



## **Frequently Asked Questions about PIH Notice 2019-04 (HA): Request for Letters of Interest and Applications under the Moving to Work Demonstration Program for Fiscal Year 2019: COHORT #2 – Rent Reform**

**UPDATED for Questions Received as of June 6, 2019**

### **Background**

This document contains a listing of questions regarding Public and Indian Housing (PIH) Notice 2019-04 (HA), issued on March 14, 2019. The contents of this document will be updated periodically, as questions arise that can be addressed by HUD. Additional questions and answers will be added sequentially to the end of the document as they become available. The footer will be updated to denote the updated version number and revision date. If you are applying under this Notice, please check back for updates prior to the submission deadline of June 12, 2019

For more information on the requirements for applying to the Moving to Work (MTW) Demonstration please review the full Notice at: [www.hud.gov/mtw](http://www.hud.gov/mtw).

### **1. What are the requirements for public housing agencies (PHAs) applying for the MTW demonstration under this Notice? Must applicant PHAs meet all of the requirements? Is there a way to obtain an exception to one or more of the requirements?**

Section 239 of the Fiscal Year 2016 Appropriations Act, P.L. 114-113 (2016 MTW Expansion Statute) requires that applicant PHAs be designated as a High Performing agency under either the Public Housing Assessment System (PHAS) OR the Section Eight Management Assessment System (SEMAP). For this second cohort, applicant PHAs must also administer 1,001 or more aggregate public housing and housing choice voucher (HCV) units. Additional eligibility criteria established by HUD can be found in the Notice on pages 9-12. PHAs applying for the MTW demonstration under this Notice must meet all of the eligibility requirements. Exceptions to one or more of the requirements will not be available.

### **2. To be eligible, does an applicant PHA need to administer BOTH public housing and HCV units?**

No. To be eligible, the applicant PHA must have 1,001 or more aggregate public housing and HCV units, but these may be in either or both of the public housing and/or voucher programs.

### **3. Is an applicant PHA that previously had less than 1,001 units, but now administers more than 1,001 units, eligible? Are there two size related requirements? How will the number of units be calculated?**

As stated on page 9 of the Notice, HUD will determine applicant eligibility as of the letter of interest submission deadline date provided in Section 4(C) of the Notice (found on page 12 of the Notice). Applicants must then meet all of the eligibility requirements as of June 12, 2019. Therefore, any inventory calculation made prior to that date would not be factored into an eligibility determination.

There are two size related requirements under this Notice. First, the PHA must administer 1,001 or more aggregate public housing and/or HCV units. For this requirement, applicant PHAs should calculate the current combined number of HCVs under contract pursuant to an Annual Contributions Contract (ACC)

(including special purpose vouchers) and public housing units under an ACC in the federal public housing program and estimate any future changes to this number that would occur before June 12, 2019.

Second, the PHA must administer 1,000 or more existing non-elderly, non-disabled households across both the public housing and HCV programs. For this requirement, applicant PHAs should calculate the current combined number of HCVs and public housing households that are non-elderly and non-disabled (excluding special purpose vouchers) and estimate any future changes to this number that would occur before June 12, 2019.

#### **4. Will HUD offer future rounds requesting applications for entry to the MTW demonstration under different eligibility requirements? What will prompt future rounds?**

Per the 2016 Expansion Statute, HUD must add 100 additional PHAs to the MTW demonstration over seven years. These 100 additional PHAs will be selected by cohort to evaluate specific policies. Therefore, HUD will publish future selection notices seeking applications for those cohorts. For more information on the MTW Expansion as a whole, please refer to the MTW Expansion FAQ page at: [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/ph/mtw/expansion/faqs](https://www.hud.gov/program_offices/public_indian_housing/programs/ph/mtw/expansion/faqs).

#### **5. Are PHAs required to utilize public housing and HCV funds (Section 8 and 9 funds) flexibly under the MTW demonstration program?**

MTW PHAs must request the authority to use public housing and HCV funds flexibly, but there is not a requirement that MTW PHAs use funds flexibly.

#### **6. Does HUD prefer applicants to submit a hard copy or digital copy of the letter of interest package?**

Applicants should follow the submission information on page 9 of the Notice.

