

**2020 Moving To Work Expansion Training Series**  
**Office Hours |**  
**Wednesday, November 18, 2020**

Marianne Nazarro: Hi. Hi, everybody. Thanks Chantel. My name is Marianne Nazarro and I am the director here at the MTW office, and we are thrilled to be back here for our third installment of this MTW expansion webinars series. And so with me today are several MTW staff that you've heard from during previous webinars.

We have Jennifer Rainwater, Chris Golden, Pravin Krishnan and Jeree Turlington, which will provide a bit of an overview of some of what we've already talked and lead us into some good discussion Q&A. And we also have some other MTW members who are here to answer questions at the end -- if there are any.

As Chantel noted, throughout the conversation today you can note any questions or comments or discussion points that you'd like to discuss with us -- with the MTW staff using your Q&A box you can just type in your question. And also you have the option today if you want to provide verbal comments, we'd love to talk to you directly. Just type in, I have a question or I'd like to say something into the Q&A box, and then I'll -- we'll ask Chantel to unmute your phone and you'll be able to talk with us directly. So we're really excited to have a conversation with you today. Next slide, please.

And so -- next slide, please. Thanks. As a reminder, there's some really important tools on MTW expansion, both on the MTW web page, as well as on the exchange page on hud.gov -- here on the hud.gov page, there's a ton of information related to the expansion. There's the timeline, there's links to the operations, notice both the official version and the federal register and the pretty version that's more easily readable.

There's specific cohort specific pages for cohort one, cohort two, there's -- we just updated the page on the promising practices with more updates as to what the current agencies are doing in some of the great ways that you can use your MTW flexibilities. So definitely I encourage you to please go to hud.gov/mtw and check out our website. And we are updating that page regularly. Those FAQs are getting updated regularly. So definitely check back there often. Next slide, please.

Great. And also as hopefully you all are very familiar with this page now -- we have the webinar training series, I'm sorry, the training series on the HUD Exchange page. And so there's a ton of really good information there. We've taken the operations notices; we've broken it down into bite-sized segments. We have interactive videos that you've -- of the legacy agency so you can hear from them directly. There's a lot of really outstanding information on that expansion training page on the HUD Exchange. And we definitely encourage that you go check out HUD Exchange with that information. Next slide, please.

Okay. So today I wanted to just take a minute and tell you how today's going to work. So today - the goal for today is really to make sure that you have a firm understanding of the materials that we've already provided. So we are breaking up today's conversation into four segments. In each segment we will -- I'm sorry, those segments are public engagement -- you can probably read the slides. Public engagement, waivers, MTW funding, and statutory requirements.

And so within each of those segments, one of the MTW team members is going to provide an overview of what you've heard in the prior sessions. They may give you a pop quiz. Chris is going to kind of show you a detailed information on how to use some of the information that we have on HUD Exchange page. It's going to be really kind of an overview of what you've already learned. And then we're going to open it up for questions and comments and discussion.

And so we're going to first talk about public engagement. Jenny will say a few words -- reminders to what we've already discussed, and then we're going to open it up for questions and have a really good discussion dialogue on public engagement. And then we'll move on to number two -- waivers, and then Chris will give his overview, open it up for comments and discussion on waivers and so on and so forth.

So let's get ready. Again, we're trying to make this as interactive as possible in this virtual reality that we're all in right now. So please make sure to put in your questions in the Q&A, type in if you want to say something -- if you want to say something verbally, and with that, I'm going to ask for the next slide and turn it over to Jenny. Jenny? You're up.

Jennifer Rainwater: Excellent. Thank you, Marianne. And hello everybody. It's good. I -- well, you can see me, but I can't see you, but glad you're here today. Thinking about public engagement and just what does that mean? What's involved? I think the biggest thing to keep in mind is that this is really where you want to start, and this will really be in many ways a make or break point of really -- as you can see on this slide, really getting in touch with everyone and it's really going to end up being the cornerstone to your success. It seems, well, it seems really big, but it really does provide you as you're thinking about what do you want to potentially do with this moving to work thing? What will it mean?

Is to really -- I guess for me thinking about the idea of just be real and be open. I know from being in an agency, the best question that we ever asked, and really frankly, asked everyone from our staff to program participants, to program partners, to residents, frankly, to the mail person that brings the mail every day. But the question is what's working or what's not working from your perspective? And really be open to what they say. So you're not really looking for an answer, but you want an honest -- you want honest feedback from them. And I think if they feel that and know that, they will readily share those answers with you.

Sometimes it's hard to hear, but sometimes it's really important for them to feel like they have a voice in the process and you're not going to just automatically take every suggestion or every idea offered, but that they feel like they are connected with you and that there's an equal importance that they bring to the table. It really does show that you care.

And as they talk about with any kind of communication training, the biggest part of communicating is listening. And I think the public engagement that you do really does demonstrate the fact that you are really connected to your local community -- is that you're listening actively and that you're hearing them and then responding. I think that will really tell you -- because we all come with preconceived ideas and this practice really gives you a view -- and just really great insight into what boots on the ground people are feeling. And what does that mean?

So this is a vital, I would say, part of your becoming a moving to work agency besides just the desire to do so, this really leads and informs what you choose to do. I don't think there's any of the legacy moving to work agencies that would say don't worry about public engagement -- that you don't really have to bother with that. I think everybody that has been in the program has designed things has tried to implement it -- that this is really key and vital to your agency's actual ultimate success. So I'm not going to say more in that, but I would say let's lead from there -- lead from that listening position. And I think you can do great things.

So with that, I don't know if anybody has -- Marianne, I'm going to hand it back to you -- but has any questions in regards to public engagement, just as a whole or something specifically you've been thinking about? But be open and be ready.

