New Report Examines HUD’s Moving to Work Demonstration

The Moving to Work (MTW) demonstration gives public housing agencies (PHAs) and HUD flexibility to design and test approaches for providing and administering housing assistance that:

- Reduce cost and achieve greater cost effectiveness in Federal expenditures.
- Give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or employment or economic self-sufficiency programs.
- Increase housing choices for low-income families.

Over 10 years into this demonstration, HUD has assessed four main policy areas informed by MTW and offered lessons learned to shape the years through 2018. Below is a summary of how agencies have used their MTW flexibility to more effectively manage their Housing Choice Voucher (HCV) programs.

Preserving and Revitalizing Public Housing. Over the past 15 years, 150,000 public housing units have been demolished and disposed of because of obsolescence and poor quality. When MTW agencies project-base vouchers on a large scale, they can preserve public housing developments and leverage long-term, stable funding. Converting public housing to project-based assistance maintains and improves properties while often allowing tenants to remain in place.

Streamlining Housing Assistance. MTW flexibilities and waivers provide incentives for agencies to be creative with their administrative structuring. MTW agencies receive funds only from the traditional primary funding sources (HCV, Public Housing Capital and Public Housing Operating Funds), but are able to allocate the funds interchangeably for activities approved under MTW. Many MTW agencies have adopted policies and procedures that eliminate redundancy and inconsistency between their housing programs, saving valuable staff time and resources, and allowing them to house more families.

Rent Reform. MTW agencies are required to develop alternative rent structures that encourage self-sufficiency and employment of participating families. MTW flexibilities support a variety of unique alternate rent policies, including tiered rents, flat rent structures, term limits, alternative re-examination structures, minimum earned income calculations, and alternative methods to determine earned income and tenant rent. Before implementing the policy, an agency must perform an impact analysis and formulate a hardship policy.

Additional Nontraditional Services. The ability to combine Federal funds enables MTW agencies to provide additional services, including self-sufficiency, supportive services, and service-enriched housing. MTW agencies can create holistic approaches to help residents move toward self-sufficiency. One model is to designate some vouchers as “sponsor based” by linking to a supportive services agency. The PHA chooses an eligible resident to live in the unit while receiving services. Other agencies have created innovative self-sufficiency programs that house families while providing case management, financial literacy training, and other programming.

PIH Notices

PIH Notice 2010-39, “Process for Public Housing Agency Voluntary Transfers of Housing Choice Vouchers, Project-Based Vouchers and Project-Based Certificates,” issued September 28, 2010. This Notice clarifies the circumstances under which HUD will consider a voluntary transfer of budget authority and corresponding baseline units for the HCV program, including project-based vouchers (PBVs) and project-based certificates (PBCs), from the divesting PHA's Consolidated Annual Contributions Contract (CACC) to the receiving PHA(s)’ CACC. It also explains the process and procedures associated with such a transfer. Sections 3-12 address the HCV program. Special provisions for transfers of PBVs and PBCs are addressed in separate sections of this Notice.

PIH Notice 2010-40, “Set Aside Funding Availability for Project-Based HUD-Veterans Affairs Supportive Housing Vouchers,” issued September 28, 2010. This Notice informs PHAs that have already received an allocation of HUD-Veterans Affairs Supportive Housing (VASH) vouchers in 2008, 2009, or 2010, of a set-aside of approximately 500 PBVs through this notice of competitive funding. Any PBVs awarded from this set-aside will not count against the 50 percent of a PHA's total allocation of HUD-VASH vouchers that can be project-based as noted in section 1 of Notice PIH 2010-23, Project-Based HUD-Veterans Affairs Supportive Housing Vouchers. However, the number of vouchers requested must be within the 20 percent maximum budget authority that may be allocated to PBV assistance in accordance with 24 CFR § 983.5(a).

http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/hudclips/notices/pih

HUD-VASH Turns a Life Around

Full-time job. New car. House full of furniture. Mr. B. enjoyed a comfortable life like many Americans. But in 2006, he lost his job and his ability to control his anxiety, and Mr. B.’s life spiraled downward. He lost his home, his possessions, and his control over his life. When he had nowhere else to turn, he resigned himself to living in the woods, a place where he found peace. He had nothing, no hope for change, and was in and out of inpatient psychiatric clinics. In January of 2009, Mr. B. visited his local Veterans Affairs Medical Center (VAMC) and learned about the HUD-VASH program. Due to his anxiety challenges, there was concern whether he would be successful in the HUD-VASH program. HUD-VASH is similar to a “Housing First” model of intervention. The “Housing First” intervention model is characterized by providing immediate access to housing while receiving additional services. Immediate housing was the key to Mr. B.’s success.

Mr. B. quickly found an apartment with his newly issued voucher. While walking through the door of his new apartment, his case manager asked him what else he wanted. “A long shower and a nap.” Those two things were all he wanted, and the transformation that he went through once he got his shower and nap are remarkable. There were challenges and frequent phone calls to his case manager. In fact, he called almost all the staff at the VAMC. Mr. B. had a hard time accepting the roof over his head because he believed that if he had nothing, then he had nothing to lose. He recently hung a picture on the wall in his apartment, a big step. He became a regular face at the VAMC and became very popular with the staff. There has been a remarkable physical change from a man living in the woods to a man who has been in stable housing for 2 years. He has a new set a teeth and pair of glasses as well. But the mental change is even more noteworthy.

In the summer of 2010, while driving with his case manager, Mr. B. explained that without HUD-VASH and his case manager, he would most likely not be living today. He often reflects on where he was, the progress he has made, and the progress he knows he will continue to make. This case manager has recently graduated 12 veterans from case management services, and she humbly explains that the veterans deserve all the credit. Mr. B. has one more goal to reach, increasing his financial situation to earn more than the $200 he lives on each month. He is not interested in buying a TV or other luxuries. He has never complained and is striving to reach a point where he can enjoy the things he once did, fishing and being able afford a car. Mr. B. appreciates the HUD-VASH voucher which provided him with a long shower and nap and the ability to get his life back.

Contact us:
Public and Indian Housing Information Resource Center (PIH IRC)
2614 Chapel Lake Drive
Gambrills, MD 21054
Toll free number: 1-800-955-2232
Fax number: 1-443-302-2084
E-mail: pihirc@firstpic.org
(Put “Housing Choice Voucher E-Newsletter” in the subject line)