Holyoke Housing Authority

HHA

MOVING TO WORK ANNUAL PLAN

HHA FISCAL YEAR 2027
(JANUARY 1, 2027 TO DECEMBER 31, 2027)

Submitted to HUD: October ##, 2026

DRAFT FOR PUBLIC COMMENT

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I. Introduction

The Holyoke Housing Authority (HHA) entered into a Moving to Work (MTW) Agreement with the U.S. Department of Housing and Urban Development (HUD) in September 2013. In April 2016, the term of the MTW Agreement was extended until 2028.

Moving to Work is a demonstration program authorized by Congress that permits participating Public Housing Authorities to combine Public Housing Operating Fund, Capital Fund and Housing Choice Voucher Program funding into a single, agency-wide block grant, and to design and test flexible, locally-tailored approaches to administering low-income housing programs. Subject to HUD approval, MTW agencies are allowed to waive some provisions of the US Housing Act of 1937 to promote one or more of the following MTW statutory objectives:

- To reduce cost and achieve greater effectiveness in administering federally funded housing assistance programs;

- To provide incentives to families with children to obtain employment and become economically self-sufficient; and,

- To increase housing choices for eligible low-income families.

HHA's MTW designation provides an opportunity to develop innovative local solutions to the City of Holyoke's unique local needs and challenges while promoting MTW's statutory objectives. HHA believes that MTW designation provides a critically important set of tools that:

- Help to leverage and increase the positive impact of limited federal funding;

- Promote HHA's long-term objectives to revitalize Holyoke's public housing portfolio and surrounding neighborhoods, including the City's Arts and Innovation District;

- Provide HHA residents with training and other supportive services so that they can obtain good-paying jobs and/or become first-time homebuyers;

- Improve and streamline administration of both the Public Housing and Housing Choice Voucher (HCV) programs; and,

- Increase the range and quality of housing choices for low-income households.

As described in prior Annual Plans, HHA's current MTW funding formula has essentially level-funded HHA's Housing Assistance Payment (HAP) funds since 2013, while leasing costs have increased substantially, HHA will continue to explore opportunities to make each federal dollar go further, as well as continue to work with HUD to resolve this issue and ensure that adequate funds are available to support current and projected leasing.

HHA is required to submit an MTW Annual Plan for HUD approval in advance of each fiscal year. This document, which is organized according to HUD's Plan (50900) requirements, describes HHA's planned activities under the MTW Demonstration for Fiscal Year 2027, i.e., the period from January 1, 2027 through December 31, 2027.

Long-Term MTW Goals and Objectives

The following goals and objectives continue to apply to HHA's MTW activities:

Supporting sustainable development and community-wide neighborhood revitalization efforts. HHA continues to seek opportunities to partner with and support the City's ongoing efforts. The Holyoke Redevelopment Authority designated HHA as the developer for an affordable rental and homeownership project in South Holyoke, the City's lowest-income neighborhood. Our infill construction plans respond directly to community advocacy calling for restored housing options. The housing project around Carlos Vega Park has been envisioned for decades and was incorporated into Holyoke's 2012 Urban Renewal Plan, with goals to redevelop vacant properties, increase density, improve housing options and stock, and expand homeownership opportunities.

To achieve these goals, HHA has worked with multiple partners to secure funding and advance the project in phases. Phase I, a 12-unit affordable rental development funded through the Community Scale Housing Initiative (a joint program of MassHousing and EOHLC), was completed in 2023 and is fully occupied. Phase II, which created 20 affordable modular homeownership units funded through MassHousing's CommonWealth Builder Program and City ARPA funds, was completed in 2025, with the first two homes sold in December 2025. Sales continue, with half of the homes now sold. Phase III, the final infill phase around the park, has received Low-Income Housing Tax Credits (LIHTC) through MassHousing, along with additional funding from the City of Holyoke and the Commonwealth, and will add 40 affordable rental units. HHA has selected a contractor and is continuing to advance the project toward closing and construction. HHA is also allowing vouchers to accumulate to support the Phase III development.

Beyond the South Holyoke project, HHA is also advancing the repositioning of Churchill Apartments and also allowing vouchers to accumulate to support the project. HHA also owns a vacant downtown block identified in the City's Urban Renewal Plan for new housing development. HHA was awarded an EOHLC Community Planning Grant to begin a master planning process emphasizing community engagement and exploring both affordable rental and homeownership opportunities and has selected a planning firm to assist with the process.

HHA will continue to pursue development opportunities that are community driven and address unique local needs, specifically redeveloping vacant land lots. Where MTW flexibility can support increasing housing choice or provide incentives for families to achieve economic self-sufficiency, HHA may propose future activities related to new housing development.

Increasing Housing Choice for vulnerable populations and increasing the number of HHA residents who are working or actively engaged in educational or job training programs. Through creative partnerships, HHA plans to continue to explore opportunities to expand populations served and further improve the quality of training, education and job placement services provided to HCV and public housing residents. HHA plans to expand this effort to include more vulnerable populations, such as individuals with opioid dependence. HHA continues to conduct research and identify potential programs to address housing and service needs for opioid addicts who frequent the emergency room, resulting in increased health care costs and harmful patterns to themselves and others. HHA is hopeful that in the future, in collaboration with the Holyoke Medical Center, a program targeting this population will help combat this widespread issue in Massachusetts, as recognized by recently passed legislation.

Streamlining and reducing the cost of HHA operations. In light of ongoing and severe restrictions on federal funding, HHA continues to focus on efforts to streamline administration and reduce transaction costs. HHA's MTW vision includes identifying more flexible and cost-effective methods to administer federal housing programs. HHA will continue to explore tools and MTW flexibilities to streamline administration of programs.

Leveraging non-HUD resources to respond to the housing and related service needs of Holyoke's low-income households. HHA's vision for MTW includes ongoing efforts to secure additional non-HUD funding sources to address housing and related service needs. HHA will continue to pursue funding opportunities as well as opportunities to leverage private equity where applicable.

Short-Term MTW Goals and Objectives

In FY 2027, HHA anticipates providing housing assistance to 2,367 households. HHA will continue to leverage its MTW flexibilities to serve these low-income families and administer the following activities:

MTW Homeownership: HHA will leverage MTW flexibilities to expand homeownership opportunities for low-income families. The MTW Homeownership program modifies existing eligibility requirements related to employment and increases homeownership assistance for families eligible for a one-bedroom payment standard. In FY 2027, HA anticipates completing the sale of the remaining four homeownership units in the South Holyoke project to eligible low-income families. HHA may also expand the initiative to additional rental and homeownership opportunities, subject to available MTW funding.

HCV Leasing Incentives: HHA will continue to provide leasing incentives to landlords participating in the HCV program, in an effort to increase voucher utilization and provide additional housing opportunities for voucher-holders. Landlords will receive incentive payments for participation in the HCV program for the first time as well as for leasing new HCV units.

Special Referral Vouchers: HHA partners with the Holyoke's Care Center to provide housing and services to support housing and financial stability of families that include a parent who is working to obtain their diploma or complete coursework at Bard College. In addition to providing supportive services, the Care Center is responsible for identifying and referring families to HHA; HHA is responsible for screening and issuing vouchers to the family. HHA has successfully leased all 20 vouchers for this activity and will accept referrals for vouchers that become available through attrition. Participants who successfully complete their Contract of Participation and continue to meet requirements will be graduated from assistance with a 6-month grace period starting in FY 2027.

Youth Aging Out of Foster Care: The Youth Aging out of Foster Care (YAFC) activity, through a partnership between HHA with the Holyoke Department of Children and Family Services (DCF), provides stable housing and service programs for youth aging out of foster care. HHA entered into an MOU with DCF and issues up to 15 vouchers annually, with a maximum of 75 vouchers allocated over the course of five (5) years. HHA may explore future expansion of the program based on need and staff capacity. HHA will also utilize MTW funds to provide up-front housing assistance to new participants, which may include first and last months' rent and security deposit. DCF will provide program participants with support services to assist in housing stabilization for the first year the participant is in the program. Starting in FY 2027, HHA will require eligible YAFC participants to enroll in the local FSS program.

Holyoke Public Schools Assistance Program: HHA partners with the Holyoke Public Schools (HPS) to implement a housing and service program for families with children in the HPS system whose lack of stable housing is affecting their children's success in school. HHA receives referrals and issues vouchers to families referred by a Homeless Educational Coordinator on staff at HPS. In FY 2027 the HPS program will reach its full capacity and families who have completed the five-year program will be gradually transitioned from assistance with a 6-mont grace period.

Modified Project-Based (PB) Voucher Program: HHA continues to operate its Modified PB Voucher Program in connection with HHA's Preservation after Conservation MTW activity. The features of the PB program allow HHA greater flexibility in project basing properties with an outcome of increasing housing opportunities in HHA's jurisdiction.

