PHA Name : Housing Catalyst

PHA Code : CO041
MTW Supplement for PHA Fiscal Year Beginning : (MM/DD/YYYY): 1/1/2027
PHA Program Type: Combined
MTW Cohort Number: Landlord Incentives
MTW Supplement Submission Type: Annual Submission

B. MTW Supplement Narrative.

Housing Catalyst is the Housing Authority for the City of Fort Collins, Colorado. Housing Catalyst is a mission-driven real estate developer, the housing authority for Fort Collins, and the largest property management company in Northern Colorado. The agency provides sustainable, long-term housing solutions, serving more than 1,600 families per year. Employing innovative programs and resident support systems, Housing Catalyst offers critical tools and resources that families need while creating vibrant, sustainable communities throughout Fort Collins.

Housing Catalyst's vision for its participation in the MTW program integrates the agency's mission and objectives with the federal statutory objectives of the MTW program to increase cost-effectiveness, self-sufficiency, and housing choice.

Housing Catalyst is only applying MTW initiatives to its HCV program in this supplement. The Public Housing program has completed disposition through the RAD and Section 18 tools. By focusing on the recruitment of new landlords who are currently not participating in the HCV program, Housing Catalyst will further its mission of increasing housing choices for families through policies which encourage landlord participation and increase units available to families in the local housing market.

Housing Catalyst will continue with the two landlord initiatives of incentive payments and damage claims. These initiatives will address cost-effectiveness by increasing utilization rates and decreasing the amount of time voucher holders are searching for housing; self-sufficiency by encouraging voucher holders to seek out neighborhoods with greater opportunity and providing incentives for new landlords in those areas who were not previously working with the voucher program; and housing choice by increasing the pool of landlords who welcome a housing choice voucher.

For 2027, Housing Catalyst is proposing four additional MTW activities designed to address three significant local challenges: rising rental costs and declining voucher purchasing power, increasing Housing Choice Voucher program costs resulting in funding shortfalls, and administrative requirements that delay families from receiving assistance.

Together, these activities provide Housing Catalyst with additional tools to preserve long-term program sustainability while expanding housing choice and improving administrative efficiency.

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

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

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

c. Housing Development Programs	Not Currently Implemented

C. MTW Activities Plan that Housing Catalyst Plans to Implement in the Submission Year or Is Currently Implementing

1.f. - Minimum Rent (HCV)
Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative Housing Catalyst will implement minimum rent for all of its non-elderly and non-disabled HCV households. This will incentivize families to maintain employment, become accustomed to paying rent that is akin to what non-subsidized families pay, decrease program expenses, and increase self-sufficiency. Housing Catalyst will raise minimum rent to $130. Agency goals for MTW Activity: Increase self-sufficiency among voucher families by encouraging greater tenant contribution when appropriate. Achieve cost savings to Housing Catalyst by reducing the amount of Housing Assistance Payment (HAP) paid to landlords. The proposed activity meets all safe harbor requirements: 1) Minimum rent must not exceed $130 per month 2) Agency must exclude elderly and disabled families from rent policy 3) Agency must conduct an impact analysis 4) Agency must implement a hardship policy
Which of the MTW statutory objectives does this MTW activity serve? Cost effectiveness; Self-sufficiency
What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today. Decreased expenditures
Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households? The MTW activity applies only to a subset or subsets of assisted households
Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households? New admissions and currently assisted households
Does the MTW activity apply to all family types or only to selected family types? The MTW activity applies only to selected family types
Please select the family types subject to this MTW activity. Non-elderly, non-disabled families
Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers? The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers
Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity. All non-elderly, non disabled families
Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

Housing Catalyst proposes to begin implementation upon approval of activity

Does this MTW activity require a hardship policy?

Yes

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

Yes

Please list all of the applicable MTW activities. (Only upload hardship policy once when said policy applies to multiple MTW activities.)
1.f. - Minimum Rent (HCV); 1.h. - Total Tenant Payment as a Percentage of Gross Income (HCV); 2.a. - Payment

Standards- Small Area Fair Market Rents (HCV); 3.b. - Alternative Reexamination Schedule for Households (HCV)

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

Yes

What considerations led the MTW agency to modify the hardship policy?
Added clarification regarding when a hardship exists. Added policies addressing Minimum Rent and Payment Standards -

Small Area Fair Market Rents

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

No hardship were requested in the most recent fiscal year.

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

No

Does the MTW activity require an impact analysis?

Yes, Exhibit A

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

No

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

$130.00

1.h. - Total Tenant Payment as a Percentage of Gross Income (HCV)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative
Housing Catalyst will modify the percentage of income used in the calculation of total tenant payment. The tenant payment in the Housing Choice Voucher Program will be equal to 35% of monthly adjusted income.
Agency goals for MTW Activity: Cost savings to Housing Catalyst by reducing the amount of Housing Assistance Payment (HAP) paid to landlords, create consistency, improves long-term sustainability, aligns tenant contributions with MTW goals and reduces future funding instability. This waiver supports Housing Catalyst’s larger goal of using MTW flexibility to reduce agency costs and promote self-sufficiency.

The proposed activity meets all safe harbor requirements:
1) The Tenant Payment in public housing and the Tenant Payment in HCV must not exceed 35% of income for non-elderly/non-disabled families if the agency is not utilizing flexibility under activities 1.r, 1.t and/or 1.v (for 1.g) or 1.s, 1.u and/or 1.w (for 1.h)
2) Agency must exempt elderly and disabled families from rent policy
3) Agency must conduct impact analysis

4) Agency must implement a hardship policy

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

Cost effectiveness; Self-sufficiency

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

Decreased expenditures

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

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

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

New admissions and currently assisted households

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

The MTW activity applies only to selected family types

Please select the family types subject to this MTW activity.

Non-elderly, non-disabled families

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

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

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

All non-elderly, non-disabled families

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

Housing Catalyst is planning implementation of this activity for January 1, 2027.

Does this MTW activity require a hardship policy?

Yes

This document is attached.

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

Yes

Please list all of the applicable MTW activities. (Only upload hardship policy once when said policy applies to multiple MTW activities.)
1.f. - Minimum Rent (HCV); 1.h. - Total Tenant Payment as a Percentage of Gross Income (HCV); 2.a. - Payment

Standards- Small Area Fair Market Rents (HCV); 3.b. - Alternative Reexamination Schedule for Households (HCV)

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

Yes

What considerations led the MTW agency to modify the hardship policy?

