

# Moving to Work Expansion Listening Session

April 28, 2017  
Washington, DC



# Welcome

- ▶ Opening remarks

- ▶ Jemine A. Bryon

- General Deputy Assistant Secretary  
Office of Public and Indian Housing

- ▶ Introductions



# Operations Notice

## Operations Notice for the Expansion of the Moving to Work Demonstration Program

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*Publish Date*      Published in Federal Register on 01/23/17 (FR-5994-N-01)

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*Technical Revision*      Published in Federal Register on 05/04/2017

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*Purpose*      Solicit public comment, feedback, and discussion on operation of MTW Expansion

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*Deadline*      Comments due: 06/05/2017

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# What is a listening session?

- ▶ A set of meetings held across the country to discuss specific topics in the Operations Notice
- ▶ Participant input and discussion
  - ▶ All topic-related comments, concerns, and alternative ideas are welcomed
  - ▶ Sessions are designed for sharing information and exchanging ideas to shape the MTW expansion
  - ▶ Consensus or agreement is not the expectation or intent
- ▶ HUD is seeking from participants:
  - ▶ Discussion
  - ▶ Questions
  - ▶ Feedback
  - ▶ Additional Thoughts



# Listening Session Events

Location	Date
Newark, NJ	April 26 <sup>th</sup>
Washington, DC (HUD HQ)	April 28 <sup>th</sup>
Denver, CO	May 2 <sup>nd</sup>
Fort Worth, TX	May 4 <sup>th</sup>

- Information on Listening Sessions for MTW Expansion is available at [www.hud.gov/mtw](http://www.hud.gov/mtw)



# Agenda and Topics

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<b>Session 1: Welcome and Introduction to MTW and MTW Expansion</b>	<b>9:00 - 10:00 am</b>
<b>Session 2: Waivers</b>	<b>10:00 - 11:15 am</b>
<b>Session 3: Evaluation</b>	<b>11:30 - 12:15 pm</b>
<b>Lunch</b>	<b>12:15 - 1:30 pm</b>
<b>Session 4: Funding</b>	<b>1:30 - 2:30 pm</b>
<b>Session 5: Regionalization</b>	<b>2:40 - 3:30 pm</b>
<b>Questions and Close</b>	<b>3:30 - 4:00 pm</b>

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\* Please note that times are approximate and subject to volume of audience feedback

# Introduction to Moving to Work and the Expansion

Moving to Work Expansion  
Listening Session

Session #1



## What is Moving to Work?

- ▶ MTW is a demonstration program that allows PHAs to design and test innovative, locally-designed initiatives
- ▶ MTW PHAs are granted flexibilities from certain Public Housing and Housing Choice Voucher rules
- ▶ Permitted to combine their Public Housing Operating, Capital funds, and Housing Choice Voucher funds and use these funds interchangeably





# Statutory Objectives

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Cost effectiveness	Reduce costs and achieve greater cost effectiveness in Federal expenditures
Self sufficiency	Give incentives to families to find employment and become self-sufficient
Housing choice	Increase housing choices for low-income families

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# Use of MTW Flexibility

Cost Savings	Self Sufficiency	Housing Choice
Using the MTW block grant to leverage funds	Linking rental assistance with supportive services	Developing mixed-income, tax credit properties, and other affordable housing
Streamlining HUD processes	Earned income exclusions	Developing sponsor-based voucher program to assist homeless and other at-risk groups
Simplification of rent calculations	Self sufficiency/ employment requirements	Encouraging moves to opportunity areas

