

PHA Name : Lewiston Housing Authority

PHA Code : ME005

MTW Supplement for PHA Fiscal Year Beginning : (MM/DD/YYYY): 7/1/2025

PHA Program Type: Combined

MTW Cohort Number: Landlord Incentives

MTW Supplement Submission Type: Annual Submission

B. MTW Supplement Narrative.

Lewiston Housing was selected through a rigorous application process as a Moving to Work (MTW) organization during the 25th anniversary of the MTW Demonstration Program. First authorized by Congress in 1996, MTW allows public housing authorities (PHAs) to redefine their operations by granting them the flexibility to implement innovative and creative solutions to community needs. MTW encourages an entrepreneurial approach, enabling PHAs to pioneer innovative policy interventions at the local level, which are often later adopted nationally. Examples include less frequent recertifications for those on a fixed income, increased payment standards for accommodating persons with disabilities, and site-based waiting lists for project-based vouchers.

Lewiston Housing aims to further MTW's statutory objectives of reducing costs, enhancing self-sufficiency for residents, and increasing housing choice through various MTW waivers and initiatives. With MTW funding and regulatory flexibility, Lewiston Housing strives to operate efficiently and effectively, stretching limited public dollars to meet the growing needs of the low-income population in Lewiston, Maine. As a HUD High-Performer, Lewiston Housing will leverage its creativity and strengths in real estate management to address the community's affordable housing needs amid increasing demand for quality housing.

Through the MTW program, Lewiston Housing can tackle significant housing challenges in the region. Recent Real Estate Market Assessments from 2022 and 2023 indicate a continued rise in local rents, showing a 16% to 18% increase for 1-, 2-, and 3-bedroom units over this period, with many units now at 130% to 135% of the Fair Market Rent (FMR). According to the most recent MaineHousing Rental Market Survey (2023), the rental vacancy rate in Lewiston stands at approximately 2.0%, significantly below the 5% typically associated with balanced market turnover. This persistently low vacancy rate further constrains renters' choices as market rents continue to outpace the ability of low-income residents and newly arriving families to secure affordable units. Most affordable and mixed-income properties in the region also report occupancy rates near or at 100%.

Public consulting and gap analysis conducted by the Auburn Lewiston HOME Consortium (completed in 2022 for the HOME-ARP Plan amendment) confirm these market demands. They highlight rising rents, increasing household expenses, and a limited pipeline of new affordable housing, which could lead to a growing number of homeless families in Lewiston without system-level interventions. Lewiston is an affordable alternative for Maine families priced out of Portland and the coastal regions. These trends are likely to persist.

Through the following MTW activities, Lewiston Housing plans to reduce costs and achieve greater cost-effectiveness in federal expenditures:

- 3.a. Alternative Reexamination Schedule for Households (PH)
- 3.b. Alternative Reexamination Schedule for Households (HCV)
- 5.c. Third-Party Requirement (HCV)
- 9.d. Alternative PBV Selection Process

Through the following MTW activities, Lewiston Housing increases housing choices for low-income families:

- 1.o. Initial Rent Burden (HCV)
- 1.u. Standard Deductions (HCV)
- 2.a. Payment Standards – Small Area Fair Market Rents (HCV)
- 2.b. Payment Standards – Fair Market Rents (HCV)
- 4.a. Vacancy Loss (HCV – Tenant-Based Assistance)
- 9.a. Increase PBV Program Cap (HCV)
- 9.b. Increase PBV Project Cap (HCV)
- 9.c. Elimination of PBV Selection Process for PHA-Owned Projects Without Improvement, Development, or Replacement (HCV)
- 9.d. Alternative PBV Selection Process
- 9.e. Alternative PBV Unit Types (Shared Housing and Manufactured Housing) (HCV)
- 17.a. Rental Subsidy Programs
- 17.c. Housing Development Programs

The following waivers are discontinued in this fiscal year or previous:

- 3.c. Self-Certification of Assets (PH)
- 3.d. Self-Certification of Assets (HCV)
- 5.a. Pre-Qualifying Unit Inspections (HCV)

Lewiston Housing is part of the MTW Landlord Incentive Cohort, and by adopting 4.a. and 5.a., Lewiston Housing will provide incentives for landlords to continue leasing to HCV participants. Given the extremely tight rental market and historically low vacancy rates in Lewiston, adopting 2.a, 2.b, 9.a, 9.b, 9.c, 17.a, and 17.c will help create new housing opportunities that do not currently exist for low-income families in Lewiston.

Additionally, Lewiston Housing proposes to adopt Cohort 4.1: Waiver of Mandatory Initial Inspection as outlined in HUD Notice PIH 2021-03. Under this waiver, the agency may eliminate the requirement for an initial HQS inspection if one of the following criteria is met: (1) the unit is less than five years old, as evidenced by a valid certificate of occupancy; (2) the unit has passed an HQS or equivalent inspection within the past three years; or (3) the unit is located in a census tract with a poverty rate below ten percent. While this waiver reduces administrative burdens and expedites lease-ups, it preserves tenant protections: HQS standards remain in place, units must still undergo regular inspections per Lewiston Housing's schedule, and tenants may request an interim inspection at any time if concerns arise.

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

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

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

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

1.o. - Initial Rent Burden (HCV)
<p>Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative</p> <p>Lewiston Housing will increase housing choice for Housing Choice Voucher (HCV), Mainstream, and Direct Rental Assistance (DRA) participants by raising the initial rent burden threshold from 40% to 60% of a family's adjusted monthly income. This waiver will allow participating families to access a broader range of housing options, including units in areas of higher opportunity, by enabling them to pay a greater share of their income toward rent if they choose. While this will increase the financial burden for families opting into higher-cost units, it provides greater autonomy and flexibility in securing housing that best meets their needs. The impact on Housing Assistance Payments will remain neutral, as this waiver only adjusts the tenant portion of the rent share at initial occupancy.</p> <p>Families will be fully informed of this option at initial briefings and lease-ups, where they will receive guidance on affordability thresholds, financial considerations, and the potential long-term impacts of a higher rent burden. Lewiston Housing will ensure that participants understand the risks associated with paying a larger share of their income toward rent and encourage families to make financially sustainable housing decisions.</p>
<p>Which of the MTW statutory objectives does this MTW activity serve?</p> <p>Housing choice</p>
<p>What are the cost implications of this MTW activity? Pick the best description of the cost implications based on what you know today.</p> <p>Neutral (no cost implications)</p>
<p>Does the MTW activity under this waiver apply to all assisted households or only to a subset or subsets of assisted households?</p> <p>The MTW activity applies only to a subset or subsets of assisted households</p>
<p>Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households?</p> <p>New admissions and currently assisted households</p>
<p>Does the MTW activity apply to all family types or only to selected family types?</p> <p>The MTW activity applies to all family types</p>
<p>Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers?</p> <p>The MTW activity applies to all tenant-based units</p>
<p>Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation.</p> <p>N/A - new activity.</p>
<p>Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described?</p> <p>No</p>
<p>Does the MTW activity require an impact analysis?</p> <p>Yes</p>

This document is attached.

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

No

If the MTW agency plans to implement a new maximum income-based rent percentage (higher than 40% of adjusted monthly income), what is that maximum?

60.00%

1.u. - Standard Deductions (HCV)

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

Lewiston Housing proposes replacing existing medical and childcare expense deductions in the Housing Choice Voucher (HCV) program with a set of standard deductions. This change aims to simplify rent calculations, reduce administrative burdens, and enhance cost-effectiveness. By adopting standard deductions, staff and participants will benefit from more streamlined processes.

Proposed Standard Deductions:

1. Elderly/Disabled Households: A single standard medical deduction of \$2,220 per household. To qualify, the household must meet HUD's eligibility criteria for medical deductions.
2. Childcare Deduction: \$1,500 per eligible child for families requiring childcare. To qualify, the household must meet HUD's eligibility criteria for childcare deductions.

The goal is to simplify the rent calculation process through standard deductions, thereby reducing administrative complexity, enhancing cost-effectiveness, and improving participant understanding.

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

Cost effectiveness

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

N/A - This is a new implementation

Does this MTW activity require a hardship policy?

Yes

This document is attached.

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

Yes

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

multiple MTW activities.)

2.a. - Payment Standards- Small Area Fair Market Rents (HCV); 2.b. - Payment Standards- Fair Market Rents (HCV); 3.a. - Alternative Reexamination Schedule for Households (PH); 3.b. - Alternative Reexamination Schedule for Households (HCV)

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

Yes

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

We previously had a hardship policy for each waiver. To increase efficiency and improve document version control, we simplified it to one universal hardship policy for all waivers. Other than formatting and rewording sections, no significant changes were made.

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

No hardship were requested in the most recent fiscal year.

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

No

Does the MTW activity require an impact analysis?

Yes

This document is attached.

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

No

How much will the single standard deduction be in the Fiscal Year?

\$2,220

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

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

We propose modifying last year's approved waiver by expanding our combined Small Area Fair Market Rents to include ZIP codes 04240, 04236, 04280, 04250, 04252, and 04210. This change applies to all new Project-Based Voucher (PBV) contracts effective on or after July 1, 2024, and those contracts must still meet all other rent-setting requirements. The payment standard will be set at up to 150% of the combined SAFMR, using the highest ZIP code's SAFMR in the group. Because these areas are geographically close and share similar market conditions, grouping them will help support new housing developments and increase housing options. Our goal is to expand housing options.

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

Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies only to a subset or subsets of assisted households
Does the MTW activity apply only to new admissions, only to currently assisted households, or to both new admissions and currently assisted households? New admissions and currently assisted households
Does the MTW activity apply to all family types or only to selected family types? The MTW activity applies to all family types
Does the MTW activity apply to all HCV tenant-based units and properties with project-based vouchers? The MTW activity applies to specific tenant-based units and/or properties with project-based vouchers
Please describe which tenant-based units and/or properties with project-based vouchers participate in the MTW activity. This applies to new project-based voucher (PBV) contracts, effective July 1, 2024, or after.
Based on the Fiscal Year goals listed in the activity's previous Fiscal Year's narrative, provide a description about what has been accomplished or changed during the implementation. While this waiver was approved last year, we have not yet implemented it on any new PBV contracts to date. We anticipate the first PBV contract falling under this waiver at the end of the calendar year.
Does this MTW activity require a hardship policy? Provided Already
Does the MTW agency need a Safe Harbor Waiver to implement this MTW activity as described? No
Does the MTW activity require an impact analysis? Yes This document is attached.
Does the impact analysis apply to more than this MTW activity? No
Please explain the payment standards by ZIP code or "grouped" ZIP codes: The highest of the grouped SAFMR zip codes will be used as the base SAFMR. The payment standard will be based on up to 150% of the SAFMR, determined annually.

2.b. - Payment Standards- Fair Market Rents (HCV)
Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW activity contributes to a larger initiative Through a previous MTW waiver, we received authorization to increase our Payment Standard to 120% of FMR. However, due to anticipated budget constraints this past year, we temporarily reduced it to 110%. With this MTW waiver request, we seek to retain the flexibility to raise the Payment Standard above 110% as funding allows. This waiver is critical for expanding housing options for voucher holders in a rental market where costs continue to rise, and vacancy rates remain historically low. Our voucher utilization rate remains below target, and a lower Payment Standard further limits access to available units. Our goal is to increase our utilization rate.

We do not anticipate additional cost implications, as we are currently operating at 110% of FMR. Over the next year, we will assess budget capacity and adjust the Payment Standard above 110% as feasible to improve voucher utilization.

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

Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

We did not meet our goal of increasing our utilization rate, and since implementing this waiver last year, we have decreased our payment standard due to anticipated budget constraints.

Does this MTW activity require a hardship policy?

Provided Already

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

No

Does the MTW activity require an impact analysis?

Yes

This document is attached.

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

No

Please explain the payment standards by FMR:

Flexibility to increase up to 120% of FMR.