Holyoke Horizons Transitional Housing Support: In FY 2027, HHA anticipates assisting 15 households under the Holyoke Horizons Transitional Housing Support activity. This activity supports successful re-entry into society of persons involved with the criminal justice system. HHA provides a rental subsidy of

$400/month per participant in order to support formerly incarcerated individuals who are enrolled in the Hampden County Sheriff's Department (HCSD) Community Housing Earned Safe and Supportive (CHESS) initiative. Participants receive case management and supportive services from the HCSD while receiving an HHA rental subsidy.

Student Housing Initiative: Holyoke Housing Authority will continue to use MTW funding flexibility to support a housing stability program for college students who are experiencing homelessness. HHA partners with Holyoke Community College (HCC) to administer the Student Housing Initiative (SHI) program, which provides time-limited subsidy for housing and other college related expenses, to income eligible, homeless college students. HHA will provide up to three (3) years of subsidy for 15 eligible students for an initial three-year period. All 15 vouchers were leased in FY 2026 so HHA will only accept new referrals in FY 2027 upon voucher turnover. Eligible student participants will be required to participate in the local Family Self Sufficiency (FSS) program this plan year.

Holyoke Affordable Homeownership Initiative (HAHI): Through the Holyoke Affordable Homeownership Initiative (HAHI), HHA will provide affordable homeownership opportunities for households earning up to 80% of Area Median Income. Initially, HAHI will be implemented in the South Holyoke neighborhood, where HHA is working with the City and community partners to develop vacant and distressed parcels into new affordable rental and homeownership units. The HAHI program is intended to provide a flexible set of homeownership financing tools to help ensure the long-term affordability of the units and success of the homebuyers. HHA anticipates that sales of the 6 affordable homeownership units will be completed in FY 2027. HHA will permit assistance in the form of down payment assistance or monthly homeownership payments upon approval.

Administrative Streamlining Activities: HHA will continue to implement the following activities, which provide administrative efficiencies for the Housing Authority:

- Biennial Recertifications;
- Rent Simplification, and,
- MTW Utility Allowances.

MTW Transfers: Utilizing MTW flexibility, HHA has established a streamlined transfer policy which allows for a limited number of transfers between Public Housing and the HCV programs. HHA allows for MTW transfers for families whose needs cannot currently be met with housing from their current program. HHA anticipates that this change will reduce the wait time for families on the Public Housing and HCV transfer waiting lists.

Local Family Self-Sufficiency (FSS) Program: HHA recently received approval to modify and enhance its FSS program to encourage broader participation in the program and further incentivize increased earnings and other core program goals. Under the local FSS program, HHA has implemented a revised escrow model, in which escrow is determined by current earned income rather than the change in the tenant's rent. Additionally, HHA provides incentive payments for meeting certain interim goals related to education attainment and program engagement, which do not directly impact escrow under the traditional escrow model but support the participant in increasing their earnings over the long term. In FY 2027, HHA will expand participation in the local FSS program to families receiving assistance through the Youth Aging Out of Foster Care, Holyoke Public Schools (HPS) Assistance Program, Student Housing Initiative, and Special Referral Voucher activities, in addition to the 20 families HHA anticipates enrolling in FSS.

Non-MTW Goals and Objectives

Non-MTW activities are defined by HUD as those activities that do not require MTW authority or flexibility to implement. In addition to its planned long- and short-term MTW activities, HHA will continue to implement a broad array of housing management, maintenance, and supportive services efforts. HHA will continue to operate Mod Rehab and Mod Rehab SRO programs that are not part of the MTW Demonstration. HHA will also continue to operate state-assisted public housing and leasing programs, subject to continued state funding.

II. General Housing Authority Operating Information

A. Housing Stock Information

i. Planned New Public Housing Units

HHA does not plan on adding new public housing units in FY 2027.

Table 1: Planned New Public Housing Units

Asset Management Project (AMP) Name and Number	Bedroom Size						Total Units	Population Type *	# of Uniform Federal Accessibility Standards (UFAS) Units	
	0/1	2	3	4	5	6+			Section 504 Accessible Units (Mobility)	Section 504 Units (Hearing/Vision)
N/A							0	N/A		
Total Public Housing Units to be Added in Plan Year							0			

*Select "Population Type" from: General, Elderly, Disabled, Elderly/Disabled, Other

If the "Population Type" is "Other" please describe

ii. Planned Public Housing Units to be Removed

Table 2: Planned Public Housing Units to Be Removed

AMP Name and Number	Number of Units to be Removed	Explanation for Removal
Churchill I	50	Conversion to project-based vouchers
Churchill II	50	Conversion to project-based vouchers
Total: Public Housing Units to be Removed in the Plan Year	100	

iii. Planned New Project-Based Vouchers

Table 3: Planned New Project Based Vouchers

Property Name	Number of Vouchers to be Project-Based	RAD? (Yes/No)	Description of Project
Churchill I	50	No	Conversion to project-based vouchers
Churchill II	50	No	Conversion to project-based vouchers
Planned Total	**100**		

iv. Planned Existing Project-Based Vouchers

Table 4: Planned Existing Project Based Vouchers

HHA anticipates that there will be 433 existing PBV units under lease in FY 2027.

Property Name	Number of Project-Based Vouchers	Planned Status at the End of the Plan Year	RAD? (Yes/No)	Description of Project
Elmwood Towers	100	Leased	No	Existing elderly high-rise building
Holyoke Towers	71	Leased	No	An elderly high-rise, converted under preservation after conservation
Jarvis Heights	51	Leased	No	PBV conversion of a former Section 236 property
Lyman Terrace	88	Leased	Yes	Conversion of existing public housing units through RAD
Lyman Terrace	76	Leased	No	PBV conversion of remaining public housing units.
Pulaski Heights	35	Leased	No	Existing elderly high-rise building
South Holyoke Homes Phase I	12	Leased	No	Affordable rental project; 1-4 bedrooms
Planned Total	**433**			

v. Planned Other Changes to MTW Housing Stock

Table 5: Planned Other Changes to MTW Housing Stock Anticipated During FY 2027

Planned Change
HHA is in the process of extending the 4 units offline at Rosary Tower, and extending 3 units at Toepfert Apartments as well as adding an additional 2 for substantial modernization for a total of 9 units offline.

vi. General Description of all Planned Capital Expenditures

The following chart provides a summary of planned capital expenditures for HHA's Federal public housing developments during FY 2027. Actual expenditures may vary.

Table 6: Planned Capital Expenditures

Development	Planned Work Description	Projected Expenditures
Beaudoin Village	Vacant Unit Turn -Replace counter tops, hardwood floor maintenance, ceiling repairs and Lead Compliance	$150,000
	Clean lateral sewer lines with video assistance	$10,000
	Site Improvements	$40,000
Toepfert Apts.	Roof Replacement	$1,100,000

Development	Planned Work Description	Projected Expenditures
	Security Improvements	$120,000
	Site Improvements	$5,000
Churchill I & II	Vacant Unit Turn -Replace counter tops and/or flooring	$40,000
	Elevator Upgrades	$22,000
	Security Improvements	$60,000
	Boiler Replacement	$24,000
	Site Improvements	$5,000
Coughlin Apts.	Elevator Upgrades	$5,000
	Generator Replacement	$250,000
	Balcony Repairs	$2,000,000
	Site Improvements	$5,000
Falcetti Towers	Generator Replacement	$250,000
	Elevator Upgrades	$10,000
	Site Improvements	$5,000
Rosary Towers	Underslab Pipe Replacement	$1,000,000
	Elevator Upgrades	$10,000
	Hallway Improvements	$250,000
	Vacant Unit Turn - Replace Slider Door	$15,000
	Site Improvements	$5,000
Zielinski Apts.	Elevator Upgrades	$5,000
	Generator Replacement	$100,000
	Site Improvements	$5,000
Beaudry-Boucher Apts	Elevator Upgrades	$5,000
	Water Heater Replacement	$240,000
	Generator Replacement	$250,000
	Site Improvements	$5,000
	Total	**$5,991,000**

B. Leasing Information

i. Planned Number of Households Served

Table 7: Planned Number of Households Served

Number of Households Served Through:	Planned Number of Unit Months Occupied/Leased	Planned Number of Households to Be Served
Public Housing Units Leased	8,624	719
HCV Utilized*	19,355	1,613
Local, Non-Traditional: Tenant Based	180	15
Local, Non-Traditional: Property Based	0	0
Local, Non-Traditional: Homeownership	240	20
Planned Totals	**28,399**	**2,367**

**HCV Utilized does not include SPVs as HHA does not currently have or anticipate the award of SPVs in FY 2027.*

Table 8: Local, Non-Traditional Housing Programs

Local, Non-Traditional Category	MTW Activity Name/Number	Planned Number of Unit Months Occupied/Leased	Planned Number of Households to Be Served
Tenant-Based	Activity 2018-2: Holyoke Horizons Transitional Housing Support	180	15
Homeownership	Activity 2021-1: Holyoke Affordable Homeownership Initiative Program	240	20
	Planned Totals	**420**	**35**

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

Housing Program	Description of Actual Leasing Issues and Solutions
Public Housing	HHA does not anticipate any PH leasing issues in FY 2027.
HCV	The rental market in the area is saturated, and families are having difficulty finding units. This is consistent for all programs.

