

# MTW Expansion

**Cohort #1 Selection Notice Overview**

**Overall Impact of MTW Flexibility**

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# Introduction and Overview of MTW

## WHAT IS MOVING TO WORK?

- Offers public housing agencies (PHAs) the opportunity to design and test innovative, locally-designed housing and self-sufficiency strategies
- Gives PHAs and HUD flexibility to design and test approaches for providing and administering housing assistance in a more cost effective way
- Allows PHAs exceptions to certain public housing and Housing Choice Voucher (HCV) rules
- Enables PHAs to use public housing and HCV funds flexibly



# Introduction and Overview of MTW

## **MTW DEMONSTRATION BACKGROUND**

- Enacted April 26, 1996 under the Omnibus Consolidated Rescissions and Appropriations Act of 1996
  - Section 204 of the 1996 HUD Appropriations Act
- There are currently 39 selected MTW PHAs, representing both small and large PHAs in urban and rural communities.
  - In FY2017, these PHAs received over four billion dollars of federal housing assistance. This is more than 17% of the public housing and voucher program overall funding.
  - MTW PHAs represent roughly 14% of the nation's public housing and voucher stock.



# Introduction and Overview of MTW

## **THREE MTW STATUTORY OBJECTIVES**

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Cost  
effectiveness

Reduce costs and achieve  
greater cost effectiveness in  
Federal expenditures

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Self sufficiency

Give incentives to families  
to find employment and  
become self-sufficient

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Housing choice

Increase housing choices for  
low-income families

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# Introduction and Overview of MTW

## MTW EXPANSION

- 2016 Appropriations Act authorizes 100 *additional* PHAs to join the MTW demonstration over seven years
- MTW Expansion PHAs will be added in cohorts that will test specific policy changes
  - Research Advisory Committee advises HUD on specific policy changes to be implemented and evaluated
- For more information on the MTW Expansion please visit the MTW website and watch the MTW Expansion webcast



# Introduction and Overview of MTW

## COHORTS OF THE MTW EXPANSION

<u>Policy to Test</u>	<u>Research Method</u>
<b>Cohort #1: MTW Flexibility</b>	<b>Randomly select 30 PHAs from applicants under 1,000 combined units; Compare to the PHAs that were not selected.</b>
Cohort #2: Rent Reform	Random assignment within PHA.
Cohort #3: Work Requirements	Refining per October 2018 Call with MTW Advisory Committee.
Cohort #4: Landlord Incentives	Pending discussion with MTW Advisory Committee in early 2019.



# Cohort #1 Selection Notice Overview

- Cohort #1 will evaluate the overall effects of MTW flexibility on a PHA and the residents it serves.
- PHAs applying to Cohort #1 must have 1,000 or fewer aggregate public housing and HCV units (along with other eligibility requirements).
- PHAs will be selected to Cohort #1 through a two-step process that includes:
  - (1) first the submission of a letter interest and a regional lottery; and
  - (2) second the submission of an MTW application and plan.



# Cohort #1 Selection Notice – STEP #1

- **Letter of Interest**: PHAs interested in receiving MTW designation that believe they meet the eligibility criteria must submit a letter of interest package to HUD by January 11, 2019.
- **Eligibility Review**: The Department will confirm eligibility of interested PHAs.
- **Regional Categories**: All interested, eligible PHAs will be separated into the five following geographic areas:
  - Northeast (HUD Regions 1, 2, 3)
  - Southeast (HUD Region 4)
  - Midwest (HUD Region 5)
  - Southwest (HUD Regions 6, 7)
  - West (HUD Regions 8, 9, 10)
- **Lottery**: A lottery will then be conducted for each geographic area to randomly assign eligible, interested PHAs into the following categories:
  - Treatment Group (receives MTW status after submitting Plan/Application)
  - Waitlist Group (may move to Treatment Group or Control Group)
  - Control Group (does not receive MTW status)





# Cohort #1 Selection Notice – STEP #1

## LETTER OF INTEREST

- PHAs interested in receiving MTW designation that believe they meet the eligibility criteria must submit a letter of interest package to HUD by January 11, 2019.
- Letter of Interest Package consists of:
  - A letter of interest stating the desire to obtain MTW designation (no more than two pages).
  - A Board resolution signed by the Board of Commissioners approving the PHA's desire to obtain MTW designation.
  - A certification of commitment to participate in the first cohort evaluation.



