Housing Authority of Clackamas County Annual PHA Plan & MTW Supplement

For Fiscal Year – July 1, 2026-June 30, 2027

Draft for public review and comment: Published January 28, 2026

Contents

Housing Authority of Clackamas County Streamlined Annual PHA Plan (Small PHA)

For Fiscal Year – July 1, 2026-June 30, 2027

A. PHA Information

PHA Name: Housing Authority of Clackamas County
PHA Code: OR001
PHA Plan for Fiscal Year Beginning: July 2026
PHA Inventory – Public Housing Units: 225 Housing Choice Vouchers: 2,337
Total Combined: 2,562
PHA Plan Submission Type: Annual Submission

The Housing Authority of Clackamas County has copies of the proposed FY26-27 PHA Plan available to members of the public at the following locations:

A complete copy of the proposed plan can be viewed online at:
https://www.clackamas.us/housingauthority/plansandreports.html

Members of the public can request copies at the HACC office at this address:
13930 Gain Street, Oregon City, OR 97045

Or can request a copy by contacting:
Erin Fernald, Management Analyst Sr.
971-501-0966
efernald@clackamas.us

B. Plan Elements Submitted Years 1-4

B.1 New Activities

New activities the agency intends to undertake in the applicable Fiscal Year:

- ☒ Modernization or Development
- ☒ Demolition and/or Disposition
- ☒ Conversion of Public Housing to Tenant-Based Assistance
- ☒ Project Based Vouchers

Description of new activities:

Modernization or Development

In FY26-27, HACC intends to continue facilitating the phased redevelopment of the former 100 unit public housing community called Hillside Park (OR001003000).
In the first half of 2026, construction was completed on 275 new affordable units built in the first phase of redevelopment and are now leasing up. 140 units are supported with PBV rent assistance from HACC.

Relocation of residents located in the second phase of the Hillside Park redevelopment will be completed in the first half of 2026. Disposition and DOT removal will occur concurrent with the financial closing of the Phase 2 redevelopment which is scheduled to occur in the spring of 2026. Demolition of the remaining public housing units located Phase 2 and construction of the 164 new affordable units will continue through FY26-27.

In October 2025, HACC closed on the financing for the Clackamas Heights Redevelopment project which will replace 99 former public housing units with 200 new affordable units. Construction is underway and is expected to continue through FY26-27, concluding during the second half of 2027. Of the 200 new units, 112 units will be supported with PBV rent assistance from HACC.

Demolition and/or Disposition

HACC received disposition approval for **Hillside Park Phase 1** on June 26, 2023. Hillside Park (OR001003000) Phase 1 - DDA0012221 - includes 47 buildings containing 54 dwelling units and 7.76 acres of underlying land at a development known as Hillside Park, OR001003000 (Property).

HACC received disposition approval for **Hillside Park Phase 2** on April 21, 2025. Hillside Park (OR001003000) Phase 2 - DDA0013096 – Includes 39 buildings containing 46 dwelling units and 9.21 acres of underlying land at a development known as Hillside Park, OR001003000 (Property).

HACC received disposition approval for **Clackamas Heights** on October 31, 2024. Clackamas Heights (OR001001000) - DDA0012820 – Includes 65 buildings containing 99 dwelling units, 1 non-dwelling unit, and 16.43 acres of underlying land at a development known as Clackamas Heights, OR001001000 (Property).

HACC received disposition approval for **Oregon City View Manor** on October 31, 2024. Oregon City View Manor (OR001004000) - DDA0012820 - Includes 70 dwelling buildings containing 100 dwelling units and 22.20 acres of underlying land at a development known as Oregon City View Manor, OR001004000 (Property). In FY26-27, HACC intends to commence resident relocation at Oregon City View Manor (OR001002000) with the goal of completing resident relocation by the end of 2027.

HACC received disposition approval for its **contiguous Scattered Sites** on September 24, 2024. Scattered Sites (OR001002000) - DDA0012821 - Includes 121 dwelling buildings containing 131 dwelling units and 20.67 acres of underlying land at a development known as Clackamas County HA, OR001002000 (Property).

HACC received disposition approval for its **non-contiguous Scattered Sites** on April 4, 2025. Scattered Sites (OR001002000) - DDA0012822 - Includes 7 dwelling buildings containing 14 dwelling units and 1.61 acres of underlying land at a development known as Clackamas County HA, OR001002000 (Property). In FY26-27, HACC intends to continue the disposition of its Scattered Site properties (OR001002000) in accordance with disposition approvals DDA0012821 and DDA0012822.

Conversion of Public Housing to Tenant-Based Assistance

As part of HACC's demolition and/or disposition of the aging public housing inventory, HACC is converting units from traditional public housing to tenant-based rental assistance through the Section 8 Housing Choice Voucher program. Instead of residents living in public housing units owned and managed by HACC with assistance tied to the property, they can use their tenant protection voucher to rent a privately-owned unit of their choice within Clackamas County. Tenant-based assistance gives residents more flexibility and choice about where they live, compared with public housing which is tied to specific HACC properties.

Public housing residents affected by this conversion are also offered assistance in relocating to a new rental of their choice. HACC provides relocation support, including help finding housing, moving assistance, and coverage of relocation costs. Residents generally have the right to return to newly redeveloped or replacement housing once construction is complete, with moving costs covered.

HACC's first application to HUD to convert phase one of the Hillside Park property under Section 18 was submitted in 2023 and approved. Applications for HACC's Scattered Sites properties, Clackamas Heights, Oregon City View Manor and Hillside Park phase two were submitted in 2024 and approved in 2024-2025, resulting in a total of 444 tenant protection vouchers being awarded to HACC.

Resident relocations under this plan began in early 2024 and are expected to continue into 2027.

