



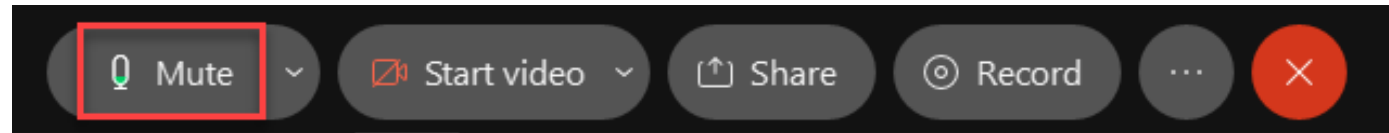
# HUD Moving to Work Expansion Training

Impact Analysis & Hardship Policies

October 20, 2021

# Muting & Unmuting

- You are **muted** upon entry.
- You can mute and unmute yourself throughout this webinar.
  - Red = Muted
  - Green = Unmuted/Audible



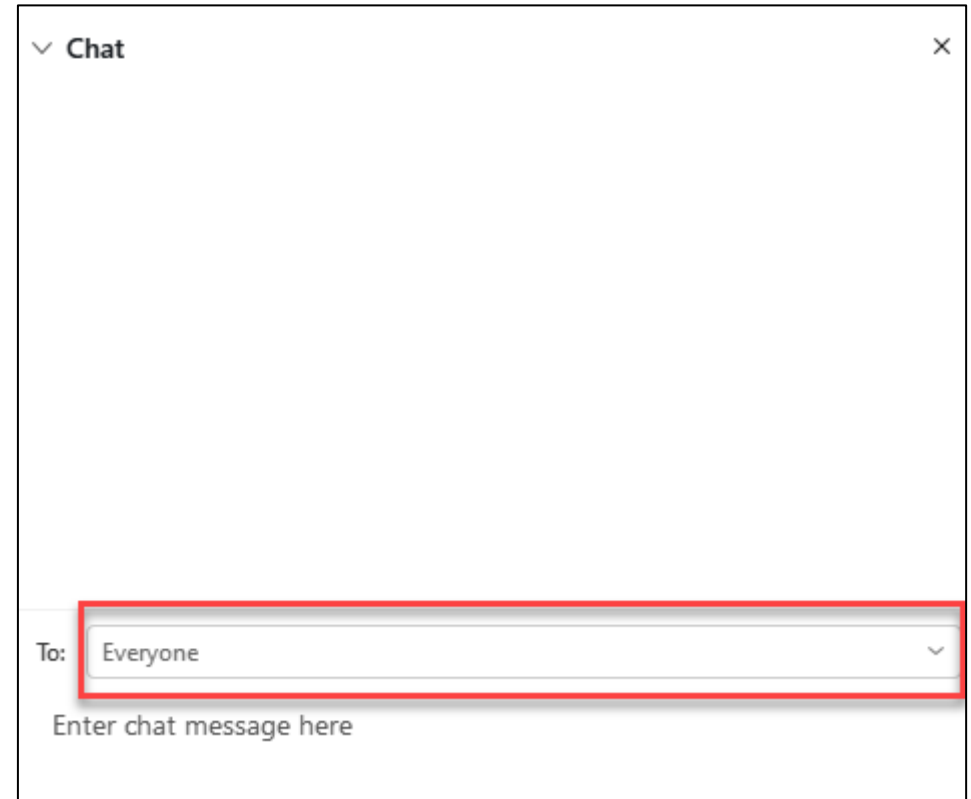
- Please remain muted throughout, unless you would ask a question or provide input.
- To speak, click the Microphone button to unmute; ask your question or provide your comment. Please mute yourself when you are done.

# Questions?

- You can ask your question or provide your input verbally by simply unmuting yourself and speaking aloud (remember to re-mute when you're done!)

**OR**

- Type your question or comment in the Chat box (send to Everyone)

A screenshot of a chat window titled 'Chat' with a close button (X) in the top right corner. The main area of the chat is empty. At the bottom, there is a 'To:' dropdown menu with 'Everyone' selected, and a text input field below it with the placeholder text 'Enter chat message here'. A red rectangular box highlights the 'To:' dropdown menu.



# HUD Moving to Work Expansion Training

Impact Analysis & Hardship Policies

October 20, 2021

# Today's Agenda

- Impact Analysis
  - Impact Analysis requirements & key things to know
  - When is an impact analysis required?
  - How to know whether your waiver(s) require an impact analysis
  - 9 required factors to assess and consider
  - Agency experience with conducting an impact analysis
- Hardship Policies
  - Hardship policy process overview
  - Example hardship policy and scenario
- Q&A



# Impact Analysis





# Impact Analysis Training Materials

## APPENDIX II - Requirements for Safe Harbors

Specific requirements on safe harbors related to impact analysis are provided in this Appendix.