#### **7. What are the size limitations of HUD's email system for receiving attachments?**

HUD's email system cannot receive attachments larger than 12 megabytes in total size and a PHA's email provider may have lower size limits. Also, when email volume is high, emails over 5 megabytes in size may be temporarily housed on HUD's server and not transmitted to an email address until after normal business hours. PHAs should send emails early to ensure that the application is in fact received on time. HUD will not accept late applications, as stated in the Notice.

#### **8. How can a PHA confirm that the email transmittal of the application has been received by HUD?**

PHAs using Microsoft Outlook as their email client can request a "read receipt" prior to sending the email. Additionally, the addressee that transmitted the letter of interest package will receive an email confirming receipt within 72 hours of submission.

#### **9. Can a PHA use Section 8 and/or Section 9 funding to assist with costs in putting together materials under this Notice?**

HUD has greatly streamlined the application process for MTW designation. This Notice requires only a short letter of interest (with attachments). Therefore, it is anticipated that significant resources will not be needed to apply under this Notice. If resources are required, expenses would be allowable from public housing operating funds, HCV administrative fees and/or HCV administrative fee reserves. Any expenses would be subject to reasonable cost requirements contained in 2 CFR Part 200.

#### **10. Why can't small PHAs (with fewer than 1,001 units and 1,000 eligible households) apply for cohort 2?**

HUD encourages small PHAs to apply for cohort 1. PHAs selected under cohort 1 will have the full suite of MTW flexibilities and may implement rent reforms. Cohort 2 is intended for PHAs with at least 1,001 units and at least 1,000 eligible households. The research design for cohort 2 will use household-level random assignment, which requires an adequate sample size (number of households) in each site. PHAs with fewer than 1,001 units and 1,000 eligible households would limit HUD's ability to conduct rigorous research on the effect of rent reform. Furthermore, PHAs implementing rent reform under cohort 2 must administer two different rent policies simultaneously (the Brooke rent and the alternative rent).

#### **11. If a PHA is over both of the size related eligibility requirements, may that PHA assign only a portion of their units to the cohort 2 evaluation? For example, if there were 5,000 HCVs and 1,000 public housing units, could the PHA opt to use just the 5,000 HCVs for the cohort 2 evaluation and exclude public housing?**

For the two size related eligibility requirements, HUD will count *all* units and households that meet the criteria in the Notice (and discussed in several FAQs). If a PHA prefers to exclude some units and households from the cohort 2 evaluation, and would still meet the eligibility criteria (by number of units and eligible households) after such exclusion, the PHA should explain in the letter of interest which units/households would be excluded, and why. Whether these households will be included in the cohort 2 evaluation will be decided after HUD reviews letters of interest.

#### **12. May a PHA with an excess of 27,000 units apply?**

No. Per the 2016 MTW Expansion Statute, no PHA shall be granted designation under the MTW Expansion if it administers in excess of 27,000 aggregate public housing and HCV units.

#### **13. How are special purpose vouchers included in determining eligibility under this notice?**

There are two size related eligibility requirements for cohort 2. Special purpose vouchers are included in each differently. In order to be eligible for cohort 2, the PHA must meet BOTH of the size requirements.

The first requirement is that the PHA administer 1,001 or more AGGREGATE public housing and/or HCV units. For this requirement, special purpose vouchers ARE included. So, for example, if the PHA had 500 public housing units and 400 regular HCV, 200 VASH, 100 FUP, 100 NED, and 100 Mainstream units – the total number of units for this requirement would be 1,400 units. The PHA would therefore be eligible under this requirement.

The second requirement is that the PHA administer 1,000 or more non-elderly, non-disabled households across both the public housing and HCV programs. For this requirement special purpose vouchers ARE NOT included. So, for example, for the PHA above, say the total number of non-elderly, non-disabled public housing households is 400 (out of 500 units) and the total number of non-elderly, non-disabled HCV households is 300 (out of 400 voucher units) – the total number of units for this requirement would be 700 units. The 200 VASH, 100 FUP, 100 NED, and 100 Mainstream units would not be included. The PHA would not therefore be eligible under this requirement.

