

# MTW Research Advisory Committee Meeting (Web-based Conference Call)

## Thursday, October 14, 2021. Meeting Summary

### I. Welcome and Introductions

Deputy Secretary Adrienne Todman opened the meeting by providing a welcome to all on behalf of herself and the HUD Secretary. She thanked the Committee members for their participation and acknowledging that this is a critical moment – stressing the importance of their feedback in discussing the research possibilities and the need to be thoughtful as well as nuanced. She also encouraged all to remember the Administration’s Build Back Better agenda, including equity, climate change, affordability for all. The Deputy Secretary closed her comments with a thank you to the members of the Committee for the work that they are doing.

John Concannon, Deputy Director of the MTW Demonstration, welcomed everyone to the meeting noting that this was the 8<sup>th</sup> meeting of the Moving to Work (MTW) Research Advisory Committee, to provide recommendations for the HUD Secretary on the next policies to study in future cohorts of the MTW Demonstration Expansion. John completed the roll call.

#### **Committee Members Present:**

##### PHA Representatives and Residents

Maria Razo, Housing Authority of the County of San Bernardino, CA  
Janny Castillo, Oakland Housing Authority, CA  
Ed Hinojosa, San Antonio Housing Authority, TX  
Chris Lamberty, Lincoln Housing Authority, NE  
Cynthia Lopez, Housing Authority of Tulare County, CA  
Josh Meehan, Keene Housing, NH

##### Researchers

Kathy O’Regan, New York University  
Stefanie DeLuca, John Hopkins University  
Jill Khadduri, Abt. Associates, Inc.  
Heather Schwartz, RAND Corporation

##### HUD Staff

Marianne Nazzaro, Moving to Work Office, Public and Indian Housing (PIH)  
Todd Richardson, Policy Development and Research (PD&R)

#### **Committee Members Not Present:**

Asia Coney, Philadelphia Housing Authority (PA)  
Austin Simms, Lexington Housing Authority (KY)

## II and III. Agenda Review, Background and Status Updates, Initial Committee Questions

### Agenda Review

Marianne Nazzaro, Director of the MTW Demonstration Program, provided a welcome and then reviewed the agenda for the meeting.

Re-reminding the Committee of the Guiding Principles:

- The Administration's Priorities of Equality, Climate Change and Equity
- The focus on policies keeping in mind the objectives for the MTW Program Expansion, including 1) Geographic Diversity, 2) Balancing Costs incurred by both the PHA and the families, and awareness of the potential burdens places on families, and 3) The goals of Housing Choice, Self-Sufficiency and Cost Effectiveness, and
- Keeping in mind the flexibilities and grounding in research.

### Background and Status Updates

Marianne Nazzaro reviewed the status of the MTW Expansion and the steps taken to date. Marianne also informed the Committee that, in the Administration's FY22 budget request, HUD requested that Congress extend the timeline for designating the 100 new MTW agencies from September 2022 to September 2025.

### Initial Committee Questions

- Heather Schwartz asked whether there is a maximum number of cohorts, or whether or not there is a limit?  
Marianne responded stating that no there is not a maximum number of cohorts, but there is a limit is on the # of new agencies added to the MTW Program.
- Chris Lamberty asked about the level of demand from the PHAs, as determined by the number of applications received so far.  
Marianne responded by stating that so far approximately 100 applications were received for the initial two cohorts.
- Josh Meehan asked about the status of the research so far and whether there were any updates on the projects?  
Marianne stated that it is still early in terms of the new cohorts, but that the Expansion has been hitting the mark on Geographic Diversity and the Size of the agencies. The portfolio-wide RAD conversion requirement has been met.

## IV. Goal for this Meeting: Discuss Potential Topics for the Remaining Cohorts

Todd Richardson opened and defined the goals of this meeting, discussing the fact that HUD placed several topics on the agenda so the Committee would have something specific to talk about, but clarified that the Committee does not have to talk about these topics or these topics exclusively. Instead, that HUD wants to hear the Committee's ideas and is looking for big ideas.