Marianne Nazarro: Awesome. Thank you so much, Jenny. And I'm actually --

Jennifer Rainwater: Yeah.

Marianne Nazarro: And so this is our Q&A session; right? So this is your time to ask Jenny one of the experts in the field of MTW about her experience learning from what she did, about what do you want to know about public engagement? What questions do you have? As a reminder, please submit any questions that you have in the chat box. And if you want to talk to us verbally, just say, hey, I'd like to say something verbally and we will make sure to do that. And while you guys are thinking of your many questions for Jenny -- Jenny, I've got a question for you that we got at a prior -- one of our prior conversations. Who -- oh, this is what I was going to ask, Anne, great question. Jenny, who did you consider important partners besides the tenants?

Jennifer Rainwater: I would say in addition to the tenants and participants, I think one of the really -- well, two things, one of the really important part -- important groups of people were the legal advocates in the community because one of the questions when we talk to them about really what's working and what's not working, we -- you often spend the time on the opposite ends of the table with the legal advocates. And so being able to talk to them and have them really say where are the pieces that people are tripping up with that we ended up being on opposite corners? And how can we -- how could we do something about that? What does it mean? Is it the fact that we're not explaining our program well that is tripping people up or are there problems? Are people experiencing something new or different or not? But having that dialogue was extremely helpful with the advocates.

I would say the other part that was really helpful was talking with the other -- either community organizations, nonprofits who are trying to serve a similar population and to see and learn more

about each other and our programs. And I remember at the beginning, one of the things that -- the -- one of the other departments, because it was a county department, was really flabbergasted with how we calculate rent. They had no idea that there were certain aspects we didn't really look at like, do they own an automobile or various things when they're trying to figure out that piece. And so just that knowledge and understanding was extremely helpful. So I would say those two groups were really helpful because we were working with the same population of individuals and it helps us to better understand the things that were already working or not working and then to go from there just as our program design.

Marianne Nazarro: That's awesome. Great insights from the field. Thank you so much, Jenny. Jenny, we've got another great question for you from Kim. The question is -- we hear this often, so Jenny, I'm really interested in your response here. We have a hard time getting participants and community members to be involved in any meetings regarding MTW. Did you try sending out a questionnaire? What types of question -- what types of options do you suggest to get people to come out and talk about MTW?

Jennifer Rainwater: That's a great question, Kim. I think one of the things that agencies often joke about is how do you get people to come to meetings? And we often say serve food. So serve dinner servicing things, but something that they are interested in -- we didn't actually send out a questionnaire to program participants, but we did absolutely send out information of things that we were thinking about looking at working with. So just the order of which group we talked to first, frankly, we tried to gather information and figure out the things that we were hearing boots on the ground, and then from there went forward. So -- and had to actually schedule multiple meetings to have information get out, frankly, and to make it easy. So having those conversations, like I said, with program partners, with legal advocates, with other organizations, serving a similar population -- in the setting we were in, we also needed to talk with the political leaders in the community because we often got questions from them as well.

And so from that point, once we had had those conversations, we did work with the resident advisory board for the public housing properties and then also with the voucher program, but really trying to hear what people were struggling with and then sending out information about what we were thinking about got people interested and just kept those conversations going. So whenever we had a conversation with the landlord, we would follow that up with, hey, we're having this meeting on this date. We would really love to have you be a part of that. And we would love to be able to discuss this with your organization or with this apartment association that you might be a member of -- but just really kept ears open to see how -- what questions were being asked, and then try to target the meetings to be talking with folks that were in that.

But really food was a big -- it was a big thing. The other part that we did just to make sure to get to people is when do you set up the meetings? So having meetings at multiple times was really helpful as well. So keeping in mind traffic, if you're in a big urban area, because that ends up being an important part.

Marianne Nazarro: Great. Great. Thank you very much. I know I'm always attracted to food, so I think that's -- I'll be there. Thank you so much for those tips. I do see a question here, Crystal. I see your question in the Q&A. I am going to hold your question until the open session at the end

and focus this time for the topic specific pieces. And I don't see any other questions in the chat box relating to public engagement. Though, as we move along, if you have any other questions relating to public engagement, feel free to put those in the Q -- the chat box and Jenny's not going anywhere, so she'll be here to answer those questions towards the end.

So next, Chris Golden. I would like to introduce again, Chris Golden, if you could move to the next slide, please. Great. Chris is one of our housing innovation specialists. And he is going to talk with us again about the waivers. He is going to both give an overview of the waivers -- the different types of waivers, what agencies can do with them. And then he's going to give him -- give you guys a interactive overview session of how to use the training and the documents that we put on the HUD Exchange page -- so really how to use the waivers that are in the operations notice physically. So with that, I'm going to turn it over to Chris Golden to talk about the waivers. Chris?

Chris Golden: Hello. Am I coming through okay? I think -- let me get it --

Marianne Nazarro: Yep. We can hear you, you're good. Yep.

Chris Golden: Great. So the waivers -- there are sort of a core part of being an MTW. They allow you to sort of operate more flexibly. They exempt you from various public housing and voucher requirements. And they can sort of be combined into more sort of comprehensive initiatives or activities.

We divide them into sort of four basic types. So the MTW waivers themselves are what you would find in the operations notice in the first appendix. That's sort of the bread and butter main waivers that you can use. We'll go into a bit more detail on some of those in a minute. To implement those waivers, you just need to sort of indicate which ones you're interested in, in your MTW supplement. You have to follow any associated safe harbors they may have -- some of these can be a bit of pre-work like running an impact analysis or developing a hardship policy. Some safe harbors are just sort of like safeguards or upper limits on things like say the amount you can charge for a minimum rent.