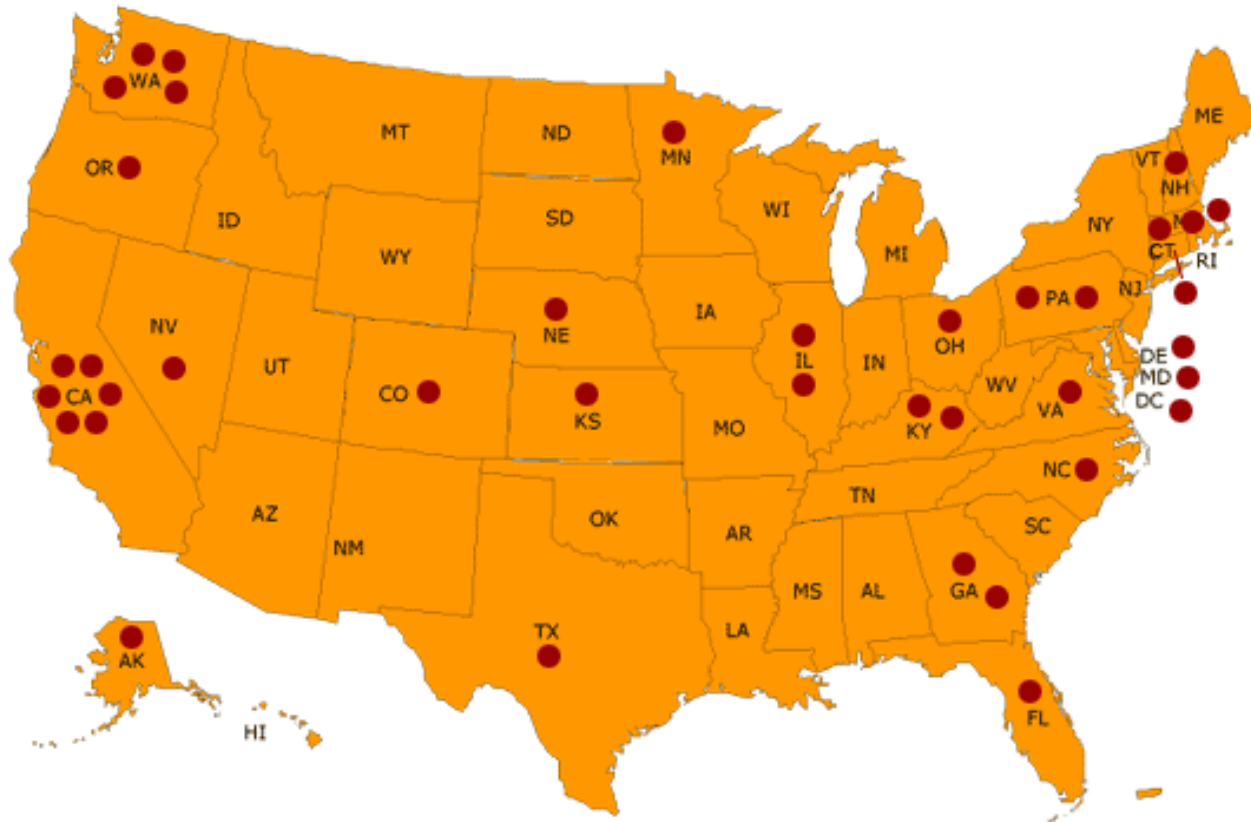


# Statutory Requirements

- i. 75% Very low-income
- ii. Reasonable rent policy to incentivize self-sufficiency
- iii. Serve substantially the same number of families
- iv. Maintain comparable mix of families
- v. Meet housing quality standards



# Current MTW Agencies





# 2016 Appropriations: MTW Expansion

- ▶ Adds 100 *additional* PHAs to MTW demonstration
- ▶ MTW Expansion PHAs will be added in cohorts that will test specific policy changes
  - ▶ Research advisory committee advises HUD on specific policy changes to be implemented and evaluated
- ▶ Selection Requirements:
  - ▶ 7 years to designate
  - ▶ PHAs must be high-performers
  - ▶ Represent geographic diversity



# Selection Requirements

## **PHA Size Consideration:**

<b>Aggregate HCV and PH unit thresholds</b>	<b># of PHAs</b>
1,000 or fewer units	At least 50
1,001-6,000 units	At least 47
6,001-27,000 units	No more than 3
> 27,000 units	Not eligible