Todd reminded everyone that this is the 50<sup>th</sup> Anniversary of [Experimental Housing Allowance Program](#) (EHAP) and that one of the things that was interesting about EHAP was that the different studies all did the same thing- they paid the HUD portion of the rent to the tenant. This is not how HUD runs its programs today. However, that study was interesting in that it reminds all of us that there are big ideas we could be testing through MTW. For example, getting landlords to participate is still a big challenge, are there other big ideas? Todd expressed that he is equally optimistic regarding the Landlord Incentives Cohort.

Members of HUD's Office of Policy Development and Research (PD&R) provided brief summaries of potential topics, all of which were also provided in the meeting's [Read-Ahead document](#).

#### [Potential Topic: Asset Building.](#)

Elizabeth Rudd (PD&R) and described asset building as a potential policy to evaluate, as described in the Read-Ahead document. The idea of broadening the idea of asset building could include the following topics:

- Emergency Funds and financial literacy
- Goal of Homeownership
- Increased Credit Building and education
- Focusing on Adults or children in household, or both

#### [Potential Topic: Sponsor-based Housing](#)

Anne Fletcher (PD&R), outlined the key factors of Sponsor-based housing assistance and highlighted the unique challenges that may make the topic challenging to conduct research about, including:

- The PHAs potential partnership challenges
- Research may be more challenging
- The difficulty in figuring out how to determine the comparison group

#### [Potential Topic: Project-Based Voucher Flexibilities](#)

Paul Joice (PD&R) discussed the possibility of setting up a MTW Cohort to study MTW flexibilities in the PBV program.

#### [Potential Topic: MTW Flexibility for both small and medium size PHAs](#)

Anne Fletcher explained how this would essentially replicate Cohort 1, which is evaluating MTW Flexibility for PHAs under 1,000 aggregate units, but it could also include medium size PHAs (defined as PHAs with up to 6,000 aggregate units) and that this might lower some barriers for smaller PHAs participation in the program.

Todd revisited his earlier comments and then opened the floor to the Committee.

## **V. Open Discussion**

The Committee began with statements of appreciation for this opportunity to learn more and give recommendations about the MTW Expansion, including potential big ideas.

The first of which was providing direct rental payments to the tenant or paying the HUD subsidy portion directly to the tenant, to in turn pay the full rent amount to their landlord. Josh Meehan described how this has been established as one of the test designs at the Keene Housing Authority, for a segment of the 800 households on their voucher program, representing approximately 115 - 140 households. Jill Khadduri brought forward the caution that landlords have seemed to like receiving the rent payments from a federal agency and knowing that this will be dependable.

Another big idea is removing the requirement for housing quality inspections or having tenants do their own housing inspection at initial move in. Another member of the Committee asked if there was a way to have a lighter touch with the housing inspections.

Janny Castillo asked whether or not there is there a way to implement sponsor-based housing and have a focus on equity? Or really have equity as the founding principle in whatever is studied. Kathy O'Regan agreed, acknowledging that sponsor-based housing could be important today, especially given the focus on ending homelessness. Another member commented that there is an issue with sponsor-based housing, in that the master leasing component of sponsor-based housing is problematic in the eyes of disability-rights advocates. And if you were to study sponsor-based housing, you can't just look at the tenant characteristics and do nose counting—we have to understand the experience of the tenants. There is also the question of the role of the partners and their experience with the program.

Todd asked the Committee about the Project-Based vouchers (PBV) topic. And while it was noted that PBVs are extremely valuable to the PHA and are important to expand affordable housing, the Committee was not sure what the research question would be and noted that a very long time would be needed to research it. The Committee suggested HUD could review existing MTW agencies who are using the PBV flexibilities.

There seemed to be a lot of enthusiasm for the topic of MTW as a Flexibility, but it is already being studied in small PHAs through the first cohort. Todd acknowledged that while this may be the path of least resistance, it may not be the most exciting research question. A Committee member suggested that maybe we could do two cohorts, one where we test a specific policy, and the fifth cohort could be the flexibility “sweeper” cohort. Other members agreed and stated that they liked this cohort idea. Also, they noted that the size of the agencies could play a factor, for example, medium PHAs (up to 6,000 aggregate units) will like this cohort idea and be more inclined to do “cooler” interventions while smaller PHAs may use MTW flexibility to “survive.” So ultimately, this cohort could yield more interesting PHAs to study.