Project-Based Vouchers (PBVs)

	HCV	VASH	Mainstream	Total
Chez Ami Apartments	20			20
Town Center Courtyards	21			21
Rosewood Station	15	5		20
Walsh Commons	8			8
Clayton Mohr Commons	2	22		24
Hillside Manor - RAD	70			70
Hillside Manor - TPV/Enhanced PBV	25			25
Hillside Manor - PBV Deminis	5			5
Tukwila Springs	48			48
Fuller Commons	25		5	30
Las Flores	62	8		70
Good Shepherd Village	15	15	5	35
Blossom & Community Apartments	100			100
Parkside Heights East	6		6	12
Parkside Heights West	14		14	28
Bear Creek / Molalla Apts			8	8
Totals	**436**	**50**	**38**	**524**

Project-basing vouchers advance HACC's core objectives of expanding and preserving affordable housing, responding to documented local housing needs, and improving housing stability for low-income households. PBVs allow HACC to secure long-term affordability in specific developments, and have supported the creation, preservation and redevelopment of housing that serves priority populations, such as extremely low-income families, and households at risk of homelessness. By ensuring a reliable source of rental assistance, PBVs help stabilize vulnerable residents who may otherwise struggle to access or maintain housing in Clackamas County's competitive rental market.

Project-based vouchers have been used to support mixed-income developments and housing located near employment, transportation, and services, in an effort to promote access to opportunity and avoid concentrations of poverty. Additionally, project-basing voucher have enabled HACC to leverage other funding sources, such as Low-Income

Housing Tax Credits and local or state resources, maximizing the impact of limited federal funds.

HACC anticipates having 436 regular PBVs, 50 VASH PBVs and 38 Mainstream PBVs, located in mostly urban areas such as Oregon City, Milwaukie, Gladstone, Happy Valley and Wilsonville under HAP contract by the end of 2026.

Deconcentration Policy

Deconcentration of Poverty and Income-Mixing [24 CFR 903.1 and 903.2] HACC's admission policy must be designed to provide for deconcentration of poverty and income-mixing by bringing higher income tenants into lower income projects and lower income tenants into higher income projects. A statement of HACC's deconcentration policies must be included in its annual plan [24 CFR 903.7(b)]. HACC's deconcentration policy must comply with its obligation to meet the income targeting requirement [24 CFR 903.2(c) (5)].

Developments subject to the deconcentration requirement are referred to as 'covered developments' and include general occupancy (family) public housing developments. The following developments are not subject to deconcentration and income mixing requirements: developments operated by HACC with fewer than 100 public housing units; mixed population or developments designated specifically for elderly or disabled families; developments operated by HACC with only one general occupancy development; developments approved for demolition or for conversion to tenant-based public housing; and developments approved for a mixed-finance plan using HOPE VI or public housing funds [24 CFR 903.2(b)].

Steps for Implementation [24 CFR 903.2(c) (1)]: To implement the statutory requirement to deconcentrate poverty and provide for income mixing in covered developments, HACC must comply with the following steps:

> Step 1. HACC must determine the average income of all families residing in all HACC's covered developments. HACC may use the median income, instead of average income, provided that HACC includes a written explanation in its annual plan justifying the use of median income. **HACC Policy - HACC will determine the average income of all families in all covered developments on an annual basis.**
>
> Step 2. HACC must determine the average income (or median income, if median income was used in Step 1) of all families residing in each covered development. In

determining average income for each development, HACC has the option of adjusting its income analysis for unit size in accordance with procedures prescribed by HUD. **HACC Policy - HACC will determine the average income of all families residing in each covered development (not adjusting for unit size) on an annual basis.**

Step 3. **HACC must then determine whether each of its covered developments falls above, within, or below the established income range (EIR), which is from 85% to 115% of the average family income determined in Step 1.** However, the upper limit must never be less than the income at which a family would be defined as an extremely low-income family (30% of median income).

Preference: HACC has added a preference for the Family Self Sufficiency program for work ready families living in our covered family developments.

Capital Improvements:
See Capital Fund 5 Year Action Plan in EPIC approved by HUD on 12/15/2025.

Housing Authority of Clackamas County MTW Supplement to the Annual Plan

For Fiscal Year FY26-27 – July 1, 2026-June 30, 2027

PHA Name:	Housing Authority of Clackamas County
PHA Code:	OR001
Fiscal Year Beginning:	07/01/2026
PHA Program Type:	Combined
MTW Cohort Number:	Asset Building
Submission Type:	Annual Submission

MTW Waivers: Implementation planned in Submission Year

- Alternative Asset Inclusions/Exclusions (1v, 1w)
  - Safe Harbor Waiver
- Interim Re-examination Policies (3a, 3b)
- Pre-Qualifying Inspections (5a)

MTW Waivers: Previously approved

- Cohort Specific Waiver – Matched Savings Homeownership Account
- Rent Reasonableness – Third Party Requirement (2d)
- Triennial Reviews for Households on Fixed Incomes (3a, 3b)
- Inspections – Third Party Requirement (5c)
- Increase PBV Program and Project Caps (9a, 9b)
- Limit Choice Mobility for PBV Units (9h)

MTW Supplement Narrative

The Housing Authority of Clackamas County (HACC) uses its MTW flexibility to better address the needs of our local community and residents, aligned with the three objectives:

1) Better utilize funding and transform operations;
2) Support families in reaching self-sufficiency and stabilization; and
3) Increase housing choice and opportunity in our community.

HACC focuses on three intentions as we develop and implement waivers:

- Use efficiencies to redirect staff toward high value activities, such as building trusting relationships, connecting clients to resources and educating clients on the impact of financial decisions.
- Give priority to activities to seek a balance between reduced staff time and benefit HACC's clientele in order for HACC to serve more families and provide its services more equitably.
- Seek to impact the homelessness crisis in Clackamas County, through eviction and termination prevention measures as well as other innovative programmatic approaches to housing barriers.

FY26-27 will be HACC's third year of MTW flexibility. Our first years focused on establishing our asset building cohort activities. This year we are implementing three more activities to ease administrative burden for both our staff and our households:

- Alternative Asset Inclusion/Exclusion (under Waiver 1v, 1w) – HACC will implement alternative requirements for including and verifying income from household assets. While large assets (like savings or retirement accounts) were once more common among families living in housing authorities, they are now relatively rare. Further, the income from assets typically impacts the family's rent calculation by less than $1/month. With this activity, HACC will disregard all assets under $100,000.
- Interim Re-examination Policies (under Waiver 3a, 3b) – The Housing Opportunity Through Modernization Act (HOTMA) presents many updates to our processes that offer efficiencies and reduced burden on our households. However, implementation at the federal level has been complicated because of technology barriers. HACC will pre-emptively implement changes to interim reexamination policies that have been proposed and published as part of HOTMA, limiting interim adjustments to situations that have a meaningful impact on the household.