## **Other considerations:**

- 5 PHAs with portfolio-wide RAD conversion
- Regional MTW PHA



# MTW Expansion Vision

## Vision

- Learn from MTW interventions in order to improve the delivery of federally-assisted housing
- Promote self-sufficiency for low-income families across the nation

## Guiding Principles

- Simplify
- Learn
- Apply



# MTW Operations Notice

## Guiding Principles

- Local Control
- Reduce Burden
- Residents' Protections



# Waivers

Moving to Work Expansion  
Listening Session

Session #2



# Waivers

- ▶ Current MTW PHAs:
  - ▶ Propose activities to the Department that waive certain provisions of the 1937 Housing Act
  
- ▶ Operations Notice:
  - ▶ Streamlined process for MTW agencies to select waivers
  
- ▶ Seeking feedback:
  - ▶ General waivers (Appendix A)
  - ▶ Conditional waivers (Appendix B)



# General Waivers

- ▶ General Waivers available to MTW PHAs
- ▶ PHAs will indicate elected activities via MTW Supplement to its Annual Plan
- ▶ Structure of Appendix A:
  - ▶ No HUD approval necessary
  - ▶ Categorized as it applies to waivers of Public Housing or Housing Choice Voucher statutes and regulations
  - ▶ Contains activity parameters



#	Waiver Name	Waiver Description	Regulations Waived	Available Activities	Parameters
<b>ACTIVITIES RELATED TO HOUSING CHOICE VOUCHERS</b>					
1	<b>HCV - Operational Policies and Procedures</b>	The Agency is authorized to define, adopt and implement a reexamination program that differs from the reexamination program currently mandated in the 1937 Act and its implementing regulations. The terms “low-income families” and “very low-income families” shall continue to be defined by reference to Section 3(b)(2) of the 1937 Act (42 U.S.C. §1437a(b)(2)).	Certain provisions of Section 8(o)(5), 8(o)(7) and 8(o)(13)(F) of the 1937 Act and 24 C.F.R. 982.516 and 982.162(b)	<p><b><u>Alternate Reexamination Schedule for Workable Households (HCV):</u></b> The Agency may establish an alternate reexamination schedule for workable households.</p>	Reexaminations must occur at least every three years. Must allow at least one interim adjustment at the request of the household per year. The Department will develop a rider to the HAP contract that reflects MTW authorizations that adjust the current elements of the HAP contract.
				<p><b><u>Alternate Reexamination Schedule for Elderly/Disabled Households (HCV):</u></b> The Agency may establish an alternate reexamination schedule for elderly and/or disabled households.</p>	Reexaminations must occur at least every four years. Must continue to allow interim adjustments at the request of the household. The Department will develop a rider to the HAP contract that reflects MTW authorizations that adjust the current elements of the HAP contract.
				<p><b><u>Alternate Verification Policy (HCV):</u></b> The Agency may verify information provided by the participant in alternate ways.</p>	The Agency must determine the eligibility of a families in accordance with 24 C.F.R. 5.609. Prior to the implementation of the activity a hardship policy and impact analysis must be developed and adopted in accordance with MTW guidance. The Department will develop a rider to the HAP contract that reflects MTW authorizations that adjust the current elements of the HAP contract.



# Conditional Waivers

- ▶ Conditional waivers include activities that require HUD review and approval
- ▶ Operations Notice, Appendix B—
  - ▶ Contains list of Conditional Waivers
- ▶ Organized the same as General Waivers