As the example PHA does not meet one of the size related eligibility requirements, it is NOT eligible for cohort 2. Different cohorts will have different size requirements, so HUD encourages PHAs not eligible for cohort 2 to assess their eligibility under other cohorts when those requirements become available.

See FAQ #3 for information on the timing and source of how these figures will be determined.  
See FAQ #4 for information on future selection rounds of the MTW Expansion.

**14. How are current and/or future public housing units converted under the Rental Assistance Demonstration (RAD) included in determining eligibility under this notice?**

Eligibility will be assessed as of the date given in the Notice. Therefore, whatever the current status of the unit is as of that date will count towards eligibility. Public housing units converted to project-based vouchers (PBVs) under RAD may be counted toward the total unit eligibility requirement of 1,001 or more aggregate public housing and/or HCV units. Non-elderly, non-disabled households in these units may also be counted toward the requirement that the PHA administer 1,000 or more non-elderly, non-disabled households across both the public housing and HCV programs. PHAs that are selected for cohort 2 may convert public housing units to PBVs under RAD while participating in the cohort 2 evaluation.

Public housing units that have been converted to Project-Based Rental Assistance (PBRA) under RAD may not be counted toward either size related eligibility requirement. PHAs that are selected for cohort 2 may not pursue a RAD conversion to PBRA that affects households subject to the evaluation for a period of six years after the alternate rent is fully implemented.

**15. How are units affected by Jobs Plus included in determining eligibility under this notice?**

Public housing units affected by Jobs Plus would count toward both size related eligibility requirements under this Notice. Whether these units will be included in the cohort 2 evaluation will be decided after HUD reviews letters of interest.

**16. May a PHA request a waiver to the size requirements in the eligibility requirements if they believe they would be a good fit for the cohort? Can a PHA request a waiver for other eligibility requirements?**

HUD will not grant waivers to eligibility requirements under this Notice for cohort 2. PHAs are encouraged to apply for future cohorts of the MTW Expansion for which they meet all eligibility requirements.

**17. May a PHA exercise rent reform waivers/activities on elderly and disabled populations, as those households are excluded from the cohort 2 evaluation?**

Elderly and disabled populations will not be included in the cohort 2 evaluation. Therefore, for those elderly and disabled households, PHAs may use any waivers/activities available in the final MTW Operations notice according to the rules and procedures explained in the final MTW Operations notice, including any safe harbors related to elderly and disabled populations.

**18. How can I be added to the list to receive updates about cohort 2?**

The MTW website now has an option to sign up for updates on the MTW Expansion. Please go to: [www.hud.gov/mtw](http://www.hud.gov/mtw).

**19. Will HUD consider waivers to the Small Area Fair Market Rents (FMRs) for PHAs participating in cohort 2?**

The Final Rule for Small Area FMRs acknowledges that MTW PHAs have the authority to set alternative payment standards. If an MTW PHA has a HUD-approved policy for alternative payment standards, then the PHA may be exempt from the Small Area FMR rule. This topic is also addressed by the Small Area FMR FAQ posted at: <https://www.hudexchange.info/resources/documents/SAFMR-FAQs.pdf>

## **20. Could a PHA establish a higher minimum rent than provided?**

In MTW Test Rents #1, #2 and #3 the minimum rent is set through the initial tier/step placement. Therefore, PHAs willing to test those policies must conform to the initial tier/step placement provided. In MTW Test Rent #4, the PHA may propose the initial tier/step placement, and therefore the minimum rent, provided it conforms to the boundaries provided. Please see pages 22-23 of the Notice for a list of those boundaries.

## **21. How will FSS escrow analysis be impacted by participation in cohort 2? May a PHA exempt FSS participants from the cohort 2 evaluation?**

FSS households would count toward both size related eligibility requirements under this Notice. Whether these units will be included in the cohort 2 evaluation and whether FSS escrow analysis will be impacted will be decided after HUD reviews letters of interest.

## **22. What will the selection criteria in the full selection notice be for cohort 2?**

The selection criteria in the full selection notice for cohort 2 has not yet been published. All PHAs that submit a letter of interest that meets the eligibility criteria under this Notice will be notified via email (to the email address that submitted the letter of interest) when the full selection notice is available. The full selection notice will be available on the MTW website at [www.hud.gov/mtw](http://www.hud.gov/mtw). In creating the selection criteria in the full selection notice, HUD will continue to seek to minimize the burden on PHAs in compiling applications and make the application process as simple as possible.