- Pre-Qualifying Unit Inspections (under Waiver 5a) – This waiver will allow HACC to conduct inspections up to 90 days before the participant occupies the unit. This will ease scheduling burden for staff and can expedite the lease-up process for households.

MTW Waivers: Implementation planned in Submission Year

1.v./1.w. Alternative Income Inclusions/Exclusions + Safe Harbor waiver

The calculation of asset income and how it affects a household's rent is often confusing. Of approximately 2,250 households in our voucher and public housing programs, only 60 households currently report assets. The staff time required to collect, verify and calculate asset information is of significantly more cost than the average impact to rent.

HACC will implement a change to the inclusion of assets in determining rent. Asset information will still be collected and verified at initial eligibility. However, HACC will disregard all assets when total assets for the household are less than $100,000. HACC will not include assets or asset income in the rent calculation, or enter the information into Yardi, if total assets are less than $100,000 as indicated in the Self-Certification of Assets form. If assets are $100,000 or more, HACC will continue to process assets and calculate the impact on rent as usual.

Only 10 households had assets of $100,000 or more in 2025. No longer including income from assets below $100,000 will cost the agency approximately $2,500 per year. Continuing to include assets of $100,000 or more will ensure that households with significant asset income use a portion of that income toward their rent.

This activity applies to all new and existing HCV households included in MTW flexibility. HACC is requesting a safe harbor waiver to include elderly and disabled individuals, as this is a direct benefit to those households.

Safe Harbor waiver requested:

i. Agency must exempt elderly and disabled individuals from this rent determination policy.

See Appendix A for additional waiver information.
See Appendix B for Safe Harbor Waiver.

3.a./3.b. Alternative Reexamination Schedule for Households

HACC will implement changes to interim reexamination policies that have been proposed and published as part of HOTMA, but do not yet have an official implementation date. This waiver will apply to all new admissions and existing households in the public housing and Housing Choice Voucher programs.

When a household reports an income increase or decrease to HACC:

- If an estimate shows that the income decrease is 10% or more of adjusted income, HACC will conduct an interim reexamination;
- If the estimate shows that the income increase is 10% or more of adjusted income, HACC will conduct an interim reexamination
- If the estimate shows that the income increase or decrease is less than 10%, HACC will not conduct an interim reexamination.
    - Exception: HACC will perform an interim reexamination for a decrease in adjusted income of any amount when there is a decrease in family size due to death or a family member permanently moving out.

The effective dates for rent increases or decreases as the result of an interim reexamination are as follows:

- If the family reported the changes within the 7-business day timeline stated in HACC's Admin & ACOP Plan:
    - Rent decreases are effective on the first day of the month after the date of the reported change.
    - Rent increases are effective on the first of the month after the end of the 30-day advance notice period.
- If the family did not report the change within the 7-business day timeline stated in HACC's Admin & ACOP Plan:
    - Rent decreases are effective on the first of the month following HACC's completion of the interim reexamination.
    - Rent increases are effective on the first of the month following the date of the reported change.

Note: At this time, HACC will not implement the use of retrospective income calculation for interim reexaminations. This will be implemented with HUD's HOTMA timeline.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

i. Reexaminations must occur at least every three years.
ii. The agency must allow at least one interim adjustment per year at the request of the household, if the household gross income has decreased 10% or more.
iii. Agency must implement an impact analysis.
iv. Agency must include a hardship policy.

See Appendix A for additional waiver information.

5.a. Pre-Qualifying Unit Inspections

HACC will implement an option to allow pre-qualifying unit inspections, within 90 days of the participant occupying the unit. This option may be utilized at HACC's discretion, primarily for project-based units. Allowing pre-qualifying inspections streamlines the process and allows households to move through occupancy more quickly.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

i. The pre-inspection must have been conducted within 90 days of the participant occupying the unit.
ii. The participant must be able to request an interim inspection.
iii. HQS inspection standards must not be altered as found at 24 CFR 982.401.

See Appendix A for additional waiver information.

MTW Waivers: Previously Approved

2.d. Rent Reasonableness – Third Party Requirement
Originally approved in FY2024 PHA Plan. No additional waiver requested.

HACC waives certain provisions of 24 CFR 982.352(b) and 983.303, eliminating the requirement that the PHA use a third-party entity to perform rent-reasonableness determinations and assisting the family in negotiating the rent to owner for units and properties the agency owns, manages, and/or controls.

Procuring and overseeing a third-party contractor for rent reasonableness is costly and time-consuming for the agency. Instead, HACC applies its current rent reasonableness process for non-owned/managed units to units it owns and manages. This process has adequate controls in place to ensure uniformity, auditability, transparency, and fairness of the determination.

Per the MTW Operations Notice, this activity operates within the following Safe Harbors:
i. The agency shall establish and make available a quality assurance method to ensure impartiality.
ii. The agency shall make available the method used to determine that rents charged by owners to voucher participants are reasonable when compared to similar unassisted units in the market area.
iii: At the Department's request, the agency must obtain the services of a third-party entity to determine rent reasonableness for PHA-owned units.

This activity does not require an impact analysis or hardship policy.

Implementation update: HACC implemented this waiver in July 2024. Foregoing third-party contracting for rent reasonableness verification on units HACC owns and/or manages has saved staff time and money. There have been no changes to the activity or policy since implementation.

See Appendix A for additional waiver information.

3.a./3.b. Triennial Reviews for Households on Fixed Incomes
Originally approved in FY2024 PHA Plan. No additional waiver requested.

HACC is waiving certain provisions of the following policies:

i. Sections 3(a)(1) and 3(a)(2)(E) of the 1937 Act
ii. 24 CFR Parts 960.257(a)-(b),

Waiving these provisions allows HACC to implement a triennial recertification policy for all elderly and disabled households on fixed incomes in its public housing and housing choice voucher programs. This benefits the client and the agency by reducing the burden of the regular review cycle. Under this waiver, the impacted households will have a reexamination once every three (3) years.