C. Waiting List Information

HHA administers its waiting lists in accordance with the HCV Administrative Plan and Public Housing Admissions and Continued Occupancy Policy (ACOP) as applicable.

i. Waiting List Information Anticipated

Table 9: Waiting List Information

Waiting List Name	Description	Number of Households on Waiting List	Waiting List Open, Partially Open or Closed	Plans to Open the Waiting List During the Plan Year
HCV	Statewide	221,336	Open	N/A
HCV	Statewide with Holyoke Residency	4,661	Open	N/A
Federal MTW Public Housing	Merged (excluding Churchill Homes)	2,596	Open	N/A
Federal MTW Public Housing Units	Site-Based (Churchill Homes)	1,098	Open	N/A

Describe any duplication of applicants across waiting lists:

Because Public Housing and HCV maintain separate waiting lists, applicants may apply to both programs and be listed on both waiting lists.

ii. Planned Changes to Waiting List in the Plan Year

Waiting List Name	Description of Actual Changes to Waiting List
Federal MTW Public Housing	No changes planned at this time.
Federal MTW Public Housing Units – Churchill Homes Site-based	No changes planned at this time.
HCV – Statewide	No changes planned at this time.
HCV – Statewide with Holyoke Residency	No changes planned at this time.

III. Proposed MTW Activities

There are no proposed new MTW activities for the FY 2027 MTW Annual Plan.

IV. Approved MTW Activities

A. Implemented Activities

<u>Activity 2013-1: Biennial Recertifications</u>

Plan Year Approved, Implemented, Amended

- Approved: FY 2013
- Implemented FY: 2014
- Amended: FY 2015 and FY 2025

Description/Update of MTW Activity

HHA uses its MTW Authority to recertify clients in both the Housing Choice Voucher Program and the Public Housing Program on a biennial schedule. The documentation requirements for the recertification process are time consuming and burdensome, and generally, tenant rents do not vary greatly from year to year. By moving to a biennial recertification schedule, HHA is able to reallocate staff resources to other program areas, and staff have more time to ensure income reviews are accurate and thorough.

In FY 2015, HHA received approval from HUD to modify the biennial recertification initiative and include a limitation on the number of voluntary interim recertifications a family may complete between biennial recertifications to two. Required interim recertifications (i.e., for changes in family composition or otherwise required by HHA) do not count against the limit. Elderly and disabled households are exempt from this provision and will be able to complete an interim recertification at any time. Zero-income households and households on minimum rent will continue to be subject to annual or more frequent recertification requirements. HHA temporarily lifted the limit on voluntary interim rent reductions for non-exempt families during the COVID-19 pandemic and may re-instate this limit in future fiscal years.

In FY 2025, HHA received approval to waive new regulatory requirements under HOTMA related to interim recertification. Specifically, HHA will not require the family to report or process an interim recertification if there is a change of 10% or more in adjusted income.

Planned Non-Significant Changes

There are no non-significant changes proposed to the activity.

Planned Significant Changes

There are no significant changes proposed to the activity.

Activity 2015-1: Rent Simplification
(Combined with 2013-2: Revised Asset Policies)

Plan Year Approved, Implemented, Amended

Rent Simplification
- Approved: FY 2015
- Implemented: FY 2017

Revised Asset Policies
- Approved: FY 2013
- Implemented: FY 2014

Description/Update of MTW Activity

HHA's rent simplification activity includes the components outlined below. With the exception of the Payment Standard provision, all components apply to both the HCV and Public Housing programs.

- **Application of Payment Standards:** HHA will apply an increase in the payment standard at the earliest of the effective date of an increase in gross rent, or the family's first regular or interim recertification. Further, HHA will waive the regulatory requirement to apply the increase in payment standard by the one-year anniversary of the increase in payment standard for consistency with its MTW recertification policies described in *Activity 2013-1: Biennial Recertification*.

- **Exclusion of all Full-Time Student Income:** HHA will exclude all of full-time student income for household members other than the Head, Spouse or Co-Head.

- **Adult Full-Time Student Deduction:** HHA will eliminate the adult full-time student deduction.

- **Self-Certification of Assets.** Families with assets of $50,000 or less will not be required to provide third-party verification of assets every three years. When the value of net family assets is greater than $50,000, asset verification is subject to standard HUD verification requirements.

- **Calculation of Income:** During regular recertification, HHA will determine income anticipated to be received during the 12-month period following the recertification. HHA will waive the regulatory requirement to determine the income for the family for the previous 12-month period and use this amount as family income at regular recertification.

- **Application of Payment Standards:** HHA will utilize MTW flexibility to establish a payment standard of up to 120% of the Fair Market Rent (FMR) without prior HUD approval. HHA will continue to determine if rent is reasonable before approving the rent to owner.

The activity allows for a more streamlined process and results in time savings for HHA staff.

Planned Non-Significant Changes
There are no non-significant changes proposed to the activity.

Planned Significant Changes

There are no significant changes proposed to the activity.

Activity 2015-4: Preservation after Conservation

Plan Year Approved, Implemented, Amended

- Approved: FY 2015
- Implemented: FY 2015
- Modified: FY 2018

Description/Update of MTW Activity

HHA has preserved the long-term affordability of expiring use properties by project-basing Enhanced and Tenant Protection vouchers for up to a 15-year extendable term. Households that reside in a preservation-eligible project as of the conversion date are given the choice between an Enhanced voucher, Tenant Protection voucher or a Project-Based Voucher. Prior to the conversion date, HHA meets with tenants to explain the advantages/disadvantages and the impact of an Enhanced Voucher versus a Project-Based Voucher so the tenants can make informed decisions. When a household opts for an Enhanced or Tenant Protection voucher, HHA may apply their MTW operating flexibilities (i.e., Revised Asset Policies) to the voucher provided the operating flexibilities do not infringe on the enhanced nature of the voucher. The only enhanced voucher provision which will apply to tenants selecting the Project-Based option is the initial income eligibility requirement.

The activity also provides the following flexibilities:

- For tenants that are over-housed as of the conversion date and elect to receive a Project-Based Voucher, HHA may waive the subsidy standards policy provided there is at least one household member per bedroom. Tenants may also request a reasonable accommodation if applicable.

- HHA may waive 24 CFR 983.56 in its entirety including the 25% per building/project, which will allow for every eligible household in a preservation-eligible project to elect to receive a Project-Based Voucher. Additionally, should a household that elects to receive an Enhanced or Tenant Protection voucher move from the property, HHA may add the unit to the Project-Based HAP contract at any time during the term of the HAP contract.

- Consistent with PIH Notice 2012-32, HHA may apply MTW flexibilities to units converted to PBV under the Rental Assistance Demonstration to the extent that said flexibilities are not in conflict with RAD provisions specified in HUD’s Notice(s).

Planned Non-Significant Changes

There are no non-significant changes proposed to the activity.

Planned Significant Changes

There are no significant changes proposed to the activity.

Activity 2016-1: Modified Project-Based Voucher Program

(combined with Activity 2015-3 PBV Rent Reasonableness, which was closed out in the FY 2019 Report)

Plan Year Approved, Implemented, Amended

- Approved: FY 2016
- Implemented: FY 2016
- Amended: FY 2018

Description/Update of MTW Activity

Preserving affordable housing and expanding the supply of units continues to be a major objective of HHA. In connection with HHA's Preservation after Conservation MTW Activity and other PBV activities undertaken by HHA, HHA has implemented the following activities:

- HHA may elect to project-base 100 percent (100%) of the dwelling units in any PBV project or development, provided that the development meets the applicable MTW Site and Neighborhood Standards. Accordingly, HHA will waive requirements related to occupancy of units under the increased program cap and project cap excepted units. Further, HHA will also waive the requirement to perform an analysis of impact prior to selection if HHA plans to project base 50% or more of units at a project.

- HHA will not provide a mobile tenant-based voucher to PBV participants except when the participant has requested and been granted a reasonable accommodation transfer; or has requested and been determined to be eligible for a VAWA transfer; or has requested and been determined to be eligible for an emergency transfer. HHA will not permit a family member to be added to a PBV household if the new member would result in the family being under-housed except in the case of birth, court-ordered custody, marriage, or live-in aides.