2.c. - Rent Reasonableness – Process (HCV)

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

Lewiston Housing proposes to implement a simplified local rent reasonableness approach under Waiver 2.c. by creating a single table for our entire jurisdiction that categorizes units based on size, type, and age (pre-1980 or post-1980). This streamlined method will replace the more complex system currently in use and reduce the administrative burden of collecting and verifying detailed comparables, thereby enhancing cost-effectiveness. By regularly updating the table with local market data, Lewiston Housing will ensure that rents remain fair and reflective of prevailing conditions. Owners or participants who believe the table's range does not accurately represent a specific unit's value may request a review or submit additional documentation. Our goal is to decrease staff time processing rent reasonableness.

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

Cost effectiveness

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

Decreased expenditures

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

The MTW activity applies to all assisted households

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

n/a - new waiver

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

No

Describe the method used to determine rent reasonableness and the motivations for using a method different from the standard method.

Lewiston Housing will establish and maintain a single rent reasonableness table that groups units by key factors such as size, type, and age (pre-1980 or post-1980), drawing on regularly updated local market data from rental listings to determine a fair range of rents for each category. This approach differs from the standard requirement, which involves collecting comparables and verifying rent reasonableness on a unit-by-unit basis because it simplifies the process,

reduces administrative workload, and provides a more transparent method for landlords and tenants.

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

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

Lewiston Housing proposes to conduct its own rent reasonableness determinations for PHA-owned Project-Based Voucher (PBV) units, utilizing the same table-based approach described under Waiver 2.c. Rather than engaging a third party for each determination, we will employ a robust quality assurance method, such as random sampling and periodic audits, to ensure impartial outcomes. By performing these determinations in-house, Lewiston Housing will streamline operations, reduce costs, and maintain a uniform standard for rent reasonableness across both agency-owned and non-agency-owned units.

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

Cost effectiveness

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

Decreased expenditures

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

The MTW activity applies to all assisted households

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

n/a - new waiver.

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

No

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

Lewiston Housing will rely on its Compliance Manager, who operates independently from the Rental Assistance department, to conduct periodic audits of rent determinations and ensure impartiality. On a quarterly basis, the Compliance Manager will select a random sample of PHA-owned PBV units for review. Each review will verify that the assigned rent aligns with the table-based method, confirm that the units' characteristics match the correct rent category, and compare the results against recent market data to ensure consistency. If discrepancies are found, the Compliance Manager will recommend corrective actions, such as additional training or a deeper assessment of any outliers, and will track resolution progress. By vesting oversight in an independent role and conducting regular audits, this quality assurance approach protects the integrity of rent reasonableness determinations and maintains accountability in the absence of a third-party requirement.

No document is attached.

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

Lewiston Housing will establish and maintain a single rent reasonableness table that groups units by key factors such as size, type, and age (pre-1980 or post-1980), drawing on regularly updated local market data from rental to determine a fair range of rents for each category.

No document is attached.

3.a. - Alternative Reexamination Schedule for Households (PH)

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

Due to the success of our biennial recertification schedule, Lewiston Housing is modifying this waiver to transition all Housing Choice Voucher (HCV) and Public Housing (PH) participants from a biennial to a triennial recertification schedule. Because the recertification process is time-consuming and administratively burdensome while tenant rents generally remain stable year to year, moving to a triennial cycle will further improve operational efficiency, allowing staff to focus on other critical program tasks and ensuring income reviews remain accurate and thorough.

Lewiston Housing will continue to limit households to one interim recertification per year if their gross household income decreases by 10% or more. Required interim recertifications, such as those prompted by changes in household composition or other agency requirements, will not count toward this limit.

Households will be divided into three equal groups, with each group assigned to a different recertification cycle. The transition to triennial recertifications will begin with each household's next scheduled recertification, effective January 1, 2025, and beyond.

Our goal is to increase efficiency and streamline operations.

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

Cost effectiveness

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

Decreased expenditures

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

The MTW activity applies to all assisted households

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

We have increased efficiency with processing recertifications, and this has allowed us to save at least 1 FTE.

Does this MTW activity require a hardship policy?

Provided Already

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

No

Does the MTW activity require an impact analysis?

Yes

This document is attached.

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

Yes

Please list all of the applicable MTW activities. (Only upload impact analysis once when said impact analysis applies to multiple MTW activities.)

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

What is the recertification schedule?

Once every three years

How many interim recertifications per year may a household request?

1

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

Lewiston Housing will continue to limit households to one interim recertification per year if their gross household income decreases by 10% or more. Required interim recertifications, such as those prompted by changes in household composition or other agency requirements, will not count toward this limit. Should a household have an interim request that falls outside these parameters, they may apply for a hardship exemption per the hardship policy.

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

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

Due to the success of our biennial recertification schedule, Lewiston Housing is modifying this waiver to transition all Housing Choice Voucher (HCV) and Public Housing (PH) participants from a biennial to a triennial recertification schedule. Because the recertification process is time-consuming and administratively burdensome while tenant rents generally remain stable year to year, moving to a triennial cycle will further improve operational efficiency, allowing staff to focus on other critical program tasks and ensuring income reviews remain accurate and thorough.

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Households will be divided into three equal groups, with each group assigned to a different recertification cycle. The transition to triennial recertifications will begin with each household's next scheduled recertification, effective January 1,

2025, and beyond.

Our goal is to increase efficiency and streamline operations.

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

Cost effectiveness

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

Decreased expenditures

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

The MTW activity applies to all assisted households

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

We have increased efficiency with processing recertifications, and this has allowed us to save at least 1 FTE.

Does this MTW activity require a hardship policy?

Provided Already

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

No

Does the MTW activity require an impact analysis?

Provided Already

What is the recertification schedule?

Once every three years

How many interim recertifications per year may a household request?

1

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

Lewiston Housing will continue to limit households to one interim recertification per year if their gross household income decreases by 10% or more. Required interim recertifications, such as those prompted by changes in household composition or other agency requirements, will not count toward this limit. Should a household have an interim request that falls outside these parameters, they may apply for a hardship exemption per the hardship policy.

3.c. - Self-Certification of Assets (PH)

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

We discontinued this MTW activity in the previous fiscal year.

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

The MTW activity applies to all assisted households

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

N/A

Please provide an explanation as to why the activity was discontinued or will be discontinued.

This activity was discontinued due to a change in HOTMA rules that allow for self-certification of assets.

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

No

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

\$0.

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

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

This activity is discontinued due to a change in HOTMA rules that allow for self-certification of assets.

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

The MTW activity applies to all assisted households

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

N/A

Please provide an explanation as to why the activity was discontinued or will be discontinued.

This activity is discontinued due to a change in HOTMA rules that allow for self-certification of assets.

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

No

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

\$0.

4.a. - Vacancy Loss (HCV-Tenant-based Assistance)

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

This activity is to incentivize and increase landlord participation in the HCV program.

Lewiston Housing will pay up to one month's rent to a landlord whose unit was vacated by a participant of the Housing Choice Voucher program and is occupied by a different participant in the Housing Choice Voucher program. The amount paid will equal the contract rent paid for the vacating HCV participant, and payment will be made only after the execution of a new HAP contract. Should the apartment be vacant for less than one month, then the vacancy loss payment will be prorated based on the number of days the unit is vacant.

Project-Based Vouchers, Mod Rehabs, and any other program that pays vacancy loss will be excluded from participation in this activity. Should the landlord be reimbursed for unpaid rent or vacancy by another source, including a security deposit, then that amount will be deducted from the total vacancy loss paid by Lewiston Housing.

This activity will apply to Emergency Housing Vouchers and Mainstream Vouchers that Lewiston Housing administers, as allowed by the specific specialty voucher.

Vacancy Loss will not be available for Direct Rental Assistance.

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

Housing choice

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

Increased expenditures

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

The MTW activity applies to all assisted households

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

Lewiston Housing currently has a landlord incentive program in place funded by the Maine State Housing Authority that includes incentive payments, damage repairs, and security deposit payments. As we currently have an incentive program in place, it was simple to add the vacancy loss incentive to our existing marketing materials and website.

We have had two requests for vacancy loss from landlords totaling \$1020 since July 1, 2024, which is a decrease from last year.

While utilization of this waiver by landlords is low, we see the most value in this waiver as a marketing tool to attract new landlords.

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

No

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

To all units

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

one month contract rent

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

2

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

\$1,020

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

Describe the MTW activity, the MTW agency's goal(s) for the MTW activity, and, if applicable, how the MTW

activity contributes to a larger initiative

The current waiver is as follows. We plan to replace it with Cohort 4.1: Waiver of Mandatory Initial Inspection.

This activity is to increase efficiency in operations and increase landlord participation. A pre-inspection may be conducted within 90 days of the participant occupying the unit. Inspections may be conducted at any time during the 90 days, and previously conducted HQS inspections may be used. The participant may request an interim inspection. HQS inspection standards will not be altered as found at 24 C.F.R. 982.401.

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

Cost effectiveness

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

Decreased expenditures

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

The MTW activity applies to all assisted households

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

The previous year, we saw an increase in the use of this waiver from zero for the first year to four for this plan year since 7/1/2024.

Please provide an explanation as to why the activity was discontinued or will be discontinued.

Lewiston Housing plans to discontinue this waiver in this plan year due to the adopting Cohort 4.1: Waiver of Mandatory Initial Inspection, which expands the parameters of this waiver.

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

No

How long is the pre-inspection valid for?

The pre-inspection is valid for 90 days.

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

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

Lewiston Housing proposes to adopt Waiver 5.c. (Third-Party Requirement) to perform HQS inspections on agency-owned, managed, or controlled Project-Based Voucher (PBV) units. By conducting these inspections in-house, we aim to streamline processes while maintaining strict adherence to all HQS standards under 24 C.F.R. 982.401. To ensure an objective analysis, Lewiston Housing will implement a comprehensive quality assurance method, including periodic audits or random spot-checks by our construction manager, independent of the rental assistance team. Participants will retain the right to request interim inspections if they identify any issues requiring prompt attention, and Lewiston Housing will address these requests in accordance with standard HQS procedures. This approach promotes efficiency and supports timely service delivery by not relying on a third party. We anticipate cost savings due to not paying a third-party inspector fee, as well as creating fewer delays for households moving into apartments.

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

Cost effectiveness

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

Decreased expenditures

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

The MTW activity applies to all assisted households

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

n/a - new waiver

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

No

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

Following will explain the quality assurance method

Our construction manager, who operates independently from both the property management and rental assistance departments, will perform quality assurance inspections on ten percent of these units each year. As the owner representative for new developments and larger construction projects, he is well-positioned to provide an impartial assessment of inspection outcomes and verify that units meet HQS standards.

No document is attached.

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

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

Under this activity, Lewiston Housing plans to increase the number of authorized units that allow vouchers to be project-based to encourage development in underserved communities in Lewiston, Greene, Lisbon, Lisbon Falls, and Sabattus. Currently, there are not enough housing units available in Lewiston Housing's catchment area, and there is a need to create more housing opportunities for people who are at or below low income. Lewiston Housing plans to approve up to 50% of authorized HCV units to be project based.

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

Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

While this waiver is in effect, we have not yet needed to utilize it.

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

No

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

50.00%

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

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

Lewiston Housing may eliminate or raise the existing cap on the number of units within a project and allow up to 100% of units in a project to be placed under a PBV HAP contract. Lewiston Housing may eliminate or raise the project cap for those PBV Projects the agency determines to be consistent with increasing housing choice. This activity meets the goal of increasing housing choices and opportunities for people at or below low income. Lewiston Housing is subject to Notice PIH 2013-27, where applicable, or its successor.

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

Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

While we have this waiver in place, we have not needed to utilize it this fiscal year.