Speaking of safe harbors, you can waive certain safe harbors through what we call the safe harbor waiver process. I'll give you a direct example of that in a minute. Certain safe harbors can be waived -- other ones cannot, and we'll talk about the differences between them. Additionally, we have our two other sort of types of waivers that you might interact with -- they're the agency specific waivers. These are waivers that you can request that are not found in the appendix. They have to be a waiver of the housing act. You can't waive -- we don't have the authority to waive other things, but this is sort of a place for you to propose new and potentially exciting ideas.

One of the goals sort of -- of the operations notices to be a living document. And so as agency specific waivers come in and potentially gain popularity with other MTW agencies, we would consider putting them into the notice itself so that future agencies could access them more quickly and easily. And then sometimes that can even trickle down even further where some MTW activities end up in things like the housing HOTMA [ph], I forgot what the O stands for -- the Housing Opportunity Through Modernization Act.

And lastly, then we have sort of the cohort specific waivers. We don't have any of these yet -- cohort specific waivers would be to add sort of flexibilities to a cohort study to help sort of accomplish its stated goals. There are no cohort specific waivers for either the first or second cohorts. We are con- -- we have considered potential cohorts specific waivers, and there'll be more information about whether the additional cohorts three, four, or five have any, and if there were any cohort specific waivers, they would be located in the selection notice for the respective cohort. Okay. So let's go to the next slide.

So this is sort of a screenshot of the expansion training that we have up on HUD Exchange, it has a very sort of like interactive take on how the waivers work. If I could be given sort of control here, I can share my screen and click us through. But in this page, the link to where I'm about to take you was on the box slide.

Okay. Let us -- all right. Looks like I have it. So here we are. In HUD Exchange on the waivers page, there's a lot in this sort of pool. There's stuff about statutory requirements and other things, but we're going to focus sort of on the waiver section. So here we have sort of the list of all 17 sort of categories in which we put the MTW waivers, that you can find an appendix one there's about 70 individual waivers in -- within those 17 categories, I'm just going to highlight a couple of different ones and show some -- how their elements work. We'll start in rent because that's one of the bigger ones and let's just build a little sort of rent reform policy. We'll take a couple of different waivers and we'll put them together.

So if we wanted to do -- we'll do something more basic, we'll stay away from tiered and stepped for now -- those are both in the second cohort, but let's say you wanted to do something more around like simplification. So -- and you wanted to start something like say maybe a minimum rent. So you want to set a minimum rent that people have to pay regardless of their income. How this waiver works relative to the normal minimum rent is that it is higher than the \$50 that a regular agency can do. You'll see that down here in the safe harbors. Here we have it limited to no more than \$130 a month. Agencies must exclude elderly and disabled families and you must also conduct the impact analysis on a hardship policy.

Now, if you'll note there asterisk next to the latter two, and that is because those cannot be waived. So for instance, the \$130 cap is based on approximately the idea that at \$15 an hour at the federal minimum wage at \$7.25, 30 percent of what that would yield in a month would be about \$130. The idea of that minimum rent cap is that it equals a part-time job at like the standard rent. Now, if you were in a city or an area with like, say a significantly higher minimum rent, you might feel like that number is very low. There are many places that are at 15 when place places at 10 or somewhere in between. And so you might feel that you wanted something higher than 130, and that would be an example of when you would apply for a safe harbor waiver.

And so you would apply for the waiver. You'd say we think this amount is appropriate. We think it because of these things and there can be other reasons for it. But I think one of the more common reasons we anticipate seeing -- and it's sort of how our legacy agencies set their minimum rents is that often has to deal with sort of local economic conditions, which is largely

the job market and what the minimum wage is. So if you're dealing with a much higher than a \$7 minimum wage, it might make sense for you to do a higher minimum rate than the safe harbor allows. And then you would go in for that wait.

As part of this hypothetical rent perform -- you might want to do a few other small things. Maybe you want to move over to doing sort of the -- you want to standardize your deductions, so you would get rid of the existing deductions and you would create one single deduction to cut down on like administrative time. Again, something like this would require something like an impact analysis and a hardship policy.

The impact analysis is about determining upfront what you think the impact of it could be. It's really just thinking through the policy more and the hardship policy we have in place, just in case residents are sort of unduly harmed by the changes. And hardship policies can sort of -- they can cover multiple policies. You don't have to have individual hardship policies for each sort of waiver or activity. It can be broadly applicable.

Let's say in the name of this simplification, you might even bounce out of rent itself into the reexaminations one. This is also sort of a popular part of a lot of rent reforms. So you might want to re-examine individual's income less often than once every year. We are allowing up to once every three years in this waiver as the safe harbor, which is again, potentially waivable. You could have, say, a policy of every two years, maybe for work-able families and every three years for families and individuals who meet either the elderly or the disabled sort of definitions.

That is something we see sometimes. Sometimes people just do three for both. Either would be fine. And that would sort of make sense as an element of say a simplification rent reform -- that's about round sort of like saving you administrative time and making things easier for your residents to understand. In the same vein you might allow for sort of a self-certification of assets so that to save time again, we know that most of our residents don't necessarily have a lot of assets. There's not a lot of money to be found by digging into their assets and allowing them to just self-certify. It can save everybody some time. So you could bundle those sort of examples together to create some sort of like rent reform policy.

I'll check out one or two more real quick -- that would be sort of like separate policies, something that's more popular recently that's gaining steam is our cities are getting more and more expensive -- our landlord incentives. So it's -- for some agencies it's getting harder and harder to sort of attract new landlords or retain existing landlords. And so under this one, under number four, we have several different ways to potentially sort of incentivize and attract landlords. So we have vacancy loss payments. So payments to landlords equal to no more than one month of the contract rent and to be paid once the next HAP contract is executed. So to incentivize landlord to lose a tenant, to pick up a new tenant and to help them cover the expenses of an unplanned vacancy.