As part of this policy change, the following policy decisions were made:

i. If a utility allowance or flat rent adjustment is made, HACC may process the change without reviewing the household's income.

ii. HACC will not conduct an interim reexamination for the entire household when a new household member is added, regardless of work/income status, age, or disability.
iii. If a family moves into a new unit, HACC will process the change without reviewing the household's income.
iv. An interim with a review of the household's income will be conducted if a household is reporting a decrease of 10% or more in the household's gross income.
v. HACC will limit the number of interims conducted to 2 per year. If additional interims beyond the 2 per year are requested, HACC will request the household file for a Hardship exemption from this MTW activity.
vi. Although all income changes are still to be reported to HACC by households in accordance with the Public Housing Admissions and Continued Occupancy Policies (ACOP) and Admin Plan, interims will not be conducted for increases in earned or unearned income. Increases in income will only be reviewed every three years.
vii. Households may file a Hardship exemption for this MTW activity in accordance with the agency's MTW hardship policy at any time.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:
v. Reexaminations must occur at least every three years.
vi. The agency must allow at least one interim adjustment per year at the request of the household, if the household gross income has decreased 10% or more.
vii. Agency must implement an impact analysis.
viii. Agency must include a hardship policy.

<u>Implementation update:</u> HACC has further defined eligibility for triennial reviews as 1) a household with a head, co-head or spouse who is 60+ years and/or disabled; and 2) has a fixed income source. HACC began implementation of triennial reviews in the first quarter of 2026.

See Appendix A for additional waiver information.

5.c. Inspections – Third Party Requirement
Originally approved in FY2024 PHA Plan. No additional waiver requested.

HACC is waiving certain provisions of Section 8(o)(11) of the 1937 Act, 24 CFR Part 982.352(b)(iv), and 24 CFR Part 983.103(f).

Waiving these provisions allows HACC to eliminate the requirement that the PHA use a third-party entity to perform Housing Quality Standard (HQS) inspections on units and properties the agency owns, manages, and/or controls. Procuring and overseeing a third-party contractor for HQS inspections services is costly and time-consuming for the agency.

Instead, HACC utilizes its in-house HQS inspection team and the policies and procedures governing HQS inspections for the Housing Choice Voucher program. The HQS inspection process has built-in quality control measures in place that will help to ensure the inspections performed at properties owned or managed by HACC are uniform and fair, and that the process is transparent and auditable.

In order to further ensure quality control, participants may request an interim inspection, in writing in accordance with the HACC Administrative Plan.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

i. The agency shall establish and make available a quality assurance method to ensure an objective analysis.
ii. The participant must be able to request an interim inspection.
iii. HQS inspection standards must not be altered as found at 24 CFR 982.401.
iv. At the Department's request, the agency must obtain the services of a third-party entity to determine if PHA-owned units pass HQS.

*This activity does not require an impact analysis or hardship policy.

Implementation update: HACC implemented this waiver in July 2024. Foregoing third-party contracting for inspections on units that HACC owns and/or manages has saved staff time and money. There have been no changes to the activity or policy since implementation.

See Appendix A for additional waiver information.

9.a. Increase PBV Program Cap

Originally approved in FY2024 PHA Plan. No additional waiver requested.

HACC is waiving certain provisions of section 8(o)(13)(B) of the 1937 Act and 24 C.F.R. 983.6(a)-(b), as superseded by the Housing Opportunity through Modernization Act of 2016 (HOTMA) Implementation Notices at 82 FR 5458 and 82 FR 32461. Waiving these provisions allows HACC to increase the Project Based Voucher program cap to 50% of the lower of either HACC's total authorized units or HACC's annual budget authority.

Project-based vouchers (PBVs) are an important resource in the community and increasing the program cap allows the agency to coordinate with local property owners, developers, service coordinators, and jurisdictional partners to provide housing for targeted populations.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:
i. The agency must not project-base more than 50% of the lower of either the total authorized units or annual budget authority.

*This activity does not require an impact analysis or hardship policy.

Implementation update: HACC implemented this waiver in July 2024. Project-based vouchers currently account for approximately 18% of the total Housing Choice Voucher authorized units (ACC).

See Appendix A for additional waiver information.

9.b. Increase PBV Project Cap
Originally approved in FY2024 PHA Plan. No additional waiver requested.

HACC is waiving certain provisions of section 8(o)(13)(D) of the 1937 Act and 24 C.F.R. 983.56(a)-(b), as superseded by HOTMA Implementation Notices at 82 FR 5458 and 82 FR 32461. Waiving these provisions allows HACC to increase the Project Based Voucher project cap in a given development to 100%. This will allow HACC to project base 100% of the units in future housing developments.

Project-based vouchers (PBVs) are an important resource in the community and having the ability to project base all of the units in a project will help HACC and its partners secure additional financing and leverage its resources to better meet the needs of the local community.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:
i. The agency is subject to Notice PIH 2013-27 where applicable, or successor.

*This activity does not require an impact analysis or hardship policy.

Implementation update:
HACC project-based 100% of the units at the newly developed, 100-unit LIHTC property called Blossom & Community Apartments located in the Hillside Park Redevelopment. Increasing the PBV project cap gives HACC the ability to provide housing that will be affordable to any of the 100 former public housing households who were displaced due to the disposition of Hillside Park, who want to live in Blossom & Community Apartments.

HACC will project-base 112 units (56%) at the new 200-unit LIHTC property being developed on the former Clackamas Heights public housing property. Increasing the PBV project cap will give HACC the ability to provide housing that will be affordable to any of the 99 former public housing households who were displaced due to the disposition of Clackamas Heights who want to live at the new development once it is complete.

See Appendix A for additional waiver information.

9.h. Limit Choice Mobility for PBV Units
Originally approved in FY2024 PHA Plan. No additional waiver requested.

HACC is waiving certain provisions of Section 8(o)(13)(E) of the 1937 Act and 24 C.F.R. Part 983.261 as it was superseded by HOTMA Implementation Notices at 82 FR 5458 and 82 FR 32461.

These waivers allow HACC to waive the requirement that PHA's provide a tenant-based voucher to project-based households after being on a project-based voucher for twelve (12) months. Instead, HACC proposes to require twenty-four (24) months in a project-based voucher unit before the household can request a tenant-based voucher.

Waiving the 12-month requirement will:

i. Lower the cost of turning units for households moving to a tenant-based voucher.
ii. Improve the cash flow of PBV projects by continuing to assist the household.
iii. Decrease the administrative burden associated with program unit transfers.
iv. Ensure that households on HACC waitlists, some of whom are currently unhoused and have been waiting their chance for a voucher, are offered a tenant-based voucher first.