- HHA will allow units to be added to a PBV HAP Contract at any time during the term of the HAP Contract if HHA determines that such addition will support the goals of promoting neighborhood revitalization, avoiding tenant displacement and/or ensuring long-term affordability. The anniversary and expiration dates of the HAP Contract term for the PBV units originally placed under contract and the new units added to the contract will remain consistent. When HHA adds additional units to an existing PBV HAP contract during the term of the HAP contract, eligible families residing in the added units on the date the units are added to the PBV HAP contract will be considered "in-place families." To protect eligible families from displacement, HHA will add "in-place families" to the waiting list and assign an absolute selection preference once they have been determined eligible. HHA envisions that this flexibility will be applied infrequently and only as necessary to support the above-listed goals. HHA will follow any applicable non-MTW provisions related to subsidy layering, Field Office approval or other applicable HUD requirements.

- Re-determined rents to owners of PBV units, *except for certain tax credit units as defined in 983.501(c)*, shall not exceed the lowest of the reasonable rent or the rent requested by owner. This policy change eliminated consideration of the then-current Fair Market Rent (FMR) limits when re-determining PBV rents.

- HHA will inspect PBV units at least once every 24 months. HHA will not conduct turn-over inspections before providing assistance to a new family in a unit under contract.

- Increase income eligibility for PBV units up to 80% of AMI, except in the case of PBV units that are subject to a lower income restriction due to limitations imposed by other 3rd party funding sources, i.e., units that also have low-income housing tax credits.

- HHA will waive the independent entity requirements for HHA-owned units.

- HHA will define a PBV project as a single building, multiple contiguous or non-contiguous buildings, or multiple buildings on contiguous or non-contiguous parcels of land all with a single owner. A single family building is a building with no more than four dwelling units. HHA may elect to combine units that cumulatively meet the definition of a UBV project, but that are covered under more than one Housing Assistance Payments (HAP) Contracts, into a single HAP Contract. For such scattered site projects, HHA will implement an alternative method to determine rent reasonableness whereby HHA bases the rent reasonableness determination for all units in the project that are within the same submarket area on the rent reasonableness determination made for a single unit of each bedroom size. For example, the rent reasonableness determination for all one-bedroom units in the project will be based on the rent reasonableness determination made for a single one-bedroom unit in the project provided that the units are in the same submarket area.

- HHA will waive the 20% cap on PB units in HHA's portfolio and replace that with a 40% cap and will waive the requirement to provide advance notice to its HUD field office of its intent to project-base vouchers.

In FY 2027, HHA will continue to utilize MTW flexibility to add units to an existing HAP contract. Upon turnover, HHA will modify the existing HAP contract at Holyoke Towers and Elmwood Towers to add additional PBV units.

Planned Non-Significant Changes
There are no non-significant changes proposed for this activity.

Planned Significant Changes

There are no significant changes proposed for this activity.

Activity 2018-1: MTW Utility Allowances

Plan Year Approved, Implemented, Amended

- Approved: FY 2018
- Implemented: FY 2019

Description/Update of MTW Activity

HHA adopted a streamlined Utility Allowance (UA) model that eliminates all utility allowances except for heat and other electricity for both MTW tenant-based and project-based program households. The streamlined UA model establishes one UA table for heat and another UA table for other electricity. The streamlined UA is independent of fuel type or building type. HHA will continue to select the UA for the smaller of the unit size or voucher size.

Implementation began in FY 2018 and full implementation was completed in FY 2019. All households, regardless of the change in tenant rent, received 180 days advance notice of any increase as a result of the change to the MTW UA schedule. For households receiving reasonable accommodations for heat and/or electricity at implementation, HHA applied the higher of the table UA and the previously approved reasonable accommodation UA. HHA will continue to determine reasonable accommodations for utilities on a case-by-case basis.

HHA periodically, at its discretion, reviews HCV utility allowance schedules to determine if adjustments are required. Annual updates would not be required. HHA will use the rates provided by the local provider, Holyoke Gas & Electric (HG&E), to determine if the average five-year rate change is greater than 10%. When and if the average five-year rate change is greater than 10%, HHA will update its UA schedules accordingly.

In FY 2022, HHA conducted a rate change review and determined that the five-year rate change was greater than 10%. Accordingly, HHA updated the utility allowance schedule in concert with HG&E's current rates. HHA anticipates updating the schedule of utility allowances in FY 2027.

Planned Non-Significant Changes

There are no non-significant changes proposed to the activity.

Planned Significant Changes

There are no significant changes proposed for this activity.

Activity 2018-2: Holyoke Horizons Transitional Housing Support

Plan Year Approved, Implemented, Amended

- Approved: FY 2018
- Implemented: 2018

Description/Update of MTW Activity

In support of the Sheriff's Department's efforts to reduce recidivism and enhance community safety, HHA has set aside MTW funds to support the Community Housing Earned Safe and Supportive (CHESS) initiative of the HCSD. CHESS is a sponsor-based transitional housing program that is designed to promote the successful community re-entry of persons formerly in the custody of the Hampden County House of Correction. HCSD, through the Mental Health Association (MHA), leases three-bedroom apartments in the community that will house non-related former offenders participating in the CHESS program. Program participants are required to pay 40% of their income or a minimum of $400/month towards rent to MHA and also participate in a supportive services program. This activity supports otherwise eligible low-income participants who do not earn sufficient income to pay the $400/month rent minimum.

Currently, HHA provides up to 30 rental subsidies to the HCSD, who will then disburse funds to the landlords through MHA. Dependent on unit availability, up to three participants unable to meet the monthly rent minimum of $400 may be housed in one unit, which would result in a $1,200 subsidy for that particular unit. Should an assisted participant leave the program within the fiscal year, the subsidy will remain with the program and may be used to support another eligible low-income participant.

In FY 2021, in response to economic conditions resulting from the COVID 19 pandemic, HHA increased the subsidy per participant from $200 to $400 per month. HHA may further adjust the subsidy level for this activity in response to declared states of economic and/or health emergencies as authorized by the Governor or his/her designee and/or other economic factors which dictate the need for a subsidy change. A change is not anticipated for FY 2027.

In FY 2027, HHA anticipates serving 15 participants through this partnership initiative.

Planned Non-Significant Changes

There are no non-significant changes proposed for this activity.

Planned Significant Changes

There are no significant changes proposed for this activity.

Activity 2019-1: Youth Aging out of Foster Care (YAFC)

Plan Year Approved, Implemented, Amended

- Approved: FY 2019
- Implemented: FY 2019

Description/Update of MTW Activity

HHA partners with the local public child welfare agency (LPCWA) to provide a stable housing and service program for youth aging out of foster care (YAFC). Hundreds of youth "age out" of the foster care system each year in Massachusetts, meaning they reach the age threshold required to receive services, including housing. Some are adopted by their foster care family, others are reunited with their biological parents, but many have no support network.

In support of many other initiatives and programs to assist youth aging out of foster care, HHA has entered into an MOU with the Holyoke Department of Children and Families (Holyoke DCF Office) on the YAFC Activity. HHA will designate up to 15 tenant-based Housing Choice Vouchers, annually, to eligible YAFC referred by a LPCWA for a period of 36-months. DCF will refer eligible participants, defined as individuals who have been in foster care within the last six months or will be leaving foster care within 90 days, are 18 years of age or older and are homeless or at risk of homelessness, as defined by DCF. HHA will then screen referrals, calculate income, rent and subsidy in accordance with HHA's Administrative Plan and MTW policies.

As participants are not likely to have accrued finances available for initial housing costs, HHA will also utilize MTW funds, through its Single Fund Flexibility, to offer up-front housing assistance to new participants of the Youth Aging out of Foster Care Program. Up-front housing assistance may include first and last months' rent and security deposit. Each component of the up-front housing assistance will not exceed the applicable payment standard. Participants will only be eligible for up-front housing assistance once, upon initial lease up with an HHA issued voucher. Up-front housing assistance payments will only be made directly to owners on behalf of participants. Through an HHA lease addendum, security deposits made on behalf of program participants will be returned to HHA upon termination of a participant's lease, except for in cases where owners need funds from a participant's security deposit to address damage to their unit.

Approved in FY 2026, HHA will require YAFC participants to enroll in the local FSS program, unless they are an elderly or disabled family.

Local youth aging out of foster care, who wish to receive ongoing support, contact and work with their local DCF Office. As the Holyoke DCF Office will be responsible for directly referring participants, participants will have signed up for continued services at minimum upon initial lease up. Continued eligibility will not be subject to the receipt of supportive services. The Holyoke DCF Office will provide program participants with support services to assist in housing stabilization for the first year the participant is in the program. In addition to stabilization services, the Holyoke DCF Office will also provide appropriate referrals to employment and education providers to program participants.

After 36 months in the program, if in compliance with HHA continued occupancy policies as identified in the Administrative Plan, YAFC voucher holders will be allowed an extension of an additional 24-months resulting in a total housing assistance period of 60-months or five years.