Similarly, we -- you could have something like damage plans when there are damages, as well as something like the other landlord incentives, which at this time largely encompasses the idea of sort of like an upfront bonus payment to new landlords is the most popular way that this one has been used.

We've found with existing agencies that having these incentives is like almost more important from a messaging perspective than it is necessarily for the amount of money that's going out. There's a perception that sometimes needs to be fought with prospective landlords about the sort of tenants that we serve and having these sort of stop gaps in place to say, well, the things you think are going to happen if they do happen -- there can be a vacancy loss, there can be a damage claim -- can often go a long way even though in many of our agencies experience, not a lot of that does in fact happen. So not a lot of money actually leaves through these incentives.

Lastly, one of our more sort of unique options we have are our local non-traditional activities. So these allow agencies to sort of work a bit outside of traditional sections eight and nine while still providing services or housing to families that are low income below 80 percent of the area meeting income. We have this divided into sort of like three types. We have rental subsidy. So this is sort of the also often referred to as the sponsor based model where you can provide a rental subsidy to a third party other than the landlord or tenant to manage sort of intake and administration and housing of individuals.

So this is often used to serve sort of hard to have special needs groups, like say the chronically homeless or people coming out of say prison or kids aging out of the foster care system, you could partner with like a nonprofit and allow them to sort of manage a small building by managing project based vouchers at that building, and also be providing services to those residents -- and doing the administrative stuff like the waitlist as well.

Safe harbors for things like this include sort of a cap on the amount of money that can be spent so that we want most funds to still be going to their traditional programs. That was a concern of some of their offices, as well as sort of like competitively bidding the project. There's a notice that's very important for anything local, nontraditional 2011-45. And so making sure that you follow any additional descriptors in there as well.

LNT can also be used to sort of provide services to individuals of various kinds that might not be readily available otherwise. Whether it's like self-sufficiency services, addiction services, anything like that, as well as sort of developing new housing through acquisition or renovation to create sort of new affordable units in your community that aren't necessarily public housing or voucher based. And I think with that, we should -- I should give back control and we'll switch over to a bit of Q&A on anything I've just talked about.

Marianne Nazarro: Great, Chris, thank you so much. That was a great overview of kind of how to think through the waivers -- maybe put some waivers together to create an overall MTW initiative. And just as a reminder, the waivers -- the kind of the pre-approved waivers are included in the appendix one of the operations notice and what Chris is looking at here and what you're looking at here is on the the HUD Exchange -- the MTW training -- website on the HUD Exchange lists out every single one of the MTW waivers and activities and safe harbors and everything that's available through the operations notice. So it's here for ease of reference -- you can take a look at it and then kind of for the formal official version you want to go to that federal register page.



I was going to provide just as a reminder in order to use any of the waivers you need to put those waivers into the MTW supplement, which is the supplement to your PHA plan. And so we have a great question here that we received via email that says, when you're referencing blah, blah, blah -- here it is. When -- will the MTW supplement form be available on hud.gov before the December 4th submission deadline? Is the MTW step diploma to be submitted with the PHA plan that is scheduled for submission on December 4th? And so the answer to the second question is no. And Alison might be able to talk a little bit more about that in a bit, but for the first question is the MTW supplement form -- will it be available before December 4th?

So the MTW supplement is going through PRA as we speak. So it's already gone through the PRA process for the 60 day version of the comment period. And it will soon be published within the next week or so in the federal register for the 30 days. So you'll see what the -- basically -- and that will then once we receive comments on that, we will publish that as final. So keep your eyes out for the 30 day version of the MTW supplement that will be published in the federal register very soon. And as soon as that's published in the federal register, we'll make sure that it's posted to our website for your information.

And then here's another similar question. And so Alison, I might -- if you're there, might -- actually I might hold these questions for the -- and that we're talking about the PHA plan -- is it the same MTW plan that you're producing on 12/4? So we will talk a little bit more about the submission application questions. It sounds like there's a couple of questions here related to the submittal piece. And we'll get to that towards the end. So Alison will be able to answer those questions. And so, Chris, this is one for you. A question relating to -- does the PHA have to conduct a separate meeting specifically to talk about the MTW waivers or can the waivers be conducted -- excuse me, or can the waivers be discussed in conjunction with the MTW plan at the public hearing? Chris?

Chris Golden: Sure. So the regular sort of MTW waivers can be discussed as part of the standard public comment process. That's the -- it's our expectation that, that is when that would happen. If you were doing, say an agency specific waiver or a safe harbor waiver, there is a requirement to conduct an additional public process to discuss that specifically. We feel that -- and this is sort of feedback we've gotten from various like advocacy groups and things of that nature that if you wanted to say significantly increase the minimum rent or the amount of hours in a work requirement or something like that -- that can be something that is going to be met with potential, like, concern or criticism.

And so we felt that when you're going sort of outside of the standard bounds that we have set that you should draw your public's attention to that and greater focus by having a specific meeting about it. But for the waivers found in appendix one, that can be done through the regular process. That is -- that's how it is supposed to be done.

Marianne Nazarro: Great. Thanks, Chris. Again, please ask if you have any questions. And here's another question for application, but it is related to the waivers. So Alison, I'm going to ask you if you could unmute yourself for this one -- for the rent reform cohort two, are they supposed to apply for waivers or is the waiver inherent in the program?

Alison Christensen: So that's a great question. And just on all of these waivers, so for what Chris is talking about with the waivers and the activities and the MTW supplement to the PHA plan, those are all things you'll do after you submit your application after it's reviewed and after you become an MTW agency. So you don't have to worry about that additional document as a part of your application, that's all comes after the application process.