HACC requires a tenant to live in a PBV unit for 24 months before requesting to transfer to a tenant-based voucher. HACC will only make an exception to the 24-month requirement for those requesting a move due to VAWA or other reasonable accommodation. All such requests must be submitted in writing to the housing authority and will be reviewed by the Program Manager. All households in program compliance who have requested a move to a tenant-based voucher will be added to the bottom of the tenant-based voucher waitlist. The household will be offered a tenant-based voucher when their name reaches the top of the waitlist, and a voucher becomes available. The household will not receive priority based on being part of the project-based program. If a request to transition to a tenant-based voucher is denied, the household would have the right to an informal review through the hearing process.

Per the MTW Operations Notice, this activity will operate within the following Safe Harbors:

i. Portability under this activity must not be restricted for more than 24 months.
ii. The agency must have a clear and uniform policy in place to address how move requests are received and how they are approved/denied for PBV households.
iii. Participants must still retain the ability to request a tenant-based voucher for reasonable accommodation according to existing rules.

*This activity does not require an impact analysis or hardship policy.

<u>Implementation update:</u> This waiver was implemented in July 2024. There have been no changes to the activity or policy since implementation.

See Appendix A for additional waiver information.

Cohort Specific Waiver – Matched Savings Homeownership Account
Originally approved in FY2024 PHA Plan. No additional waiver requested.

As an MTW-designee under the Asset Building Cohort, HACC has elected to implement a PHA-designed asset building activity (option 3) to encourage the growth of savings and aim to build credit for assisted households. There are two elements to this activity: the Home $avings Homeownership Program and expansion of our existing Rent Reporting for Credit Building program.

<u>Home $avings Homeownership Program</u>
In 2021, HACC started the environmental review process required to dispose of its 145 scattered sites. HACC's scattered site portfolio consists of 2-, 3-, and 4-bedroom units in

single-family homes, duplexes, triplexes, and 4-plexes throughout the County. HACC is disposing/selling a portion of the single-family scattered sites as affordable homes under a Community Land Trust (CLT) model, making homeownership more affordable and accessible to families with lower incomes.

The Home $avings Homeownership Program enables families enrolled in the program to create a savings account towards the purchase of a home. Pairing the program with scattered site disposition and the community land trust model greatly increases the opportunities our households have to become homeowners.

Each household enrolled in the Home $avings Program will have the opportunity to participate for up to 24 months. During participation, HACC will deposit $350 per month into an account that HACC owns and manages. These funds can be used toward the purchase of a home, including closing costs, earnest money, down payment, inspection etc. HACC is partnering with Proud Ground, DevNW and Habitat for Humanity to provide homeownership education and assistance as well as navigation through the Community Land Trust model.

<u>Rent Reporting for Credit Building</u>
HACC also plans to expand our existing Rent Reporting for Credit Building program. HACC currently reports rent payments for credit building purposes for households living in public housing properties. The expansion will focus on voucher participants living in properties where HACC has ownership or management interest.

HACC will measure the success of our PHA-designed asset building activity using the following factors:

- Difference in credit score between initial baseline and current actual
- Difference in delinquent debt between initial baseline and current actual
- Percent of program participants who successfully purchased a home

Per HUD PIH Notice 2022-11, the "opt-out" aspect of this savings account program will require HACC to waive certain provisions of the following regulations: sections 23(b)-(f), and (n)(1) of the 1937 Act and 24 CFR 984.101-105, 984.201-204, 984.301-306 and 984.401.

PIH Notice 2022-11 also lists the Safe Harbors required for the opt-out savings account, which include:

i. The PHA must continue to follow all requirements of 2 CFR part 200.

ii. 24 CFR 984.305(a) on accounting and reporting must be retained.
iii. The PHA must contribute at least $10 per month for the benefit of each assisted household participating in the savings program.
iv. The PHA must not contribute more per month for the benefit of each assisted household participating in the savings program than the applicable fair market rent of the unit in which they reside.
v. The PHA must provide an opportunity for households to opt-out of this activity.

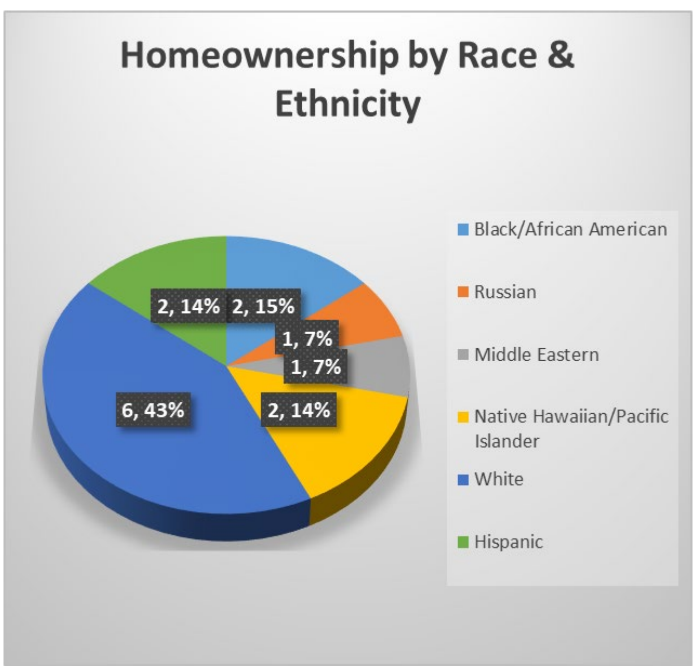
Implementation update:

Home $avings Homeownership Program

Since the launch of the Home $avings Program, fourteen families have successfully purchased homes, with more households in process of purchasing, reflecting strong engagement and positive outcomes from the program.

The fourteen families who have moved to homeownership account for 49 individuals, including nineteen youth, highlighting the program's reach across multiple generations. The average annual household income among families is $82,536.

The diversity of families is notable: two families are led by a head of household with a disability and four are single-parent households, underscoring the importance of tailored support services. Additionally, ten families are led by women.



Of the families who have purchased homes, the racial and ethnic composition reflects a diverse community. Among the heads of households, six reported as White, two Black/African American, two Native Hawaiian/Pacific Islander, two Hispanic, one Russian and one Middle Eastern.

