

# What are the benefits of MTW for my community?

The MTW demonstration program can provide numerous benefits to your agency. Below we have listed a few of the benefits.

- Authority to waive statutory and/or regulatory barriers As an MTW agency you are exempted from certain Sections 8 & 9 regulations. These exemptions allow your agency to implement new rent policies, increase self-sufficiency for families, provide incentives to landlords for participation in the voucher program, and many other things.
- Ability to create policies that address your local needs MTW agencies can target assistance to specific populations or address specific issues within their community.
- Rethink your current administration of public housing and voucher programs MTW agencies can streamline administrative procedures which saves staff time and costs. The money saved can be used to create additional resources for tenants and can help them achieve self-sufficiency, accomplish educational goals or increase their earned income.
- *Become an industry leader* As demonstrated through the provisions in HOTMA and the Streamlining Rule, innovative policies implemented by MTW agencies have been instrumental improving the overall public housing and voucher programs for all public housing authorities.

Is there a policy you wish your agency could implement but a Section 8 and/or 9 requirement stands in your way? If so, MTW may be the program that will allow you to do that.

### What is MTW?

Credit: Photographer, Ken Gutmaker, Architect, VMW

The Moving to Work (MTW) demonstration program provides select public housing authorities with a unique opportunity to become industry leaders. MTW agencies are able to design and test innovative, locally-designed housing and self-sufficiency strategies for low-income families rather than administering their public housing and Housing Choice Voucher (HCV) programs under the "one-size-fits-all" approach.

MTW agencies have the flexibility to apply fungibility across their HCV, Operating Funds, and Capital Funds. MTW agencies are also able to flexibly administer their public housing and HCV programs. MTW designated agencies are granted exemptions from existing public housing and voucher rules. Because of the exemptions provided, designated MTW agencies can create policies that address local needs.

Engaging your community is a critical component to the success of your MTW initiatives. It is never too early to start having conversations with your community, residents and stakeholders regarding your interest in MTW and policies you would like to implement.

## When can I apply?

Agencies will be selected to participate in the MTW demonstration program through competitive Selection Notices. Each Selection Notice will invite a group of interested agencies to apply to a cohort that will test a specific policy change. These policy changes were determined based upon the advice of the MTW Federal Advisory Committee. Selected agencies will be able to implement any of the MTW Waivers contained in the MTW Operations Notice to the extent that the waiver does not adversely impact the cohort study. We encourage interested agencies to review the Table of MTW Expansion Cohorts and begin thinking about which MTW cohort you believe your agency would be most interested in participating in.

Table of MTW Expansion Cohorts		
<b>Overall Impact of MTW Flexibility for Small PHAs:</b> This cohort will evaluate the overall impact of MTW flexibilities on PHAs will less than 1,000 units and the residents they serve.	The selection process for the MTW Flexibility for Small PHAs Cohort was completed in January 2021.	
<b>Stepped Rents and Tiered Rents:</b> This cohort will evaluate different stepped and tiered rent models that may or may not be income based.	The selection process for the Stepped and Tiered Rent Cohort was completed in May 2021.	
<b>Landlord Incentives:</b> This cohort will evaluate how to improve landlord participation in the HCV program through incentives such as participation payments, vacancy payments, alternate inspection schedules and other methods.	The selection process for the Landlord Incentives Cohort will begin in the early 2022.	
<b>Future Cohorts:</b> HUD will consider the advice provided by the MTW Advisory Committee during the October 2021 meetings to determine what policy(ies) will be evaluated in future MTW cohorts.	More information on this cohort will be coming soon.	

Interested agencies are encouraged to start thinking about what types of policies they would like to implement as part of the MTW demonstration program. Examples of the types of policies that have already been implemented by agencies can be found in the approved MTW Plans and accepted MTW Reports which are all available on our website. (<a href="https://www.hud.gov/mtw">www.hud.gov/mtw</a>).

More information regarding the cohorts can be found on the MTW website. We also suggest that interested agencies review some of the resources below to find out more about MTW.

Resources: <u>Research and Evaluation of the MTW Demonstration</u>

# What are some examples of flexibilities that are available to MTW agencies?

Through the exemptions MTW agencies receive from certain Sections 8 and 9 requirements, MTW agencies can implement various innovative activities. These MTW activities must achieve at least one of three statutory objectives: 1. Cost Effectiveness; 2. Self-sufficiency; and 3. Housing Choice. The Table of MTW Statutory Objectives and Policy Examples shows a few of policies implemented by MTW agencies and the accompanying bulleted list of provides more detailed policy examples.

Table of MTW Statutory Objectives and Policy Examples		
Cost Savings	Self Sufficiency	Housing Choice
Using the MTW Funds 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

- MTW agencies can adopt and implement policies for setting tenant rents in the tenant-based voucher program, project-based voucher program and public housing. These policies may include an alternative calculation of tenant rent that is not based on income, the elimination of utility reimbursement payments, the ability to eliminate deductions, and many other rent policies that can be found in the MTW Waivers.
- MTW agencies can establish an alternate reexamination schedule for both public housing and HCV households.
- MTW agencies can limit the duration of assistance for families in both public housing and the HCV program.
- MTW agencies may raise the PBV cap within a project up to 100%.
- MTW agencies may use MTW funds to provide a rental subsidy to a third-party entity.
- MTW agencies may use MTW funds to provide services for low-income non-residents and supportive services to residents.

For more information on MTW please visit our website at www.hud.gov/mtw

