FACTOR 1: Impact on the agency’s finances (e.g., how much will the activity cost, any change in the agency’s per family contribution)

In the AHA’s programs, 40% of households have Social Security, SSI, and pensions as their only form of income. These households only experience COLA increases every year. The increase in HAP for the two years where reexaminations are not conducted will be less than $225,000 as the families will not face an average increase of $60 per year per benefit in tenant payment.

The average increase in wages from 2020 to 2022 was $6,600. This results in wage earning families paying on average $2,000 less per year. It is expected that this average will not be as large moving forward as 2020 was a year when many families experience decreased earnings due to COVID.

Since in January 2020, the Housing Authority of the City of Almeda (AHA) raised the interim threshold to $10,000, so this part of the activity will not greatly affect Housing Assistance Payment (HAP) amounts; however, families were still required to report the increase with the 2020 change, which this activity removes that requirement, so staff will have to review less interim paperwork that does not result in a change. This will reduce the number of hours needed to operate the program. Requiring less regular reexaminations per year also reduces the staff time required to operate the program, so over time, this will result in fewer staff needed. This savings will not immediately be felt due to the need to communicate the changes to participants and help them understand the new requirements.

From 2019 to 2021 and 2020 to 2022, the average HAP payment increased by $85 per family, but this is probably due more to rent increases than income changes.

FACTOR 2: Impact on affordability of housing costs for affected families (e.g., any change in how much affected families will pay towards their housing costs)

As discussed above, families will pay slightly less if they are on a fixed income source due to cost-of-living adjustments not being processed every year.

There will be slightly fewer rent decrease adjustments. Families that have benefited in the past due to a delay in receiving unemployment benefits may not benefit in the future as the decrease due to lost wages will not be
processed as quickly, so the families may not have a $0 portion rent for a month or two while the processing from wages to unemployment is completed. This is a more accurate way for income decreases to be processed, but in the past, staff would process the loss of income as soon as possible and then must give 30 days’ notice of the increase, resulting in a higher HAP being paid to landlords. If the family is facing eviction due to not being able to pay rent after an income loss, the family can still request a decrease through the Hardship process.

As 50% of interims are for rent increases, and in 2022 only two interims would not be eligible due to the one interim cap, it is not anticipated that there will be a large impact on the participant portion of rent.

FACTOR 3: Impact on the agency’s waitlist(s) (e.g., any change in the amount of time families are on the waitlist)

This activity will not have a large impact the waitlist. A minimal number of families terminate from the program each year for non-compliance with the annual requirements. As the AHA does not pull families immediately to replace these terminated families, the time on the waitlist will not be impacted.

FACTOR 4: Impact on the agency’s termination rate of families (e.g., any change in the rate at which families non-voluntarily lose assistance from the agency)

The rate may decrease minimally. Most involuntary terminations are not for non-compliance of annual recertification. Families are given multiple reminders and opportunities to comply with the reexamination process. These notices will continue with this activity.

FACTOR 5: Impact on the agency’s current occupancy level in public housing and utilization rate in the HCV program

This will not impact the number of participants in the HCV program. This activity may increase HAP costs slightly due to families not receiving annual decreases in HAP but will not significantly impact the utilization rate for budget authority.

FACTOR 6: Impact on meeting the MTW statutory goals of cost effectiveness, self-sufficiency, and/or housing choice
This would decrease the number of regular reexaminations needed by the agency requiring less staff time and resulting in cost effectiveness. The family may retain income increases less than $10,000 allowing the family to have additional income for possible savings. This may result in an increase in housing choice due to the stability of payment amounts coming from the Housing Authority and decrease in paperwork to owners for rent change notices.

**FACTOR 7:** Impact on the agency’s ability to meet the MTW statutory requirements

a) Very Low-Income Requirement

The agency would still be able to meet this requirement as this activity would not impact the selection of applicants.

b) Reasonable Rent Policy

This activity complies with the requirement for the AHA to have a Reasonable Rent Policy.

c) Substantially the Same Requirement

The AHA is currently carrying a HAP surplus, so increasing HAP payments on behalf of families is possible. The AHA will need to monitor the increased HAP expenditures to ensure that resources are available to continue to assist the same number of families.

d) Comparable Mix Requirement

This activity would have no effect on the number of household members in families, only the time at which families would be required to report increases due to birth, adoption, or court-awarded custody, so would meet this statutory requirement.

e) Housing Quality Standards (HQS)

The units would continue to have to meet the HQS standards, so this statutory requirement would be met.
FACTOR 8: Impact on the rate of hardship requests and the number granted and denied as a result of this activity

This should not result in a large increase of hardship requests as most participants are not requesting multiple interims per year. The number of families reporting multiple interims that would count towards the cap was 15 in 2021 (for a total of 28 interims) and 2 (for a total of 5) in 2022.

FACTOR 9: Across the other factors above, the impact on protected classes (and any associated disparate impact)

The requirement to have regular recertifications every three years is not expected to have a disparate impact as almost all families will make this move. During the last three years of annuals, 62 families were at $0 income and 41 families had more than one interim that would count towards the cap. There is no statistically significant relationship between race and these two activities.

Those with disabilities are eligible for stable income from the government. This results in fewer interim changes and less 0-income families if there is someone with a disability in the family. This activity would not have a disparate impact on those with disabilities as fewer families will be affected than would be expected if income was independent from disability. Due to Social Security and retirement sources also being stable, there is a relationship between these two policies and age. This activity would not have a disparate impact on those over 62 years of age as fewer families will be affected than would be expected if income was independent from age.

There is no statistically significant relationship between 0-income families and households with minor children. There is a relationship between income decrease interims and families with minor children. Due to the fact that the data analyzed includes the COVID period, there is a strong likelihood that there may be another variable affecting this increase in families needing multiple interim decreases. With schools and daycares closing unexpectedly, families may not have been able to obtain stabilized wage jobs due to the lack of childcare. Then the unemployment benefits had decreases as special benefits ran out. The AHA will monitor this relationship closely and evaluate if there is a disparate impact if there continues to be a relationship between households with minor children and the need for multiple interims.