Added clarification regarding when a hardship exists. Added policies addressing Minimum Rent and Payment Standards - Small Area Fair Market Rents

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

No hardship were requested in the most recent fiscal year.

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

No

Does the MTW activity require an impact analysis?

No

No document is attached.

What percentage of income will equal the Total Tenant Payment (TTP)?

35.00%

What is the income basis for calculating Total Tenant Payment?

This activity uses adjusted annual income as defined in 24 CFR 5.611 (as required for non-MTW PHAs)

1.j. - Alternative Utility Allowance (HCV)

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

Housing Catalyst may create a utility schedule(s) for all HCV units based upon bedroom size, the unit location and or types or utilities paid by participant. The agency may establish a site-based utility allowance in the Project Based Voucher program.

This activity is designed to increase voucher holders' understanding of the rent calculation, specifically how utilities affect the contract rent allowed. Implementation of this activity would allow for less time spent during initial briefings to explain utility allowance, as well as less potential for error. Tenant rent portions are expected to remain generally comparable while simplifying the calculation process through standardized utility allowances based on local utility data.

Statues and Regulations Waived Alternative Utility Allowance (HCV) - Certain provisions of section 8(o)(2)(D)(i) of the 1937 Act and 24 CFR 982.517 and 983.301(f)(2)(ii).

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

Cost effectiveness; Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

This activity was implemented on January 1, 2026. Under this policy, households are assigned a flat-rate utility allowance if they are responsible for paying any utilities.

Housing Catalyst completed a utility cost study in 2025 and established the flat-rate allowances based on the average total utility costs by voucher size and unit type. This simplifies the utility allowance process and provides voucher families with

greater understanding when selecting suitable housing.

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

No

Please describe the alternative method of calculating the utility allowances. Please explain how the method of calculating utility allowances is different from the standard method and what objective the MTW agency aims to achieve by using this alternative method.

Housing Catalyst reviewed current data by unit type and bedroom size to identify the average utility allowances used across the Housing Choice Voucher (HCV) program. Using third-party analysis from NELROD, updated utility allowance schedules were developed and compared to current amounts. Based on this review, Housing Catalyst established a flat-rate utility allowance by averaging costs for each major utility type (e.g., electric, gas, water/sewer, and trash) across comparable units.

This alternative method differs from the standard HUD methodology, which bases utility allowances on detailed consumption estimates and rates that vary by individual utility type, structure type, and other specific factors. Instead, the MTW approach simplifies the process by applying a standardized, data-informed flat rate that reflects local averages.

The objective of this activity is to increase administrative efficiency and cost-effectiveness by streamlining the utility allowance calculation process, reducing staff time spent maintaining and applying complex schedules, and minimizing calculation errors. Additionally, this approach creates greater predictability for participants and aligns with Housing Catalyst's MTW goals of simplifying program administration while maintaining reasonable utility support for families. This process will be reviewed and updated annually based on utility cost trends.

1.n. - Utility Reimbursements (HCV)

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

Housing Catalyst will eliminate the utility allowance reimbursement when the utility allowance is greater than the total tenant payment. This calculation will be applied to new tenants and existing tenants at their reexamination. To reduce costs and the administrative burden of issuing these payments HC will eliminate this practice.

This waiver supports Housing Catalyst's larger goal of using MTW flexibility to reduce agency costs and administrative

burden.

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

Cost effectiveness; Self-sufficiency

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

Decreased expenditures

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation. Following implementation on June 1, 2026, the activity resulted in estimated HAP savings of $56,411 during 2026, impacting 141 participating families. Projected HAP savings for 2027 are approximately $93,276.

1.o. - Initial Rent Burden (HCV)
Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative Housing Catalyst will waive the maximum family share at initial occupancy of 40% of the family's monthly income, but not to exceed 50% of their monthly income. Housing Catalyst selected a 50% maximum because it provides meaningful additional housing choice while limiting the financial burden places on assisted households. Agency goals for MTW Activity: Housing Catalyst's goal for this activity is to increase family choice at initial occupancy by allowing households to pay more than 40% of their income towards rent for their initial occupancy. This may assist households choosing to move to relatively higher cost opportunity areas. The result will be an increased burden to the family should they choose to utilize this, but HAP would remain neutral. The proposed activity meets all safe harbor requirements: 1) Agency must implement an impact analysis 2) Agency must not allow the family share at initial occupancy to exceed 60% of the family's monthly income.
Which of the MTW statutory objectives does this MTW activity serve? Self-sufficiency; Housing choice
What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today. Neutral (no cost implications)
Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households? The MTW activity applies to all assisted households
Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation. Housing Catalyst proposes to begin implementation upon approval of activity
Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described? No
Does the MTW activity require an impact analysis? Yes This document is attached.
Does the impact analysis apply to more than this MTW activity? No
If the MTW agency plans to implement a new maximum income-based rent percentage (higher than 40% of adjusted monthly income), what is that maximum? 50.00%

2.a. - Payment Standards- Small Area Fair Market Rents (HCV)

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

This activity allows Housing Catalyst to adopt and implement a reasonable policy to establish payment standards based upon applicable Small Area Fair Market Rents (SAFMRs). HC may use this flexibility to establish payment standards for grouped ZIP code areas between 80% and 150% of the applicable SAFMRs, based on a range of voucher programmatic outcomes, private market unassisted rents, census data, etc., or may establish payment standards for each ZIP code within its jurisdiction. Grouped payment standards are easier to administer; still reflect market differences; reduce participant confusion and maintain fiscal predictability.

Agency goals for MTW Activity: Housing Catalyst's goal is to utilize comprehensive approach to expand housing opportunities for HCV participants and to increase landlord participant in the HCV program. For HC to increase the number of families served, maintaining affordable income to housing cost burdens overall, ensuring good housing quality stock and providing opportunities to lease in opportunity areas, utilizing SAFMRs as the basis for HC's payment standard withing the 80% to 150% range, in conjunction with the rent reasonableness system is intended to help achieve these goals. Through these measures, HC plans to increase housing choice and opportunities and deconcentrating poverty for HCV participants in neighborhoods that have access to jobs, good schools, healthcare, a healthy environment, safe neighborhoods, and transportation services.