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

No

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

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

Lewiston Housing will eliminate the selection process in awarding PBVs to properties owned by the agency that are not public housing without engaging in an initiative to improve, develop, or replace a public housing property or site. A subsidy layering review must be conducted. The agency must complete site selection requirements. An independent entity must perform HQS inspections according to 24 C.F.R. 983.59(b) or 24 C.F.R. 983.103(f). The agency is subject to Notice PIH 2013-27, where applicable, or successor. A single-asset entity of the agency must own property; see Notice PIH 2017-21.

This will help meet Lewiston Housing's goal to improve efficiency and cost-effectiveness, as well as increase housing choice.

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

Cost effectiveness; Housing choice

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

Decreased expenditures

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

The MTW activity applies to all assisted households

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

No

9.d. - Alternative PBV Selection Process (HCV)

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

Lewiston Housing will select Project Based Voucher (PBV) proposals using an alternative selection process to award PBVs owned by non-profit agencies that are not public housing. This activity enables Lewiston Housing to select PBV proposals without conducting a competitive selection process where: 1) the proposed project was previously selected for award through any form of open public solicitation or invitation process conducted by a Federal, State, or local government entity, where a proposal is selected subject to funding availability; and 2) the other government entity selected the proposed project within the last fifteen years. This activity also eliminates the regulatory requirement that the previous selection process not consider rental assistance for the proposed project and allows proposers to include PBV assistance in their calculations.

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

Cost effectiveness; Housing choice

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

Decreased expenditures

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

The MTW activity applies to all assisted households

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

This is a newly proposed waiver. Our goal going forward would be to increase housing opportunities by issuing more PBVs in a streamlined manner.

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

No

9.e. - Alternative PBV Unit Types (Shared Housing and Manufactured Housing) (HCV)

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

Lewiston Housing proposes adopting the manufactured housing portion of Waiver 9.e. (Alternative PBV Unit Types) to

attach and pay Project-Based Voucher (PBV) assistance on qualifying manufactured homes in Lewiston and surrounding areas. Manufactured housing accounts for approximately 8% of Maine's housing stock, the highest rate in New England. By enabling PBV assistance on these properties, Lewiston Housing will increase rental choices for voucher holders, help stabilize families in cost-effective, safe homes, and better address the overall shortage of affordable units.

In line with all waiver requirements, each PBV-assisted manufactured home will fully comply with Housing Quality Standards (HQS), abide by deconcentration and desegregation requirements under 24 C.F.R. part 903, and undergo a subsidy layering review. Lewiston Housing is not adopting the shared housing component of this waiver. This targeted focus on manufactured housing helps ensure long-term affordability and quality while meeting the area's immediate housing needs.

Our goal is to increase housing options for Maine families.

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

Housing choice

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

Neutral (no cost implications)

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

The MTW activity applies to all assisted households

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

N/A new goal

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

No

How many shared housing units does the MTW agency anticipate assisting in the Fiscal Year?

0

How many shared housing units did the MTW agency assist in the most recently completed PHA Fiscal Year?

0

How many manufactured housing units does the MTW agency anticipate assisting in the Fiscal Year?

50

How many manufactured housing units did the MTW agency assist in the most recently completed PHA Fiscal Year?

0

17.a. - Rental Subsidy Programs

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

Lewiston Housing's current waiver focuses on a rental subsidy program funded with non-traditional resources to address Lewiston's escalating homelessness crisis. This proposal aims to maintain or potentially expand the operation of a permanent indoor shelter, providing safe, reliable housing for up to 100 unhoused individuals while creating a centralized service center—an innovative first for Androscoggin County. Program funds will support existing shelter beds and establish

new ones as needed, with a modified subsidy rate of \$3.42 per bed per night for this fiscal year. Given the severe financial hardships faced by this population, the tenant share will be set at \$0, ensuring unrestricted access for those most in need. All shelter guests utilizing the subsidy will have low incomes or below.

In compliance with PIH Notice 2011-45, Lewiston Housing will distribute funds to local homeless service providers through a competitive process, adhering to all other applicable requirements of the Notice. We seek formal approval of this MTW activity, which forms an essential component of Lewiston's strategic response to homelessness by preserving and expanding vital shelter resources for the city's most vulnerable citizens. Establishing a central service center will help comprehensively address the needs of Lewiston's unhoused population, while supporting our overarching goal of creating diverse housing options and reducing the overall number of people experiencing homelessness in Lewiston.

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

Housing choice

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

Increased expenditures

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

The MTW activity applies to all assisted households

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

Planning is underway for a permanent homeless shelter in Lewiston. We plan to issue an RFP in the coming months to begin implementing this waiver.

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

Yes

What is the status of the Safe Harbor Waiver request?

The waiver request is being submitted for review with this submission of the MTW Supplement (see Section D).

Does the MTW activity apply to all LNT units/properties?

The MTW activity applies to specific units/properties

Describe which LNT units/properties participate in the MTW activity?

This activity is specific to emergency shelter beds created with this Local, Non-Traditional waiver.

Table 17.a.1 - For each third-party partner, please complete the information in the following table.

Third-party Partner	Type of Services the Partner Provides	# of Units Allocated to that Partner for the Fiscal Year
TBD	Emergency Shelter	0.00

17.c. - Housing Development Programs

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

Lewiston Housing proposes to implement a local, non-traditional activity under MTW Funding to finance the acquisition, renovation, and construction of affordable housing units for low-income families (at or below 80% of Area Median Income) that are not public housing units. This waiver authorizes the agency to utilize MTW Funding to support housing

development projects that expand affordable housing options. All projects funded under this waiver will comply with applicable statutory requirements, including PIH Notice 2011-45 and Section 30 of the 1937 Housing Act. Any MTW Funding awarded to a third-party provider will be competitively bid.

Lewiston Housing is seeking a safe harbor waiver to exceed the standard limit of 10% of our HAP budget for local, non-traditional activities. This request is driven by the simultaneous implementation of additional Local Non-Traditional (LNT) activities and a Direct Rental Assistance (DRA) program that are critical to addressing the growing affordable housing needs in our community. By obtaining this waiver, we will be able to leverage MTW Funding more flexibly to expand housing choice among low-income families, all while remaining fully compliant with MTW statutory and regulatory requirements.

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

Housing choice

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

Increased revenue; Increased expenditures

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

The MTW activity applies to all assisted households

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

We were able to move two new affordable housing projects forward with this waiver in the previous Fiscal Year. We used our MTW flexibility for pre-development activities for both Martel School Apartments and DeWitt Phase 2 (104 Park St/61 Ash Street/Soliel). Both projects are at various stages of development, and we expect units to start to come online in about a year.

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

Yes

What is the status of the Safe Harbor Waiver request?

The waiver request is being submitted for review with this submission of the MTW Supplement (see Section D).

Table 17.c.1 - Housing Development Programs that the MTW Agency plans to commit Funds to in Fiscal Year

Name of Development and Address	MTW Role: Acquisition, Rehabilitation, New Construction?	Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other	Number of Affordable Units	Total Number of Units	Number of Units by Affordability - 80% of AMI	Number of Units by Affordability - 50% of AMI	Number of Units by Affordability - 30% of AMI	Number of Units by Affordability - Other
Martel School Apartments	New Construction	Tax Credit, Gap	4.00	132.00	0.00	0.00	0.00	4.00
DeWitt Phase 2 (104 Park, 61 Ash, Soliel)	New Construction	Tax Credit, Gap	6.00	200.00	0.00	0.00	0.00	6.00
Marston St	Acquisition	Gap	9.00	48.00	9.00	0.00	0.00	0.00
163 Bates St	Acquisition	Gap	12.00	36.00	12.00	0.00	0.00	0.00
Ramada Conversion	Acquisition, Rehabilitation, New Construction	Tax Credit, Gap	5.00	126.00	0.00	0.00	0.00	5.00
Maison Marcotte	Acquisition, Rehabilitation	Tax Credit, Gap	12.00	168.00	0.00	0.00	0.00	12.00

Housing Development Programs that the MTW Agency plans to spend funds on in the Fiscal Year

Name of Development and Address	MTW Role: Acquisition, Rehabilitation, New Construction?	Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other	Number of Affordable Units	Total Number of Units	Number of Units by Affordability - 80% of AMI	Number of Units by Affordability - 50% of AMI	Number of Units by Affordability - 30% of AMI	Number of Units by Affordability - Other
Martel School Apartments	New Construction	Tax Credit, Gap	4.00	132.00	0.00	0.00	0.00	4.00
DeWitt Phase 2 (104 Park, 61 Ash, Soliel)	New Construction	Tax Credit, Gap	6.00	200.00	0.00	0.00	0.00	6.00
Marston Street	Acquisition	Gap	9.00	48.00	9.00	0.00	0.00	0.00
163 Bates St	Acquisition	Gap	12.00	36.00	12.00	0.00	0.00	0.00
Ramada Conversion	Acquisition, Rehabilitation, New Construction	Tax Credit, Gap	5.00	125.00	0.00	0.00	0.00	5.00
Maison Marcotte	Acquisition, Rehabilitation	Tax Credit, Gap	12.00	168.00	0.00	0.00	0.00	12.00

Table 17.c.2 - Housing Development Programs that the MTW Agency committed funds to in prior Fiscal Year

Name of Development and Address	MTW Role: Acquisition, Rehabilitation, New Construction?	Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other	Number of Affordable Units	Total Number of Units	Number of Units by Affordability - 80% of AMI	Number of Units by Affordability - 50% of AMI	Number of Units by Affordability - 30% of AMI	Number of Units by Affordability - Other
Martel School Apartments	New Construction	Tax Credit, Gap	4.00	132.00	0.00	0.00	0.00	4.00
DeWitt Phase 2 (104 Park, 61 Ash, Soliel)	Acquisition, New Construction	Tax Credit, Gap	6.00	200.00	0.00	0.00	0.00	6.00

Housing Development Programs that the MTW Agency spent funds on in prior Fiscal Year

Name of Development and Address	MTW Role: Acquisition, Rehabilitation, New Construction?	Type of MTW Agency Financing: Gap Financing, Tax Credit Partnership, Other	Number of Affordable Units	Total Number of Units	Number of Units by Affordability - 80% of AMI	Number of Units by Affordability - 50% of AMI	Number of Units by Affordability - 30% of AMI	Number of Units by Affordability - Other
	New Construction	Tax Credit, Gap	4.00	132.00	0.00	0.00	0.00	4.00
	Acquisition, New Construction	Tax Credit, Gap	6.00	200.00	0.00	0.00	0.00	6.00

D.	Safe Harbor Waivers.
D.1	<p>Will the MTW agency submit request for approval of a Safe Harbor Waiver this year?</p> <p>Yes, the Safe Harbor Waiver request(s) for 17a, 17c is(are) attached.</p>

E.	Agency-Specific Waiver(s).				
E.1	<p>Agency-Specific Waiver(s) for HUD Approval:</p> <p>The MTW demonstration program is intended to foster innovation and HUD encourages MTW agencies, in consultation with their residents and stakeholders, to be creative in their approach to solving affordable housing issues facing their local communities. For this reason, flexibilities beyond those provided for in Appendix I may be needed. Agency-Specific Waivers may be requested if an MTW agency wishes to implement additional activities, or waive a statutory and/or regulatory requirement not included in Appendix I.</p> <p>In order to pursue an Agency-Specific Waiver, an MTW agency must include an Agency-Specific Waiver request, an impact analysis, and a hardship policy (as applicable), and respond to all of the mandatory core questions as applicable.</p> <p>For each Agency-Specific Waiver(s) request, please upload supporting documentation, that includes: a) a full description of the activity, including what the agency is proposing to waive (i.e., statute, regulation, and/or Operations Notice), b) how the initiative achieves one or more of the 3 MTW statutory objectives, c) a description of which population groups and household types that will be impacted by this activity, d) any cost implications associated with the activity, e) an implementation timeline for the initiative, f) an impact analysis, g) a description of the hardship policy for the initiative, and h) a copy of all comments received at the public hearing along with the MTW agency's description of how the comments were considered, as a required attachment to the MTW Supplement.</p> <p>Will the MTW agency submit a request for approval of an Agency-Specific Waiver this year? Yes</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #333; color: white;"> <th style="width: 50%;">Title</th> <th style="width: 50%;">Supporting Documents Attached</th> </tr> </thead> <tbody> <tr> <td>Cohort Specific Waiver 4.1: Waiver of Mandatory Initial Inspection</td> <td style="text-align: center;">1</td> </tr> </tbody> </table>	Title	Supporting Documents Attached	Cohort Specific Waiver 4.1: Waiver of Mandatory Initial Inspection	1
Title	Supporting Documents Attached				
Cohort Specific Waiver 4.1: Waiver of Mandatory Initial Inspection	1				

