

U. S. Department of Housing and Urban Development

Office of Public and Indian Housing

Special Attention of:	NOTICE PIH 2000-52 (HA)
Public Housing Agencies (2,500 or more units);	Issued: December 13, 2000
Public Housing Directors	Expires: June 30, 2001

Subject: Voluntary Expression of Interest in Moving to Work Demonstration Program

1. Purpose.

The purpose of this notice is to inform public housing agencies (“PHAs”) that there are several vacancies in the Moving to Work demonstration program (“MTW”) and that PHAs with more than 2,500 public housing units may voluntarily express their interest in filling one of the vacancies. MTW was authorized by section 204 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub.L. 104-134, 110 Stat. 1321) (“Section 204”). It offers PHAs the opportunity to design and test innovative, locally-designed housing and self-sufficiency strategies for low-income families by permitting PHAs to combine operating, capital, and tenant-based assistance funds into a single agency-wide funding source, and by allowing exemptions from existing public housing and tenant-based Section 8 program rules, as approved by HUD.

Section 204 directs HUD to implement the MTW demonstration for 30 PHAs that administer the public housing and Section 8 programs. Currently, 24 PHAs are participating in MTW under that authority. In addition, two PHAs (Pittsburgh, PA and Charlotte, NC) were authorized separately to participate in MTW under the VA, HUD, and Independent Agencies Appropriations Act of 1999 (Pub.L. 105-276, 112 Stat. 2461). As a result, there are currently 26 participants and six vacancies in the MTW demonstration. Under this notice, PHAs may voluntarily express their interest in filling one of the MTW vacancies. After considering the expressions of interest received from PHAs, HUD may select a number of PHAs to apply for participation in the demonstration under the requirements of Section 204.

2. Background.

As stated in Section 204, the purpose of MTW is to give PHAs and HUD the flexibility to design and test various approaches for providing and administering housing assistance that:

- (1) Reduce cost and achieve greater cost effectiveness in Federal expenditures;
- (2) Give incentives to families with children where the head of household is working; is seeking

work; or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and

(3) Increase housing choices for low-income families.

To achieve these goals, the PHAs selected for MTW may request statutory and regulatory waivers from public housing and Section 8 program rules, thereby providing them with considerable flexibility in determining how to use program funds to most effectively provide housing and related services to low-income families based on local strategies. The MTW demonstration presents an opportunity to design and implement innovative housing and self-sufficiency strategies by giving PHAs and HUD broad authority to use HUD assistance flexibly and to design demonstration programs that may differ from the requirements of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) (the "1937 Act"). Among other things, HUD may allow PHAs to combine their operating, capital, and tenant-based assistance into a single PHA-wide funding source. For further information about the MTW demonstration and the specific programs of current MTW participants, please refer to the MTW website at www.hud.gov/pih/programs/ph/mtw/pihmtw.html.

3. Submission of Expressions of Interest.

The majority of current MTW participants are small or medium size PHAs whose MTW programs primarily focus on self-sufficiency strategies and, to a lesser extent, on administrative streamlining measures. Several large PHAs are taking fuller advantage of the flexibility that MTW offers to combine funds as part of a comprehensive asset management strategy. HUD believes it would be beneficial to the MTW demonstration to select an additional number of large PHAs that are taking a similar approach. In particular, HUD invites expressions of interest from large PHAs that are undertaking or plan to undertake a substantial transformation of their public housing stock and management systems. Therefore, under this notice, HUD will select only PHAs which have at least 2,500 public housing units and intend to pursue this approach. This will assist HUD in complying with Section 204 by implementing a demonstration program with a variety of approaches and with the full number of PHAs authorized by Congress.

Expressions of interest in response to this notice must be received by 5:00 p.m., Eastern Time, on January 5, 2001, and must provide the name and location of the PHA, the number of public housing units and the number of Section 8 vouchers and certificates the PHA has, and the reasons the PHA believes its participation would contribute to the demonstration. Based on the expressions of interest, HUD may select a number of PHAs to apply for participation in the demonstration under the requirements of Section 204.

Expressions of interest must be submitted to: Rod Solomon; Deputy Assistant Secretary for Policy, Program, and Legislative Initiatives; Department of Housing and Urban Development; 451 Seventh St., SW; Room 4116; Washington, DC 20410.

For further information contact: Stephen I. Holmquist; Special Deputy for Policy; Office of Policy, Program, and Legislative Initiatives; Department of Housing and Urban Development, 451 Seventh Street, S.W., Room 4116, Washington, D.C. 20410; telephone: (202) 708-0713.

/s/

Harold Lucas, Assistant Secretary for
Public and Indian Housing