HHA received approval in FY 2026 to implement a policy governing the transition from the YAFC program after participants have reached the five-year limit. For participants who are in good standing (including complying with HHA continued occupancy policies) when they have reached the five-year limit, HHA may gradually transition participants from the program over a reasonable period, in which their housing assistance may be reduced year over year. Families who reach the end of the five-year program term but are not in good standing will be terminated within six (6) months.

HHA may issue up to 15 vouchers annually, with a maximum of 75 vouchers allocated over the course of five (5) years. HHA may explore future expansion of the program based on need and staff capacity.

While the YAFC program remains fully active and continues to provide ongoing rental assistance to current households, HHA will not accept or lease new referrals for the 2027 plan year.

Planned Non-Significant Changes

There are no non-significant changes proposed for this activity.

Planned Significant Changes

There are no significant changes proposed for this activity.

Activity 2019-2: Holyoke Public School (HPS) Assistance Program
(Activity number changed from 2019-3 to 2019-2 to reflect corrected numbering sequence)

Plan Year Approved, Implemented, Amended

- Approved: FY 2019
- Implemented: FY 2019

Description/Update of MTW Activity

Since being placed in receivership, the city of Holyoke, school administrators and stakeholders have spent significant time and efforts in improving instruction and services offered in the Holyoke Public Schools (HPS). Additionally, HPS has established a number of resources for families with children in the school system, which provides supportive services and case management. One such resource is the Family and Community Engagement Department (FCED). FCED staffs each school with a point person who assists families in identifying and accessing resources. FCED is also staffed with a Homeless Educational Coordinator, who provides various types of support for students experiencing homelessness.

Research has shown that instability in housing has a negative impact on a child's educational attainment. To address the needs of families who are experience unstable housing, HHA will allocate up to 15 Housing Choice Vouchers, annually, to eligible families referred by HPS. Eligibility will be defined as families with at least one school-aged child enrolled in HPS, whose lack of stable and affordable housing is affecting their children's attendance and success at school. Referred families will be screened and issued vouchers consistent with HHA's Administrative Plan and MTW policies.

Families who receive a voucher will be required to enter into and sign a contract of participation (COP) and participate in the local FSS program unless they are an elderly or disabled family. The COP will require families to commit to supporting their children's education in ways such as getting them to school on time each day and engaging in parent-teacher conferences when requested. HPS will be responsible for ensuring participant compliance with school enrollment and COP requirements, as well as providing additional support services to participating families. HHA will terminate vouchers, and may deny extension requests, for HPS families, who do not comply with the COP. If families are consistently engaged and in compliance with both the COP and continued occupancy policies in the voucher program at the conclusion of their first 36-months post enrollment, and still have at least one school-aged child enrolled in HPS, they may be granted an extension of up to 24-months, which will result in a total housing assistance period of 60-months or 5 years. Families will receive notice 12 months in advance of their final rental assistance payment and HPS and HHA staff will work closely with families to establish a transition plan to better prepare them once they transition from the voucher assistance.

HHA received approval in FY 2026 to implement a policy governing the transition from the HPS assistance program after participants have reached the five-year limit. For participants who are in good standing (including complying with HHA continued occupancy policies) when they have reached the five-year limit, HHA may gradually transition participants from the program over a reasonable period, in which their housing assistance may be reduced year over year. Families who reach the end of the five-year program term but are not in good standing will be terminated within six (6) months.

While the HPS assistance program remains fully active and continues to provide ongoing rental assistance to current households, HHA will not accept or lease new referrals for the 2027 plan year.

Planned Non-Significant Changes

There are no non-significant changes proposed for this activity.

Planned Significant Changes

There are no significant changes proposed for this activity.

Activity 2020-1: Student Housing Initiative

Plan Year Approved, Implemented, Amended

- Approval: FY 2020
- Implemented: FY 2020

Description/Update of MTW Activity

Holyoke Housing Authority utilizes MTW funding flexibility to support a housing stability program for college students who are experiencing homelessness. Working in partnership with Holyoke Community College (HCC), HHA will provide time limited housing subsidies, to income eligible, homeless college students.

HHA provides up to three years of subsidy for 15 eligible students for an initial three-year period. Where a student becomes part of the SHI program after they are already enrolled at HCC, HHA will adjust the participation period in the program to reflect the remaining portion of the three-year cap plus an additional six-month post-graduation period. HHA entered into an MOU with HCC, which sets forth roles and responsibilities for determining initial and continued eligibility and reporting requirements. Upon review of program outcomes and financial considerations, HHA and HCC will determine program viability and make any necessary changes to the program.

HCC is responsible for identifying eligible participants, defined as fully matriculated, full-time, low-income students, who meet HUD's definition of Unaccompanied Homeless Youth or who have recently aged out of foster care and meet HUD's criteria of an independent student. HHA will verify and calculate income to determine income eligibility. HCC is responsible for ensuring that participants meet HUD's criteria for an independent student. HCC is also responsible for providing HHA with quarterly academic progress reports to ensure participants continue to be in compliance with continued occupancy and SHI program requirements.

The SHI subsidy operates as follows:

- HHA provides SHI participants with a subsidy up to the current voucher payment standard for the family size or the contract rent whichever is lower and SHI participants will pay the remaining portion of rent;
- In the event the gross rent exceeds the applicable payment standard, an SHI participant will pay an additional family share; however, HHA will cap the family share at 40% of the family's adjusted monthly income;
- HHA conducts reasonable rent determinations prior to unit approval;
- HHA provides utility allowances to students where the cost of utilities is not included in the rent;
- The SHI voucher has a term limit of three years, which may be adjusted downward for students who begin participation in SHI subsequent to beginning their education at HCC; and,
- Where applicable, security deposit assistance may be provided up to one month's subsidy.

The subsidy is limited to housing assistance, in the form of rent in privately owned housing, and is paid directly to the housing provider. While identified housing is subject to HUD's HQS requirements, participants are permitted to reside in shared housing. HHA conducts the HQS inspection or partners with another regional housing provider to conduct the HQS inspection.

Participants must continue to remain enrolled full-time and maintain passing grades in order to be eligible for subsidy renewal each year. Students receiving assistance are expected to maintain continuous enrollment with the goal of earning degrees and/or certificates of value. Every student is required to utilize academic support services and counseling services available at the college. If the student does not remain compliant with program terms, the subsidy may be terminated.

Approved in FY 2026, HHA will revise program requirements for the Student Housing Initiative to require that all families assisted through this MTW activity participate in the local FSS program, unless they are an elderly or disabled family. Further, HHA may implement a policy governing the transition from the SHI program after students have attained their goal of earning a degree or certificate from HCC and/or transferring to a four-year college or university. For these students, HHA may gradually transition participants from the program over a reasonable period, in which their housing assistance will be reduced by year over year. In addition to meeting SHI goals, students must also be in good standing with HHA's continued occupancy policy in order to be eligible for assistance through the transition period. Students who reach the end of the three-year program term but have not yet earned a degree or certificate will be terminated within six (6) months.

The clients served under this activity are not participants in the Housing Choice Voucher Program or residents of federal public housing. HHA anticipates that all 15 vouchers will be leased in FY 2026. HHA will not accept further referrals in FY 2027.

Hardship
In the event that a student needs to take an extended leave from his or her academic program, the subsidy will be terminated within six (6) months; however, the student may reapply to the SHI as long as the program continues to operate. For leaves which do not exceed two months in duration, and which have been reviewed and approved by HHA and HCC, the subsidy will continue.

Planned Non-Significant Changes

There are no non-significant changes proposed to the activity.

Planned Significant Changes

There are no significant changes proposed to the activity.

Activity 2021-1: Holyoke Affordable Homeownership Initiative

Plan Year Approved, Implemented, Amended

- Approval: FY 2021
- Implemented: FY 2025

Description/Update of MTW Activity

HHA's Holyoke Affordable Homeownership Initiative (HAHI) provides affordable homeownership opportunities for households earning up to 80% of Area Median Income. HHA was designated by the Holyoke Redevelopment Authority as the developer for an affordable homeownership project in South Holyoke, the City's lowest income neighborhood. The current plans for new construction for infill development are a response to community advocacy to restore housing options, and HHA may utilize MTW funds for initial development costs and construction for this project.

Initially, HAHI will be implemented in the South Holyoke neighborhood, where HHA is working with the City and community partners to develop vacant and distressed parcels into new affordable rental and homeownership units. The South Holyoke neighborhood has historically been the center of a strong working class neighborhood predominantly consisting of tenement style housing with some single and two family houses. Many of the residents would walk to their place of employment in the nearby and thriving mill district. As the mills closed and jobs declined, the area became challenged with disinvestment, poverty, and blight. Although a core of quality housing remains, some residents have departed because of the lack of homeownership opportunities.