The diversity highlights the program's outreach efforts while supporting equitable access to housing opportunities across multiple racial and ethnic backgrounds. Continued efforts to address barriers and provide culturally responsive resources will be essential to maintain inclusivity and success in future homeownership programs.

<u>Rent Reporting for Credit Building Program</u>:
Despite our commitment to expanding our existing rent reporting for credit building program to our properties that are third party managed, we were unable to expand into the project-based voucher buildings. The primary barriers include:

- Staff turnover of key staff at the property
- Lack of consistency in property managers and regular presence at the property made it hard to implement, as buy in and engagement of the property management company is key
- Esusu, the organization who reports rents to the three (3) credit bureau's had staff turnover, causing inconsistent communication. When we connected, they presented significant changes to how rent is reported to the credit bureaus

We remain committed to the rent reporting program. The team will need to pivot and adjust to the changes within Esusu. The changes will also allow us to open up the program to all Housing Choice Voucher holders, not just project based.

See Appendix A for additional waiver information.

Additional Reporting

Public Housing Operating Subsidy Grant Reporting

Federal Fiscal Year	Total Operating Subsidy Authorized Amount	PHA Disbursed by 9/30 Reporting Period	Remaining Not Yet Disbursed	Deadline
2026	$636,662.00	$636,662.00	$0	2033-09-30
2025	$2,251,070.00	$2,251,070.00	$0	2033-09-30
2024	$2,446,668.00	$2,446,668.00	$0	2032-09-30

Local, Non-Traditional – 75% Very Low Income

HACC has not implemented any local, non-traditional programming.

Income Level	Number of local, non-traditional households admitted
80%-50% Area Median Income	0
49%-30% Area Median Income	0
Below 30% Area Median Income	0
Total Local, Non-Traditional Households	0

- Total number of unit months that families were housed in a local, non-traditional rental subsidy for the prior full calendar year: 0 unit months
- Total number of unit months that families were housed in a local, non-traditional housing development program for the prior full calendar year: 0 unit months
- Occupied number of local, non-traditional units by household size: 0 households

Establishing Reasonable Rent Policy

HACC has not yet implemented any rent reform policy.

Evaluations

No known evaluations

Public Comment

The 45-day public comment period will run from January 28, 2026 through March 15, 2026. A draft of the PHA Plan and MTW Supplement has been made available for review on the Housing Authority website. Notice of the public comment period and the following meetings was published in The Oregonian on January 23, 2025.

Resident Advisory Board

A resident meeting to review the PHA Plan and MTW Supplement is scheduled for February 11, 2026. This section will be updated with any comments after the meeting.

Public Hearing for Safe Harbor Waivers

The public hearing for Safe Harbor Waivers will be held on February 11, 2026. This section will be updated with any comments after the meeting.

Public Hearing for Agency Specific Waivers

HACC is not proposing any Agency Specific Waivers.

Public Hearing

The Housing Authority of Clackamas County Board of Commissioners will hold a public hearing on March 5, 2026. This section will be updated after the meeting.

Appendix A: Additional Waiver Information

1.v. / 1.w. Alternative Income Inclusions/Exclusions (PH & HCV)

Statutory objective	Cost effectiveness
Cost implications	Neutral (no cost implications)
Applies to: Household types	All assisted households
Applies to: Admission types	New admissions and currently assisted households
Applies to: Family types	All family types
Applies to: PH/HCV type	All applicable public housing, HCV and PBV households
Safe Harbor waiver	Yes – See Appendix B
Hardship Policy	No
Impact Analysis	No
What Inclusions or exclusions will be eliminated, modified, or added?	Asset income: HACC will disregard asset income when total assets for the household assets are less than $100,000.

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

Statutory objective	Cost effectiveness
Cost implications	Decreased expenditures
Applies to: Household types	Applies to subset of assisted households
Applies to: Admission types	New admissions and currently assisted households
Applies to: Family types	All family types
Applies to: HCV type	Specific tenant-based units and properties with project-based vouchers – HACC will apply this waiver to units in all properties it owns, manages and/or controls
Implementation updates	HACC implemented this waiver in July 2024. Foregoing third-party contracting for rent reasonableness verification on units HACC owns and/or manages has saved staff time and money. There have been no changes to the activity or policy since implementation.
Safe Harbor waiver	No
Hardship Policy	No
Impact Analysis	No
Quality Assurance	HACC uses Nelrod's EZRRD software to compile, analyze, and validate its rent comparisons for rent reasonableness. Using a third-party system for objective market analysis adds an element of quality control into HACC's process. In addition, HACC will follow the SEMAP guidelines (SEMAP Indicator 2) for reviewing rent reasonableness determinations.

Rent Reasonableness	HACC relies on the Rent Reasonable Nelrod EZRRD Model, which offers a third-party database of rents to determine rent reasonableness of all County units. This analysis is based on the unit amenities, age, location, and other factors. EZRRD uses its five-method analysis system to compare multiple features per unit for a more in-depth analysis, and automatically identifies the three best comparables based on the system's objective market analysis.

3.a./3.b. Alternative Reexamination Schedule for Households (PH & HCV)

Statutory objective	Cost effectiveness
Cost implications	Decreased expenditures
Applies to: Household types	Applies to subset of assisted households
Applies to: Admission types	New admissions and currently assisted households
Applies to: Family types	Specifically defined target populations – Triennial reviews will apply to elderly and/or disabled households with a fixed income; Alternative Interim policies will apply to all households
Applies to: PH/HCV type	All applicable public housing, HCV and PBV households
Implementation updates	HACC has further defined eligibility for triennial reviews as 1) a household with a head, co-head or spouse who is 60+ years and/or disabled; and 2) has a fixed income source. HACC began implementation of triennial reviews in the first quarter of 2026.
Safe Harbor waiver	No
Hardship Policy	Yes – See Appendix D
Impact Analysis	Yes – See Appendix C
Recertification schedule	Every three years
Interims per year	2 or more
Changes in circumstance	i. If a utility allowance or flat rent adjustment is made, HACC may process the change without reviewing the household's income. ii. HACC will not conduct an interim reexamination for the entire household when a new household member is added, regardless of work/income status, age, or disability. iii. If a family moves into a new unit, HACC will process the change without reviewing the household's income.

	iv. An interim with a review of the household's income will be conducted if a household is reporting a decrease of 10% or more in the household's gross income. v. HACC will limit the number of interims conducted to 2 per year. If additional interims beyond the 2 per year are requested, HACC will request the household file for a Hardship exemption from this MTW activity. vi. Although all income changes are still to be reported to HACC by households in accordance with the Public Housing Admissions and Continued Occupancy Policies (ACOP), interims will not be conducted for increases in earned or unearned income. Increases in income will only be reviewed every three years. vii. Households may file a Hardship exemption for this MTW activity in accordance with the agency's MTW hardship policy at any time.