Todd asked if the Committee had any other big ideas? Such as elimination of or modification of the housing quality inspection policies. Marianne clarified it would need to be a modification of the housing quality inspection policies (e.g. timing of inspections) and/or tenant self-certification, as there would be no appetite to eliminate housing quality standards entirely.

A member of the Committee stated that one of the things that makes the program struggle to attract landlords is the time waste of an HQS inspection and instead suggested that we might attract more landlords (and units) to the program if we made this process less burdensome and to also consider prequalification of units. Another Committee member stated that they were unsure about the idea of tenants self-certifying and asked how would they know what to look for?

### **VIII. Public Input**

- Markita Morris-Louis (Compass Working Capital) – Suggested making FSS opt-out instead of opt-in. It’s a great asset building program, “shovel-ready,” and it is a great way to help families build assets.
- Rachel Cohen (journalist)—What is the role of HUD’s OGC in the determination of whether or not HUD can test direct rental assistance to tenants?
- Anice Chenault (HUD, Community Supportive Services Division) – There is a lot of information online about FSS. Lots of ways to use MTW flexibilities to modify the program innovatively.

### **IX. Committee Debrief**

Jill had to leave the meeting but shared her vote in for asset building topic.

Stefanie—Trying to think through the flexibility plus idea. What would that look like?

Marianne- Two possible options:

- \* Flexibility + credit building
- \* Flexibility + asset building activities

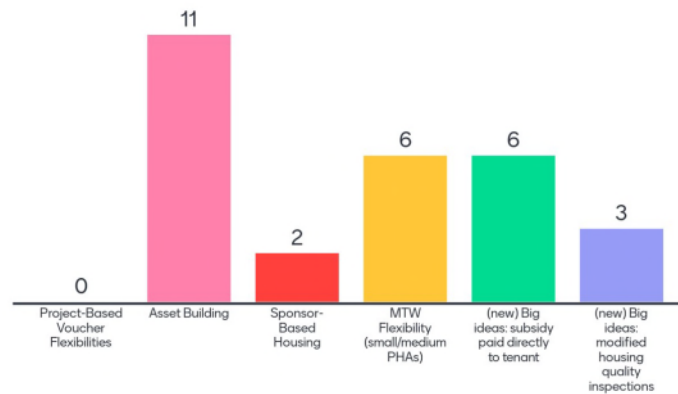
Heather questioned if we did an asset building study, we could keep it broad so we wouldn’t scare off applicants. Maria suggested studying MTW flexibility first, but one of your MTW activities must be an asset building activity (similar to the evaluation strategy in the landlord incentives cohort). Janny expressed that we could learn a lot through this approach.

### **X. Prioritization and Ranking**

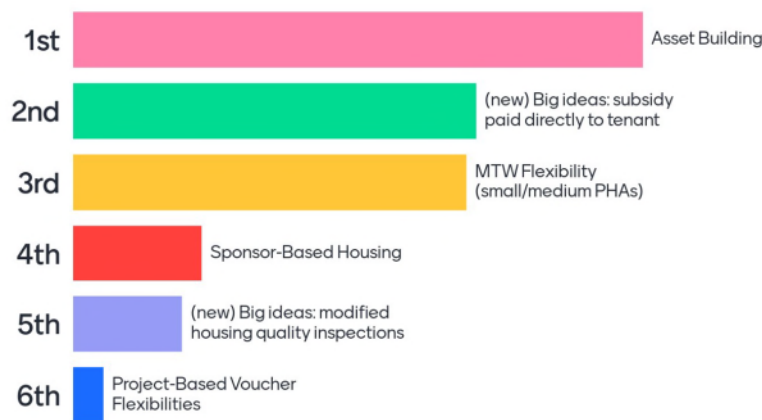
Paul Joice led the Committee through a Mentimeter ranking program to determine the ideas that the Committee would like to discuss in greater depth at the next meeting.

Following are the responses received when asked which policy ideas should be considered and then how would each member rank them:

## Which of the policy ideas should be on the short list? Choose up to 3.



## Rank your top 3 ideas



### XI. Next Steps

Marianne described the next steps to include: vetting of the ideas by HUD and for the MTW Office to have the opportunity to review MTW Supplements already received and for the Committee to have the opportunity to take a deeper dive into the top three topics above, while also keeping in mind PHA size and Geographic Diversity.

The meeting adjourned.