The proposed activity meets all safe harbor requirements:
1) Payment standard must be between 80% and 150% of the SAFMR
2) The payment standard in effect for each grouped ZIP code area must be within the basic range of the SAFMR for each ZIP code area in the group
3) Agency must implement an impact analysis
4) Agency must implement a hardship policy

Statues and Regulations Waived: Certain provisions of section 8(o)(1)(B) and 8(o)(13)(H) of the 1937 Act and 24 CFR

982.503-505 and 983.301

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

Self-sufficiency; Housing choice

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

Increased expenditures

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

Housing Catalyst proposes to begin implementation upon approval of activity.

Does this MTW activity require a hardship policy?

Yes

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

Yes

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

multiple MTW activities.)
1.f. - Minimum Rent (HCV); 1.h. - Total Tenant Payment as a Percentage of Gross Income (HCV); 2.a. - Payment

Standards- Small Area Fair Market Rents (HCV); 3.b. - Alternative Reexamination Schedule for Households (HCV)

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

Yes

What considerations led the MTW agency to modify the hardship policy?
Added clarification regarding when a hardship exists. Added policies addressing Minimum Rent and Payment Standards -

Small Area Fair Market Rents.

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

No hardship were requested in the most recent fiscal year.

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

No

Does the MTW activity require an impact analysis?

Yes, Exhibit B

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

No

Please explain the payment standards by ZIP code or "grouped" ZIP codes:
Housing Catalyst evaluated Small Area Fair Market Rents, participant distribution, and local rental market conditions to develop proposed grouped ZIP code payment standard areas. Grouping ZIP codes with similar rental markets simplifies administration while maintaining the intent of SAFMRs to align payment standards with neighborhood-specific housing costs. The proposed methodology concentrates flexibility in the areas where the majority of assisted households reside while allowing higher payment standards in higher-cost markets to improve housing choice and leasing success. Prior to using any of the proposed grouping we will evaluate them against the current rent reasonableness database as HUD's safe harbor requires that the payment standard for a grouped area be appropriate for each ZIP code in the group. If actual market rents differ materially from the published SAFMRs, we would adjust the groupings to better reflect local conditions.

A 4-group structure strikes the best balance between administrative simplicity, fiscal responsibility, and expanded housing choice.
The Proposed 4 groups are based on:
• SAFMR values
• participant distribution
• Housing Catalyst's desire to keep administration manageable

We WOULD not create a payment standard for every ZIP code. Instead creating 4 grouped market areas, the goal is to group ZIP codes with similar rental markets, not simply neighboring ZIP codes.

Group 1 – High Opportunity / Highest Cost Markets: These ZIP codes have the highest SAFMRs and generally represent higher-cost rental markets.
Group 2 – Above Average Markets: These ZIP codes includes one of our largest concentrations of voucher holders and several ZIP codes with above-average rents.
Group 3 – Standard Market: These ZIP codes are fairly consistent and could reasonably share a payment standard.

Group 4 – Lower Cost Markets: These ZIP codes represent the lowest-cost rental markets within the jurisdiction.

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

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

Housing Catalyst will use MTW flexibility to perform rent reasonable determinations on units that it owns, manages, and/or controls. Housing Catalyst will make reasonable rent determinations with the support of third-party software that taps into a national database. This process will ensure fair and valid determinations.

Agency goals for MTW Activity: Reduce processing time for rent reasonableness determinations while maintain independent market validation. This waiver supports Housing Catalyst’s larger goal of using MTW flexibility to streamline administrative processes and reduce agency costs.

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

Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

Housing Catalyst implemented a third-party vendor system in the first quarter of 2026 to conduct all Rent Reasonableness determinations. This change reduced the administrative burden associated with researching comparable rental data, tracking determinations, and manually entering rent reasonableness information into the agency's software, resulting in a more streamlined and efficient process.

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

No

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

Reasonable rent determinations are made with the support of a third-party database that is updated regularly based on market conditions.

No document is attached.

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

The agency will determine rent reasonableness with the support of third-party software that compares requested rent against similar, unassisted private market units.

No document is attached.

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

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

Housing Catalyst proposes waiving certain provisions of the following policies:

i. Sections 3(a)(a), 3(a)(2)(E), and 8(o)(5) of the 1937 act
ii. 24 CFR Parts 960.257(a)-(b), 982.516(a)(1) and 982.526(c)(2)

Waiving these provisions will allow HC to implement a biennial recertification policy for all households in the Housing

Choice Voucher program. Reducing the frequency of recertifications allows households to keep more of their income as their income increases. It also reduces the burden for staff and participants in acquiring, submitting, and processing paperwork. Under this waiver, all households will have a reexamination once every two (2) years. As part of this policy change, the following policy decisions were made:

i. Approved rent increases will use an interim 50058 and will apply the most current payment standard. This will not result in an income review.
ii. HC will not conduct an interim reexamination for the entire household when a new household member is added and in accordance with HOTMA regulations
iii. Limit the number of voluntary interim recertifications that a household may complete between regular biennial recertifications to one (1). Required interim recertifications do not count against the limit. Elderly and disabled households are exempt from this provision and are able to complete an interim recertification at any time.
iv. Households that move to a new unit, will be in accordance with HOTMA regulation based on the recertification cycle

Exemptions:
v. Households that claim zero income will continue to complete income review as per Housing Catalyst policy
vi. Households that report an increase in income, resulting in a 10% change in income per HOTMA regulations, will result in completing of an interim
vii. Elderly and disabled households are exempt from limitation of voluntary interim recertifications between regular biennial recertifications

Agency goals for MTW Activity: Decrease administrative time required to complete recertifications, allowing staff to focus on other priorities. This waiver supports Housing Catalyst's larger goal of using MTW flexibility to streamline administrative processes and reduce agency costs.
The proposed activity meets all safe harbor requirements:
1) Reexaminations must occur at least every three years.
2) The agency must allow at least one interim adjustment per year at the request of the household if the household gross income has decreased 10% or more.
3) Agency must implement an impact analysis.

4) Agency must include a hardship policy

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

Cost effectiveness

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

Decreased expenditures

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.
Since implementation in November 2025, **Housing Catalyst has reduced recertification volume by 43%**, allowing staff to

dedicate additional time to compliance monitoring, quality assurance reviews, customer service, and landlord engagement.

Does this MTW activity require a hardship policy?

Yes

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

Yes

Please list all of the applicable MTW activities. (Only upload hardship policy once when said policy applies to multiple MTW activities.)
1.f. - Minimum Rent (HCV); 1.h. - Total Tenant Payment as a Percentage of Gross Income (HCV); 2.a. - Payment Standards- Small Area Fair Market Rents (HCV); 3.b. - Alternative Reexamination Schedule for Households (HCV)

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

Yes

What considerations led the MTW agency to modify the hardship policy?
Added clarification regarding when a hardship exists. Added policies addressing Minimum Rent and Payment Standards - Small Area Fair Market Rents.