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

Statutory objective	Cost effectiveness
Cost implications	Neutral (no cost implications)
Applies to: Household types	All assisted households
Applies to: Admission types	New admissions and currently assisted households
Applies to: Family types	All family types
Applies to: HCV type	All HCV and PBV households, at the discretion of the agency
Safe Harbor waiver	No
Hardship Policy	No
Impact Analysis	No
How long is the pre-inspection valid for?	90

5.c. Inspections – Third Party Requirement (HCV)

Statutory objective	Cost effectiveness
Cost implications	Decreased expenditures
Applies to: Household types	Applies to subset of assisted households
Applies to: Admission types	New admissions and currently assisted households
Applies to: Family types	All family types

Applies to: HCV type	Specific tenant-based units and properties with project-based vouchers – HACC will apply this waiver to units in all properties it owns, manages and/or controls
Implementation updates	HACC implemented this waiver in July 2024. Foregoing third-party contracting for inspections on units that HACC owns and/or manages has saved staff time and money. There have been no changes to the activity or policy since implementation.
Safe Harbor waiver	No
Hardship Policy	No
Impact Analysis	No
Quality Assurance	HACC will apply the SEMAP standards and methods (SEMAP Indicator 5) to select inspections performed during the year by HACC staff. HACC will conduct Quality Assurance inspections on the selected units to ensure consistency and transparency.

9.a. Increase PBV Program Cap

Statutory objective	Cost effectiveness
Cost implications	Neutral (no cost implications)
Applies to: Household types	Applies to subset of assisted households
Applies to: Admission types	New admissions and currently assisted households
Applies to: Family types	All family types
Applies to: HCV type	All properties with project-based vouchers
Implementation updates	HACC implemented this waiver in July 2024. Project-based vouchers currently account for approximately 18% of the total Housing Choice Voucher authorized units (ACC).
Safe Harbor waiver	No
Hardship Policy	No
Impact Analysis	No
% of ACC authorized for PBV	50%

9.b. Increase PBV Project Cap

Statutory objective	Cost effectiveness
Cost implications	Increased revenue
Applies to: Household types	Applies to subset of assisted households
Applies to: Admission types	New admissions and currently assisted households
Applies to: Family types	All family types
Applies to: HCV type	All properties with project-based vouchers

Implementation updates	HACC project-based 100% of the units at the newly developed, 100-unit LIHTC property called Blossom & Community Apartments located in the Hillside Park Redevelopment. Increasing the PBV project cap gives HACC the ability to provide housing that will be affordable to any of the 100 former public housing households who were displaced due to the disposition of Hillside Park, who want to live in Blossom & Community Apartments. HACC will project-base 112 units (56%) at the new 200-unit LIHTC property being developed on the former Clackamas Heights public housing property. Increasing the PBV project cap will give HACC the ability to provide housing that will be affordable to any of the 99 former public housing households who were displaced due to the disposition of Clackamas Heights who want to live at the new development once it is complete.
Safe Harbor waiver	No
Hardship Policy	No
Impact Analysis	No

9.h. Limit Choice Mobility for PBV Units

Statutory objective	Cost effectiveness
Cost implications	Increased revenue; decreased expenditures
Applies to: Household types	Applies to subset of assisted households
Applies to: Admission types	New admissions and currently assisted households
Applies to: Family types	All family types
Applies to: HCV type	All properties with project-based vouchers
Implementation updates	This waiver was implemented in July 2024. There have been no changes to the activity or policy since implementation.
Safe Harbor waiver	No
Hardship Policy	No
Impact Analysis	No

Cohort Specific Waiver – Matched Savings Homeownership Account

Statutory objective	Cost effectiveness; Self-sufficiency
Population/Households	HACC will use the following selection criteria to prioritize households interested in the savings account program:

	• Interest in homeownership in general • Currently participating in the IDA homeownership matched savings program • Household income above $30,000/year • Debt less than $40,000 • Credit Score of 700 or more, or actively working on getting it above 700 • Completion of Financial Foundations and Homebuying workshops offered through DevNW • Completion of Proud Ground land trust orientation • In addition, HACC is able to refer residents to DevNW financial education programs and cover the cost through a partnership with Clackamas County Social Services
Cost implications	HACC estimates that this program will cost $210,000 over two (2) years. These funds will come from HACC's HCV Housing Assistance Payment reserves.
Implementation timeline	HACC began enrolling families on January 1, 2024.
Impact analysis	Agency finances – No projected impact to agency finances; funds will come from HUD-held agency HAP reserves Affordability of housing costs – No projected impact Agency waitlist – No projected impact Termination rate – No projected impact Occupancy / Utilization – No projected impact MTW Statutory Goals – This activity will help families become self-sufficient Statutory Requirements – No projected impact Hardship requests – No projected impact Protected classes / Disparate impact – No project impact
Safe Harbor waiver	No
Hardship Policy	No

Appendix B: Safe Harbor Waiver

Approval requested FY2026-27

1.v. / 1.w. Alternative Income Inclusions/Exclusions (PH & HCV)
HACC will disregard all assets when total assets for the household are less than $100,000.

Safe harbor waiver requested:

i. Agency must exempt elderly and disabled individuals from this rent determination policy.

HACC is requesting a safe harbor waiver to apply the policy to elderly and disabled households.

Impact Analysis
Impact on agency finances:
HACC anticipates that no longer including income from assets below $100,000 will cost the agency approximately $2,500 per year.

Impact on affordability of housing costs for affected families:
Sixty households currently report assets, and 50 of those households have assets totaling less than $100,000. No family will have a higher rent burden because of this policy. Households who currently have asset income included in their rent calculation may see a small decrease in their monthly rent burden. The average change to the household portion of rent is $4/month.

Impact on agency's waitlists:
No anticipated impact.