E.2	Agency-Specific Waiver(s) for which HUD Approval has been Received: Does the MTW agency have any approved Agency-Specific Waivers? Yes				
	Title	Has there been a change in how the waiver is being implemented from when it was originally approved?	Please provide a description of what has changed.	Please provide a description of the final outcomes and lessons learned from implementing this Activity at your PHA.	If the MTW Agency was previously required to prepare an impact analysis, was a final impact analysis prepared at the time of discontinuation?
	Lewiston Housing Direct Rental Assistance Pilot Program	No			

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

Federal Fiscal Year (FFY)	Total Operating Subsidy Authorized Amount	How Much PHA Disbursed by the 9/30 Reporting Period	Remaining Not Yet Disbursed	Deadline
2021	\$1,657,064	\$1,657,064	\$0	2029-09-30
2022	\$1,638,741	\$1,638,741	\$0	2030-09-30
2023	\$1,707,559	\$1,707,559	\$0	2031-09-30
2024	\$1,667,530	\$1,667,530	\$0	2032-09-30
2025	\$348,490	\$232,327	\$116,163	2033-09-30

G.	MTW Statutory Requirements.	
G.1	75% Very Low Income – Local, Non-Traditional. HUD will verify compliance with the statutory requirement that at least 75% of the households assisted by the MTW agency are very low-income for MTW public housing units and MTW HCVs through HUD systems. The MTW PHA must provide data for the actual families housed upon admission during the PHA's most recently completed Fiscal Year for its Local, Non-Traditional program households.	
	Income Level	Number of Local, Non-Traditional Households Admitted in the Fiscal Year*
	80%-50% Area Median Income	0
	49%-30% Area Median Income	0
	Below 30% Area Median Income	0
	Total Local, Non-Traditional Households	0

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

G.2	Establishing Reasonable Rent Policy.
Has the MTW agency established a rent reform policy to encourage employment and self-sufficiency? Yes	

G.3	Substantially the Same (STS) – Local, Non-Traditional.
The total number of unit months that families were housed in a local, non-traditional rental subsidy for the prior full calendar year.	0 # of unit months
The total number of unit months that families were housed in a local, non-traditional housing development program for the prior full calendar year.	0 # of unit months

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

PROPERTY NAME/ ADDRESS	0/1 BR	2 BR	3 BR	4 BR	5 BR	6+ BR	TOTAL UNITS	POPULATION TYPE*	if 'Population Type' is Other	# of Section 504 Accessible (Mobility)**	# of Section 504 Accessible (Hearing/ Vision)	Was this Property Made Available for Initial Occupancy during the Prior Full Calendar Year?	What was the Total Amount of MTW Funds Invested into the Property?
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G.4	Comparable Mix (by Family Size) – Local, Non-Traditional.
To demonstrate compliance with the statutory requirement to continue serving a 'comparable mix' of families by family size to that which would have been served without MTW, the MTW agency will provide the number of families occupying local, non-traditional units by household size for the most recently completed Fiscal Year in the provided table.	

Family Size:	Occupied Number of Local, Non-Traditional units by Household Size
1 Person	
2 Person	
3 Person	
4 Person	
5 Person	
6+ Person	
Totals	0

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

I.	Evaluations.
Yes - This table lists evaluations of Lewiston Housing Authority's MTW activities, including the names of evaluators and available reports	

Table I.1 - Evaluations of MTW Policies

Title and short description	Evaluator name and contact information	Time period	Reports available
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Cohort Specific Waiver 4.1: Waiver of Mandatory Initial Inspection

Lewiston Housing proposes to adopt Cohort 4.1: Waiver of Mandatory Initial Inspection as outlined in HUD Notice PIH 2021-03. Under this waiver, the agency may eliminate the requirement for an initial HQS inspection if one of the following criteria is met:

- (1) the unit is less than five years old (as demonstrated by a certificate of occupancy, provided by the landlord);
- (2) the unit has passed an HQS or equivalent inspection within the past three years; or
- (3) the unit is located in a census tract with a poverty rate below ten percent.

While this waiver reduces administrative burdens and expedites lease-ups, it preserves tenant protections: HQS standards remain in place, units must still undergo regular inspections per Lewiston Housing's schedule, and tenants may request an interim inspection at any time if concerns arise. All safe harbor provisions will remain in effect.

Our goal is to shorten the time required to lease units and improve our overall success rate.

This MTW activity advances the statutory objectives of cost-effectiveness and housing choice.

We anticipate a reduction in expenditures due to the decreased need for initial inspections.

This MTW activity under this waiver will apply to all assisted households.

This waiver does not require an impact analysis or hardship policy. However, tenants covered by this waiver may request an interim inspection at any time.



Lewiston Housing Direct Rental Assistance Pilot Program Proposal

Executive Summary

The Direct Rental Assistance (DRA) pilot program seeks to explore an innovative approach to rental assistance by providing subsidies directly to tenants rather than landlords. This shift addresses existing challenges within the Housing Choice Voucher (HCV) program by empowering tenants and simplifying administrative processes for Lewiston Housing.

By transferring the responsibility of rental payments to tenants, the program fosters a more equitable and efficient system of rental assistance. This approach is designed to promote greater autonomy and housing choice, enabling families to secure housing in a broader range of neighborhoods and helping to alleviate the concentration of low-income households in high-poverty areas. Additionally, by reducing the need for direct landlord engagement and associated administrative tasks, the DRA initiative decreases operational complexity and the stigma often associated with traditional voucher programs.

This initiative aligns with all three of the Moving to Work (MTW) statutory objectives: enhancing cost-effectiveness in federal expenditures, promoting self-sufficiency among low-income families, and increasing housing choices for these families.

Cost Effectiveness:

- By paying subsidies directly to tenants, Lewiston Housing reduces the administrative burden associated with managing landlord contracts and payments.
- DRA eliminates the need for ongoing and extensive landlord engagement and outreach.
- Reducing landlord-related administrative tasks leads to cost savings for Lewiston Housing.

Self-Sufficiency:

- The DRA program empowers tenants to make financial decisions for themselves, fostering a sense of responsibility and independence. By managing their own rental payments, tenants are encouraged to develop the skills needed to maintain long-term housing stability and financial independence.

Housing Choice:

- Simplifying the process for tenants and landlords encourages broader participation in the program and increases the housing options available to tenants.
- Making the subsidy directly available to tenants allows them to choose from a broader range of housing options, including those in low-poverty areas, thereby promoting economic mobility and diversity in housing choices.

By allowing tenants to manage their rental payments directly, the program encourages responsible financial behavior and empowers tenants to make informed housing decisions. This approach

could lead to a significant transformation in how federal housing assistance is distributed, offering a model more responsive to the needs of low-income families.

In addition to the HAP flexibility allowed by the Limited Non-Traditional (LNT) waiver, Lewiston Housing is requesting to waive the HQS requirement to use an approved alternative based on state law and local code described below.

Program Design

The DRA pilot program will last five years and be limited to 60 new participants annually. Individual DRA participation will also be capped at a maximum of five years. However, as the program will conclude at the end of the fifth year, participants who join during the later years of the pilot will only remain enrolled through the program's conclusion. If the pilot is extended beyond the initial five-year period, existing participants may remain enrolled without needing to reapply.

Households must meet the standard HCV program requirements to be eligible to participate. The MTW activity does not apply to a subset population and will include all eligible households. Should the DRA pilot program prove successful, Lewiston Housing may decide to make it permanent.

A preference will be added to the HCV Administrative Plan to allow DRA participants to transition to the HCV program at the end of the pilot program. DRA participants should maintain good standing on the HCV waiting list while enrolled in DRA.

Waiting List

Interested applicants will apply for the DRA program through a streamlined process. Applications will be accepted online via a dedicated portal on the Lewiston Housing website and in paper form at the Lewiston Housing office. Auxiliary aids and services and alternative application methods and locations will be provided to assist individuals with limited internet access or disabilities, ensuring the process is accessible to all eligible households. The online application will be accessible to individuals with disabilities and will be translated into other languages.

Applicants will be added to a new, separate DRA waiting list that is distinct from the HCV waiting list. This waiting list will operate on a lottery-based system to ensure fairness and equity, aligning with Lewiston Housing's commitment to providing equal opportunity. The lottery system will randomly select participants for program enrollment while maintaining a balanced representation of eligible households.

In addition to being open to the general public, the DRA program will also be open to current HCV participants and individuals on the HCV waitlist. Current HCV participants may apply for the DRA program but cannot simultaneously receive both HCV and DRA subsidies. Individuals on the HCV waitlist will also be invited to apply for DRA as vouchers become available, providing an alternative pathway to housing assistance.

The same preferences for the HCV program, as defined in the HCV Administrative Plan, will apply to the DRA program. These preferences include prioritizing specific populations to maintain consistency.

The DRA program will be marketed through a comprehensive outreach strategy to ensure eligible populations are aware of this opportunity. Lewiston Housing will utilize multiple channels, including public notices on its website and social media platforms, direct mail to current HCV participants and households on the HCV waiting list, and collaboration with local community organizations and service providers. Informational sessions and webinars will also be offered to explain the program's benefits and application process. Marketing materials will be designed to reach diverse audiences and provided in multiple languages, ensuring compliance with fair housing laws and reaching underserved communities.

DRA calculations

Lewiston Housing proposes calculating the DRA payment by first determining the Total Tenant Payment (TTP) based on current HCV program rules, which are set at 30% of the tenant's adjusted income. The DRA payment will then be calculated as the difference between the payment standard for the eligible bedroom size and the TTP, with a cap set at the lower of the unit's gross rent or the calculated DRA subsidy. This ensures that the DRA payment never exceeds the total gross rent for the unit. Participant contributions will be capped at 40% of their income in accordance with HUD regulations.

DRA participant income will be reviewed biennially under the alternative certification schedule waiver currently in place. The DRA subsidy amount will be adjusted at these intervals to reflect any changes in the participant's Total Tenant Payment (TTP). If the waiver schedule changes, the DRA program will align with the updated timeline. This ensures that the subsidy remains responsive to participants' financial circumstances while complying with program requirements.

Rent reasonableness will be assessed per 2 CFR 200.403(a) and 200.404. Lewiston Housing will compare unit rents against HUD's Fair Market Rents (FMR) and similar unassisted rental units to ensure compliance with federal guidelines. Regular audits will also confirm alignment with reasonableness standards.

Given the challenging rental market in Lewiston, where the vacancy rate is below 1%, and Fair Market Rents (FMRs) significantly lag behind actual market rates, our payment standard is currently set at 110% of the FMR. While this elevated payment standard aims to better align with local market conditions, it may still need to cover prevailing market rents. However, the DRA provided to tenants will offer crucial financial support, helping them afford modest housing options in the area.

With the DRA program, one goal is to reduce barriers to housing. In the traditional HCV program, participants typically pay only their portion of the rent to the landlord, which is calculated to be affordable based on their income. However, requiring DRA participants to pay the total rent at move-in could present a significant barrier to securing housing. To address this, DRA participants will receive the first payment loaded onto a restricted debit card when the initial inspection is

approved (see inspection section for further clarification). Security deposits will be handled under our existing landlord incentive program, as long as that is in place, following its established rules.

Lewiston Housing will pay any fees that tenants might be charged when using a debit card to pay their rent to landlords if such fees apply.