How many hardship requests have been received associated with this activity in the past year?
1.00

How many hardship requests were approved?

1

How many hardship requests were denied?

0

How many are pending?

0

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

No

Does the MTW activity require an impact analysis?

No

No document is attached.

What is the recertification schedule?

Once every two years

How many interim recertifications per year may a household request?

1

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

i. Households that claim zero income will continue to complete income review as per Housing Catalyst policy
ii. Households that report an increase in income, resulting in a 10% change in income per HOTMA regulations, will result in completing of an interim
iii. Housing Catalyst will allow one (1) voluntary interim recertifications between regular biennial recertifications. Elderly and disabled households are exempt from this provision and are able to complete an interim recertification at any time.

3.d. - Self-Certification of Assets (HCV)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative
At reexamination, Housing Catalyst may allow the self-certification of assets up to $50,000. This would lower barriers to

participants in obtaining asset verification.
Agency goals for MTW Activity: Decrease administrative time required to follow up and secure documents, allowing staff to focus on other priorities. This waiver supports Housing Catalyst's larger goal of using MTW flexibility to streamline administrative processes and reduce agency costs.

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

Cost effectiveness

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.
Since implementation, this waiver has streamlined asset verification by reducing the frequency with which Housing Catalyst staff and participants are required to collect and verify asset documentation.

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

No

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

$50,000.

4.b. - Damage Claims (HCV-Tenant-based Assistance)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative
Housing Catalyst will reimburse landlords for the cost of tenant caused damages (minus the security deposit). The amount of compensation will not exceed the lesser of the cost of damages or two months contract rent. Damages must be documented and accepted by Housing Catalyst. Housing Catalyst will require proof that damages are beyond ordinary wear and tear and documentation of the charges to the tenant's security deposit as a part of the claim process. Documentation of actual damage costs are required; Housing Catalyst will not pay based on estimates. Housing Catalyst may charge these costs to the tenant as a condition for remaining in the program. The payment will be made to a landlord when the next HAP contract is executed between the owner and Housing Catalyst. Housing Catalyst has updated its Administrative Plan to reflect the damage claim policy.
Agency goals for MTW Activity: Increase the number of participating landlords and create increased housing options for HCV families.

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

Housing choice

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

Increased expenditures

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.
Since implementation, Housing Catalyst has paid $0 in damage claims. Although no claims have been submitted to date, maintaining the policy remains an important landlord recruitment and retention tool by reducing perceived financial risk

associated with program participation.

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

No

Does this policy apply to certain types of units or to all units all HCV units or only certain types of units (for example, accessible units, units in a low-poverty neighborhood, or units/landlords new to the HCV program?

To all units

What is the maximum payment that can be made to a landlord under this policy?

Up to two months contract rent under the HAP contract.

How many payments were issued under this policy in the most recently completed PHA fiscal year?

0

What is the total dollar value of payments issued under this policy in the most recently completed PHA fiscal year?

$0

4.c. - Other Landlord Incentives (HCV- Tenant-based Assistance)

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative
Housing Catalyst will issue a one-time payment to new landlords who rent a unit to a family with a Housing Choice Voucher. This monetary incentive would be available to landlords who had not received a HAP payment in the prior three years. Offering a financial reward to landlords for joining the program would increase the number of participating landlords, expand housing options into new neighborhoods, and address specific landlord issues. Payments made to the landlord would not exceed more than one month of the contract rent. The payment will be made to the landlord when a HAP contract is executed between the owner and Housing Catalyst.

Agency goals for MTW Activity: Increase participating landlords and create increased housing options for HCV families.

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

Housing choice

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

Increased expenditures

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

Implementation of Activity continued as written. Since implementation, Housing Catalyst has distributed 20 landlord incentive bonuses to new landlords.

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

No

Does this policy apply to certain types of units or to all units all HCV units or only certain types of units (for example, accessible units, units in a low-poverty neighborhood, or units/landlords new to the HCV program?

To all units

What is the maximum payment that can be made to a landlord under this policy?

500.00

How many payments were issued under this policy in the most recently completed PHA fiscal year?

10

What is the total dollar value of payments issued under this policy in the most recently completed PHA fiscal year?

$5,000

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

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

Housing Catalyst will perform Housing Quality Standards (HQS) inspections on project-based units that it owns, manages, and/or controls. Housing Catalyst will establish and make available a quality assurance method to ensure an objective analysis, and at the department's request, the agency will obtain the services of a third-party entity to determine if a Housing Catalyst owned unit passes HQS. HQS inspection standards will not be altered from the guidance found at 24 CFR 982.401. The participant will be able to request an interim inspection at any time.

Agency goals for MTW Activity: Streamline the HQS inspection process to match non-PHA owned HQS inspections. This waiver supports Housing Catalyst's larger goal of using MTW flexibility to streamline administrative processes and reduce agency costs.

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

Cost effectiveness; Housing choice

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

Decreased expenditures

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

This activity was implemented in Fall 2023. Between 2025 and 2026, Housing Catalyst reduced its reliance on contract inspectors utilization by approximately 7%. While this did not result in significant overall cost savings, it helped offset increasing contract inspection and mileage expenses, resulting in a neutral budget impact.

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

No

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

Following will explain the quality assurance method
Housing Catalyst will continue to inspect units to the HQS standard found at 24 CFR 982.401, or the current standard required by HUD, and any staff conducting inspections will be trained on this standard. A random sample of Housing Catalyst owned or controlled units that have been inspected by a Housing Catalyst staff person will be selected for a qualify control by a supervisor or third-party. Participants will be able to request an interim inspection. Housing Catalyst will

obtain the services of a third-party entity to determine if a PHA-owned unit passes HQS, upon the request of HUD.

No document is attached.

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

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative
Housing Catalyst may increase the number of authorized units it project-bases.

Agency goals for MTW Activity: Increase the number of participating landlords and create increased housing options;

create family stability in an environment with support to encourage family self-sufficiency

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

Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

The waiver will be implemented according to agency need. The need for the waiver did not arise in 2026.

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

No

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

50.00%

9.b. - Increase PBV Project Cap (HCV)

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

Housing Catalyst may raise the Project Based Voucher cap within a project up to 100%.

Agency goals for MTW Activity: Create family stability in an environment with support to encourage family self-sufficiency.