As part of the overall South Holyoke neighborhood revitalization strategy, HHA is moving forward with a five-phase rental and homeownership development consisting of approximately 85 total units. The first rental phase of 12 units will involve state and local funding, and it is anticipated that the third phase will incorporate private equity from Low Income Housing Tax Credits. For Phase 1, HHA will use HUD-held reserves for our equity and to bridge a HOME grant from the City of Holyoke. HHA will provide a long-term Project Based Voucher Housing Assistance Payments contract to support the first phase.

The second phase will include approximately 20 affordable, new construction homeownership units for families to be built on currently vacant lots. Financing involved a combination of state, local and MTW funding. Prior to closing, all prospective homeowners will be required to participate in homebuyer counseling sessions, working with qualified HHA partners to understand the responsibilities of homeownership, repair credit, save for a down payment and secure financing. HHA will work with lenders with whom it has partnerships to facilitate the goals of the program.

The HAHI program provides a flexible set of homeownership financing tools to help ensure the long-term affordability of the units and success of the homebuyers. As such, the HAHI program is like a "toolkit" of resources that will be customized and tailored as needed to meet the needs of individual homebuyer households. Major features of the proposed HAHI program include:

Eligibility:

- Open to low-income households, including HHA public housing residents and HCV participants who are in good standing with their lease and program requirements.
- Participants must:
    - Be a first-time homebuyer.

    - Complete HHA-approved homeownership counseling and financial literacy courses.
    - Agree to participate in post-purchase follow-up review on an annual basis for three years from the point of closing.
- The home must be used as the household's principal residence. Homeownership assistance may only be provided while the household resides in the unit.

Target Sales Price

- Based on updated budget scenarios taking into consideration growing interest rates, HHA anticipates that prices for the homeownership units will be around $250,000. Prices will be dependent on income and bedroom size and are subject to change.

Program Components

Prospective homebuyers will work with existing HHA Resident Services staff and may be referred to a local partner agency identified by HHA to review their financial status, credit standing and household goals. HHA will review choice of purchase options with families to enable families to make informed decisions on the assistance provided. Financing options available to program participants will include those described below. HHA may provide one or more forms of assistance to an eligible household, either individually or in combination, based on the household's needs, financial circumstances, purchase structure, and available program resources.

- **Monthly voucher assistance**: Households may receive monthly homeownership assistance for up to 15 years. Generally, this assistance will cover the difference between up to 30% of adjusted household income and the projected monthly homeownership costs, subject to a cap equal to HHA's HCV voucher payment standard. Household income will be reviewed on a biennial basis to ensure continued eligibility and redetermine monthly subsidy amounts. Similar to the HCV program, monthly homeownership assistance will be ended 180 days after a household subsidy equals $50 or less.
- **Financing Options:** The four financing options below were based on HHA estimates of gap financing needed along with prior experience with first-time homebuyers as well as experience with administration of down-payment assistance programs.
    - **Down payment assistance**: In lieu of receiving monthly voucher assistance, HAHI participants will be eligible for one-time down payment assistance up to a maximum of $10,000 per household. HHA will record a soft second mortgage on the title with a 20-year recapture period. In the event of a default that is not cured, HHA will recoup the down payment assistance amount, which will decrease 5% annually over the 20-year term.
    - **Soft second mortgage option**: Up to a maximum of $20,000 per household may be provided as a soft second mortgage, provided that the household is not receiving any other HAHI homeownership assistance. As with the down payment assistance option, HHA will record a soft second mortgage on the title with a 20-year recapture period. In the event of a default that is not cured, HHA will recoup the soft second mortgage amount, which will decrease 5% annually over the 20-year term.
    - **Lease to purchase option**: HHA may implement a lease to purchase option in situations where the household is not appropriate and/or eligible for immediate homeownership. In these cases, HHA will provide a monthly rental subsidy to the household for a fixed period of up to 15 years. The amount of rental subsidy, and the methodology used to calculate the subsidy, will be comparable to that used in the HCV program. During the lease to purchase period, ownership of the unit will be held by an HHA subsidiary/affiliate. A portion of the

rent will be escrowed during the lease to purchase period and then applied to the down payment at the time of purchase. Household income will be reviewed on a biennial basis to ensure continued eligibility and redetermine monthly subsidy amounts.

- **Unit Equity:** All purchasers will be required to sign a deed rider which restricts resale for a given number of years, includes a maximum resale price and terms on net proceeds.

For the down payment assistance and soft second options, HHA will authorize only up to the minimum amount needed to close the affordability gap based on individual household circumstances. HHA will calculate the maximum mortgage payment allowed at 35% of adjusted monthly income, and total housing expenses at 38% of adjusted monthly income. HAHI program staff will work to maximize household eligibility for any other non-HHA down-payment and/or closing cost assistance programs.

Overall, HHA will budget up to $4.8 million in MTW funds to support the development of rental and homeownership units under this initiative. HHA may elect to expand the program beyond the South Holyoke project based on funding availability. If demand exceeds the available budget, HHA will establish a wait list based on date and time of application.

HHA sold six (6) of the 10 homeownership units in FY 2026 to eligible low-income families. In FY 2027, HHA anticipates that the remaining four (4) homeownership units will be sold.

Planned Non-Significant Changes

There are no non-significant changes proposed to the activity.

Planned Significant Changes

There are no significant changes proposed to the activity.

Activity 2022-1: HCV Leasing Incentives

Plan Year Approved, Implemented, Amended

- Approval: FY 2022
- Implemented: FY 2022

Description/Update of MTW Activity

Using its MTW flexibility, HHA has established an HCV Leasing Incentive program to increase voucher utilization and provide additional housing opportunities for voucher-holders.

HHA provides leasing incentives to owners to increase their participation in the HCV program. Owners receive incentive payments for participation in the HCV program for the first time as well as for leasing new HCV units. In FY 2027, HHA will allocate $15,000 to this activity.

HHA provides the following incentives to owners participating in the HCV program:

- A $500 one-time incentive for a new HCV program unit. HHA will define a new HCV program unit as a unit which has not been previously leased under the HCV program or was last leased three or more years ago.

- A $500 incentive to an owner who had not previously leased a unit in HHA's HCV program. "New Owner" refers to an owner who has never previously leased a unit under the HCV program or who had last leased a unit under the HCV program three or more years ago.

Where a unit had previously been leased by an HCV participant and there is a gap in leasing with the HCV program, HHA will not provide a $500 incentive when and if the unit gets leased by a new HCV participant.

Incentive payments will be payable upon execution of the HAP contract.

Planned Non-Significant Changes

There are no non-significant changes proposed to the activity.

Planned Significant Changes

There are no significant changes proposed to the activity.

Activity 2023-1: Local Family Self-Sufficiency Program

Plan Year Approved, Implemented, Amended

- **Approval: FY 2023**
- **Implemented: FY 2024**

Description/Update of MTW Activity

HHA has implemented a local Family Self-Sufficiency (FSS) Program to encourage broader participation and increased savings for participants. The MTW FSS program policies apply to Housing Choice Voucher (HCV) and Public Housing (PH) FSS program participants who enrolled after approval of this activity. Those FSS participants who enrolled prior to the approval of this activity will not be subject to local FSS program policies; however, HHA will provide these participants the opportunity to opt-in to the local FSS program and sign a modified Contract of Participation (COP).

HHA's local FSS program includes the following components:

- **Revised Escrow Model:** In order to encourage families of all income levels to participate in the FSS program and save towards their long-term goals, HHA has established an escrow model in which the monthly escrow amount is determined by the family's annual earned income, rather than the change in their Total Tenant Payment (TTP). As shown in the table below, the family will accrue escrow according to income tiers. HHA will begin to make escrow payments to families at the start of the term of their participation if they report earned income of at least $10,000 at their first re-examination of income after the execution date of the COP. Families who do not report earning at least $10,000 at their first re-examination of income after the execution date of the COP will not receive escrow payments until their earned income increases to $10,000 or more. In accordance with the regulations at 24 CFR 984.303(d), the term of the family's participation may be up to five (5) years after the family's first re-examination of income after the COP is executed. During the term of participation, HHA will make escrow payments each month according to the table below.