**NOTE:** Before January 11, 2019, the PHA must also complete the Baseline Research Survey available at:  
<https://www.huduser.gov/webapps/public/pha/part1>.

[www.hud.gov/mtw](http://www.hud.gov/mtw)

# Cohort #1 Selection Notice – STEP #1

## **ELIGIBILITY REVIEW**

- List of Statutory Eligibility Requirements
  - (1) Administration of 1,000 or fewer aggregate public housing and HCV units as verified by HUD;
  - (2) Designation as a High Performer under the Public Housing Assessment System (PHAS) or Designation as a High Performer under the Section Eight Management Assessment Program (SEMAP) as verified by HUD; and
  - (3) The applicant is a PHA.



# Cohort #1 Selection Notice – STEP #1

- List of Additional Eligibility Requirements - HUD will verify the following eligibility requirements through HUD systems independent of information submitted by the PHA with the letter of interest package:
  - (1) The PHA is not “troubled” under either PHAS or SEMAP (as applicable to the PHA’s inventory) as of the submission deadline date provided in Section 4(C) of this Notice;
  - (2) The PHA submitted the PHA Baseline Research Survey information as directed by HUD in Section 4(A) of this Notice;
  - (3) The PHA has a reporting rate in the Inventory Management System/Public and Indian Housing Information Center (IMS/PIC) of at least 90% of households in both the public housing and HCV programs (as applicable to the PHA’s inventory);
  - (4) If the PHA administers an HCV program, the PHA is up-to-date on all required submissions into the Voucher Management System (VMS);



# Cohort #1 Selection Notice – STEP #1

- (5) The PHA submitted all required submissions for the preceding three fiscal years into the Financial Assessment Sub-System (FASS-PH), Financial Data Schedule (FDS);
- (6) The PHA submitted its most recent PHA Plan that was due to HUD;
- (7) There are no unaddressed findings from Inspector General audits, Independent Public Accountant (IPA) audits, Tier I or II reviews, litigation with HUD, or any other on-site or remote reviews for the PHA. The PHA has resolved outstanding nondiscrimination or equal opportunity charges, cause determinations, lawsuits, or letters of finding in accordance with Section 3(A)(ii) of this Notice. The PHA is not currently the subject of any unresolved Departmental challenge to the validity of the PHA's civil rights certification under 24 CFR 903.7(o) and 903.15;
- (8) If the PHA administers a public housing program, the PHA complied with obligation and expenditure deadlines of Capital Fund Program (CFP) grants in accordance with the requirements of Section 9(j) of the 1937 Act for the past three years; and
- (9) If an outstanding repayment agreement with HUD is in place, the PHA has made payments according to that agreement or has come into compliance with the agreement.



# Cohort #1 Selection Notice – STEP #1

- HUD will verify the following eligibility requirements according to information submitted by the PHA in the letter of interest package:
  - (10) The PHA submitted a letter of interest that was no more than two pages and signed by the Executive Director (or equivalent executive) indicating the desire to obtain MTW designation under the first cohort of the MTW Expansion;
  - (11) The PHA submitted a Board Resolution signed by the Board of Commissioners (or equivalent governing body) approving the PHA's desire to obtain MTW designation under the first cohort of the MTW Expansion and stating the intention to comply with the MTW objectives and statutory requirements and the Operations Notice; and
  - (12) The PHA submitted certification of the PHA's commitment to participate in the HUD-sponsored evaluation of the first cohort of the MTW Expansion (as explained in Section 4(A)(iii) and Attachment 1 of this Notice) regardless of placement in the treatment, waitlist or control group.



# Cohort #1 Selection Notice – STEP #1

## REGIONAL CATEGORIES

- All interested, eligible PHAs will be separated into the five following geographic areas:
  - ◇ Northeast (HUD Regions 1, 2, 3)
  - ◇ Southeast (HUD Region 4)
  - ◇ Midwest (HUD Region 5)
  - ◇ Southwest (HUD Regions 6, 7)
  - ◇ West (HUD Regions 8, 9, 10)
- The target number of eligible, interested PHAs to be randomly assigned to the treatment group by geographic area are:
  - ◇ Northeast (5 PHAs)
  - ◇ Southeast (7 PHAs)
  - ◇ Midwest (5 PHAs)
  - ◇ Southwest (10 PHAs)
  - ◇ West (3 PHAs)