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

Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

The waiver will be implemented according to agency need. The authority is retained for future program needs but was not utilized during 2026.

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

No

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

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

Housing Catalyst may eliminate the selection process in the award of Project Based Vouchers to properties owned by the agency that are not public housing without engaging in an initiative to improve, develop, or replace a public housing property or site. A subsidy layering review will still be conducted and all site selection requirements will be followed. Housing Quality Standards (HQS) inspections will be performed by an independent entity according to 24 CFR 983.59 (b) and 983.103 (f) or by Housing Catalyst in alignment with the third party requirement waiver (5.C). The agency will follow the procedures outlined in Notice PIH 2013-27 where applicable, or its successor. The agency acknowledges the property must be owned by a single-asset entity of the agency per the guidance of PIH notice 2017-21.

Agency goals for MTW Activity: Increase the number of participating landlords and create increased housing options; create family stability in an environment with support to encourage family self-sufficiency.

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

Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

The waiver will be implemented according to agency need. The need for the waiver did not arise in 2026.

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

No

9.h. - Limit Portability for PBV Units (HCV)

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

Housing Catalyst proposes waiving certain provisions of Section 8(o)(13)(E) of the 1937 Act and 24 C.F.R. Part 983.261 as it was superseded by HOTMA Implementation Notices at 82 FR 5458 and 82 FR 32461. These waivers will allow Housing Catalyst to waive the requirement that PHA's provide a tenant- based voucher to project-based households after being on a project-based voucher for twelve (12) months. Instead, Housing Catalyst proposes to limit portability to twenty-four (24) months

Waving the 12 months will:

• Prioritize limited resources to the neediest families and align available housing resources with community needs. Ensure households currently on the waiting list, some of whom are currently unhoused and have been waiting for a voucher, are offered voucher assistance.
• Allowing more time for entities working with households who are using project-based voucher for support to have a success plan in place when moving to a private market.
• Improve participant overall satisfaction and engagement with the program with a realistic understanding of the time frame for progression to tenant-based assistance.
• Decrease administrative burden

This MTW activity waives certain provisions of section 8(o)(13)(E) of 1937 Act and 24 CFR983.261 as it

was superseded by HOTMA Implementation Notices at 82 FR 5458 and 82 FR 32461

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

Cost effectiveness; Housing choice

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

Decreased expenditures

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

Activity was implemented in January 2025- Four families have been added to mobility WL . Housing Catalyst due to

shortfall status did not issue any mobility vouchers in 2026.

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

No

10.d.HCV - Modify or Eliminate the Contract of Participation (HCV)

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

The Housing Catalyst Jumpstart Program would like to apply waiver 10.d.- Modify or Eliminate the Contract of Participation

(PH & HCV). HC will modify the FSS Contract of Participation (HUD-52650) to align the program with adjustments made to its MTW FSS Program using MTW flexibility. The contract of participation will be for a five-year period with an optional extension of up to two years and will include escrow deposits based on earned income and goals achieved. HC will be implementing this activity within the safe harbor limits established by the MTW Operations Notice.

FSS Program with MTW Flexibility (PH & HCV)-Certain provisions of sections23(b)-(d), (f), and (n)(1) of the 1937 Act and

24 CFR984.105, 984.202(b)-(c), 984.203(a)-(c)(2), 984.303(b)-(d), (f)-(h).

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

Self-sufficiency

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

Decreased expenditures

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

This activity has not yet been implemented.

Does this MTW activity require a hardship policy?

No

No document is attached.

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

No

Does the MTW activity require an impact analysis?

No

No document is attached.

10.e.HCV - Policies for Addressing Increases in Family Income (HCV)

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

Housing Catalyst is authorized to set its own policies for addressing increases in family income during participation in the MTW FSS Program. Consistent with the goals and structure of its MTW FSS Program, the agency may set policies for whether income increases are recognized for purposes of increasing rent (consistent with the agency’s existing rent policy) or changing the amount of funds moved to escrow/savings through the program.

FSS Program with MTW Flexibility (PH & HCV)-Certain provisions of sections23(b)-(d), (f), and (n)(1) of the 1937 Act and

24 CFR984.105, 984.202(b)-(c), 984.203(a)-(c)(2), 984.303(b)-(d), (f)-(h).

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

Self-sufficiency

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

Decreased expenditures

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

The MTW activity applies to all assisted households

Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.

This activity has not yet been implemented, as Housing Catalyst is conducting additional evaluation of the impact that increased earnings may have on families participating in the Family Self-Sufficiency (FSS) Program. The results of this evaluation will help inform implementation and ensure the activity aligns with program goals and supports participant success.

Does this MTW activity require a hardship policy?

No

No document is attached.

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

No

Does the MTW activity require an impact analysis?

No

No document is attached.

How will the MTW agency treat increased earnings for families participating in the FSS Program with MTW flexibility?

Rather than responding to increases in earned income with additional financial incentives, Housing Catalyst offers incentives tied to obtaining part-time employment and achieving self-sufficiency goals through the Family Self-Sufficiency (FSS) Program.

D.	Safe Harbor Waivers.
D.1	**Will the MTW agency submit request for approval of a Safe Harbor Waiver this year?** No Safe Harbor Waivers are being requested.

E.	Agency-Specific Waiver(s).
E.1	**Agency-Specific Waiver(s) for HUD Approval:** The MTW demonstration program is intended to foster innovation and HUD encourages MTW agencies, in consultation with their residents and stakeholders, to be creative in their approach to solving affordable housing issues facing their local communities. For this reason, flexibilities beyond those provided for in Appendix I may be needed. Agency-Specific Waivers may be requested if an MTW agency wishes to implement additional activities, or waive a statutory and/or regulatory requirement not included in Appendix I. In order to pursue an Agency-Specific Waiver, an MTW agency must include an Agency-Specific Waiver request, an impact analysis, and a hardship policy (as applicable), and respond to all of the mandatory core questions as applicable. For each Agency-Specific Waiver(s) request, please upload supporting documentation, that includes: a) a full description of the activity, including what the agency is proposing to waive (i.e., statute, regulation, and/or Operations Notice), b) how the initiative achieves one or more of the 3 MTW statutory objectives, c) a description of which population groups and household types that will be impacted by this activity, d) any cost implications associated with the activity, e) an implementation timeline for the initiative, f) an impact analysis, g) a description of the hardship policy for the initiative, and h) a copy of all comments received at the public hearing along with the MTW agency's description of how the comments were considered, as a required attachment to the MTW Supplement. **Will the MTW agency submit a request for approval of an Agency-Specific Waiver this year?** Yes

Title	Supporting Documents Attached
Expediting Initial Eligibility Income Verification Process	1

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

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

Federal Fiscal Year (FFY)	Total Operating Subsidy Authorized Amount	How Much PHA Disbursed by the 9/30 Reporting Period	Remaining Not Yet Disbursed	Deadline

G.	MTW Statutory Requirements.
G.1	**75% Very Low Income – Local, Non-Traditional.** HUD will verify compliance with the statutory requirement that at least 75% of the households assisted by the MTW agency are very low-income for MTW public housing units and MTW HCVs through HUD systems. The MTW PHA must provide data for the actual families housed upon admission during the PHA's most recently completed Fiscal Year for its Local, Non-Traditional program households.