So when we talk about all the public process and things involved with all these waivers and activities, that's all once you are part of the MTW program. So please don't worry about that as a part of the application process. For the application process, you just need to focus on that one selection notice for the cohort that you're applying to and that you could just stay within the four corners of that and that's all we need as part of the application process.

Now for cohort two, you are going to be explaining the rent policy in that as a part of your application. So the information that you provide could be very useful when down the road, when you go through the MTW supplement process. So that it's going to look kind of similar because you're developing the policy with the part of your application. So you'll have narrative information in there that you may use later on in the supplement, but it doesn't need to be a part of MTW supplement. So just if you stick to that selection notice and just answer the questions that are provided there, that's all you need to do.

Marianne Nazarro: Alison, I would like to say thank you very much for that clarification and you got a yay from from Tony. So I think that was -- is a question that was exactly the answer they were hoping you would say. So thank you for that clarification -- really important. And for this next question, Tony, I'm going to hold that until the end of the conversation -- we'll get to the other, if we have time for your next question.

Are there any other questions specific on the waivers that can -- any of the questions that Chris provided? And Chris, I'm going to have another kind of pop quiz question for you that we've heard a lot. And I know you've said it, but I want to make sure people are paying attention -- and ask you to say it again. So can all of the safe harbors be waived?

Chris Golden: No. The safe harbors that have an asterisk in the appendix cannot be waived. The most common unwaivable safe harbors relate either to the prohibition of applying a waiver to the elderly and the disabled for something like say a work requirement or the need to do an impact analysis and a hardship policy. It is important for transparency and for sort of an engagement with your community, that those things are done -- the impact analysis and for sort of the protection of your residents that you have a harsh policy in place. So we would not accept a sort of request to not have a hardship policy for say your stepped rent or to not have to do an impact analysis if you wanted to implement, say a timeline. But yeah, so if there's an asterisk, no.

Marianne Nazarro: Awesome. Great. Thank you very much, Chris. And with that, I am going to turn it over. So next slide please, Laura? So now Chris, thank you so much. Those were some great questions. Thanks so much for that overview. That was great. So now I'm going to turn it over to Pravin Krishnan, who is another member of the MTW team, and he is going to provide a bit of an overview again about the MTW funding components -- how it's calculated, how you can

use it, and then we also are going to be answering your questions. So with that, Pravin, it's all yours.

Pravin Krishnan: All right. Great. Thank you. As Marianne said, I'll be quickly touching on some core ideas -- the main takeaways. I know there's a lot of information, but I really want to just kind of press on a few things to take away from our trainings regarding the funding. First I'm just going to talk about fungibility. Okay. That -- what is that? That is really one of the major appeals of the MTW program. What that means is you can use funds flexibly. So there are three core funding, pro -- funding streams. There's the public housing operating fund, the public housing capital fund, and you're housing choice voucher funds, including admin fees -- so that's HAP and admin fees.

So those three streams can be used flexibly. We've covered that before, but that's the main takeaway those three -- once it gets to the local level at the PHA. Those funds can be used interchangeably. So you could say use -- I want to use my operating fund to support my voucher program in any way, whether it's increased HAP expenses or supportive services, whatever it might be. And you can do that vice versa. What cannot be used flexibly is some tenant protection vouchers, mod rehab program is separate from MTW. So you cannot use those funds flexibly, and special purpose vouchers. And I'm going to touch on that a little bit later. Next slide, please.

Okay. So what I'll quickly go through here is just breaking down between public housing and the HCV program. These three separate sections on funding -- the obligation and expenditure requirements, and actually requisitioning PAC -- asking for fund disbursement from HUD. So main takeaway on funding calculation is pretty easy on the public housing side, because nothing is changing. Operating funds and capital funds are going to be calculated in the same way as they currently are for you as a non-MTW agency. The difference is on the HCV side, well, for admin fees -- administrative fees, those are going to be funded the same way as well.

It's the HAP renewal eligibility that's a little bit different that will now incorporate not just your HAP expenses, but also your MTW expenses, which I will quickly touch on in a future slide. Obligation expenditure requirements -- you don't need to remember much here other than that, it's the same for both public housing and HCV as it is for you now.

Requisitioning -- the only main takeaway here is on the capital fund side in the EPIC system when you are trying to use -- you're trying to ask for funds -- capital funds for something that's not a capital fund purpose, you have to use the budget line item, which we call BLI 1492, which is specifically for that purpose. I need to use -- I need X number of dollars for non-capital fund purpose. So you put that in there.

On the HCV side, your actual disbursements are going to be based on your HAP expenses from VMS as they currently are, unless you have a need for extra funding. In which case you would communicate that to your local HUD financial analyst and for example, if you need -- for a time MTW activity, what it might -- it could be a development activity. I need X number of dollars you would ask that from the -- from your local HUD office. And then as long as it's an eligible use and you have money available to draw down, then you should be receiving that funding. Next slide, please.

Okay. I quickly talked about the HAP renewal eligibility. I know there's a lot of -- seems complicated here. Big formula. It's actually really not -- it's pretty straightforward. The main takeaway here is that you -- so currently as an MTW -- as a non-MTW agency; right? You are renewed -- your HAP is renewed based on what you spend on HAP. The main difference here is we are also going to be looking you're eligible non-HAP MTW expenses. So if I want to use my HAP funding on public housing or a local non-traditional activity, it -- that would be factored into what you're renewed on and that total -- whatever your total eligible expenses are, your HAP and your non-HAP MTW expenses, we're going to compare that to a renewal eligibility cap.

