

MTW Safe Harbor Waiver Request

Section A. General Information

MTW Agency Name: Housing Authority of Fort Mill

PHA Code: SC036

MTW Cohort Name: MTW Flexibility for Smaller PHAs - Cohort 1

Waiver Title: SC036_July 1, 2026 - June 30, 2027_1.h. Tenant Payment as a Modified Percentage of Income (HCV)

Section B: Waiver Description

Safe Harbor Specific Information:

Activity - 1.h. Tenant Payment as a Modified Percentage of Income (HCV) - Effective January 1, 2027, the percentage of household income used to calculate TTP will change from 28% of their income to 27%. All tenants have been notified of this change and will be notified monthly until the change occurs. There is no defined income basis, this will be for all tenants.

Citations/Regulations/Statutes to be Waived:

The PHA is requesting to waive the safe harbor parameter: Agency must exempt elderly and disabled families from rent policy.

Waiver Description

The Housing Authority of Fort Mill is seeking a Safe Harbor Waiver to waive 1.h.iii - Tenant Payment as a Modified Percentage of Income (HCV) to allow HAFM to apply its modified Total Tenant Payment (TTP) calculation uniformly to all assisted households, including elderly and disabled households, without requiring that those households be exempted from this rent policy. HAFM's modified TTP policy reduces — not increases — the percentage of income applied to the TTP calculation for all households, meaning that exempting elderly and disabled households would not protect them from harm but would instead deny them the same rent relief extended to every other assisted family, creating an inequitable two-tier rent structure that disproportionately disadvantages the Authority's most financially vulnerable residents. In lieu of the standard Safe Harbor exemption requirement, HAFM proposes to protect elderly and disabled households through a documented no-harm guarantee confirming the modified calculation will never exceed the standard 30%-of-adjusted-income result, a hardship policy available to all households, and annual monitoring and reporting of rent outcomes for elderly and disabled households in HAFM's MTW Annual Report.

Section C: Hardship Policy

Since the percentage of income used to calculate the TTP for each participant household is being lowered, this will reduce the cost for the family. Since this rule is beneficial to the families, hardship request should not be needed for this activity. However, it is required and is therefore included in this policy.

Section D: Public Comments

Public Comment information provided by uploading a separate Public Comment attachment into the MTW Supplement system.

Section E: Impact Analysis

Anticipated Impact on Agency's Finances: It is estimated, based on current participant data, that decreasing the percentage of income used to calculate TTP from 28% will increase the Agency's monthly HAP cost by \$2613.00. This is mitigated slightly by the decrease in HAP due to the minimum

annual income set for all non-elderly/ non-disabled household increasing to \$7,540.00. With this mitigation, the increased monthly HAP cost is \$1582.00

Anticipated Impact on Affordability of Housing Costs for Affected Families: The overall monthly cost for participants will decrease by \$1582.00 with this change. The average monthly savings per participant is \$10.40.

Anticipated Impact on Agency's Waitlist(s): This activity will have no impact on the agency's waitlist

Anticipated Impact on Agency's Termination Rate of Families: This activity will have no impact on the agency's termination rate of families

Anticipated Impact on Agency's Current Occupancy Level in Public Housing and Utilization Rate in the HCV Program: It is believed that this activity will increase utilization rates because it will lower the family's payments and therefore allow more families to lease after being issued a voucher.

Anticipated Impact on Meeting the MTW Statutory Goals of Cost Effectiveness, Self-Sufficiency, and/or Housing Choice: This activity will help meet the MTW statutory goal of increasing self-sufficiency because the participant family will be paying less of their income as rent. This will allow them to save money for the future. It also encourages participants to become employed since less of their money will be used for rent.

Anticipated Impact on Agency's Ability to Meet the MTW Statutory Requirements: This activity will have no impact on the agency's ability to meet the MTW statutory requirements.

Anticipated Impact on the Rate of Hardship Requests and the Number Granted and Denied as a Result of This Activity: This activity will have no adverse impact on protected classes.

Anticipated Impact on Protected Classes (and Any Associated Disparate Impact): This activity will have no adverse impact on protected classes.

Plan for How the Agency Will Weigh the Consequences/Benefits of the Activity to Determine Whether MTW Activity Should Be Adjusted/Terminated/ Reduced/ Continued: The activity will be monitored thoroughly to ensure that it is both beneficial to the participants and causes no negative effect tot the agency. The benefit of this activity will be more evident once work requirements are implemented in 2029.