**NOTE:** For a map of HUD's regions, please visit:  
<https://www.hud.gov/localoffices/regions>

# Cohort #1 Selection Notice – STEP #1

## LOTTERY

- A lottery will then be conducted for each of the five geographic areas to randomly assign eligible, interested PHAs into the following categories:
  - Treatment Group (target number of PHAs from previous slide)
  - Waitlist Group (three additional PHAs in order of random selection)
  - Control Group (all remaining PHAs not placed in the Treatment or Waitlist Groups)
- PHAs in the **Treatment Group** are invited to go to Step #2.
- PHAs in the **Waitlist Group** will be moved to the Treatment Group if a PHA in that group does not successfully complete an MTW Plan and application.
- PHAs in the **Control Group** will not receive MTW status under Cohort #1 and may apply to future cohorts.



## Cohort #1 Selection Notice – STEP #2

Subsequent to submitting a letter of interest package in the first step of the application process and the regional lottery, PHAs that are notified by HUD that they have been placed in the treatment group and are invited to apply to the first cohort of the MTW Expansion must submit an MTW Plan and other application materials.

- **Public Process Requirements**: The MTW Plan and application must undergo a public process period.
- **MTW Plan and Application**: The Department will confirm eligibility of interested PHAs.





# Cohort #1 Selection Notice – STEP #2

## PUBLIC PROCESS REQUIREMENTS

- The PHA must **NOTIFY** public housing residents and/or HCV participants (as applicable to the PHA's inventory) of its intention to participate in the MTW Demonstration Program. This notification must be in advance of developing the MTW Plan.
- The PHA must hold at least **TWO RESIDENT MEETINGS** (separate from, and before, the required public hearing);
- After the two resident meetings, the PHA must **PUBLISH A NOTICE THAT A HEARING WILL BE HELD** on the MTW Plan. The draft MTW Plan (in the format described below) and all relevant information, must be available for public inspection for at least 30 days before submission of the application to HUD;
- The PHA must **CONDUCT A PUBLIC HEARING** to discuss the MTW Plan and invite public comment; and
  - The PHA's Board of Commissioners (or equivalent governing body) must **APPROVE** the MTW Plan by resolution no less than 15 days after that public hearing.



# Cohort #1 Selection Notice – STEP #2

## MTW PLAN AND APPLICATION

### ***PART I***

(Contains no more than 10 pages and has page numbers).

- MTW Plan – this is a narrative section that responds to Section 5(A)(ii) of this Notice.
  - Vision for PHA's Local MTW Program
  - Plan for Future Community/Resident Engagement
  - PHA Operating and Inventory Information
  - Plan for Local MTW Program
  - Proposed Use of MTW Funds
- Significant Dates and Milestones for the PHA's Local MTW Program



# Cohort #1 Selection Notice – STEP #2

## MTW PLAN AND APPLICATION

### ***PART II***

(No page limit or page numbers necessary for Appendices 1-3. Appendix 4 contains no more than 10 pages and has page numbers).

- Appendix 1: Moving to Work Certifications of Compliance – Found in Attachment 2. Should be completed and signed.
- Appendix 2: Public Process Documentation – Evidence that public process requirements were met.
- Appendix 3: Required Standard Forms – Certification of Consistency with the Consolidated Plan (form HUD-2991); Disclosure of Lobbying Activities (SF-LLL); and the related Certification of Payments (form HUD-50071).
- Appendix 4: Other Supporting Documentation – The PHA may elect to provide other materials such as letters of support, community meeting materials, resumes, etc. to substantiate and reinforce narrative information provided in the MTW Plan. Pages in this appendix must be numbered and length is limited to 10 pages.



# RESOURCES

## **COHORT #1 WEBSITE**

Applicants should go to [www.hud.gov/mtw](http://www.hud.gov/mtw) and click on the “MTW Competition Notice” link. This webpage contains:

- PIH Notice: Request for Letters of Interest and Applications under the Moving to Work Demonstration Program for Fiscal Year 2018: COHORT #1 – Overall Impact of Moving to Work Flexibility
- FAQ (this document will be updated regularly, so applicants should check back often)
- A link to an archived version of this webcast and today’s PowerPoint presentation
- Microsoft Excel version of the “Eligibility Worksheet”
- Links to all Attachments and Standard Forms



## Questions?

Please email:

[mtw-info@hud.gov](mailto:mtw-info@hud.gov)

with any questions



[www.hud.gov/mtw](http://www.hud.gov/mtw)