Impact on agency's termination rate of families:
No anticipated impact.

Impact on occupancy levels / utilization rates:
No anticipated impact.

Impact on meeting MTW statutory goals:
HACC anticipates an increase in administrative efficiency and cost effectiveness. Staff time required to collect, verify and calculate asset information is of significantly more cost than the average impact to rent.

Impact on MTW statutory requirements:
No anticipated impact.

Impact on rate of hardship requests and number granted/denied:
No anticipated impact.

Impact on protected classes:
No anticipated impact.

Hardship Policy
HACC anticipates this waiver to have an overall positive impact for households. In the case of an unforeseen consequence, households have access to the Housing Authority of Clackamas County MTW Hardship Policy to request relief.

Public Hearing Comments
This section will be updated with any relevant comments or questions after the Resident Advisory Board meeting, scheduled for February 11, 2026, and the public hearing, scheduled for March 2026.

Appendix C: Impact Analysis

Approval requested FY2026-27

This impact analysis applies to the following waivers:
3.a./3.b. Alternative Reexamination Schedule for Households (PH & HCV)

Triennial Reviews: HACC will implement a triennial recertification policy for all elderly and disabled households who have a source of fixed income. There are approximately 900 households who would qualify for triennial reviews and be impacted by this policy. The original impact analysis for this policy was included in the 2025 MTW Supplement.

Interim Reexamination Policy: HACC will conduct interim reexaminations when a household reports an income increase or decrease that is 10% or more of adjusted income. If an estimate shows that the income increase or decrease is less than 10%, HACC will not conduct an interim reexamination except for a decrease in adjusted income of any amount when there is a decrease in family size due to death or a family member permanently moving out. In 2025 there were 1,394 interim reexamination requests across HCV and public housing.

HACC does not anticipate this waiver to have a negative impact on specific households.

Impact on agency finances:
In previous impact analysis, HACC anticipated an annual expense of approximately $64,500 due to household income increases that would not be captured between triennial reviews. This cost would be offset by an estimated $28,000 in staff time savings.
HACC is not anticipated an impact on agency finances due to the interim reexamination policy.

Impact on affordability of housing costs for affected families:
Triennial reviews are anticipated to impact affordability for affecting families, providing more time to capture savings between reviews.
No anticipated impact due to interim reexamination policy. If a household experiences an income decrease of less than 10% that significantly impacts their affordability, the household can request a hardship consideration.

Impact on agency's waitlists:
No anticipated impact.

Impact on agency’s termination rate of families:
No anticipated impact.

Impact on occupancy levels / utilization rates:
No anticipated impact.

Impact on meeting MTW statutory goals:
HACC anticipates an increase in administrative efficiency and cost effectiveness.

Impact on MTW statutory requirements:
No anticipated impact.

Impact on rate of hardship requests and number granted/denied:
No anticipated impact.

Impact on protected classes:
No anticipated impact.

Appendix D: Hardship Policy

Housing Authority of Clackamas County (OR001)
MTW HARDSHIP POLICY
(Previously approved)

PURPOSE OF HARDSHIP POLICY
As a Moving to Work (MTW) housing authority, the Housing Authority of Clackamas County (HACC) may request to waive certain HUD policies. Some of the policies that HACC could request require a hardship policy be provided in order to mitigate possible unintended negative impacts on specific households.

HACC anticipates the waivers being implemented will overall have positive impacts for client households. In the case of unforeseen significant negative consequences to specific households, HACC is adopting the following hardship policy to allow impacted households to request relief.

MTW agencies may choose to have separate hardship policies for each MTW waiver or a single hardship policy that covers all waivers. HACC is choosing to implement this hardship policy for all MTW activities. However, HACC may implement additional hardship policies or revise this policy in the future.

This policy currently applies:
3.a./3.b. Alternative Reexamination Schedule for Households (PH & HCV)

ELIGIBILITY FOR A HARDSHIP EXEMPTION
A family qualifies for a financial hardship exemption if a significant increase in expenses, a significant decrease in earned or unearned income or other circumstance result in their total family share exceeding 50% of the gross income used to determine a household's rent subsidy. Total family share is defined as the family's portion of rent plus the family's utility allowance, if applicable.

A family may also request consideration for a hardship if:

- The family has experienced a decrease in income because of changed circumstances, including loss or reduction of employment, death in the family, or reduction in or loss of earnings or other assistance;

- The family has experienced an increase in expenses, because of changed circumstances, medical costs, childcare, transportation, education, or similar items.

Exceptions to this policy include the following circumstances:

- When the family's share exceeds 50% of gross income due to the family's choice to rent a unit with more bedrooms than the household's voucher size; or
- When the household has not been negatively impacted by any MTW waivers.

SUBMISSION OF A HARDSHIP EXEMPTION

Hardship requests must be received in writing by the 15th of each month to be eligible for a revised rent effective on the first of the next month. Hardship exemption requests and adjustments will not be retro-active.

Once the Hardship exemption request has been received by HACC. HACC staff will request any applicable documentation needed to determine if the hardship is due to the MTW activity and that the request for exemption meets the criteria of a financial hardship outlined above.

PROCESS FOR AGENCY REVIEW AND DETERMINATION

The program manager will review the request and determine if the request meets the eligibility requirements for a hardship exemption and is due to the MTW activity.

- If the request does not meet the hardship eligibility or is not due to the MTW waiver activity, there will not be any adjustments made.
- If the request does meet the hardship eligibility or is determined due to MTW waiver activities, the agency will conduct an examination even if beyond the limit and will assign the family to an annual reexamination schedule moving forward.

HOUSEHOLD NOTIFICATION

HACC will take the following actions in order to promote this policy among its applicants and program participants:

- Include a copy of the hardship policy on their website
- Notify applicants of this hardship policy at intake
- Review this hardship policy with families at recertifications including those who will be assigned to the alternate reexamination schedule.
- Consider if a family qualifies for a hardship exemption when assistance is to be terminated due to an MTW activity.

GRIEVANCE PROCEDURE

If HACC denies a hardship request, the family may file a grievance according to the grievance policies found in HACC's ACOP and Administrative Plan.

RECORDS RETENTION

HACC will preserve all records of hardship requests, determinations and appeals for the duration of its MTW participation and will comply with all other applicable records retention regulations.