Local, Non-Traditional Rental Subsidy Programs
September 2020

To address local needs, public housing agencies (PHA) may need to target special populations. Special populations include persons exiting the criminal justice system, persons who are experiencing homelessness, victims of domestic violence, persons with a substance use disorder, and youth aging out of foster care. These populations often need emergency housing or additional services which make them hard-to-house with traditional assisted housing programs.

Moving to Work (MTW) agencies can use their flexibilities to serve special populations in their areas. One of the ways legacy MTW agencies have been able to do this is by implementing a local, non-traditional (LNT) rental subsidy program. LNT activities are those which use MTW funding flexibility for activities outside of Sections 8 and 9 of the U.S Housing Act of 1937. An LNT rental subsidy program allows an MTW agency to provide funds to a third-party entity, not participating in the section 8 or public housing program. The third-party assumes the responsibility of managing the administrating the program.

Some legacy MTW agencies have implemented LNT rental subsidy program activities that provide sponsored-based housing assistance to special populations. Sponsor-based housing assistance is when the MTW agency partners with a service provider to assist participants. The service provider receives housing subsidy allocations directly from the MTW agency and uses them to lease units, or provide shelter, to eligible individuals and families.

Sponsored-based housing activities are often, but not always, short-term assistance programs that help individuals and families become more self-sufficient and obtain permanent housing. Some common initiatives include bridge housing and supportive housing programs.

Authorizations
MTW Agencies Operating under the MTW Operations Notice:
17.a – LNT, Rental Subsidy Program

Legacy Agencies:
MTW Agreement and Notice PIH 2011-45