#	Waiver Name	Waiver Description	Regulations Waived	Available Activities	Parameters
<b>ACTIVITIES RELATED TO PUBLIC HOUSING</b>					
1	PH - Leases	The Agency is authorized to develop and adopt a new form of local lease and establish community rules and reasonable tenant fees based on proven private management models (subject to State and local laws), provided that no-cause evictions are not permitted and the Agency allows for grievance procedures.	Certain provisions of Section 6 (l) of the 1937 Act and 24 C.F.R. 966.4	<b>Establish Community Rules through Local Lease (PH):</b> The Agency may establish community rules through a local lease.	Agency may only implement changes to the lease under this activity that do not require either a regulatory or statutory waiver. Fair Housing and other civil rights requirements continue to apply.
				<b>Establish Reasonable Fees through Local Lease (PH):</b> The Agency may charge fees that are reasonable and cost effective through a local lease.	An appeals process and hardship policy must be put in place. The hardship policy must be developed and adopted in accordance with MTW guidance.
<b>ACTIVITIES RELATED TO HOUSING CHOICE VOUCHERS</b>					
#	Waiver Name	Waiver Description	Regulations Waived	Available Activities	Parameters
3	HCV & PBV– Tenant Term Limits	The Agency is authorized to implement term limits for HCV and PBV units designated as part of the MTW Demonstration.	Certain provisions of Section 8(o)(7) and 8(o)(13)(F)-(G) of the 1937 Act and 24 C.F.R. 982 Subpart L and 983 Subpart E	<b>Term Limits (HCV &amp; PBV):</b> The Agency may limit the duration for which a family receives housing assistance.	The term of assistance may not be shorter than 5 years except in the case of short-term transitional housing programs. Services, or referrals to services, must be provided by the Agency to support preparing families for the termination of assistance. A hardship policy must also be created to address extenuating circumstances. Hardship information and any other information required by HUD for the oversight of this policy must be provided to HUD upon request. Agency must also conduct an impact analysis prior to the implementation of this activity.



## Waivers: Feedback

- ▶ Does the list of General/Conditional Waivers contain the needed flexibility to achieve the three MTW statutory objectives? If not, what is missing?
- ▶ Are there any MTW activities and/or waivers that should not be included as general waivers, available to all MTW agencies without prior HUD approval?
- ▶ Are there any activities and/or waivers that should not be included as General Waivers?



# Waivers: Feedback

- ▶ Are there Conditional Waivers that should be General Waivers?
- ▶ Does the list of Conditional Waivers contain the needed flexibility to implement any alternative income-based rent model? If not what is missing?
- ▶ Additional thoughts or comments on General and/or Conditional Waivers?





# Break

# Evaluation of MTW

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Listening Session

Session #3



## Evaluation

Proper evaluation is essential in order to tell the story of MTW:

- ▶ Cohort-specific evaluation
- ▶ Program-wide evaluation



## Cohort-Specific Evaluation

- ▶ Policy changes and methods of research will be determined under the advisement of the MTW Research Advisory Committee
- ▶ Will be described in the Selection Notice for each cohort



# Program-wide Evaluation

- ▶ Tells the story of MTW according to the three statutory objectives:
  - ▶ Cost Effectiveness
  - ▶ Self-sufficiency
  - ▶ Housing Choice
- ▶ Uses data already reported into HUD systems as much as possible



# Evaluation

- ▶ MTW PHA's role and responsibilities:
  - ▶ Keep records and report into HUD systems
  - ▶ Submit required reports, including data collection required for use of waivers
  - ▶ Participate in cohort-specific evaluation as directed in applicable Selection Notice
  
- ▶ HUD's role and responsibilities:
  - ▶ Develop metrics for ongoing program-wide evaluation
  - ▶ Use data already being collected through HUD systems to the extent possible
  - ▶ Lead cohort-specific evaluations



# Cost Effectiveness

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## Statutory Objective

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Reduce cost and achieve greater cost effectiveness in federal expenditures

## Potential Performance Metrics

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- Administrative cost savings per unit in direct program administration (HCVP and public housing) and indirect costs
  - Changes in rental revenue
  - Changes in number of families served
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# Self Sufficiency

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## Statutory Objective

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Give incentives to families with children where the head of household is working; is seeking work; or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient

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## Potential Performance Metrics

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- Changes in employment rates or hours worked
- Changes in earned income levels since entering the program
- Changes in rent burden
- Changes in number of households receiving supportive services aimed to increase self-sufficiency





