

Moving to Work Rent Reform Conference Call

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2pm EDT

Moving to Work Team
Office of Public and Indian Housing

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Welcome!

- Introductions
- Roll Call of MTW Agencies
- Purpose and Format of Conference Call
- Logistics
 - Conference Call Logistics
 - Questions and Discussion
- Documentation of the Discussion

I. Overview of Conference Call

Overview of Conference Call

- I. Why Implement Rent Reform?
- II. What Constitutes Rent Reform?
- III. MTW Statutory Requirements
- IV. Brainstorming Alternate Rent Policies
- V. Clarification of Reporting Requirements
- VI. Evaluating Rent Reform Initiatives
- VII. Wrap-Up and Final Questions

Questions

I. Why Implement Rent Reform?

Why Implement Rent Reform?

Why do public housing authorities want to establish alternate rent policies?

- Benefit to housing authority?
- Benefit to residents?

Why Implement Rent Reform?

What does HUD/Congress hope to learn from alternate rent strategies?

- Could alternate rent strategies encourage self-sufficiency?
- Is it possible to ease the burden to residents and/or phas through implementing alternate rent structure?

Discussion on Why to Implement Rent Reform

II. What Constitutes Rent Reform?

What constitutes rent reform?

- Any change from the Regulations to the way rent is calculated for an assisted household.
 - Public Housing Program
 - 24 C.F.R. 960, Subpart C. Rent and Reexamination
 - Housing Choice Voucher Program
 - 24 C.F.R. 982, Subpart K. Rent and Housing Assistance Payment
- Any activity that an MTW agency enacts that alters the rent calculation would be considered a type of rent reform.

What constitutes rent reform?

- Examples of Rent Reform Policies Include:
 - Alternate recertification schedules
 - Flat or tiered rent structures
 - Modifications to exclusion/deduction requirements
 - Alternate income verification procedures
 - Alternate utility allowance policies

What does **NOT** constitute rent reform?

- Policies that are not considered rent reform include:
 - Changes to occupancy policies (i.e., work requirement, mandatory case management, time limits)
 - Changes to admission preferences (i.e., homeless preference)
- These policies could be included as part of an overall rent reform strategy.

Discussion on What Constitutes Rent Reform

III.MTW Statutory Requirement

MTW Statutory Requirement

- Section 204 of the 1996 Appropriations Act requires that MTW agencies implement at least one rent reform activity:
“which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of this demonstration.”
- This requirement is reiterated in Section III of the Standard MTW Agreement.

MTW Statutory Requirement

- The self-sufficiency requirement only applies to employable households.
- Rent policies for elderly/disabled residents do not need to encourage self-sufficiency.
- Rent policies can be created for different types of residents or for portions of the same type of residents to test different approaches.

MTW Statutory Requirement

- Agencies must define what is meant by self-sufficiency on a local level.
- The exact definition can vary from community to community.
- Defining this term with community stakeholders may serve as a way to bring them to the table to discuss rent reform.

MTW Statutory Requirement

- What are some examples of rent reform policies or activities that satisfy the statutory requirement?
- How do agencies define self-sufficiency?
 - Would this definition change depending on the activity?

MTW Statutory Requirement

- A rent reform activity that meets the statutory requirements must be enacted prior to the end of the demonstration in FY 2018.
- Waiting until the end of the demonstration does not allow adequate time to see the results of the new policy.

MTW Statutory Requirement

Transitioning Existing Activities:

- What if an existing rent reform activity meets the MTW statutory requirement but has not been described in this way in previous MTW Plans?
- Submit justification for how the existing activity also encourages employment and self-sufficiency in the next MTW Plan/Report submission.

Discussion on the MTW Statutory Requirement

IV. Brainstorming Alternate Rent Policies

Brainstorming Alternate Rent Policies

The Draft Rent Reform Activities Matrix summarizes key policies and proposals.

- What types of rent reform policies are agencies currently implementing?
- What types of rent reform activities are agencies considering?

Brainstorming Alternate Rent Policies

Refer to the “Laying the Groundwork for Alternate Rent Policies” handout:

- Objectives
- Constituencies support/oppose rent reform
- Agency financial factors
- Planning procedures
- Lessons learned
- Who will rent reform cover?

Brainstorming Alternate Rent Policies

“Laying the Groundwork” (cont’d):

- Waiting list preference?
- What rent structure?
- Time limits as part of rent reform?
- Self-sufficiency assistance?
- Hardship provisions
- Evaluation of rent reform

Brainstorming Alternate Rent Policies

Lessons Learned:

- MTW is a demonstration – Knowing what is not working enables the PHA to make adjustments.
- There is no penalty for failure.
- What activities have agencies tried that have not been successful and what were the lessons learned?