## **23. If a PHA is substandard under PHAS, would that PHA be eligible for cohort 2?**

A PHA that is substandard under PHAS may be eligible for cohort 2 if they are a high performer under SEMAP (and meet all other eligibility requirements). If a PHA has only public housing units and is substandard under PHAS, that PHA would not be eligible for cohort 2. If a PHA is troubled under PHAS, that PHA would not be eligible for cohort 2 regardless of a high performer designation under SEMAP.

## **24. Is it possible that a PHA would be ineligible due to size for both cohort 1 and cohort 2?**

Yes. A small number of PHAs may fall into this category. HUD encourages these PHAs to explore MTW designation through future cohorts of the MTW Expansion. See FAQ #4 for information on future selection rounds of the MTW Expansion.

## **25. How are PBVs included in determining eligibility under this notice?**

PBVs would count toward both size related eligibility requirements under this Notice. These units will be included in the cohort 2 evaluation.

## **26. How are homeownership vouchers included in determining eligibility under this notice?**

Homeownership vouchers would count toward both size related eligibility requirements under this Notice. Whether these units will be included in the cohort 2 evaluation will be decided after HUD reviews letters of interest.

## **27. Is the 40% affordability rule still applicable to tiered/stepped rents?**

PHAs may exercise MTW flexibility through the activities/waivers in the final MTW Operations notice to the extent they do not conflict with the cohort 2 evaluation. PHAs selected under this second cohort must forgo the ability to utilize certain MTW activities/waivers associated with rent reform outside the scope of the evaluation on their non-elderly, non-disabled

households for a period of six years after the alternative rent is fully implemented. A list of the MTW waivers/activities that will not be available to PHAs selected under this second cohort can be found on page 6 of the Notice. The activity/waiver referencing the requirement that a family not pay more than 40% of its adjusted monthly income for rent where the gross rent exceeds the payment standard is not included in the list of exclusions. Therefore, PHAs participating in cohort 2 may utilize any activities/waivers related to this requirement that are available in the final MTW Operations notice.

**28. The Notice states that HCV households cannot pay more than the actual gross rent for their unit. Later, the Notice states that if the tenant moves and the gross rent is higher than payment standard the tenant would pay the difference. How are these two statements consistent?**

Regardless of the rent policy (Brooke rents, tiered rents, or stepped rents) it is not allowed for an HCV household to pay more than the actual gross rent for their unit. Also, regardless of the rent policy (Brooke rents, tiered rents, or stepped rents), an HCV household is always responsible for any portion of their unit's gross rent that exceeds the payment standard. When the Notice says "the tenant would pay the difference" it refers to the amount by which the unit's gross rent exceeds the payment standard. It does not refer to the difference between two units (i.e. in the event of a tenant relocating).

For example, consider an HCV household that lives in a unit with a \$900 gross rent and a payment standard of \$1,100. If the rent calculation formula (regardless of the rent policy) indicates that this household should pay \$950, that is not possible. Rather, the household would pay \$900 (the full gross rent) and the PHA would pay \$0 HAP. If, however, this same household moves to a unit with gross rent of \$1,100 and a payment standard of \$1,100, then the household would pay \$950 and the PHA would pay \$150 HAP. If the household moves to a unit with gross rent of \$1,200 and a payment standard of \$1,100, then the household would pay \$1,050 (the \$950 TTP plus the \$100 increment above the payment standard) and the PHA would pay \$150 HAP.

**29. On the cross-cutting provisions applicable to all MTW Test Rents it states income reexaminations will be every three years, but on Test Rent #2 and #3 it states their rents will increase each year because they move to the next step. If rents are based on stepped rents do households recertify every three years? What are they recertifying for – household composition?**

Under Test Rent #2 and #3, the PHA would set rents each year based on the stepped rent schedule. However, the PHA must still meet with each household every three years to verify eligibility and to monitor any changes in household composition or income. This also presents an opportunity for the PHA to monitor whether a household may be eligible for a hardship waiver. In the triennial reexamination, the PHA would fill out the MTW Family Report (Form HUD-50058 MTW), but certain fields may be not applicable (HUD will issue further guidance on this after PHA selection).