That cap -- I'm not going to get into all the specifics here, but it's our best way of projecting the most you would have received if you were not MTW. So we want to make sure that the budget isn't blown up by an MTW agency by just spending on a bunch of MTW expenses. So it will be capped based on your pre-MTW per unit costs. And again, I know these are -- it's a little bit confusing, so feel free to ask me any questions. Next slide, please.

Tenant protection vouchers, replacement vouchers are included, relocation vouchers because they are a temporary source are not included. You have questions on RAD -- you can check the actual OPs notice. There are some specifications on RAD TPVs they're on whether is not included as part of your MTW funding renewal. And really the main takeaway is for special purpose vouchers because we get these questions a lot from on SPVs. Whether it's VASH or NED or Mainstream or FUP -- there are the rules -- the policies are the same. It's not eligible for fungibility. So those are separate funding streams. Those are appropriated separately for specific populations. So that means you can't use -- I have VASH money. You cannot use that money to - for an MTW purpose. That has to be used for VASH purposes as it was appropriated for.

So that's the main thing you need to remember. However, if you want to actually apply certain flexibilities to your SPV households, say -- and I know Chris touched on like a recertification process that's tri-annual or something like that. Some sort of wholesale operational change you're doing at your PHA -- that could be applied to your SPV vouchers subject to -- unless it doesn't conflict with certain, certain no for requirements. And if you check out the HUD expansion -- the MTW expansion webpage, we have a link there for the SPV Q&A document, which goes through every SPV and tells you about applying MTW flexibilities. Next slide, please.

I think -- okay. Actually, I think now we have a couple of questions here. We do have poll questions, but first I want to bring up a question we've received recently actually from our HUD folks that they have been getting from prospective MTW agencies. One of them I just touched on -- on SPVs -- can they be used flexibly? No. That's the main takeaway. You cannot apply these funds flexibly. The other question we've received has to do with reserves. Can HAP and admin fee reserves that you've accumulated prior to your MTW designation -- can they be used flexibly once the PHA has received MTW designation?

Now this question is honestly kind of a moving target. This -- the flexible use of pre-MTW reserves is subject to continue to action by Congress. So they did give temporary relief to MTW agencies for saying that you -- once you are designated, you can use your pre-existing reserves flexibly. So once you join, you can use it for non-HAP or admin fee purposes. But on December,

11th, actually, we should be updating our webpage on any updates from Congress on the next Appropriations Act which will dictate for the next fiscal year if you can still expect to use your HAP and admin fee reserves that you accumulated prior to MTW for MTW purposes once you become MTW. That is something that you can be on the lookout for -- on December, 11th we should have more information on that.

And Chantel, if you could put poll question, number three, please. This is something that I just wanted to quickly ask you guys that is a pretty straightforward answer, but we -- we were training our own HUD folks, and it's good to train everybody on this because sometimes people get different aspects of the funding confused. So I think this is a good question to ask. How will HTV administrative fees be calculated for expansion MTW agencies? The question -- the answer is, is it the same as they are for non-MTW agencies or is it based on a pre-MTW admin fee per unit cost? I'll give you a little bit of time to answer that.

Marianne Nazarro: Responses rolling in here. I just wanted to remind folks to please select your response and on the bottom right-hand corner, please hit the submit button.

Pravin Krishnan: Great. Thank you. We'll just give it a little bit more and then we can show the results. Okay. Yeah, you can show it now, please. All right. So I guess we're kind of split here. It looks like 10 answered A that the admin fees are going to be calculated the same as they are for non-MTW agencies. Eight out of 53 -- so almost the same amount, said it was going to be based on a pre-MTW admin fee per unit costs and the rest you either just didn't answer or not sure. So I'm glad we asked this question because clearly -- maybe it's a little bit confusing because we're trying to separate out admin fee and HAP when we're talking about renewal.

So admin fees are going to be calculated the same way as they are currently for you as a non-MTW agency. So that means it's going to be based on your leasing that's recorded in VMS. So we are not changing anything on the admin fee side, the pre-MTW per unit costs that we're factoring in. That's going to be on the HAP side. So admin fee, just like for OP and CAP on public housing, all you have to remember is that's not changing. The only thing that's changing in your renewal is your HAP. All right. And can we quickly do question number four, please? Okay. If an MTW agency uses public housing, capital, or operating funds to support HAP expenses, will those expended funds count towards HAP renewal eligibility?

Just give it a little more and then look at the results. Okay. The poll has ended and survey says -- let's see here. Okay. We got 54 people. Again, it's split. So again, I'm glad we have asked this question. About 20 percent -- a little under 20 percent are saying yes, 22 percent are saying no, and the rest did not answer. So the answer is you can -- while you can use -- you can use public housing funds to support your voucher program.

That's part of your fungibility. But it's not going to count towards your renewal. And the reason being that would be unfair for non-MTW agencies, because an MTW agency would unfairly be getting rewarded -- getting renewed for using its public housing money to support its voucher program. And then get renewed on it. So that would violate their statutory languages that say MTW agencies can't receive more money than they would have if they weren't MTW.

So I'm glad we asked this question. While you can do it -- you can use your public housing for Ops HAP to support your voucher program, it's not going to count towards your HAP renewal. All right. I think with that, Marianne, if we want to field any other questions we might have received?

Marianne Nazarro: That's great. Thank you so much Pravin, that was a great reminder and overview of the funding language and the OPs notice that we talked about at the last webinar and great questions, and it's important that we're able to clarify some of those questions as well. And I do not see any further questions in the Q&A box. So with that, Laura, if you could go to the next slide, I would like to reintroduce Jeree Turlington, who will be just reminding everybody about the five MTW statutory requirements. Jeree?