Discussion on Brainstorming Alternate Rent Policies

V. Clarification of Reporting Requirements

Reporting Requirements

- Requirements for reporting on rent reform activities can be found in Attachment B of the MTW Agreement (Form 50900)
 - Section V. Proposed MTW Activities
 - Section VI. Ongoing MTW Activities

Reporting Requirements - Proposed

- Attachment B, Section V.
 - A – Activity description
 - B – Relation to statutory objective
 - C – Anticipated impact
 - D – Baselines, benchmarks, metrics, schedule
 - E – Data collection process
 - F – Authorization citation

Reporting Requirements - Proposed

- Attachment B, Section V.G.
 - Agency's board approval or policy
 - Impact analysis
 - Annual reevaluation
 - Hardship case criteria
 - Transition period
 - Documentation of public hearing

Reporting Requirements - Proposed

Review of Guidance on Impact Analysis and Hardship Policies

- Purpose
- Introduction
- Impact Analysis
- Hardship Policy
- Appendix – formatting examples

Discussion of Reporting Requirements for Proposed Activities

Reporting Requirements - Ongoing

- While Attachment B does not require agencies to begin reporting on existing rent reform activities until the agency's first Report submission under the new format, HUD prefers to have this information in the initial Plan submission.

Reporting Requirements - Ongoing

- Attachment B, Section VI.B. requires agencies to complete all elements in Section V.A-G for ongoing MTW activities.
- The table on the next slide provides guidance on completing the Section V.G. requirements for ongoing rent reform activities.

Reporting Requirements - Ongoing

Required Element in Section V.G.	Approach for Providing this Information for Ongoing Rent Reform Activities
Board approval	<ul style="list-style-type: none">• signed board resolution authorizing the agency to initiate the rent policy from the year the activity was implemented;• signed board resolution dated at the time of the current Plan/Report submission
Impact analysis	<ul style="list-style-type: none">• discussion in current Plan/Report of the positive and negative impacts that occurred after the implementation of the rent reform activity;• discussion as to whether this was different than what the agency expected when they were developing the activity
Annual reevaluation	<ul style="list-style-type: none">• criteria for the annual review of the rent reform initiative going forward from the date of the Plan/Report;• discussion of any annual review criteria utilized previously

Reporting Requirements - Ongoing

Required Element in Section V.G.	Approach for Providing this Information for Ongoing Rent Reform Activities
Hardship criteria	<ul style="list-style-type: none">• discussion of the criteria necessary for a resident to request hardship case review;• note if this has changed over time
Transition period	<ul style="list-style-type: none">• this is not applicable as the activity is already occurring
Documentation of public hearing	<ul style="list-style-type: none">• provide documentation of the public hearing from the year in which the rent reform activity was initiated OR provide documentation of the public hearing held when the agency made changes to the Administrative Plan or Admissions and Continued Occupancy Policy as a result of this activity.• documentation of the review of the current Plan/Report will also be reviewed

Discussion of Reporting Requirements for Ongoing Activities

VI. Evaluating Rent Reform Initiatives

Evaluating Rent Reform Initiatives

- Metrics must be defined for both proposed and ongoing rent reform activities.
 - Baseline value(s)
 - Benchmark value(s)
 - Data Collection Process
- Metrics should relate back to the activity's objective, informing whether or not the objective has been met.

Evaluating Rent Reform Initiatives

- Pilot rent reform programs
 - Is this approach helpful?
 - How do agencies evaluate pilot's success?
 - Are agencies interested in further discussion?
- Control groups
 - This is the best method to evaluate.
 - How do agencies evaluate success?
 - Are agencies interested in further discussion?

Discussion on Evaluating Rent Reform Initiatives

V. Wrap-Up and Final Questions

Main Points of Discussion

- HUD defines rent reform as any change from the Regulations to the way rent is calculated for an assisted household.
- Congress requires that MTW agencies implement at least one rent reform activity “which shall be designed to encourage employment and self-sufficiency by participating families.”

Main Points of Discussion

- Agencies are testing flat and tiered rent structures; adjustments to minimum rent, TTP, and deductions; and ways in which rent can be simplified.
- There is still room for innovation.
- Challenges exist, and many agencies have lessons learned to share.

Main Points of Discussion

- Sections V. and VI. of Attachment B define reporting requirements relevant to rent reform activities.
- Metrics should be defined for rent reform activities that assess if the activity is meeting the stated objective.

Additional Resources

- Training Materials and Handouts
 - PowerPoint Presentation
 - What is Rent Reform Handout
 - Draft Rent Reform Activities Matrix
 - Laying the Groundwork for Rent Reform
 - Guidance on Developing Hardship Policies and Impact Analysis
 - A summary of this session will be provided
- MTW Conference Report

Additional Resources

- Talk with other agencies who have initiated rent reform activities
- HUD staff are available to assist in the development of rent reform policies and data collection and monitoring strategies
 - MTW Coordinator will serve as the point person
 - HUD staff can not appear before an agency's board to support an activity

Contact Information

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<http://www.hud.gov/offices/pih/programs/ph/mtw/>