### IMPACT ANALYSIS

The MTW agency must complete a written analysis of the v...  
The MTW agency must prepare this analysis: 1) prior to im...  
required as a safe harbor; 2) for certain activities (Work Rec...  
Assistance, and Stepped Rent) on an annual basis during the...  
activity; 3) pr...  
time the MTW...

This analysis...

## MTW Expansion Training

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☐ Welcome!

## Impact Analysis

The impact analysis is intended to help assess how effective an activity is (or will be), as well as to help identify any unintended consequences or hardships likely to affect assisted households.

Ops.  
Notice  
App. II

### Key Things to Know about Impact Analyses

- Impact analyses are required for all Safe Harbor Waiver and Agency-Specific Waiver requests.
- They may be required as part of the safe harbor conditions for pre-approved MTW waivers.
- A single impact analysis may be conducted for a combined set of MTW activities that jointly form a single comprehensive initiative at the PHA level.
- An impact analysis must be repeated for a larger initiative that undergoes a substantial change, such as adding an activity.
- Impact analyses may not be waived.



HUD Moving to Work Expansion

## How to Approach an MTW Impact Analysis
















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# Key Things to Know

- An impact analysis is not required annually for every activity
- Pay special attention to high-impact activities – impact analysis required
- When it is required, your agency can decide how to do it
- A single impact analysis can be done for multiple activities
- Your agency should do some analysis, even if it is not required



# When is an Impact Analysis Required for an MTW Activity?

	Prior to Implementation	Annually During Implementation	At Closeout
<b>MTW Waiver</b> <u>without</u> impact analysis required as a safe harbor			
<b>MTW Waiver</b> <u>with</u> impact analysis required as a safe harbor			
<b>Safe Harbor Waiver</b>			
<b>Agency-Specific Waiver</b>			
<b>Any waiver for which HUD specifically indicates an annual impact analysis is required</b>			

# How Do I Know Which Activities Require Impact Analysis?

MTW Waiver Number	MTW Waiver Topic
1c/d	Stepped Rent
1e/f	Minimum Rent
1g/h	Tenant Payments as a Modified % of Income
1o	Initial Rent Burden (HCV only)
1p/q	Imputed Income
1r/s	Elimination of Deduction (s)
1t/u	Standard Deductions
2a	Payment Standards – Small Area Fair Market Rents
2b	Payment Standards – Fair Market Rents
3a/b	Alternative Reexamination Schedule for Households
6a/b	Short-Term Assistance (if participation in supportive services as a condition for housing subsidy required)
7a/b	Term-Limited Assistance
10a-10e	Family Self-Sufficiency Program with MTW Flexibility Activities (if participation is a condition for housing subsidy)
11a/b	MTW Self-Sufficiency Program Activities (if participation is a condition for housing subsidy)
12a/b	Work Requirement

# Check the Operations Notice - Appendix I!

<b>1.r.,1.s. Elimination of Deduction(s)</b>		
Activity	<b>1.r. <u>Elimination of Deduction(s) (PH)</u></b> - The agency may eliminate one, some, or all deductions.	<b>1.s. <u>Elimination of Deduction(s) (HCV)</u></b> - The agency may eliminate one, some, or all deductions.
Statutes and Regulations Waived	<b><u>Elimination of Deduction(s) (PH)</u></b> - Certain provisions of sections 3(a)(1), 3(b)(4)-(5) of the 1937 Act and 24 CFR 5.611, 960.253, 960.255, and 960.257.	<b><u>Elimination of Deduction(s) (HCV)</u></b> - Certain provisions of sections 3(a)(1), 3(b)(4)-(5) of the 1937 Act and 24 CFR 5.611, 960.253, 960.255, and 982.516.
Safe Harbor(s)	<b>1.r. and 1.s.</b> <ul style="list-style-type: none"> <li>i. Agency must conduct an impact analysis. *</li> <li>ii. Agency must exempt elderly and disabled families from rent policy.*</li> <li>iii. Agency must implement a hardship policy. *</li> </ul>	

<b>1.r.,1.s. Elimination of Deduction(s)</b>	
<b>Activity</b>	<b>Activity</b>
<b>1.r. Elimination of Deduction(s) (PH)</b> The agency may eliminate one, some, or all deductions.	<b>1.s. Elimination of Deduction(s) (HCV)</b> The agency may eliminate one, some, or all deductions.
<b><u>Statutes and Regulations Waived</u></b>	<b><u>Statutes and Regulations Waived</u></b>
<b><u>Elimination of Deduction(s) (PH)</u></b> Certain provisions of sections 3(a)(1), 3(b)(4)-(5) of the 1937 Act and 24 C.F.R. 5.611, 960.253, 960.255, and 960.257.	<b><u>Elimination of Deduction(s) (HCV)</u></b> Certain provisions of sections 3(a)(1), 3(b)(4)-(5) and 8(o)(2)(A)-(C) of the 1937 Act and 24 C.F.R. 5.611, and 982.516.
<b><u>Safe Harbor(s) - 1.r. and 1.s.</u></b>	
<ul style="list-style-type: none"> <li>i. Agency must conduct an impact analysis.*</li> <li>ii. Agency must exempt elderly and disabled families from rent policy.*</li> <li>iii. Agency must implement a hardship policy.*</li> </ul>	