**30. What does random assignment within a PHA mean?**

The evaluation strategy for cohort 2 involves random assignment of eligible households to one of two groups: the treatment group, which will pay the alternative rent, or the control group, which will continue to pay rent under the existing rules. To operationalize this, HUD's evaluation contractor would work with HUD and each PHA to identify eligible households. The evaluation contractor would then conduct random assignment and place each eligible household into the treatment or control group. The PHA would implement the rent policies according to the random assignment results. The PHA will have two sets of rent rules and will apply the rules to each household based on the results of random assignment. If feasible, this process will be automated using the PHA's software. HUD and the evaluation contractor will work with PHAs and their software vendors to make the required modifications

**31. How are HOPE VI and/or Choice Neighborhoods units included in determining eligibility under this notice?**

HOPE VI and/or Choice Neighborhoods units in either the public housing or HCV program would count toward both size related eligibility requirements under this Notice. Whether these units will be included in the cohort 2 evaluation will be decided after HUD reviews letters of interest.

**32. Can a PHA use another alternate rent (such as the Jobs Plus disregard) as the MTW Test Rent?**

A PHA must use one of the four test rents described in the Notice. The PHA may propose an alternate rent under MTW Test Rent #4, but this must conform to the boundaries provided. The Jobs Plus disregard would not conform to the boundaries, so it would not be possible to use it as an MTW Test Rent. If a PHA proposes a rent policy that does not conform to the boundaries under MTW Test Rent #4, the letter of interest would be accepted but the PHA might be required to change the policy to conform to the boundaries under MTW Test Rent #4 before submitting a full application. The final rent policies, including the boundaries for MTW Test Rent #4, will be established in the selection notice.

**33. Would a PHA be more or less likely to be selected to cohort 2 based on the number of MTW Test Rents it was willing to test? Would a PHA be less likely to be selected to cohort 2 if it proposed a rent under MTW Test Rent #4? Could a PHA propose a rent under MTW Test Rent #4 that was not a tiered or stepped rent?**

MTW Test Rent #4 (the PHA-proposed option) must be a tiered or stepped rent. If a PHA proposes a rent policy that does not conform to the boundaries under MTW Test Rent #4, the letter of interest would be accepted but the PHA might be required to change the policy to conform to the boundaries under MTW Test Rent #4 before submitting a full application. If a PHA meets the eligibility criteria specified in PIH Notice 2019-04, the PHA will advance to the next stage of the selection process, regardless of which eligible rent policy is proposed. The full selection notice will specify additional selection criteria; if a PHA's choice of rent policy will affect the chance of selection, that would be conveyed in the full selection notice.

**34. Can a PHA opt out of the MTW program at any point during the 12-year term?**

A PHA selected to participate in the MTW program under the MTW Expansion must fulfill the evaluation requirements for the cohort for which they are selected. After that time, the PHA is free to relinquish the MTW designation. For cohort 2, the PHA must participate in the evaluation for a period of six years after the alternate rent is fully implemented.

**35. If a PHA has a minimum rent of \$50, how will that minimum rent interact with the first steps of MTW Test Rent #2 (5% Step) and MTW Test Rent #3 (3% Step)?**

For MTW Test Rents #2 and #3, the \$50 minimum rent would no longer be applicable. Instead, the PHA would create a stepped rent table based on their FMRs and the applicable bedroom size. The "minimum rent" would be considered the first step of the stepped rent table for the applicable unit size, which could be either higher or lower than \$50. To see how this may affect a specific PHA, the PHA could insert its FMR values into the sample tables provided on page 18 (for MTW Test Rent #2) or pages 20-21 (for MTW Test Rent #3) of the Notice. Note that the PHA would not change its minimum rent for households in the control group (continuing to pay Brooke rents) or for any households not eligible for the rent reform study (elderly and disabled households, and special purpose voucher households).