DRA participants are permitted to lease in place, meaning that if they are already residing in a unit at the time of the DRA voucher award, they may use DRA for that unit. In such cases, participants will not be eligible for security deposit assistance. The first month's payment will be prorated based on the DRA start date, established upon receipt and approval of the unit's initial self-inspection (see Inspection section below).

Proof of Subsidy

To facilitate housing access, DRA participants will receive a standardized letter of subsidy upon enrollment. This document will include:

- Confirmation of tenant eligibility.
- An explanation of the program's direct payment model.
- Contact information for Lewiston Housing should landlords have questions or need further clarification.

This proof of subsidy is designed to address landlord requirements for verifying a DRA participant's ability to pay rent. By providing clear documentation of the participant's subsidy, the letter helps DRA participants navigate landlord screening processes and supports transparency in landlord-tenant interactions.

Inspections

Lewiston Housing will adopt a modified inspection process for the DRA pilot program, using Maine state law, including warranty of habitability laws, and local municipal housing codes as the primary inspection framework, applying the stricter standard when laws or regulations differ. This approach ensures that units meet rigorous safety and habitability standards while streamlining compliance requirements to better align with the unique needs of the DRA program.

Maine's warranty of habitability laws and local municipal housing codes align closely with HUD's NSPIRE standards, particularly regarding life safety elements. For instance, local codes require all rental units to have functioning smoke and carbon monoxide detectors, similar to NSPIRE's fire safety requirements. These devices must be properly installed and maintained, and landlords must address any deficiencies promptly. Structural integrity is another shared priority; Maine's laws mandate that rental properties be free from structural hazards, such as compromised foundations or deteriorating roofs, ensuring participants' physical safety. Additionally, both NSPIRE and local codes emphasize electrical safety. Local code prohibits exposed wiring, overloaded circuits, or malfunctioning outlets, addressing the same risks outlined in HUD's standards.

Environmental health protections also align with NSPIRE's and local requirements. Maine law mandates that rental units be free from mold, pests, and other health hazards, with landlords required to address such issues swiftly. Proper ventilation systems are also enforced to prevent

moisture buildup and ensure indoor air quality, mirroring NSPIRE's environmental health criteria. These local codes are enforced with clear mechanisms in place to address non-compliance, including penalties for landlords and escalations to court if necessary.

To ensure compliance with HUD's guidance, no DRA payments will be made before housing quality has been verified. Initially, participants must complete a self-inspection checklist (see Attachment A) before move-in, which integrates local code requirements and Maine state law emphasizing life safety elements. The participant may request assistance from Lewiston Housing with the self-inspection if needed. This checklist, completed and certified by the participant, must be submitted to Lewiston Housing for review. DRA payments will only be authorized once the checklist is received and deemed satisfactory. The first payment will be calculated based on the lease start date and may be prorated. If the self-inspection occurs after the lease start date, the date the approved self-inspection is received will be used to calculate the initial DRA payment.

Within 30 days of move-in, Lewiston Housing's Housing Inspector will conduct a formal inspection to validate compliance, followed by biennial inspections thereafter. This formal inspection will include a thorough review of the apartment to ensure it meets all required standards, including the presence of hardwired or 10-year sealed tamper-resistant battery-powered smoke detectors, compliance with lead safety regulations, and proper venting of all heat sources.

In cases of a family with a child under age 6 to receive DRA for pre-1978 "target" housing, LHA has agreed that it will comply with the Lead Safe Housing Rule, which, before the start of first-time DRA, includes a visual assessment for deteriorated paint by a trained visual assessor and prompt control of any deteriorated known or presumed lead-based paint by a certified lead renovation or abatement firm.

Lewiston Housing currently utilizes MTW waiver 5.a. Pre-Qualifying Unit Inspections (HCV), which would extend to the DRA program. Under this waiver, a previously conducted HQS inspection can be used if it was completed within 90 days before the participant occupied the unit. This inspection will serve as the initial inspection required for DRA, replacing the standard initial inspection and subsequent 60-day follow-up inspection. Inspections would be conducted by Lewiston Housing bi-annually thereafter.

Escrow Mechanism

For unresolved habitability concerns, Lewiston Housing will refer participants to a formal partnership established through a memorandum of understanding with local legal aid services to provide appropriate legal support. Any known code violations will also be reported to the city code enforcement office for enforcement action.

DRA payments may be held in escrow if a warranty of habitability issue arises. Lewiston Housing will manage escrow funds rather than a court unless otherwise directed. Lewiston Housing will work with the participant to notify landlords when payments are escrowed and provide a detailed list of required repairs. Landlords may self-certify that repairs are completed, but the process for payment and follow-up will depend on the severity of the issues.

For non-life-threatening issues, landlords may self-certify that repairs have been completed, and payments will be authorized once the certification is received and the participant verifies that the

repairs have been completed satisfactorily. These repairs will then be verified during the next scheduled inspection. However, for life-threatening or critical habitability concerns, such as inoperable smoke detectors, carbon monoxide alarms, or structural hazards, self-certification alone will not suffice. Lewiston Housing must confirm the completion of these repairs through a follow-up inspection before releasing any payments. This distinction ensures that urgent safety issues are addressed promptly to protect tenants.

The timeline for repairs, or "cure period," will also depend on the severity of the identified issues. Landlords will have a 30-day cure period to address non-life-threatening issues and a seven-day cure period for critical life safety violations. These timelines align with Maine law's emphasis on timely resolution of habitability concerns. In exceptional circumstances, such as delays due to material shortages, extensions to these timelines may be granted if landlords demonstrate good faith efforts to resolve the issues.

Under Maine's legal framework, tenants are within their rights to withhold rent for unresolved habitability issues, provided that they follow the appropriate legal procedures, such as notifying the landlord of deficiencies and allowing reasonable repair time. Escrowed funds will only be released to the landlord upon confirmation that the required repairs are satisfactorily completed. In cases where disputes are escalated to court, Lewiston Housing will comply with court orders regarding escrow funds. If a DRA participant loses in court, funds may be released to the landlord regardless of repairs made, as directed by the court.

This approach ensures accountability for landlords, protects tenants' rights, and aligns with Maine's legal processes for addressing habitability concerns. Additionally, if repairs are not completed within a reasonable timeframe, DRA participants will be supported in relocating to a compliant unit while continuing to receive DRA.

Landlords will also have access to Lewiston Housing's existing landlord incentive repair program to help cover the costs of repairs identified during the move-in inspection. This incentive aims to encourage landlord participation in the DRA program while maintaining safe and habitable housing for tenants.

By adopting Maine's Warranty of Habitability laws and Lewiston's local codes as the inspection standard, the DRA program ensures that housing units meet all necessary safety and quality benchmarks. This streamlined approach balances tenant protections, landlord accountability, and program efficiency, creating a comprehensive framework for housing quality assurance.

Portability

Porting will be allowed under the DRA program. Participants wishing to port to another Public Housing Authority (PHA) jurisdiction may request an HCV as part of the porting process. A preference for DRA participants porting will be added to the Administrative Plan, and participants requesting an HCV for porting will be prioritized on the HCV waitlist, provided they meet the necessary criteria.

Participants must meet the eligibility criteria for the PHA receiving the voucher and follow all HUD guidelines and Lewiston Housing's HCV Administrative Plan for portability. Lewiston Housing will work with the receiving PHA to facilitate a seamless transition for the participant, ensuring that

housing assistance is not disrupted. In cases where an HCV is issued for porting, participants will no longer receive DRA, as simultaneous enrollment in both programs is not permitted.

DRA Participant Education

Upon issuance of a DRA voucher, all participants will attend an initial briefing designed to educate participants on the program's structure, responsibilities, and available resources. This comprehensive session will explain how the DRA program differs from traditional HCV, focusing on the direct payment model and tenants' responsibilities for managing rental payments. Participants will also receive detailed training on completing the self-inspection checklist, including guidance on identifying and documenting safety and habitability issues. To support this, DRA participants will have practical examples, visual aids, and a user-friendly self-inspection manual.

The briefing will emphasize tenants' rights and resources, equipping them with tools to navigate housing-related challenges effectively. Participants will receive information about fair housing, civil rights, and VAWA rights, and how to address these issues with their landlords and file complaints with Lewiston Housing, Maine Human Rights Commission, and HUD. Participants will receive a copy of Pine Tree Legal's *The Rights of Tenants in Maine* guide and contact information for local legal aid organizations, including Pine Tree Legal Assistance. They will also receive coaching on advocating for repairs and communicating effectively with landlords, particularly when addressing habitability concerns. Additionally, the session will provide DRA participants with best practices for fostering positive relationships with landlords, including tips for clear communication, understanding lease terms, and maintaining housing stability.

Lewiston Housing is committed to educating DRA participants about the potential implications of the program on their eligibility for state and federal benefits, such as SNAP and SSI. While the IRS has clarified that DRA payments are not taxable income, participants should know that state and local programs may interpret these payments differently.

To mitigate potential risks:

- During the program implementation phase, Lewiston Housing will work with Maine state agencies to clarify the treatment of DRA payments under state benefit programs and ensure participants receive accurate, up-to-date information.
- During the orientation briefing, Lewiston Housing will provide benefit counseling to all DRA participants. This counseling will include guidance on how DRA payments may interact with benefit limits for income and assets. Should their entitlement benefits be affected negatively, DRA participants can opt out of DRA.
- DRA funds will be disbursed through restricted debit cards, which will only be loaded once housing quality is confirmed and funds are directly tied to rent payments. This structure minimizes the risk of funds being classified as income or assets for eligibility purposes.

Timeline for Implementation

If our DRA Pilot Program is approved by December 31, 2024, we anticipate the following timeline for implementation. If our plan is approved later than this date, the timeline will begin the following quarter after approval.

Q1 2025:

- Finalize research design
- Update the Administrative Plan to include the DRA program
- Finalize internal procedures outlined in this proposal and create necessary documents, forms, and educational materials.

Q2 2025:

- Issue the first five DRA vouchers. We will issue five vouchers a month until all 60 DRA vouchers are issued.

Budget Considerations

Lewiston Housing acknowledges the potential financial impact of scaling the DRA program to 60 participants annually under current HCV budget constraints. To address these concerns, the program will:

- Monitor costs closely to ensure alignment with HUD's 10% HCV budget safe harbor.
- Adjust participant enrollment or payment standards if necessary to maintain financial sustainability.

While the DRA program is unlikely to exceed the 10% threshold in its initial year, Lewiston Housing is prepared to request a safe harbor waiver should program costs approach this limit. Ongoing evaluations will track program costs and participant outcomes to ensure that resources are used efficiently and equitably.

HUD Requirements and Compliance

The DRA pilot program will fully comply with HUD regulations and requirements as outlined in HUD Notice PIH 2011-45, which governs the implementation of local, non-traditional activities under the MTW program. Statutory requirements are as follows.

Income Eligibility

The DRA pilot program will serve households meeting the income eligibility criteria defined by HUD, specifically those at or below 80% of the area median income (AMI). Lewiston Housing will conduct rigorous income verifications during the enrollment process and annually to ensure ongoing compliance with these eligibility standards.

Fair Housing and Equal Opportunity

The DRA pilot program will strictly enforce all federal civil rights laws, including compliance with the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act, and the Violence Against Women's Act (VAWA). Lewiston Housing is committed to providing equal access to the program for all eligible families and will actively work to affirmatively further fair housing through targeted outreach and recruitment efforts.

Lewiston Housing will ensure that DRA landlords comply with all applicable fair housing laws and requirements, including under the Fair Housing Act and VAWA.

Inspections

As described in the program design section, the DRA pilot will implement a modified inspection process. In accordance with HUD standards, units must be maintained in safe, decent, sanitary condition and good repair.