Income Level	Number of Local, Non-Traditional Households Admitted in the Fiscal Year*
80%-50% Area Median Income	
49%-30% Area Median Income	
Below 30% Area Median Income	
Total Local, Non-Traditional Households	**0**

*Local, non-traditional income data must be provided in the MTW Supplement form until such time that it can be submitted in IMS-PIC or other HUD system.

G.2	Establishing Reasonable Rent Policy.

G.3	Substantially the Same (STS) – Local, Non-Traditional.
The total number of unit months that families were housed in a local, non-traditional rental subsidy for the prior full calendar year.	# of unit months
The total number of unit months that families were housed in a local, non-traditional housing development program for the prior full calendar year.	# of unit months

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

PROPERTY NAME/ ADDRESS	0/1 BR	2 BR	3 BR	4 BR	5 BR	6+ BR	TOTAL UNITS	POPULATION TYPE*	if 'Population Type' is Other	# of Section 504 Accessible (Mobility)**	# of Section 504 Accessible (Hearing/ Vision)	Was this Property Made Available for Initial Occupancy during the Prior Full Calendar Year?	What was the Total Amount of MTW Funds Invested into the Property?

G.4	Comparable Mix (by Family Size) – Local, Non-Traditional.
To demonstrate compliance with the statutory requirement to continue serving a 'comparable mix" of families by family size to that which would have been served without MTW, the MTW agency will provide the number of families occupying local, non-traditional units by household size for the most recently completed Fiscal Year in the provided table.	
	Occupied Number of Local, Non-Traditional units by

Family Size:	Household Size
1 Person	
2 Person	
3 Person	
4 Person	
5 Person	
6+ Person	
Totals	**0**

H.	Public Comment

Attached you will find a copy of all of the comments received and a description of how the agency analyzed the comments, as well as any decisions made based on those comments.

No additional public hearing was held for an Agency-Specific Waiver and/or Safe Harbor waiver

I.	Evaluations.

No known evaluations.

<u>**Exhibit A: IMPACT ANALYSIS**</u>

Activity 1.f – Minimum Rent (HCV)

<u>Impact on the Agency's Finances</u>
This activity is expected to decrease expenditures by reducing the amount of Housing Assistance Payment (HAP) paid to landlords as the minimum rent will result in increased tenant rent contributions.

<u>Impact on Affordability of Housing Costs for Affected Families</u>
Housing Catalyst recognizes that establishing a $130 minimum rent may increase housing costs for some non-elderly and non-disabled households with minimal income. To mitigate potential impacts, elderly and disabled households will be excluded from the minimum rent requirement. Additionally, Housing Catalyst will maintain hardship exemption procedures to ensure families experiencing financial hardship have an opportunity to request relief. The agency will monitor participant outcomes, including hardship requests and housing stability indicators, to evaluate the impact of the activity.

<u>Impact on agency's waitlist(s)</u>
This activity will have no impact on the Waiting List.

<u>Impact on agency's termination rate of families</u>
Housing Catalyst does not anticipate a significant increase in participant terminations as families who are impacted may request a hardship exemption.

<u>Impact on the agency's current occupancy level in PH and utilization in the HCV program</u>
This activity is not anticipated to impact occupancy or utilization rates as this activity affects the tenant contribution calculation for a limited population and does not change the number of vouchers available or the agency's ability to issue assistance.

<u>Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency, and/or housing choice</u>
The implementation of this activity supports the MTW statutory objective of cost effectiveness by reducing HAP expenditures and encouraging more efficient use of limited program resources. The activity also supports self-sufficiency by reinforcing the expectation that households with available income contribute toward their housing costs while maintaining protections for those experiencing hardship.

<u>Impact on agency's ability to meet the MTW statutory requirements</u>
This activity is not anticipated to impact HC's ability to meet statutory goals.

<u>Impact on the rate of hardship requests and the number granted and denied as a result of this activity</u>
Housing Catalyst anticipates an increase in hardship requests upon implementation of this activity. However, the agency expects the number of hardship requests to remain limited due to the exclusion of elderly and disabled households. The agency will monitor the number of hardship requests received, as well as approvals and denials, to assess whether the activity is creating unintended financial hardship for participating families.

<u>Impact on Protected classes (and any disparate impact)</u>

Elderly and disabled households are exempt from this activity.

Exhibit B: IMPACT ANALYSIS

Activity 2.a. Payment Standards – Small Area Fair Market Rents (HCV)
Statues and Regulations Waived: Certain provisions of section 8(o)(1)(B) and 8(o)(13)(H) of the 1937 Act and 24 CFR 982.503-505 and 983.301

Impact on the Agency's Finances
Housing Catalyst anticipates that implementation of SAFMR-based payment standards will have a limited financial impact in the initial implementation period. While payment standards may increase in higher-cost ZIP Codes, they may decrease or remain unchanged in other areas, helping balance overall Housing Assistance Payment (HAP) expenditures. The agency will continue to monitor leasing patterns, HAP costs, and utilization to ensure the activity remains financially sustainable. Administrative impacts are expected to be minimal following implementation.

Impact on Affordability of Housing Costs for Affected Families
The activity is expected to improve affordability for voucher families seeking housing in higher-cost neighborhoods by aligning payment standards more closely with local market conditions. Families leasing in areas with higher SAFMRs may experience lower out-of-pocket housing costs and increased access to neighborhoods that were previously unaffordable. Families residing in areas where payment standards decrease will continue to receive protections consistent with HUD regulations and Housing Catalyst policy.

Impact on agency's waitlist(s)
This activity will have no impact on the Waiting List.

Impact on agency's termination rate of families
This activity is not expected to have an impact on the termination rate.