Tiered Income and Escrow

Earned Income Min.	Earned Income Max.	Monthly Escrow Amount
$0	$9,999	$0
$10,000	$12,999	$50
$13,000	$15,999	$100
$16,000	$18,999	$150
$19,000	$21,999	$200
$22,000	$24,999	$250
$25,000	$27,999	$300
$28,000	$30,999	$350
$31,000	$33,999	$400
$34,000	$36,999	$450
$37,000	$39,999	$500
$40,000	$42,999	$550

Tiered Income and Escrow

Earned Income Min.	Earned Income Max.	Monthly Escrow Amount
$43,000	$45,999	$600
$46,000	$48,999	$650
$49,000	$51,999	$700
$52,000	$54,999	$750
$55,000	$57,999	$800
$58,000	$60,999	$850
$61,000	$63,999	$900
$64,000	$66,999	$950
$67,000	$69,999	$1,000
$70,000	$72,999	$1,050
$73,000	$75,999	$1,100
$76,000	$78,999	$1,150
$79,000	and up	$1,200

If the family's earned income decreases below $10,000 during their participation, they will no longer accrue escrow. However, if the family's earned income later increases and exceeds $10,000, they will again accrue escrow. Please note that HHA will evaluate the impact of the revised escrow model on FSS participants and may make adjustments based on the outcome of such evaluation in future fiscal years.

Participating families can access and withdraw escrow when the COP has been completed and the family has met all applicable requirements set forth in 24 CFR 984.305.

- **Modified Escrow Eligibility:** In FY 2025, HHA received approval to utilize its MTW flexibility in order to permit families with adjusted annual income which exceeds the low-income limit to receive FSS escrow credit.

- **Interim Incentives:** HHA provides incentives for participants who meet interim goals in order to encourage continued participation in the FSS program and commitment to Individual Training and Services Plan (ITSP) goals. Incentive payments may be made at the time the goal is achieved or upon final escrow disbursement.

  - $50 for completing a financial education and/or homeownership readiness program approved by HHA
  - $100 for completion of a GED or receipt of a high school diploma;
  - $100for obtaining the skilled trade or job-specific certification, approved by HHA
  - $150 for an Associate's Degrees (one-time limit per person); and,
  - $250 for completion of a bachelor's or master's degree (one-time limit per person).

- **Graduation Incentives:** HHA provides financial incentives of up to $3,000 to families that have graduated from the FSS program if they decide to voluntarily terminate their participation in the HCV or Public Housing program.

- **Required Enrollment:** In FY 2026, HHA revised program requirements for the Youth Aging out of Foster Care, Holyoke Public Schools (HPS) Assistance Program, Student Housing Initiative, and Special Referral Vouchers to require that new families that lease up in these programs also participate in the local FSS program, unless they are an elderly or disabled family at enrollment.

HHA provides families who enrolled in the FSS program before this activity was approved with the opportunity to benefit from these changes. During the family's regular or interim recertification, HHA will allow the family to choose to sign a modified Contract of Participation (COP), which includes the revised escrow model and interim incentives, or to continue with their existing COP. The revised escrow model and interim incentives will not be retroactive for existing FSS families who opt to sign a modified COP. Further, the revised escrow and interim incentive policies will generally apply to all families who enrolled in the FSS program after this activity was approved.

In FY 2027, HHA anticipates that 20 new families will enroll in the local FSS program, and that HHA will serve a total of 140 families.

Planned Non-Significant Changes

There are no non-significant changes proposed to the activity.

Planned Significant Changes

There are no significant changes proposed to the activity.

Activity 2023-2: Streamlined Transfer Policy

Plan Year Approved, Implemented, Amended

- **Approval: FY 2023**
- **Implemented: FY 2023**

Description/Update of MTW Activity

HHA has a streamlined transfer policy for both Public Housing and Housing Choice Voucher (HCV) programs, including the project-based voucher (PBV) program. The streamlined transfer policy allows HHA to approve a limited number of transfers from Public Housing to the HCV program, and vice versa. These transfers will be referred to as MTW transfers.

HHA authorizes an MTW transfer for families whose needs cannot currently be met with housing from their current program. For example, if a PH family grows while participating in the program and now requires a seven-bedroom unit, HHA may authorize the family for an MTW transfer to the HCV program, as the largest unit available in the PH portfolio is six-bedrooms. Eligibility for an MTW transfer will be based upon immediate need, disability needs and availability of vouchers or PH units and will be evaluated on a case-by-case basis. If a resident transfers from PH to the HCV program, that household will be subject to HCV eligibility guidelines, and vice versa.

HHA will provide for up to 15 HCV and 15 Public Housing families to transfer from the HCV program to Public Housing program, and vice versa. No more than 30 moves will be authorized in a given fiscal year. HHA will review the volume of MTW transfers annually and may revise the limit based on need in future fiscal years.

Planned Non-Significant Changes

There are no non-significant changes proposed to the activity.

Planned Significant Changes

There are no significant changes proposed to the activity.

Activity 2024-1: Special Referral Vouchers

Plan Year Approved, Implemented, Amended

- **Approval: FY 2024**
- **Implemented: FY 2024**

Description/Update of MTW Activity

HHA has entered into a partnership with Holyoke's Care Center in order to provide housing assistance to families that include young mothers and low-income women who are working to obtain their high school equivalency certificate or diploma or are enrolled in coursework at Bard College. The Care Center provides critical services and support for the entire family, including transportation and daycare, allowing the head of household to achieve their educational goals. To further support their stability and success in reaching their goals, HHA will allocate up to 15 Housing Choice Vouchers to eligible families referred by the Care Center. Eligibility will be defined as families where the head of household is actively engaged in Care Center programming. Referred families will be screened and issued vouchers consistent with HHA's Administrative Plan and MTW policies.

Families who receive a voucher will be required to enter into a contract of participation (COP), which HHA anticipates will be completed within 60 months. However, HHA may provide extensions to the term of the COP, based on extenuating circumstances. Extensions will be granted on a case-by-case basis. The COP will require families to remain enrolled in their respective Care Center program for the duration of their housing assistance. When a Care Center participant successfully completes their COP, i.e. upon obtaining their high school equivalency certificate or diploma, HHA will issue a regular MTW voucher to the family. If a family is no longer able to comply with the terms of the COP and participate in the Care Center program but is otherwise eligible for the HCV program, HHA will issue a regular MTW voucher to the family. The Care Center will be responsible for monitoring and reporting participant's compliance with and completion of the COP. When available, HHA will re-issue vouchers to applicants referred by the Care Center upon turnover.

The Care Center will be responsible for identifying qualifying families where the head of household is actively engaged in Care Center programming and referring them to HHA. HHA will conduct screening to verify that the family meets all eligibility requirements for the HCV program, including income. HHA will calculate the family's housing assistance consistent with the policies for the HCV program outlined in the Administrative Plan. The Care Center will be responsible for reporting on participants' compliance with the Care Center's program requirements.

In FY 2026, HHA revised this activity to require that all families assisted through Special Referral Voucher activity participate in the local FSS program, unless they are an elderly or disabled family. Further, HHA may revise its policy governing the transition from the Special Referral Voucher program after participants have successfully completed their COP. HHA will no longer issue a regular MTW voucher when a participant successfully completes their COP. Rather, if a participant has successfully completed their COP and has complied with HHA continued occupancy policies, HHA may gradually transition participants from the program over a reasonable period, in which their housing assistance will be reduced year over year. Families who reach the end of the five-year program term but have not completed and/or complied with their COP will be terminated within six (6) months.

In FY 2027, HHA will allocate up to 20 vouchers for eligible families referred by the Care Center. The program is currently at its maximum capacity of 20 vouchers and new referrals are not being accepted. If a voucher opens up through natural attrition, HHA will provide that household a 6-month transition off the program before backfilling the slot to maintain the 20 voucher cap.

HHA may increase this allocation in future fiscal years. Based on the success of this partnership, HHA may also look to expand this activity to include additional referral partnerships that align with local needs.

Planned Non-Significant Changes

There are no non-significant changes proposed to this activity.

Planned Significant Changes

There are no significant changes proposed to the activity.

Activity 2025-1: MTW Homeownership Program

Plan Year Approved, Implemented, Amended

- **Approval: FY 2025**
- **Implemented: FY 2025**

Description/Update of MTW Activity

In order to expand affordable homeownership opportunities for first-time, low-income families, HHA will utilize MTW flexibility to enhance HHA's existing HCV homeownership program, modifying eligibility criteria and expanding the homeownership assistance available to families.

Key features of the MTW Homeownership program include:

- **Revise the employment requirement** (for families qualifying under the employment or non-disabled category)**:** HHA will modify eligibility requirements related to employment so that HHA may also provide homeownership assistance to families if they include an adult member working 25 to 29 hours a week if they also meet the minimum income requirement described below. Families must meet all other eligibility requirements of the homeownership program.

- **Increase the minimum income requirement.** HHA will require that families have an annual income of at least 30% of the current Area Median Income (AMI) for a four-person household. Accordingly, the minimum income requirement for FY 2026 will be $39,450.

- **Amount and Distribution of HCV Homeownership Assistance:** HHA will utilize the two-bedroom payment standard for families eligible for the one-bedroom payment standard. For all other families, HHA may increase the size of the homeownership voucher to the size of unit so long as the family includes at least one (1) person per bedroom. For example, a family that includes a married couple and two children could be approved for up to a four-bedroom homeownership voucher. Please note that HHA will continue to apply the payment standards for rental vouchers to homeownership vouchers.