Expenditure of Federal Funds

Lewiston Housing will manage all federal funds allocated to the DRA pilot in strict compliance with the General Depository Agreement (HUD-51999) and other applicable Treasury requirements. Detailed financial records will be maintained to demonstrate that funds are used appropriately and exclusively for the purposes outlined in the DRA program design. Regular audits will be conducted to ensure transparency and compliance with federal financial management standards.

Hardship Policies

Lewiston Housing has established a hardship policy for participants in the DRA pilot. Please see Attachment B: Hardship Policy.

Tenant Protections

The DRA pilot will include robust tenant protections to safeguard participants against housing instability and unfair practices. It is important to acknowledge that Lewiston Housing loses some leverage in holding landlords accountable for maintaining property standards and tenant protections without a HAP contract. However, Maine has strong tenant-friendly laws that provide significant protections beyond those typically available in other states.

The Maine Human Rights Act prohibits discrimination based on an individual's status as a recipient of public assistance. Receipt of public assistance means status as a recipient of federal, state, or local public assistance. Landlords must comply with reasonable requirements of subsidy programs, such as completing necessary paperwork, permitting inspections, and making reasonable repairs.

Additionally, all DRA participants will be provided contact information for Pine Tree Legal, a local legal aid organization, and a copy of Pine Tree Legal's *The Rights of Tenants in Maine* booklet to support participants further. These resources will be communicated to participants at enrollment, ensuring they are fully informed of their rights and available legal support.

Promoting self-sufficiency is a key goal of the DRA pilot. To that end, Lewiston Housing will offer coaching opportunities to help tenants advocate for themselves on issues that do not require legal assistance. By prioritizing self-advocacy, these coaching sessions will empower participants to navigate housing-related challenges more effectively and independently. Additionally, participants will be encouraged to connect with Pine Tree Legal and other resources when necessary, further reinforcing their ability to manage their housing situations confidently.

DRA participants evicted for reasons beyond their control, such as no-cause eviction, will remain eligible for the program. DRA participants evicted for non-payment of rent while funds are escrowed may be eligible for continued assistance if they demonstrate they made reasonable efforts to resolve the issue, including providing proof of rent withholding or repair requests.

Termination of assistance will follow the same guidelines outlined in Lewiston Housing's HCV Administrative Plan, which has undergone a separate public process and was approved by the Board of Commissioners.

Violence Against Women Act Protections

DRA participants will maintain all protections afforded under the Violence Against Women Act (VAWA), consistent with the protections provided to HCV participants. Lewiston Housing is committed to adopting all protections afforded under the Violence Against Women Act (VAWA) for DRA participants. These protections are critical in ensuring the safety and stability of individuals and families impacted by domestic violence, dating violence, sexual assault, or stalking. Key provisions include protection from termination, bifurcation of assistance, emergency transfers, and support, as outlined below. VAWA provides additional provisions, including a right to strict confidentiality, the requirement to provide a Notice of Occupancy Rights, and limits on the documentation that can be required when a survivor requests VAWA protections.

- Survivors will not lose DRA solely due to circumstances stemming from domestic violence, dating violence, sexual assault, and stalking.
- In cases where a household member engages in criminal activity relating to domestic violence, dating violence, sexual assault, or stalking, DRA can be bifurcated to allow the survivor to maintain their housing while the abusive party is removed from the program.
- Lewiston Housing will allow emergency transfers for survivors, consistent with its VAWA Emergency Transfer Plan. Survivors are eligible if they expressly request the transfer and if they reasonably believe there is a threat of imminent harm from further violence if they remain in the unit or, additionally, if they are survivors of a sexual assault that occurred on the premises in the last 90 days. Emergency transfers may include moving to another unit, transitioning to public housing or the HCV program, or working with local housing providers to identify suitable alternative housing. The survivor determines whether a transfer option is safe, and survivors may pursue multiple types of emergency transfers.
- Survivors will be offered an opportunity to connect with local domestic violence organizations, legal aid, and other resources to ensure their safety and housing stability.

State of Maine law also provides several additional legal protections for survivors of domestic violence. This includes the right to terminate a lease early without penalty if the tenant or their child is in imminent danger of domestic violence, stalking, or sexual assault under 14 M.R.S. § 6002(6). Survivors are also protected from discrimination when seeking housing. Landlords cannot refuse to rent or discriminate against tenants who have obtained protection orders under 5 M.R.S. § 4581, ensuring survivors of domestic violence, sexual assault, or stalking are protected from housing discrimination. Federal VAWA provides protections to survivors as well, and a survivor cannot be denied admission or assistance on the basis or as a direct result of their status as a survivor of domestic violence, dating violence, sexual assault, or stalking if they otherwise qualify for

admission or assistance, and housing providers cannot demand a protection order in order to provide protection. Additionally, a survivor may install new locks in their unit, as outlined in 14 M.R.S. § 6025 (1).

Maine law further prohibits landlords from evicting tenants solely because they are victims of domestic violence, sexual assault, or stalking under 14 M.R.S. § 6001(6). Federal VAWA prohibits terminating from participation in or evicting on the basis or as a direct result of the fact that the tenant is or has been a survivor of domestic violence, dating violence, sexual assault, or stalking. However, landlords may still enforce lease terms, including evictions for nonpayment of rent or other violations, provided the action is not based on the tenant's status as a survivor. Additionally, landlords may bifurcate a lease or tenancy to evict or terminate the tenancy of a perpetrator of domestic violence, sexual assault, or stalking without regard to whether the victim is a signatory to the lease.

Protecting survivors of dating violence, sexual assault, and stalking is not just a legal obligation but a fundamental priority for Lewiston Housing. Stable housing is a cornerstone of recovery and empowerment for survivors, and the DRA program seeks to provide the tools and support necessary to help them rebuild their lives in safety and dignity.

Reasonable Accommodations

Lewiston Housing is committed to ensuring that the DRA program is accessible to all eligible participants, including those with disabilities, and will comply with Section 504, the Americans with Disabilities Act, and the Fair Housing Act. Reasonable accommodations will be made to address individual needs and ensure equal access to program benefits.

Lewiston Housing will evaluate requests on a case-by-case basis for participants requiring changes to program rules or policies, such as exception payment standards, extensions to find units, and assistance finding accessible units, in accordance with 24 C.F.R. 8.28. Participants may submit a request for a reasonable accommodation. Unless the requester's disability and/or disability-related need for the accommodation are readily apparent, Lewiston Housing may request documentation detailing the necessity of the request and its connection to the individual's disability. A written request is not required, and each reasonable accommodation request will be evaluated by the 504 coordinator as they are made following Lewiston Housing's reasonable accommodation process. Approved accommodations will align with HUD guidelines and be implemented promptly.

Reporting and Accountability

Lewiston Housing will adhere to all reporting requirements outlined in HUD Notice PIH 2011-45. In addition, Lewiston Housing will collaborate with a research partner to conduct a study on the effectiveness of the DRA pilot program. This partnership will provide an additional layer of oversight and evaluation, ensuring that the program's impact is thoroughly assessed and understood.

Research and Evaluation

For our DRA pilot's research component, we partnered with Professors Anamika Sen and Kyle Coombs from Bates College.

The DRA pilot provides a critical opportunity to analyze two policy-relevant questions in the field of public economics. First, are households more likely to opt into DRA over an in-kind HCV program? Second, are out-of-pocket rent and housing quality higher or lower when receiving DRA instead of an HCV? These questions connect to a larger debate in public economics about how to best target and design low-income support programs.

While in-kind support programs are well-targeted, economic theory indicates that this comes at the expense of a larger and more equitable welfare increase associated with direct cash transfers of the same value (Currie & Gahvari, 2008). At the same time, there has been relatively little empirical evidence on this subject in recent years – especially within the housing sector. In the 1970s, the HUD-sponsored the Housing Assistance Supply and Demand Experiments suggested that take-up was higher in a cash transfer program (Kennedy, 1980), while HCV-recipients had higher-quality housing at higher average rents (Rydell & Mulford, 1982). More recent empirical analysis suggests the marginal value from an additional dollar spent is roughly equivalent for cash transfers and HCVs, but the highest value cash transfers outperform traditional HCV programs (Hendren & Sprung-Keyser, 2019). Altogether, the literature suggests it is time for a reevaluation of the tradeoff between HCVs and a DRA program like the one we have planned.

Primary Research Questions

The evaluation of the DRA pilot will address the following questions:

1. What percentage of households successfully lease a unit under the DRA program compared to the success rate of current HCV participants?
2. Do DRA recipients experience a change in average monthly rents and out-of-pocket rent costs? If so, by how much?
3. Does receiving DRA lead renters to move to new neighborhoods? If so, how does housing quality in these neighborhoods differ from those of HCV recipients?
4. Do landlords who previously did not rent to HCV recipients offer housing to DRA recipients?
5. Does DRA impact housing stability?

Pipeline Research Questions

The research questions listed above can be analyzed using administrative data collected during the pilot program. However, there are research questions that address the broader impacts of the DRA pilot that will require conducting additional surveys and, thus, additional funding. We are actively seeking out grant funding to support these tasks to answer the following questions:

1. Does receiving DRA lead to a change in household spending patterns? Do these spending patterns vary by gender of the household member receiving DRA?
2. Does receiving DRA increase voter participation relative to HCV recipients?

3. How do new landlords that provide housing under the DRA program differ from HCV-participating landlords?
4. Do children of DRA recipients have access to better schooling than HCV-recipients? How does receiving DRA affect their long-term educational outcomes?
5. What is the difference in the long-term health outcomes of recipients for DRA and HCV-recipients?

Analysis Plan

The DRA pilot will be evaluated using a randomized controlled trial (RCT) framework. The 1200 current participants of the HCV system will be provided the option to apply to receive DRA. LHA estimates it has the resources to support 300 DRA recipients in the pilot. DRA applicants will be admitted randomly off a waitlist to receive payments, while the rest will continue to receive HCV. Our analysis will present comparisons of outcomes between the DRA recipients (our treatment group) and HCV recipients (the control group). Since all participants of the HCV system will be provided an equal opportunity to register their interest in receiving DRA, the waitlisting system will ensure that assignment into treatment and control groups is random.

LHA plans to onboard 60 new participants each year of the pilot in their housing assistance program. New participants will also be provided the opportunity to register their interest in receiving DRA instead of HCV. A similar waitlisting system will sort first-time housing assistance recipients into treatment and control groups. Analyzing new housing assistance recipients gives us a chance to see how time spent in these programs affects mobility differences between people in the HCV and DRA programs.

Attachment A

DRA Self-Inspection Checklist - Initial Inspection

Instructions: Complete this checklist before submitting it to Lewiston Housing. Check each item that applies to your unit. If you need any supplies or assistance to conduct the inspection, please contact Lewiston Housing at 207-xxx-xxx (TBD, contact person).

Name: _____

Unit Address: _____

Fire and Carbon Monoxide Safety

Smoke detectors are installed in all bedrooms, hallways, and common areas, and they have been tested to confirm they are functioning properly.

Yes No

Carbon monoxide detectors are installed on every floor of the unit, and they have been tested to confirm they are functioning properly.

Yes No

All exits (doors, windows, fire escapes) are unobstructed and functional.

Yes No

There is no visible damage to fire safety equipment (e.g., missing detectors, discharged extinguishers).

Yes No

Structural Integrity

Floors, walls, and ceilings are free from large cracks, holes, or structural damage.

Yes No

Windows and doors close and latch securely without significant gaps.

Yes No

The roof is intact, with no visible leaks or water damage.

Yes No

Stairways, railings, and decks are stable and secure.

Yes No

Electrical Safety

All electrical outlets and switches are functioning and free from damage (e.g., no exposed wires).

Yes No

Light fixtures are operational and securely mounted.

Yes No

There are no signs of electrical hazards, such as flickering lights or overloaded circuits.

Yes No

Plumbing

All sinks, toilets, and tubs/showers are operational and free from leaks.

Yes No

There is adequate hot and cold running water in all faucets.

Yes No

Drains are functioning, with no standing water or backups.