**36. Must a PHA participating in the cohort 2 evaluation implement a control group of households that pay the existing rent? Could a PHA put all non-elderly, non-disabled households into the treatment group?**

A PHA participating in cohort 2 must implement a control group and a treatment group of non-elderly, non-disabled households as a part of the evaluation. HUD has consulted with the MTW Research Advisory Committee on this study design. For more information on the rationale, please review the MTW Research Advisory Committee meeting materials at:

[https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/ph/mtw/expansion/rac](https://www.hud.gov/program_offices/public_indian_housing/programs/ph/mtw/expansion/rac).

**37. Notice 2019-04 states that the evaluation will include existing, currently assisted households and new households admitted during the alternative rent enrollment period. What is the enrollment period and how is it determined?**

The enrollment period will be determined after PHAs are selected; this determination will be made through discussions between HUD, HUD's evaluation contractor, and the designated PHAs.

**38. How will HUD determine if a PHA administering a public housing program has complied with obligation and expenditure deadlines of the Capital Fund Program (CFP) for the past three years?**

All eligibility criteria are assessed as of the submission deadline date of June 12, 2019. Therefore, HUD would assess whether there had been any violations of the CFP obligation and expenditure deadlines between June 12, 2016 and June 12, 2019 on any outstanding Capital Grants.

**39. How will HUD determine if a PHA is making payments according to an outstanding repayment agreement?**

All eligibility criteria are assessed as of the submission deadline date of June 12, 2019. Therefore, if a repayment agreement with HUD is in place as of June 12, 2019, the PHA must current with all payments through June 12, 2019.

**40. How are elderly and disabled households counted towards the eligibility requirement?**

In order to be eligible for cohort 2, the PHA must administer 1,000 or more non-elderly, non-disabled households across both the public housing and HCV programs. For example, say a PHA administers 500 public housing units and 700 HCV total households. Of those households, there are 100 elderly and/or disabled public housing households and 300 elderly and/or disabled HCV households. This would result in 400 non-elderly, non-disabled public housing households and 400 non-elderly, non-disabled HCV households – totaling 800 total non-elderly, non-disabled households. This example PHA would not be eligible under this requirement because It administers less than 1,000 non-elderly, non-disabled households.

**41. We received an email about cohort 2, does that mean our PHA is eligible?**

HUD targets emails to potentially eligible PHAs. Receiving an email does not necessarily mean the PHA is eligible. To assess your PHA's eligibility, please use the resources on the MTW website.

**42. Will HUD consider additional non-elderly, non-disabled household members towards the eligibility requirements?**

No. Only households will be considered towards these requirements, not individual household members.



**43. Is HUD currently evaluating rent reform at MTW PHAs? Who are the current MTW PHAs and when does HUD expect that research to be available?**

HUD does have a Rent Reform Demonstration currently underway with four existing MTW PHAs (Lexington, KY; Louisville, KY; San Antonio, TX; and Washington, DC). HUD has published one report from that demonstration (<https://www.huduser.gov/portal/publications/Reducing-Work-Disincentives-Housing-Choice.html>). A second report from that demonstration is expected to be published in 2019. That demonstration is testing one alternative rent policy; cohort 2 is intended to test other alternative rent policies.

**44. How many PHAs does HUD expect to designate under cohort 2?**

HUD expects to select 10 PHAs under cohort 2. This number, however, is approximate and may change according to resource availability.

**45. What constitutes an “unaddressed finding” from an Inspector General or other audit?**

For purposes of this competition, an “unaddressed finding” is a finding that the PHA has not taken sufficient steps to address per determination by HUD.

**46. When will the final Operations Notice be published? When will the second step of the application to cohort 2 be available and how long will PHAs have to apply?**

Please continue to check the MTW website for updates on these questions. Information will be published there as soon as it is available. The second step of the application to cohort 2 will not be available until after the final Operations Notice is published.

**47. Our PHA has PBV properties that fall in zip code areas that will have SAFMR exception payment standards. How will these be affected under MTW Test Rent #1 or MTW Test Rent #2? In the summary of cross cutting provisions applicable to all MTW Test Rents (Page 14 of the PIH notice) it states the HCV household cannot pay more than the actual Gross rent for the unit and if the rent is above payment standard, the household is responsible for any amount over the payment standard. Since PBVs are tied to the units, how does this part of the regulation work with PBV and Exception payment standards.**

Under existing rent rules in the HCV program (tenant-based vouchers and project-based vouchers) the PHA calculates total tenant payment based on 30% of adjusted income. Under the MTW Test Rent policies, the PHA would use a different method to determine total tenant payment. HUD generally expects other aspects of the rent calculation process (including payment standards and gross rents) to operate the same as they do under existing rent rules (see question 28 for further discussion of gross rent). There may, however, be some interactions that HUD cannot address at this time.

