable, less than a maximum amount established in the ACOP.

SWHA is in the process of transitioning to a new housing management software platform in 2026. As work moves forward, the agency will continue to explore and may implement further streamlining policies that take advantage of the new software functionality and reduce administrative burdens.

C. COST AND PROGRAM IMPLICATIONS

The above activities are intended to reduce administrative burden for residents and applicants without dramatic changes to their experience with SWHA’s affordable housing. They are also designed to be more cost-effective for SWHA, particularly by mirroring KCHA policies, making it more feasible for KCHA as the management agent to operate within SWHA’s limited funding. Administrative efficiencies are unlikely, however, to sufficiently make up for the growing gap between public housing funding and SWHA’s operating costs and significant capital repair needs. The agency will explore alternative funding solutions including conversion to Section 8 funding and debt financing.

D. ADDITIONAL INFORMATION

None.