Yes No

Heating and Ventilation

There is a permanent heating source for the unit.

Yes No

The heating system is operational and provides adequate heat for the entire unit.

Yes No

Ventilation systems, such as fans or windows, are functional in all bathrooms and kitchens.

Yes No

Environmental Health

The unit is free from visible mold or mildew.

Yes No

There are no signs of pest infestations (e.g., rodents, insects).

Yes No

Trash and recycling areas are clean and properly maintained.

Yes No

General Safety

Doors and windows have working locks for security.

Yes No

There are no trip hazards, such as loose flooring or uneven surfaces.

Yes No

The unit is free of hazardous materials, such as peeling lead paint.

Yes No

Lease Requirements

Does the lease allow for third-party inspections?

Yes No

Certification

I certify that I have inspected the unit and have accurately completed this checklist. I understand that any items marked no must be resolved before Lewiston Housing issues DRA payments. I also understand that a follow-up inspection will occur within 30 days by Lewiston Housing, and any failed items may result in suspension of DRA payments.

Participant Signature: _____

Date: _____

Attachment B

Hardship Policy for Direct Rental Assistance

The Lewiston Housing Hardship Policy for the DRA program is designed to address financial difficulties participants may experience as part of this initiative. This policy ensures that participants facing unforeseen hardships have access to assistance, mitigating risks of housing instability.

Notification plan

The hardship policy will be included in the Administrative plan. A copy of this policy will be available to all potentially impacted households at intake, recertification, and when assistance is terminated due to the MTW activity.

Requesting a Hardship

All hardship requests must be made in writing, stating the reason for the hardship, how the hardship has affected the household's ability to pay rent, the risk for housing instability, and the expected duration of families. Hardship requests should be emailed to info@lewistonhousing.org or mailed to Lewiston Housing, PO Box 361, Lewiston, ME 04243. All hardship requests will be recorded and tracked using Lewiston Housing's project management software.

If a participant requests a hardship adjustment, the DRA activity will be temporarily modified beginning the month after the request is submitted until Lewiston Housing determines whether the request is warranted. During this period, the DRA amount may be adjusted upward to account for the hardship, ensuring the participant maintains housing stability while the request is under review. If it is determined that the hardship does not exist, the DRA amount will revert to the original calculation. Any overpayments resulting from the temporary adjustment must be repaid in full or through a reasonable repayment agreement, as determined by Lewiston Housing.

If Lewiston Housing determines that a hardship exists, the assistance will be adjusted as long as the hardship continues. The exemption will apply from the first of the month following the household's request until the end of the qualifying hardship event or the household's next regularly scheduled reexamination, whichever may occur first.

Grievance Procedure

Should the hardship request be denied, the family has a right to a grievance hearing in accordance with Lewiston Housing's Grievance Procedure. A grievance hearing request must be made in writing within ten business days of receiving the adverse action. The request must specify the grounds upon which it is based and the action requested.

Attachment C

Direct Rental Assistance Pilot – Impact Analysis

This impact analysis describes the projected impact of the Agency-Specific waiver request related to the Direct Rental Assistance pilot program.

1. Impact on the agency's finances:

Lewiston Housing anticipates a neutral to slightly positive impact on the agency's finances due to the DRA program. While the shift to tenant-managed payments may reduce certain administrative costs related to landlord management, these savings may be offset by increased tenant support services, such as self-inspection training and coaching. The agency estimates that initial implementation costs will stabilize as operational efficiencies are realized after the first program year.

To ensure financial sustainability, Lewiston Housing will closely monitor program costs and conduct annual reviews to assess the balance between administrative savings and support service expenses. The agency will remain aligned with HUD's 10% HCV budget safe harbor and will adjust participant enrollment or payment standards or apply for a safe harbor waiver if required. Additionally, unanticipated costs, such as those associated with escrow management, will be addressed through resource reallocation or operational adjustments to minimize financial risk. By maintaining close oversight and flexible program management, Lewiston Housing is confident in its ability to sustain the DRA program within budget.

2. Impact on housing cost affordability:

Lewiston Housing anticipates that the DRA program will positively impact housing cost affordability for participating families over time. By providing subsidies directly to tenants and allowing them to choose from a broader range of housing options, families may find more affordable housing that better meets their needs.

3. Impact on the waitlists:

Lewiston Housing anticipates a moderate impact on the waitlists, as the DRA program may attract additional applicants interested in the increased autonomy and choice it offers. However, the program's limited scale and the targeted selection process are expected to mitigate any significant changes in waitlist length or wait times.

4. Impact on the termination rate:

Lewiston Housing does not anticipate that the proposed activity will have a measurable impact on the termination rate. The program's design includes tenant education and support to ensure participants can manage rental payments effectively, minimizing the likelihood of terminations due to non-compliance.

5. Public housing occupancy level and voucher utilization

Lewiston Housing does not anticipate a measurable impact on public housing occupancy levels, as the DRA program is focused on HCV participants. However, we anticipate an increase in voucher utilization rates, as the DRA program may make it easier for participants to find suitable housing, thereby improving overall voucher effectiveness. HCV utilization may decrease slightly as resources are shifted to DRA, but the total combination of HCV and DRA should be a neutral change.

6. Impact on MTW statutory goals of cost-effectiveness, self-sufficiency, and/or housing choice

Lewiston Housing anticipates that the DRA program will positively impact all three MTW statutory goals. The program is expected to enhance cost-effectiveness by reducing administrative overhead, promote self-sufficiency by empowering tenants to manage their rental payments, and increase housing choice by giving tenants more flexibility in selecting where they live.

7. The agency's ability to meet the five MTW statutory requirements

Implementing this waiver will not prevent Lewiston Housing from meeting the five MTW statutory requirements. Lewiston Housing will comply with all MTW statutory requirements by participating in the MTW Demonstration.

8. The rate of hardship requests and the number granted and denied as a result of an MTW activity

As the DRA program is a new initiative, Lewiston Housing anticipates a potential increase in hardship requests, particularly in the early stages of implementation. These requests will be carefully evaluated, and appropriate measures will be taken to support participants facing financial challenges.

9. The impact, across the other eight factors, on protected classes, including disparate impact

Lewiston Housing does not anticipate an impact on protected classes, including disparate impact. LHA will strictly follow all fair housing laws and requirements and will ensure that DRA landlords comply with fair housing laws and requirements to mitigate any potential adverse effects on protected groups. LHA will ensure that DRA participants retain their fair housing and civil rights protections, including their protections under the Violence Against Women Act.



Safe Harbor Waiver Request

Lewiston Housing requests a Safe Harbor Waiver to exceed the 10% limit on Housing Assistance Payment (HAP) funding for Local, Non-Traditional (LNT) activities. This waiver would apply under our Moving to Work (MTW) authority, specifically covering MTW waivers 17.a. Rental Subsidy Programs, 17.c. Housing Development Programs, and our Agency Specific Waiver for Direct Rental Assistance (DRA) pilot. We seek approval to go beyond the 10% cap due to extraordinary local housing market conditions and the urgent needs of the low-income families we serve in Lewiston.

We are requesting this waiver because the combination of multiple LNT approaches requires greater flexibility in funding. Given the severity of Lewiston's housing crisis, a single strategy is not sufficient. Instead, we are leveraging a range of solutions, from direct rental assistance to increasing the supply of affordable housing, to create meaningful, long-term impact. By exceeding the 10% cap, we can deploy a mix of targeted interventions that address both immediate housing instability and the structural shortage of affordable units, ensuring a more comprehensive and effective response.

Over the past few years, Lewiston has experienced a surge in housing costs coupled with an extreme shortage of available rental units. Rents in our area have risen sharply, by double digits in a single year, reaching levels well above HUD Fair Market Rent. At the same time, rental vacancy rates have plummeted to historic lows (virtually zero within the city). This combination of soaring rents and almost no available apartments means that many voucher holders and low-income households simply cannot find housing, affordable or otherwise. Our voucher utilization has suffered as families struggle to lease units in the tight market, and more households remain on waitlists or in precarious situations.

Granting this waiver will also improve the efficiency and effectiveness of federal housing funds. In the current environment, a portion of our HAP funding risks going underutilized because traditional vouchers alone cannot be fully utilized due to the lack of available units. With flexibility to spend above the 10% cap on LNT initiatives, every federal dollar can be put to work addressing housing needs in our community. This approach will maximize the impact of our MTW funding by aligning resources with real world conditions, ensuring those funds are used to house families rather than left idle. This waiver would allow us to better meet HUD's MTW objectives of increasing housing choice and achieving greater cost effectiveness in the use of federal funds.

The additional MTW flexibility will enable Lewiston Housing to serve more families, stabilize those at risk of homelessness, and develop innovative solutions tailored to our community's needs. All other safe harbors will remain in effect, and Lewiston Housing will comply with all provisions of PIH Notice 2011-45.



Moving to Work Hardship Policy

This Moving to Work (MTW) Hardship Policy is designed to address the following MTW initiatives:

- 1.u. Standard Deductions (HCV)
- 2.a. Payment Standards - Small Area Fair Market Rents (HCV)
- 2.b. Payment Standards - Fair Market Rents (HCV)
- 3.a. Alternative Reexamination Schedule for Households (PH)
- 3.b. Alternative Reexamination Schedule for Households (HCV)

A hardship exists when:

- The household has experienced a decrease in income because of changed circumstances, including loss or reduction of employment, death in the assisted household, or reduction in or loss of earnings or other assistance;
- The household has experienced an increase in expenses because of changed circumstances, for medical costs, childcare, transportation, education, or similar items;
- The loss of income is through no fault of the household, the decrease is not due to a sanction on public assistance income, and the household verifies eligibility or ineligibility for unemployment benefits if the reduced income is due to loss of employment; or
- The family would face eviction or other financial hardship due to the implementation of the MTW activity.

Notification Plan

A copy of this policy will be made available to all households at intake, reexamination, and when assistance is to be terminated due to the MTW activity.

Requesting a Hardship

All hardship requests must be made in writing and stating the reason for the hardship, how the hardship has affected the household's ability to pay rent, the risk for housing instability, and the expected duration. Families with limited English proficiency or disabilities can request assistance with submitting the hardship request. Hardship requests should be emailed to info@lewistonhousing.org or mailed to Lewiston Housing, P.O. Box 361, Lewiston, ME 04243. All hardship requests will be recorded and tracked in Lewiston Housing's project management software.

The MTW activity will generally be suspended beginning the next month after the request is made, unless suspension would cause further harm to the household, until Lewiston Housing determines whether the hardship request is warranted. If Lewiston Housing later concludes that a hardship does not exist, the MTW activity will resume. In such cases, any retroactive rent owed must be repaid either in full or through a reasonable repayment agreement.

Grievance Procedure

Should the hardship request be denied, the family has a right to a grievance hearing in accordance with Lewiston Housing's Grievance Procedure. A grievance hearing request must be made in writing within ten business days of receiving the adverse action. The request must specify the grounds upon which it is based and the action requested.



1o. Initial Rent Burden (HCV) – Impact Analysis

This impact analysis describes the projected impact of Moving to Work waiver 1o. Initial Rent Burden (HCV).

1) Impact on the agency's finances

Lewiston Housing anticipates a neutral to moderately positive financial impact from the implementation of the Housing Choice Voucher (HCV), Mainstream, and Direct Rental Assistance (DRA) program with the initial rent burden waiver. While the waiver allows participants to contribute a higher percentage of their income toward rent (up to 60% instead of 40%), the Housing Assistance Payment (HAP) obligations will remain the same as the tenant's portion of rent increases. This change does not increase the overall subsidy provided but instead shifts a greater portion of the rental payment responsibility to participating families who voluntarily opt for higher-cost units.

Administrative costs may increase slightly in the short term due to additional staff time required for program education, tenant counseling, and financial impact assessments during the lease-up process. However, these costs are expected to be offset by operational efficiencies, including fewer unit denials based on affordability and improved lease-up rates, which can reduce poor voucher utilization rate inefficiencies.