Impact on the agency's current occupancy level in PH and utilization in the HCV program
Housing Catalyst expects the activity to support continued voucher utilization by improving participants' ability to successfully lease units in competitive rental markets. More accurate payment standards based on ZIP Code-level market conditions are expected to reduce barriers to leasing in higher-opportunity neighborhoods while maintaining strong program utilization.

Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency, and/or housing choice
Implementation of Small Area Fair Market Rent (SAFMR) payment standards is expected to primarily support the MTW statutory objective of increasing housing choice by better aligning payment standards with neighborhood-level rental market conditions. By targeting subsidy levels to local market rents, the activity is also expected to promote cost effectiveness through a more efficient allocation of Housing Assistance Payment (HAP) funding.

Impact on agency's ability to meet the MTW statutory requirements
This activity is not anticipated to impact HC's ability to meet statutory goals.

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

Housing Catalyst anticipates a limited number of hardship requests following implementation of Small Area Fair Market Rent (SAFMR) payment standards. While the activity is intended to improve housing choice by aligning payment standards with neighborhood-level rental markets, some households may experience a reduction in their applicable payment standard depending on the location of their assisted unit, which could result in requests for hardship relief. The agency will monitor the number of hardship requests submitted, as well as the number granted and denied, to assess the impact of the activity and determine whether any policy adjustments are warranted.

Impact on Protected classes (and any disparate impact)
Housing Catalyst does not anticipate or has not identified any disparate impact on protected classes as a result of implementing Small Area Fair Market Rent (SAFMR) payment standards.

2027- Housing Catalyst CO041- Submission Agency Specific Waiver

Expediting Initial Eligibility Income Verification Process

Housing Catalyst proposes waiving provision 24 CFR 982.201(e). When PHA verifies that applicant is eligible, the PHA must receive information verifying that an applicant is eligible within the period of 60 days before the PHA issues a voucher to the applicant.

This waiver will allow Housing Catalyst to extend the time period in which application documents are valid, from 60 days to 120 days

Agency-Specific Waiver Request: Extension of Documentation Timeframe for Applicant Eligibility

Initial Summary Statement:
Housing Catalyst (HC) is seeking an Agency-Specific Waiver to waive the 60-day documentation recency requirement under [HUD citation to be inserted, e.g., PIH Notice or CFR reference] to allow applicants up to **120 days** for documentation to remain valid prior to voucher issuance.

Nature of the Activity:
This activity will extend the acceptable timeframe for income, asset, and eligibility documentation from 60 days to 120 days during the Housing Choice Voucher (HCV) program application and eligibility determination process.

Statutory Objective:
This activity supports the MTW statutory objectives of **increasing cost effectiveness** in Federal expenditures and **reducing administrative burden** for both the agency and applicants.

Program Type Affected:
Housing Choice Voucher (HCV) Program.

Household Types Affected:
All household types, including non-elderly, non-disabled families, elderly families, and disabled families.

Household Statuses Affected:
This waiver will apply to **new admissions only**. Currently assisted households will not be affected.

What Will Change if Approved:
If approved, HC will extend the documentation recency requirement from 60 to 120 days. This change will eliminate the need for applicants to resubmit or reverify documentation when processing delays extend beyond 60 days. It will also prevent staff from having to request updated verification materials, which can often duplicate work and cause applicant frustration.

Reason for this Distinction:
This activity applies only to new admissions because the issue primarily arises during initial eligibility determination prior to voucher issuance, not during ongoing participant occupancy or recertification.

Benefit to the Community:
By expediting eligibility processing and voucher issuance, this waiver will help applicants secure housing more quickly, reducing wait times and improving access to affordable housing. Administrative resources previously used for duplicate verifications can be redirected to other housing services, ultimately enhancing service delivery for the community.

Support for the MTW Activity and Agency Goals:
Extending the documentation timeframe will provide administrative relief and cost-effectiveness to Housing Catalyst. Under current policy, applicants must continually provide updated documentation if previously submitted information becomes more than 60 days old before voucher issuance. This creates an administrative burden, as staff must sometimes verify the same information twice before issuing a voucher. Increasing the documentation submission window from 60 to 120 days will eliminate double verification, facilitate the timely processing of initial eligibility determinations, and accelerate applicant access to program participation.

Addressing Local Needs:
This waiver responds to a local need for more efficient processing of housing assistance applications amid increasing program demand and limited administrative capacity. The extended timeframe supports both applicants—who face challenges obtaining and re-submitting verification documents—and staff, who will benefit from reduced rework. This streamlined process aligns with HC’s local priority to improve efficiency, responsiveness, and service accessibility for all applicants.

Reduction in PHA Expenditures:
Extending the documentation validity period from 60 to 120 days will directly reduce Housing Catalyst’s administrative costs. Under the current 60-day limit, staff must

frequently repeat verification steps when documentation expires before voucher issuance. This duplication requires additional staff time, system entries, and communication with applicants and third-party verifiers. By eliminating the need for repeated verification, HC will reduce staff hours spent on redundant tasks, decrease postage and printing costs associated with re-verification notices, and minimize delays that can lead to overtime or backlog management. The streamlined process will allow staff resources to be reallocated to other critical program functions, resulting in measurable cost savings and improved operational efficiency.
Extending the documentation validity period from 60 to 120 days will directly reduce Housing Catalyst's administrative costs and staff workload associated with redundant eligibility verifications.

To determine the potential cost implications, HC reviewed internal processing data from the prior 12 months related to new HCV admissions. On average, approximately 50% of applicant files required one or more repeat verifications because documentation expired before voucher issuance.

Each re-verification typically requires 30–45 minutes of staff time, including requesting updated documents, data entry into Yardi, and third-party follow-up. This equates to an estimated 200–250 additional staff hours annually dedicated solely to duplicate verifications.

At an average fully loaded hourly rate of $35 per hour for eligibility specialists, the agency incurs approximately $7,000–$8,750 annually in labor costs related to this redundant process. Additional indirect costs include printing and postage (estimated at $1,000–$1,500 annually) and the administrative inefficiencies associated with delayed voucher issuance.

By extending the documentation validity period to 120 days, HC anticipates reducing re-verification activity by at least 75%, resulting in an annual administrative cost savings of approximately $6,000–$7,500. Beyond the financial savings, this policy will improve workflow efficiency, decrease applicant frustration due to repeated document requests, and shorten the average time from eligibility determination to voucher issuance.