- **Permit Public Housing families to receive a homeownership voucher.** HHA will provide homeownership assistance to a Public Housing family if they meet all other eligibility requirements set forth in this activity, the HCV Administrative Plan, and 24 CFR 982.627. HHA will leverage flexibility available under *Activity 2023-2: Streamlined Transfer Policy* in order to transfer eligible families from Public Housing to the HCV program and to issue the family a homeownership voucher.

HHA anticipates that six (6) families will become first-time homeowners through the program in FY 2027.

Planned Non-Significant Changes

In FY 2027, HHA will further revise this activity in order to permit eligible families to receive one or more forms of homeownership assistance, including down payment assistance and monthly homeownership assistance payments, waiving 24 CFR 982.625(c)(1) as permitted under Attachment C, Paragraph D.8. of HHA's MTW Agreement.

Planned Significant Changes

There are no significant changes proposed to the activity.

B. Not Yet Implemented Activities

There are no approved activities which are not yet implemented.

C. Activities on Hold

There are no approved activities which are on hold.

D. Closed Out Activities

Activity	Year Approved	Year Implemented	Year Closed Out	Reason for Closing Out
Activity 2013-5: Biennial HQS Inspections	FY 2013	NA	FY 2014	HHA closed out this activity as an MTW initiative due to the 2014 Appropriations Act, which allows HHA to transition to a biennial inspection schedule without MTW authority.
Activity 2013-3: Career Advancement Program	FY 2013	FY 2015	FY 2018	This activity was closed out because there was a general lack of interest in the CAP program amongst HHA participants. Furthermore, HHA invested substantial time and commitment to this program, yet efforts did not yield the type of response anticipated.
2015-2 Rent Reasonableness	FY 2015	FY 2015	FY 2018	Under HOTMA, the trigger for reasonable rent redeterminations increased from a 5% decrease to a 10% decrease in FMR from one year to the next. HHA determined that a 10% decrease in FMR was such that a reasonable rent redetermination would be warranted to ensure that subsidies paid are in line with market rents.
2015-3 PBV Rent Reasonableness	FY 2015	FY 2015	FY 2019	This activity was closed out as it was modified and combined with the previously HUD approved Modified Project Based Voucher Program activity. Please note that the portion of this activity related to re-determining reasonable rent when the FMR decreases by 5% or more will no longer be applied. HUD increased this threshold, under the regulations, to 10%. All other aspects of this activity remain in effect in Activity 2016-1.
Activity #2013-4: Neighborhood Revitalization	FY 2013	N/A	FY 2020	HHA closed out this activity as extensive program marketing and solicitation did not elicit interest from potential stakeholders in the Arts and Innovation District. The City of Holyoke has no immediate plans to expand the footprint for the Arts and Innovation District.

V. Planned Application of MTW Funds

A. Planned Application of MTW Funds

Tables 10 and 11 below provide estimated sources and uses of MTW funds for FY 2027.

i. Estimated Sources of MTW Funds

Table 10: Estimated Sources of MTW Funds

FDS Line Item	FDS Line Item Name	Dollar Amount
70500 (70300+70400)	Total Tenant Revenue	$3,150,990
70600	HUD PHA Operating Grants	$26,952,450
70610	Capital Grants	$2,425,000
70700 (70710+70720+70730+70740+70750)	Total Fee Revenue	$2,270,580
71100+72000	Interest Income	$142,150
71600	Gain or Loss on Sale of Capital Assets	-
71200+71300+71310+71400+71500	Other Income	$215,475
70000	**Total Revenue**	**$35,156,645**

ii. Estimated Application of MTW Funds

Table 11: Estimated Uses of MTW Funds

FDS Line Item	FDS Line Item Name	Dollar Amount
91000 (91100+91200+91400+91500+91600+91700 +91800+91900)	Total Operating – Administrative	$4,814,760
91300+91310+92000	Management Fee Expense	$2,270,580
91810	Allocated Overhead	-
92500 (92100+92200+92300+92400)	Total Tenant Services	$26,800
93000 (93100+93600+93200+93300+93400+93800)	Total Utilities	$1,435,890
93500+93700	Labor	$0
94000 (94100+94200+94300+94500)	Total Ordinary Maintenance	$3,425,750
95000 (95100+95200+95300+95500)	Total Protective Services	$25,000
96100 (96110+96120+96130+96140)	Total Insurance Premiums	$615,500

FDS Line Item	FDS Line Item Name	Dollar Amount
96000 (96200+96210+96300+96400+96500+96600 +96800)	Total Other General Expenses	$80,150
96700 (96710+96720+96730)	Total Interest Expense and Amortization Cost	$220,000
97100+97200	Total Extraordinary Maintenance	$300,550
97300+97350	Housing Assistance Payments + HAP Portability-In	$19,675,500
97400	Depreciation Expense	$2,265,500
97500+97600+97700+97800	All Other Expenses	0
90000	**Total Expenses**	**$35,156,200**

Please describe any variance between Estimated Total Revenue and Estimated Total Expenses:

HHA will use the difference between revenue and expenses of $445 to support development projects, capital improvements, and staffing opportunities to enhance organizational capacity and improve services for residents.

iii. Description of Planned Application of MTW Funding Flexibility

HHA will continue to explore opportunities for new and existing affordable housing development. Specifically, HHA may use MTW single fund flexibility for pre-development and construction activity of existing properties in addition to vacant land to build homeownership and rental units.

HHA will continue supporting satellite units at Public Housing Family developments in partnership with the Boys and Girls Club of Greater Holyoke as well as explore different opportunities for further resident service and engagement opportunities.

Finally, MTW flexibility may be used to supplement a robust capital improvement plan.

B. Planned Application of PHA Unspent Operating Fund and HCV Funding

Original Funding Source	Beginning FY – Unspent Balances	Planned Application of Unspent Funds during FY
HCV HAP	$6,500,000	$1,000,000
HCV Admin Fee	$4,050,472	$0
PH Operating Subsidy	$0	$0
Total	**$10,550,472**	**$1,000,000**

Description of Planned Expenditures of Unspent Operating Fund and HCV Funding:

In FY 2027, HHA plans to utilize $1,000,000 in unspent PHA Operating Subsidy, HCV HAP and Admin Fee Reserves funds toward pre-development, capital improvement projects, and construction activities.

	Planned Use	Estimated Amount	Funding Source	Projected Timeline
1.	Predevelopment and Construction Activities	$450,000	HCV HAP and Admin Fee Reserves	01/01-12/31/2027
2.	Capital Improvement Projects	$450,000	PHA Operating Subsidy	01/01-12/31/2027
3.	Churchill Repositioning	$100,000	HCV HAP and Admin Fee Reserves	01/01-12/31/2027

C. Local Asset Management Plan

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

D. Rental Assistance Demonstration (RAD) Participation

i. Description of RAD Participation

The conversion of public housing units to project-based assistance under the RAD program is of critical importance to housing preservation and expansion. Under RAD, HHA is able to access private equity and other funds to invest in existing HHA developments. Table 12 includes RAD conversions which have closed or are projected to close prior to the end of FY 2027. HHA does not anticipate any RAD conversions for FY 2027; however, HHA is still exploring options as it pertains to the conversion of Churchill Homes, including consideration of either a RAD or Section 18 conversion.

Table 12: RAD Conversions Closed or Projected to Close Prior to FY 2027

Property Name	No. of Units Converted to PBV	RAD Conversion Type	Dated Closed or Projected to Close
Lyman Terrace Phase I	88	Conversion of Existing Public Housing	12/31/2016

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

No

iii. If the MTW PHA has provided a RAD Significant Amendment in the appendix, please state whether it is the first RAD Significant Amendment submitted or describe any proposed changes from the prior RAD Significant Amendment?

N/A

VI. Administrative

A. Board Resolution and Certifications of Compliance

To be attached following the public comment period and upon Board approval.

B. Documentation of Public Process

To be attached following the public comment period.

C. Planned and Ongoing Evaluations

There are no planned or ongoing MTW PHA-directed evaluations of the MTW demonstration and/or of any specific MTW activities for FY 2027.

D. Lobbying Disclosures

HHA does not have any lobbying activities to disclose. HHA has included the Lobbying Activities (SF-LLL) form in Appendix C and Certification of Payments (HUD-50071) form in Appendix D.

Appendix A: Board Resolution and Certificate of Compliance

Certification of Consistency with the Consolidated Plan

Appendix B: Documentation of Public Process

Legal Notice

Public Hearing Participation

Comments on MTW Plan

Appendix C: Disclosure of Lobbying Activities (SF-LLL)

Appendix D: Certification of Payments (HUD-50071)