Jeree Turlington: Great. Thanks, Marianne. And hello everyone. So as a trade-off for the waivers and the flexible use of funds that we are allowing MTW to have, we have the five statutory requirements. Each of these we are requiring to meet when we laid out how we're going to access these in the operations notice, but we'll be doing it -- we welcome you to help and kind of do it and in hand with us, but it's not necessary. So real quickly, we're just going to walk through five of these, just to kind of give a refresher to everyone.

The first is ensure 75 percent of households are very low income. And when we're looking at that, we're going to look at the agency on a whole. So any of your housing programs that are receiving or accepting MTW funds -- we're going to look at the applicants annually to make sure that 75 percent of those are low income and are very low income families.

The second of which is to establish a reasonable rent policy. So Chris gave you an overview of the waivers in which you'll select what kind of rent policy could be best for your area -- your tenants -- but we'll be working with you -- the HUD office will be working with you to make sure of that as you're onboarding that you have selected at least one of those.

The the third is continuing to substantially the same number of families as you would if you weren't an MTW. So this is an appendix to the operations modus, which she laid out the methodology and how we're going to access this. But real short and sweet, for the public housing side, we're going to require that to serve 96 percent. And on the voucher side we're going to give you an overview of the voucher formula. So with that, we're going to require that 90 percent of your HAP dollars go to HAP, but Marianne, correct me if I'm wrong on that one.

The fourth is to continually to assist a comparable mix of families. And what we mean by this is if you have a waiting list full of applicants that are families -- need two bedrooms, three bedrooms, we want you to serve those families and not facilitate a change as in put -- fill the studios, for example. We have a list of families on your waiting list filled and cater to those families.

And the last of which is meet HQS standards. Kind of speaks for itself, but we want to make sure that any of the units are housing that we're putting our tenants that meet HUD standards for that, which is safe, sanitary, and decent. So with that, I'll open it up to any questions real quick.

Marianne Nazarro: Fantastic. Thanks Jeree. That was -- just as a reminder, all of the -- we do have five statutory requirements. We cannot waste those. And as Jeree noted, all of the -- how we assess those statutory requirements is included in the MTW operations notice. Alison, I am going to ask you to touch base on STS and provide a little bit more detail about the STS requirements?

Alison Christensen: Sure. So on the public housing side, it's just what you should normally already be doing with your health field offices. They're going to be checking that 96 percent occupancy level on an ongoing basis. And our office will look at that as well as a part of your MTW requirements. And where you're not meeting that threshold, the field office and our office will continue to work with you until you do.

On the voucher side, we will take your HAP dollars and we will come up with a pre-MTW per family costs of what it costs to serve a family annually in your jurisdiction. And we will inflate that per unit cost every year, according to the inflation factor that the voucher office uses. And then we'll divide that inflated costs into your HAP dollars every year. So that'll give us a number of families that you would be able to serve with the amount of HAP dollars that you receiving.

And then -- and with that number of families in mind, we'll look at the families that you're actually serving every year in both the voucher program and any local non-traditional housing program as well. So you'll get credit for both of those types of families as a part of that calculation. And for the voucher site, you would need to be serving families at/or 90 percent of that number we come up with. So you still have 10 percent flexibility to do other things with MTW that might result in that family number being substantially as the statute says.

Marianne Nazarro: Great. Thanks, Alison. Okay. So again, so if you guys are just opening it up for questions on statutory requirements -- are there any other questions that you had related to any of the five statutory requirements that Jeree walked us through? Okay, Laura, next slide, please. So now I would like to open it up to any questions that you guys have at all relating to moving to work -- to move to the expansion. I did see that there were a number of questions in the box. All right. So I'm going to go back to those questions and get to -- answer the questions that we didn't get to earlier.

And also just a reminder, if you want to say something verbally, we are here. We'd love to hear your voices. Just type in the Q&A box, hey, Marianne I'd like to say something or, hey, Marianne, I'd like to say something about X and we will unmute your mic and so we can hear from you. So while you're thinking through your questions and you're writing down your questions, I am going to walk through and Alison, I've got to say, there's a number here for you on the application piece. I think some of them we can answer and some we can't. So first, Crystal, had a question -- Alison, this one's for you.

In our MTW plan we are to provide a statement of fair housing and other civil rights, goals, strategies, and specific actions that parallel the fair housing statement and the PHA plan templates. Can you please point me in the direction of locating this statement? Alison?

Alison Christensen: Sure. So there's no specific language that you need to use for that statement if you just kind of repeat back the words of -- it's just reiterating your fair housing goals. So that's what you would do in your own words, or according to the notice, if you're looking for some language as a template -- you can look to item 10 of the certifications of compliance. That's that appendix at the end of both of the notices that MTW certifications of compliance, item 10 goes over the civil rights items. So if you wanted to just do a quick summary of the beginning of that, that would be fine too, but there's no specific language that you need to input.

Marianne Nazarro: Great. Thanks, Alison. And this next question, I am going to ask Alison and Jenny from the resident engagement standpoint to help with the response here. So Alison you first. The question here is in the plan application, I use a lot of verbiage directly from the notice. Is that okay?

Alison Christensen: Yeah. It's hard to know without seeing the application and of course we wouldn't want to give any rulings on your application before the submission date, but as is with a lot of bureaucratic things, a lot of the things in the notice you end up using again and you don't always need to just reword things in your own words. So if you find language in the notice that is working for your application, then I don't see an issue with that.

Marianne Nazarro: Yeah. And Jenny? I just -- from the resident perspective -- the resident engagement and spec perspective -- obviously keeping in mind that we can't provide any, as Alison noted, any specific response to an application during this period. But I'm -- but thoughts on the resident engagement?

