PHA Name: Kendall Housing Authority

PHA Code : IL137
MTW Supplement for PHA Fiscal Year Beginning : (MM/DD/YYYY): 1/1/2026
PHA Program Type: Housing Choice Voucher (HCV) only
MTW Cohort Number: MTW Flexibility for Smaller PHAs II
MTW Supplement Submission Type: Amended Annual Submission

B. MTW Supplement Narrative.

The Kendall Housing Authority (KHA) is committed to furthering the three statutory objectives of the Moving to Work (MTW) Demonstration Program: (1) reducing costs and achieving greater cost-effectiveness in federal expenditures; (2) promoting economic self-sufficiency among assisted families; and (3) increasing housing choices for low-income families. These objectives align with KHA's mission to increase the availability of decent, safe, and affordable housing, improve community quality of life, promote self-sufficiency, and ensure equal housing opportunities.

Through its participation in the MTW Demonstration Program, KHA seeks to utilize available regulatory flexibilities to improve program administration, reduce unnecessary administrative burdens, and better serve participating households. KHA remains committed to identifying opportunities to streamline operations while maintaining responsible stewardship of federal resources.

As part of its amended FY2026 MTW Supplement, KHA is proposing to implement Activity 2.a – Payment Standards – Small Area Fair Market Rents (HCV). This activity will allow KHA to establish payment standards based on HUD-published Small Area Fair Market Rents (SAFMRs), reflecting rental market conditions at the ZIP code level rather than relying solely on metropolitan-wide Fair Market Rents. By utilizing SAFMRs, KHA seeks to expand housing opportunities for voucher participants, improve access to neighborhoods with varying rental costs, and provide families with greater flexibility in selecting housing that meets their needs.

In the short term, KHA's goal is to establish a consistent and transparent payment standard methodology that better reflects local rental market conditions. Over the long term, KHA anticipates that this flexibility will support increased housing choice, improved voucher utilization, and more effective administration of the Housing Choice Voucher Program.

KHA will continue to evaluate its MTW activities to ensure that they support the agency's mission, advance the statutory objectives of the MTW Demonstration Program, and respond to the housing needs of the families and communities it serves.

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
2. Payment Standards and Rent Reasonableness
a. Payment Standards- Small Area Fair Market Rents (HCV) | Plan to Implement in the Submission Year
3. Reexaminations
4. Landlord Leasing Incentives
5. Housing Quality Standards (HQS)
6. Short-Term Assistance
7. Term-Limited Assistance
8. Increase Elderly Age (PH & HCV)
9. Project-Based Voucher Program Flexibilities
10. Family Self-Sufficiency Program with MTW Flexibility
11. MTW Self-Sufficiency Program
12. Work Requirement
13. Use of Public Housing as an Incentive for Economic Progress (PH)
14. Moving on Policy
15. Acquisition without Prior HUD Approval (PH)
16. Deconcentration of Poverty in Public Housing Policy (PH)
17. Local, Non-Traditional Activities

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

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

The Kendall Housing Authority (KHA) proposes to utilize the flexibility provided under MTW Activity 2.a – Payment Standards – Small Area Fair Market Rents (HCV) to establish payment standards based on HUD-published Small Area Fair Market Rents (SAFMRs). KHA intends to establish payment standards at 100% of the applicable SAFMR for each ZIP code and bedroom size within its jurisdiction.

The primary goal of this activity is to increase housing choice for Housing Choice Voucher participants by establishing payment standards that more accurately reflect rental market conditions in different geographic areas. Utilizing SAFMRs will allow KHA to better align voucher assistance with local housing costs, improve access to housing opportunities in higher-cost neighborhoods, and provide participants with greater flexibility when searching for suitable housing.

Additionally, this activity supports KHA's broader efforts to improve program administration and maximize the effectiveness of its Housing Choice Voucher Program. By establishing a consistent, ZIP code-based payment standard methodology, KHA seeks to promote greater housing stability, improve voucher utilization, and ensure that its payment standards remain

responsive to local rental market conditions.

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

Does this MTW activity require a hardship policy?

Yes

This document is attached.

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

No

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

No

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

Please explain the payment standards by ZIP code or "grouped" ZIP codes:
The Kendall Housing Authority (KHA) establishes payment standards at 100% of the HUD-published Small Area Fair Market Rents (SAFMRs) for each ZIP code and bedroom size within its jurisdiction. Payment standards are determined individually by ZIP code rather than grouping multiple ZIP codes together. This approach allows payment standards to reflect variations in rental market conditions across KHA's jurisdiction and provides Housing Choice Voucher participants

with greater access to housing opportunities in different neighborhoods.

D.	Safe Harbor Waivers.
D.1	**Will the MTW agency submit request for approval of a Safe Harbor Waiver this year?** No Safe Harbor Waivers are being requested.

E.	Agency-Specific Waiver(s).
E.1	**Agency-Specific Waiver(s) for HUD Approval:** 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. 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. 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. **Will the MTW agency submit a request for approval of an Agency-Specific Waiver this year?** No

E.2	**Agency-Specific Waiver(s) for which HUD Approval has been Received:** **Does the MTW agency have any approved Agency-Specific Waivers?** 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

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	
49%-30% Area Median Income	
Below 30% Area Median Income	
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.

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.	# 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.	# 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?

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.	
	Occupied Number of Local, Non-Traditional units by

Family Size:	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.

No known evaluations.