# Housing Choice

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Statutory Objective	Potential Performance Metrics
Increase housing choices for eligible low-income families.	<ul style="list-style-type: none"><li>• Changes in the quality and type of housing stock accessible to extremely low-income, very low-income, and low-income households.</li><li>• Changes in the percentage of households moving to or living in areas with lower rates of poverty.</li><li>• Changes in occupancy rates in public housing and utilization rates of housing vouchers.</li><li>• Changes in average applicant time on waiting list.</li></ul>

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# Evaluation: Feedback

- ▶ Is there any information not captured in HUD administrative data systems that would provide informative data points or performance metrics for evaluating the MTW demonstration?
- ▶ What is the best way to capture and report exit data on families exiting the Public Housing, Housing Choice Voucher, and local non-traditional housing programs? What are the appropriate exit reasons to capture?
- ▶ In the list of performance metrics provided, should any be clarified or removed?

# Lunch



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# Funding

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Listening Session

Session #4



# MTW Funding

- ▶ MTW Agencies shall receive no more or less than they otherwise would
- ▶ Flexibility in use of funds
  - ▶ Public housing and voucher funds can be used interchangeably
    - ▶ May be used for any eligible Section 8 or 9 activity
    - ▶ May be used for certain uses outside of Section 8 or 9
  - ▶ Flexibility in use of funds is optional and does not require prior HUD approval



# Public Housing Funding

- ▶ Operating and capital funds will be calculated and disbursed in the same way as non-MTW agencies
- ▶ Disbursed through Line of Credit Control System (LOCCS)
- ▶ MTW Budget Line Item 1492



# Voucher Funding

- ▶ Initial Year in MTW: Calculated in accordance with the appropriations act used for all PHAs
- ▶ Subsequent Years in MTW:
  - ▶ **90%** of MTW PHAs HAP funding is required to be spent on eligible HAP expenses.
  - ▶ **10%** of HAP funding may be expended on eligible HAP expenses, MTW expenses, commitments, or obligations.
  - ▶ Renewal eligibility = HAP expenses + eligible MTW expenses + commitments + obligations.





# Voucher Funding

- ▶ HAP Reserves: The maximum HAP-originated funds held in reserves cannot exceed the equivalent of 1 year of Budget Authority.
- ▶ Administrative Fee: Same methodology used to establish administrative fee rates for all other public housing agencies



# Voucher Funding: Feedback

- ▶ Is a 90 percent HAP budget utilization requirement the appropriate amount?
- ▶ What sanctions or restrictions should HUD consider using should an MTW agency continue to fail to meet the budget utilization requirement?
- ▶ Are there other methods for calculating Housing Choice Voucher Funding that HUD should consider?
- ▶ Are there other factors HUD should consider in the calculation of funding?



# Break

# Regionalization

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Listening Session

Session #5



# Regionalization

- ▶ The 2016 MTW Appropriations Act grants HUD the authority to designate an MTW agency as a regional MTW agency
- ▶ Unified administration of assistance will lead to efficiencies and greater housing choice for low-income persons in the region
- ▶ A regional MTW agency may administer assistance for the participating agencies within its region
- ▶ HUD may extend the term of the agreement to make any necessary changes to accommodate regionalization



# Regionalization: Feedback

- ▶ How should “adjacent” be defined for the purposes of identifying which PHAs should be allowed to be part of an MTW agency’s regional agency designation? Should regional MTW agencies extend across state borders?
  
- ▶ What flexibilities should be extended to an MTW agency’s regional partners?
  - ▶ Should the partner PHAs have a single-fund budget and full flexibility in the use of funds?
  - ▶ Should the partner PHAs have access to all waivers extended to the MTW agency, or specific waivers only?



# Regionalization: Feedback

- ▶ What form of governance structure, if any, should be formed between the regional MTW agency and its partner PHAs?
- ▶ What form should the agreement (i.e., contract, memorandum of understanding, partnership agreement, etc.) take between the regional MTW agency and its PHA partners?

# Questions and Close

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Listening Session





# MTW Operations Notice

## Guiding Principles

- Local Control
- Reduce Burden
- Residents' Protections



# Questions/Comments

[mtw-info@hud.gov](mailto:mtw-info@hud.gov)