**48. When calculating the number of non-elderly, non-disabled households, will port-outs count? Will special purpose vouchers (such as Tenant Protection, Enhanced, VASH, disaster related, etc.) count?**

Port-out vouchers would not count towards this eligibility requirement. Special purpose vouchers would also not count towards this eligibility requirement.

**49. Will public housing units that the PHA projects to build at a future date be included towards eligibility requirements?**

No. Please see Question #3.

**50. The notice states that applicants must be PHAs. Is a Housing and Redevelopment Authority eligible to apply?**

Section 3(b)(6) of the 1937 Act defines PHA as “any stated county, municipality or other governmental entity or public body (or agency or instrumentality thereof) that is authorized to engage in or assist in the development or operation of housing for low-income families.” If the entity applying meets this and the other eligibility requirements it is eligible.

**51. I have a very specific question about how a rent policy will interact with my specific portfolio.**

HUD acknowledges that it is not possible to address every potential scenario that might arise between the test rent policies and each specific PHA. On these specialized, local issues, HUD intends to work with the designated PHAs and the evaluation contractor to come to a reasonable solution.

**52. Can a PHA in cohort 2 implement landlord incentives under MTW?**

PHAs selected for cohort 2 may implement any MTW waivers/activities available under the final MTW Operations Notice to the extent they do not conflict with the excepted waivers/activities in PIH Notice 2019-04. These can be found on page 6.

**53. If a PHA expresses interest in implementing one or more of the Test Rents in the letter of interest, will the PHA have the opportunity to change that during the application process if necessary?**

After receiving letters of interest, HUD will consider changes to the proposed HUD Test Rents. The final rent policies will be presented in the selection notice. Because the policies themselves might change between now and the publication of the selection notice, a PHA will not be bound by the preferences expressed in the letter of interest. PHAs will have the opportunity to reconsider the rent policies based on the final form that the policies take in the selection notice.

**54. For the requirement that a PHA administer 1,000 or more existing non-elderly, non-disabled households across both the public housing and HCV programs (not including special purpose vouchers) will the HUD definition of “household” be used?**

The number will be calculated by each household, not by individual members of the household.

**55. Is there more information on the work requirements cohort?**

Work requirements will be evaluated in cohort 3 of the MTW Expansion. For the latest information on this cohort, please continue to check the MTW website at [www.hud.gov/mtw](http://www.hud.gov/mtw). To review what has been recommended by the MTW Research Advisory Committee on this cohort so far, go to: [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/ph/mtw/expansion/rac](https://www.hud.gov/program_offices/public_indian_housing/programs/ph/mtw/expansion/rac).

**56. Can two or more PHAs collaborate to apply to this cohort?**

Multiple PHAs may collaborate in order to propose a rent policy under Test Rent #4. Each individual PHA must, however, submit its own letter of interest package and, later, application. Each individual PHA must also meet all of the eligibility criteria in Notice 2019-04 on its own.

**57. The maximum page limit for the letter of interest is seven pages, but could a letter of interest be shorter?**

The maximum page limit was set to give applicant PHAs the ability to communicate information to HUD that will help the Department compose the full selection notice for this cohort. While PHAs will not be penalized based on the length of the letter of interest, HUD encourages PHAs to carefully think through

the Test Rent policies and provide any information they believe is important for the Department to know moving forward.

**58. If there is an error in the application, will HUD notify the applicant and allow a resubmission of the letter of interest?**

HUD will uniformly notify each applicant of each curable deficiency by email, give instructions for how to address the curable deficiency, and the PHA must respond to the curable deficiency within 21 days from notification from HUD. Please see page 12 of PIH Notice 2019-04 for more information.

**59. What if I have a question not addressed in this document?**

Please direct any questions in email to: [MTWcohort2@hud.gov](mailto:MTWcohort2@hud.gov).