The data and analysis demonstrate that the proposed waiver offers a quantifiable and sustainable reduction in administrative expenditures, supports HUD's MTW objective of cost-effectiveness, and allows Housing Catalyst to reallocate limited staff resources to higher-impact housing outcomes.

Household Statuses Potentially Affected:

- **New Admissions:**
  This activity primarily affects new admissions to the Housing Choice Voucher (HCV) program. Extending the documentation validity period will streamline the eligibility and voucher issuance process for applicants who are in the initial stages of program entry.

Program Types Potentially Affected:

- Housing Choice Voucher (HCV) Program

Does the MTW activity require an impact analysis?

Yes, Exhibit C

Does this MTW activity require a hardship policy?

No, per MTW Operations Notice Agency-Specific Waiver requirements, Housing Catalyst has evaluated this activity poses no risk to the continued tenancy of households

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

No Safe Harbor Waivers are being requested.

Exhibit C: IMPACT ANALYSIS

Agency Specific Waiver: Expediting Initial Eligibility Income Verification Process

Impact on the Agency's Finances
This activity is expected to decrease expenditures by reducing the frequency in which staff is collecting and verifying data resulting in reduced staff time and cost savings in the initial application process

Impact on Affordability of Housing Costs for Affected Families
This activity will have no impact on affordability of Housing Costs.

Impact on agency's waitlist(s)
The waiver is expected to improve the efficiency of processing applicants from the waiting list by reducing the need to obtain duplicate income verifications when documentation becomes outdated during the eligibility process. While the waiver is not expected to affect the size of the waiting list, it may reduce the time between selection from the waiting list and voucher issuance.

Impact on agency's termination rate of families
This activity is not expected to impact on the termination rate.

Impact on the agency's current occupancy level in PH and utilization in the HCV program
The waiver is expected to support voucher utilization by streamlining the eligibility process and reducing administrative delays that can postpone voucher issuance and leasing.

Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency, and/or housing choice
The waiver supports the MTW statutory objective of reducing cost and achieving greater cost effectiveness in Federal expenditures by streamlining administrative processes and reducing duplicative verification requirements. It also supports efficient program administration by allowing staff to process eligible applicants more quickly while maintaining program integrity.

Impact on agency's ability to meet the MTW statutory requirements
This activity is not anticipated to impact HC's ability to meet statutory goals.

Impact on the rate of hardship requests and the number granted and denied as a result of this activity
N/A

Impact on Protected classes (and any disparate impact)
This activity is not expected to impact any protected class and will have not disparate impact

HARDSHIP POLICY

HARDSHIP OVERVIEW

For a PHA in the Moving to Work demonstration, HUD requires the agency to adopt a policy for addressing hardship cases caused by certain agency established initiatives. Housing Catalyst recognizes that policies implemented under the Moving to Work flexibilities may have an adverse impact on some households. The hardship policy is designed to minimize any negative impact the MTW policies may have on assisted households. HC will review all proposed program terminations and consider if a household qualifies for a hardship exemption prior to a final termination.

The chart below identifies the MTW activities that could negatively impact assisted families and the groups to which the hardship for each activity will apply.

Hardship Policy
Minimum Rent
Tenant Payment Modified Percent of Income
Payment Standards – Small Area Fair Market Rents
Alternative Reexamination Schedule for Households

This hardship policy presents eligibly criteria and remedies for different types of hardships. The different types of hardships below are not mutually exclusive. If a household's circumstances correspond to more than one type of hardship, they will receive the hardship most beneficial to them.

HARDSHIP POLICIES

- There is no limit to the number of hardships that a household may request and receive.
- If a household is approved for a hardship and subsequently experiences another adverse event while still in hardship status, they may request an additional hardship that might impact their total tenant payment (TTP).
- If a household is approved for a hardship, they are not required to report subsequent income changes (increase or decrease) during the period of their approved hardship; the hardship rent will remain in effect until the end of the period approved for the hardship.
- If a household is approved for a temporary hardship, when that hardship is scheduled to expire the household will be notified and may request an extension.

HARDSHIP REQUEST AND APPROVAL PROCESS

Households who request a hardship will be subject to the hardship process outlined below.

- All hardship requests must be in writing.
- When a household makes a written request for a hardship exemption from a required MTW activity, HC will request verification of the hardship.
- Households will be required to provide verification of the hardship within 10 calendar days from the date of the hardship request.
- Within 10 calendar days from receipt of verification of the hardship, HC will decide as to whether or not to grant the hardship.
- Approved hardships will take place on the first of the month after the hardship is approved. If there is a delay in determining the hardship, through no fault of the household, HC will

make the hardship retroactive to the first of the month following receipt of the verified request.

- The hardship HC will be calculated consistent with applicable HC hardship policies described further below and will remain in effect for the period for which the hardship has been granted.
- HC will retain records of all hardship requests received and the results of these requests and supply them at HUD's request.

HARDSHIP EXISTS WHEN

- The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program.
- The family would be evicted as a result of the imposition of the MTW activities.
- Family income has decreased because of changed family circumstances, including the loss of employment at no fault of their own.
- A death in the family creates a financial hardship through lost income or sudden expenses.
- Such other situations and factors determined by the agency to be appropriate.

HARDSHIP TYPES

Minimum Rent

- If the hardship is approved, HC will suspend the minimum rent and set the minimum rent amount to $0 for a period of ninety (90) days. The household may request an extension or reapply for another hardship under this criterion.

Tenant Payment as Modified Percent of Income Hardship

- If the household's TTP exceeds 40% of their monthly adjusted income, a hardship may be requested in accordance with the procedures set forth above.
- If the hardship is approved, HC will set the households TTP to 40% of their current adjusted monthly income or the minimum rent, whichever is greater.
- The hardship exemption under this criterion will be for a temporary period of ninety (90) days. The household may request an extension or reapply for another hardship under this criterion

Payment Standards – Small Area Fair Market Rents

- The household does not owe HC any money or is current with re-payment agreement.
- The household must be admitted to the program prior to waiver implementation date (proposed: January 1, 2027).
- The household must experience an increase of 5 percent or more in rent as a direct result of the MTW SAFMR assignment initiative.
- If the hardship is approved, the hardship will remain in effect until the earlier of the household's relocation or its next scheduled reexamination.

Alternative Reexamination Schedule for Households Hardship

- The family may request a hardship to request more than one interim recertification within a calendar year.
- If the hardship is approved, HC will grant an additional voluntary interim recertifications between regular biennial recertification.