2) Impact on housing cost affordability

The initial rent burden waiver allows participants to contribute up to 60% of their adjusted monthly income toward rent, which may increase the financial burden for those who choose higher-cost units. However, this policy does not inherently reduce housing affordability, as it remains an option, not a requirement.

Participants will be fully informed of the potential financial impact during their initial briefing. While some families may take on a larger share of rent costs, the waiver maintains overall program stability and ensures participants can assess what is financially manageable for their households.

3) Impact on the waitlists

Lewiston Housing does not anticipate that the proposed activity will have a measurable impact on the waitlist.

4) Impact on the termination rate

Lewiston Housing does not anticipate that the proposed activity will have a measurable impact on the termination rate.

5) Public housing occupancy level and voucher utilization

Lewiston Housing does not anticipate a measurable impact on public housing occupancy levels, as the program is focused on HCV participants. However, we anticipate an increase in voucher

utilization rates, as this waiver will allow greater choice in housing as more apartments will be eligible for leasing.

6) Impact on MTW statutory goals of cost-effectiveness, self-sufficiency, and/or housing choice

This waiver expands housing choices by allowing families to contribute up to 60% of their adjusted monthly income toward rent. This policy is expected to increase access to housing, particularly in tight rental markets where families would otherwise be excluded due to affordability constraints under the traditional 40% rent burden limit. The initial rent burden waiver will provide participants with greater flexibility in selecting housing that meets their needs, particularly in higher-cost areas or neighborhoods with better access to employment, education, and services.

7) The agency's ability to meet the five MTW statutory requirements

Implementing this waiver will not prevent Lewiston Housing from meeting the five MTW statutory requirements. Lewiston Housing will comply with all MTW statutory requirements by participating in the MTW Demonstration.

8) The rate of hardship requests and the number granted and denied as a result of an MTW activity

It is unclear how this waiver might create a hardship for families, as they ultimately decide which unit to rent. However, if a hardship request is made, Lewiston Housing will carefully evaluate the situation and take appropriate measures to support participants facing financial challenges.

9) The impact, across the other eight factors, on protected classes, including disparate impact

Lewiston Housing does not anticipate an impact on protected classes, including disparate impact.



1.u. Standard Deduction (HCV) – Impact Analysis

This impact analysis describes the projected impact of Moving to Work waiver 1.u. Standard Deduction (HCV).

1) Impact on the agency's finances

Implementing standard deductions for the Housing Choice Voucher program will streamline the rent calculation process and reduce the administrative burden associated with verifying multiple, itemized expense deductions. By shifting to a simplified model, staff can devote less time to repetitive data collection and verification tasks. This shift should have minimal net impact on overall Housing Assistance Payments (HAP) because some households may pay a slightly higher share of rent if their actual expenses exceed the standard deduction, while others may pay less when their expenses fall below it. Over time, this standardization is expected to yield more predictable budget forecasting and improved allocation of agency resources.

2) Impact on housing cost affordability

The transition to a standard deduction will affect households differently depending on how their actual expenses compare to the standardized amount. Families whose expenses are typically lower than the standard deduction will benefit from a reduced tenant rent share, enhancing housing cost affordability. Conversely, participants with expenses significantly above the standard deduction may see a higher rent share. However, households experiencing a genuine financial hardship can request relief under Lewiston Housing's Hardship Policy, which provides a safeguard against undue burdens.

3) Impact on the waitlists

Lewiston Housing does not anticipate that the proposed activity will have a measurable impact on the waitlist.

4) Impact on the termination rate

Lewiston Housing does not anticipate that the proposed activity will have a measurable impact on the termination rate.

5) Public housing occupancy level and voucher utilization

Lewiston Housing does not anticipate a measurable impact on public housing occupancy levels or voucher utilization rates.

6) Impact on MTW statutory goals of cost-effectiveness, self-sufficiency, and/or housing choice

Lewiston Housing will improve the cost-effectiveness of its operations through reduced administrative workload and faster reexamination processes.

7) The agency's ability to meet the five MTW statutory requirements

Implementing this waiver will not prevent Lewiston Housing from meeting the five MTW statutory requirements. Lewiston Housing will comply with all MTW statutory requirements by participating in the MTW Demonstration.

8) The rate of hardship requests and the number granted and denied as a result of an MTW activity

As this is a new MTW waiver, we anticipate an increase in hardship requests.

9) The impact, across the other eight factors, on protected classes, including disparate impact

Lewiston Housing does not anticipate an impact on protected classes, including disparate impact.



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

This impact analysis describes the projected impact of Moving to Work waiver 2.a. - Payment Standards- Small Area Fair Market Rents (HCV).

1) Impact on the agency's finances

We do not anticipate a measurable impact on the agency's finances as this will only affect a very small percentage of vouchers.

2) Impact on housing cost affordability

Lewiston Housing does not anticipate that there will be a negative impact on housing costs for Families.

3) Impact on the waitlists

Lewiston Housing does not anticipate that the proposed activity will have a measurable impact on the waitlist.

4) Impact on the termination rate

Lewiston Housing does not anticipate that the proposed activity will have a measurable impact on the termination rate.

5) Public housing occupancy level and voucher utilization

Lewiston Housing does not anticipate that the proposed activity will have a measurable impact on the public housing occupancy level. We do anticipate an increase in our voucher utilization rate due to more housing opportunity and availability.

6) Impact on MTW statutory goals of cost-effectiveness, self-sufficiency, and/or housing choice

Lewiston Housing anticipates that this payment standard waiver will continue to increase housing choice to people seeking affordable housing.

7) The agency's ability to meet the five MTW statutory requirements

Implementing this waiver will not prevent Lewiston Housing from meeting the five MTW statutory requirements. Lewiston Housing will comply with all MTW statutory requirements by participating in the MTW Demonstration.

8) The rate of hardship requests and the number granted and denied as a result of an MTW activity

We have not received any hardship requests related to this waiver.

9) The impact, across the other eight factors, on protected classes, including disparate impact

Lewiston Housing does not anticipate an impact on protected classes, including disparate impact.



2.b. Payment Standards – FMR (HCV) – Impact Analysis

This impact analysis describes the projected impact of Moving to Work waiver 2.b. Payment Standards – FMR (HCV).

1) Impact on the agency's finances

We do not anticipate an impact on the agency's finances.

2) Impact on housing cost affordability

Lewiston Housing does not anticipate that there will be a negative impact on housing costs for families.

3) Impact on the waitlists

Lewiston Housing does not anticipate that the proposed activity will have a measurable impact on the waitlist.

4) Impact on the termination rate

Lewiston Housing does not anticipate that the proposed activity will have a measurable impact on the termination rate.

5) Public housing occupancy level and voucher utilization

Lewiston Housing does not anticipate that the proposed activity will have a measurable impact on the public housing occupancy level or voucher utilization rate.

6) Impact on MTW statutory goals of cost-effectiveness, self-sufficiency, and/or housing choice

Lewiston Housing anticipates that this payment standard waiver will continue to increase housing choice to voucher participants.

7) The agency's ability to meet the five MTW statutory requirements

Implementing this waiver will not prevent Lewiston Housing from meeting the five MTW statutory requirements. Lewiston Housing will comply with all MTW statutory requirements by participating in the MTW Demonstration.

8) The rate of hardship requests and the number granted and denied as a result of an MTW activity

We have not received any hardship requests related to this waiver.

9) The impact, across the other eight factors, on protected classes, including disparate impact

Lewiston Housing does not anticipate an impact on protected classes, including disparate impact.



3.a. & b. Alternative Reexamination Schedule for Households (PH & HCV) – Impact Analysis

This impact analysis describes the projected impact of Moving to Work waiver 3.a. & b. Alternative Reexamination Schedule for Households (PH & HCV).

1) Impact on the agency's finances

Overall, we see a nominal change in household income year after year. We anticipate that this policy change will encourage households to return to work due to the fewer required recertifications, leading to an overall reduction in HAP in the long run. We predict that this will be offset by the requirement to recertify households whose income drops due to unanticipated changes in income or composition.

Lewiston Housing projects overall agency savings associated with employees needing to recertify households less often. Since implementing, we have saved approximately 1 FTE.

2) Impact on housing cost affordability

Lewiston Housing does not anticipate that there will be a negative impact on housing costs for families. Households will have the opportunity to recertify should their income decrease by 10% or more and may request a hardship exemption should they be at risk of housing instability

3) Impact on the waitlists

Lewiston Housing does not anticipate that the proposed activity will have a measurable impact on the waitlist.

4) Impact on the termination rate

Lewiston Housing does not anticipate that the proposed activity will have a measurable impact on the termination rate.

5) Public housing occupancy level and voucher utilization

Lewiston Housing does not anticipate that the proposed activity will have a measurable impact the public housing occupancy level or voucher utilization rate.

6) Impact on MTW statutory goals of cost-effectiveness, self-sufficiency, and/or housing choice

Lewiston Housing anticipates that the alternative reexamination schedule for households will overall provide cost savings to Lewiston Housing due to fewer reexaminations being required and will streamline the process for applicants and households. Making this process more efficient will naturally improve cost-effectiveness.

7) The agency's ability to meet the five MTW statutory requirements

Implementing this waiver will not prevent Lewiston Housing from meeting the five MTW statutory requirements. Lewiston Housing will comply with all MTW statutory requirements by participating in the MTW Demonstration.

8) The rate of hardship requests and the number granted and denied as a result of an MTW activity

We have received eight hardship requests since 7/1/2024. All hardship requests were for the HCV program. Five were approved and two are still pending review at the time of writing this impact analysis. One was cancelled as the hardship was not required because she was eligible for an interim recertification without a hardship request.

9) The impact, across the other eight factors, on protected classes, including disparate impact

Lewiston Housing does not anticipate an impact on protected classes, including disparate impact.

If Lewiston Housing determines that a hardship exists, the household is exempt from the MTW activity as long as the hardship continues, unless suspending the activity would create further harm. This exemption applies from the first of the month following the household's request until the later of the end of the qualifying hardship event or the household's next regularly scheduled reexamination.

1.u. Standard Deductions (HCV)

Potential Hardship: A household's actual eligible expenses (e.g., medical or childcare) may exceed the standard deduction, resulting in a higher rent share than they would otherwise pay under traditional, itemized deductions.

Hardship Relief: If a household demonstrates that its actual expenses surpass the standard deduction, they may submit a hardship request. Upon approval, Lewiston Housing will temporarily suspend or exempt the household from the standard deduction requirement.

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

2.b. Payment Standards – Fair Market Rents (HCV)

Potential Hardship: While changes to Payment Standards generally aim to maintain or enhance affordability, there may be rare situations, such as shifts in funding or local market conditions, where Payment Standards decrease. In these cases, a household's rent share could rise, creating a financial hardship.

Hardship Relief: If a family experiences such a hardship, they can submit a hardship request. Upon approval, Lewiston Housing may temporarily suspend the family from the new Payment Standard.

3.a. Alternative Reexamination Schedule for Households (PH)

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

Potential Hardship: Households operating on a triennial recertification schedule may have delayed income adjustments if they lose income in the interim.

Hardship Relief: If a family experiences an income drop outside the normal reexamination period, they can request an interim recertification under the hardship policy. Lewiston Housing will adjust rent calculations accordingly if a hardship is identified.

Reasonable Accommodation

Persons with a disability may request a reasonable accommodation for a change to this policy or MTW activity. Unless the requester's disability and/or disability-related need for the accommodation are readily apparent, Lewiston Housing may request documentation detailing the necessity of the request and its connection to the individual's disability. Each reasonable accommodation request will be evaluated by the 504 coordinator as they are made following Lewiston Housing's reasonable accommodation process. Lewiston Housing will evaluate requests on a case-by-case basis for participants requiring changes to program rules or policies in accordance with 24 C.F.R. 8. Approved accommodations will align with HUD guidelines and be implemented promptly.