Jennifer Rainwater: Well, I think just a matter of making people know just as a normal matter in business that you're open and willing to hear from everybody -- that they feel like they have the ability and show that that's just a common thing that you're in communication with your constituents and the people that you serve. So just keeping that in mind and that you can look to that and build on it for your resident engagement process would be just the thought that I have with that question.

Marianne Nazarro: Great. Thanks, Jenny. Thanks, Alison. I have a question here from Carmen. Can you talk -- and Alison -- Alison, this one's for you. Can you talk about how to document public hearings that are conducted online? Do we need to just take a roll call?

Alison Christensen: Sure. So again, we don't have any specific item that you would need to provide as proof. So anything that is reasonable that you think shows that the meeting occurred -- a roll call would be fine -- if you want to take a screenshot in the back -- that might work as well. Again, there's no specific -- anything to provide because we understand that people have different circumstances and different ways that they're conducting these meetings. So whatever is the best that works for the methods that you were using is going to be fine.

Marianne Nazarro: Great. Alison, there's a couple more questions for you here. So the one is -- and I'm not sure if we can answer -- I'm just going to ask you and you can answer. For cohort two tiered rents, is the family composition still reviewed annually or is it reviewed at tri-annual re-cert?



Alison Christensen: So for tiered rents, I'm not sure that that's addressed directly in the notice -- if it's a point -- and I guess this is a broader explanation for these different policy elements that are not directly in the notice. So we have these rent policies that are very detailed and we can provide a lot of detail in the notice without getting it to every specific thing that could occur.

So if the notice is silent on a specific element of the rent policy, then that's something that you would work with the evaluator in HUD on once you became MTW -- an MTW agency in cohort two. So if you have specific views or a way that you would like to conduct an element of a policy that's not specifically addressed as a part of one of the rents, then definitely put that in your application as something that you noticed in something that you'd want to address with HUD and evaluator. But I believe the notice is silent on that specifically. So that's it as is the case with a lot of specific elements of the policies.

Marianne Nazarro: Great. Alison, this next one is for you. I am going to also ask the question, but I think I'm going to reframe what I think the real question is. So, Lindsay, correct me if I'm wrong if I'm not reframing it right. So the question is Alison's for you. Will submissions for cohort two be reviewed as they come in for curable deficiencies or after the due date of 1/8? And so that's, I guess, one piece of a question. And I think the question that I kind of am reading between the lines is, are -- would applications that come in prior to, like, let's say December 31st have an advantage over applications that come in on 1/8? Alison?

Alison Christensen: So we would address curable deficiencies all at the same time after the due date had passed. So we'll look at all the applications and establish the curable deficiency list, and then we'll reach out to all applicants, giving them the same amount of time and equal access to HUD for questions on curing those deficiencies. So that wouldn't happen until after the application due date for both cohorts.

Marianne Nazarro: Great. And then how long will it take us to select the 10 agencies for cohort two?

Alison Christensen: I believe the time line that we have since spring time -- so we're going to expeditiously review the applications -- cohort two -- the review process is a little bit more extensive since it's the scoring and ranking of applicants. We have some due diligence on our end to look at those applications and make sure we're giving them a good read and a good consideration. So that takes some time on HUD's part. And then we have to allow time for the curable deficiencies as well. But I believe the timeline right now is spring is when we would be looking at announcing that. And for any updates on that timeline, we keep that MTW timeline on the MTW expansion website, and that's the place to look for any updates at the latest timeline on when we would plan on bringing the applicants on.

Marianne Nazarro: Okay. And a question that was emailed -- Alison, can the disclosure of lobbying activities form that was completed for the 2020 annual capital fund plan also be submitted for the MTW plan?

Alison Christensen: So you should do a specific form for the MTW plan. There is a element of redundancy in this form, and we understand that you submit it from time to time for different

programs. We have had an issue where it needs to be submitted with the MTW documents on its own. So you would submit a separate form for that as a part of your application.

Marianne Nazarro: Great. Great. Thank you. And any other questions? Looking through here -- I don't see anything else coming through on the Q&A -- anything else? This is your time guys. You've got the MTW team here to answer questions you might have specifically relating to a waiver, statutory requirements, funding, and public engagement, but really anything -- we're here. All right. Let's move on to the next slide then, please.

Awesome. So we've put up this slide during every one of these. And I hope by now we don't need to put it up for you that you've been to all of these resources, but again, we have a lot of information relating to MTW on our regular HUD.gov/MTW page on the expansion page, on the expansion training page on HUD Exchange as well as that kind of pretty version of the MTW operations notice, which is the same language, but it's in a federal register version just in a much more reader-friendly environment. So I definitely encourage you to check out our resources, check out our website. There's a lot of great information there. And we update it regularly. So I think these are updated very, very often and so definitely please keep on reporting back to those. Next slide, please.

And with that, what's coming next? So the webinar materials are all going to be posted to the HUD Exchange page. I believe the waivers and the funding flexibility webinar materials are already there. So that's both the -- kind of the walkthrough of the PowerPoint slides -- kind of with our talking as well as the PowerPoints.

I'm sure these next two dates are firmly implanted in your brains for cohort one agencies, your applications are due on December 4th. And for cohort two, your applications are due on January 8th. And so we really look forward to receiving your applications. And again, if you have any questions at all, as you are putting together your applications, please send us an email at either the MTWcohort1 or MTWcohort2@hud.gov, and we look forward to answering any questions.

And so with that -- so that concludes today's webinar and office hours. We really appreciate the time that you all have spent kind of getting to know us, getting to know the MTW expansion and we look forward to reviewing your applications. And if you have any questions, just let us know. So thank you very much. Next slide.

Thank you. Okay, bye, everybody. Thanks. Have a great day.

(END)