## Disparate Impact

1

Agency's finances

2

Affordability of housing costs for affected families

3

Agency's waitlist(s)

4

Agency's termination rate of families

5

Public housing occupancy/HCV utilization rate

6

Meeting the MTW statutory objectives

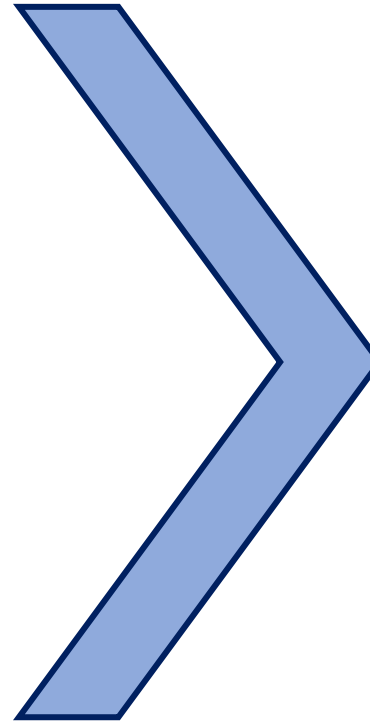
7

Meeting the MTW statutory requirements

8

Hardship requests and number granted/denied

# 9 Required Factors MUST be Assessed and Considered



To ask and explain:

- How is each factor applicable?
- What is the impact?
- If not applicable, why not?

# As You Plan for an Impact Analysis...

- Who will be assigned to conduct the initial impact analysis?
- What methods or tools will you use to collect data?
- How will you analyze results?
- How often will you reassess or repeat?
- What methods will you use to deliver assessment results?
- How will you respond to the results?
- What will you do if you are seeing weak, or even negative, results?





Questions?



# Karen Kreutzberg

## MTW & Federal Policy Director



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# Insights on Impact Analysis

- Why it was useful
  - Anticipate impacts and possible reactions
  - Made us “own” the change
  - Used to determine if we were on the right track or not
- What we learned and how we responded
  - Used different variables to see different impacts
  - 75/25 rule
- Useful tools and methods we used to collect data
  - 50058 data
- Challenges or lessons learned, and how we addressed them
  - Play out different scenarios
  - Needed guiding principles



# Quiz Time!



Questions?





# Hardship Policies



# Hardship Policies Training Materials

## APPENDIX II - Requirements for Safe Harbors

### HARDSHIP POLICY

The MTW agency must adopt a written hardship policy as a condition of an MTW activity constituting a new or expanded activity. The agency must include this policy as an attachment to the MTW application. The agency may use a single hardship policy for all activities or different hardship policies for different activities. The agency must review its hardship policy(s) annually and update it as needed. The agency must consider if a reevaluation of assistance that is terminated is warranted.

## MTW Expansion Training

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☐ Welcome!

☐ MTW Basics ▶

## Hardship Policies

Each MTW agency must adopt a written hardship policy. The hardship policy must clearly state how the MTW agency will handle hardship cases. The hardship policy must be reviewed annually and updated as needed. The hardship policy must be approved by the MTW agency's governing body.

Ops.  
Notice  
App. II



Moving to Work Expansion

Considering Hardships Based on an  
MTW Hardship Policy

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# Key Things to Know

- Operations Notice Appendix II (page 66) – requirements related to hardship policies
- Used to determine when a requirement of an MTW activity constitutes a financial or other hardship
- Use one hardship policy for multiple MTW waivers or develop different policies for different MTW waivers
- Review hardship policy(s) with residents during intake and recertification
- Include as attachment to MTW Supplement to the Annual PHA Plan
- Make sure hardship policy is clear and easy to understand, and families know when and how to access it
- Include grievance procedure for requesting second review of denied hardship requests

# What Situations Must the Hardship Policy Include?

- Decrease in income because of changed circumstances, including:
  - Loss or reduction of employment
  - Death in the family
  - Reduction in or loss of earnings or other assistance
- Increase in expenses, because of changed circumstances, for:
  - Medical costs
  - Childcare
  - Transportation
  - Education
  - Etc.
- Such other situations and factors determined by the agency to be appropriate

# Example Hardship Policy

- HH monthly total tenant payment exceeds 40% of current monthly gross income up to Payment Standard.
- HH faces risk of eviction for non-payment of rent.
- Household income reduced by 10+% for 30+ days
- HH expense increase by 10+% for 30+ days because of changed circumstances for medical costs, childcare, transportation, education, or similar items
- Head of HH has full-time responsibility for care of a child or disable adult or minor.

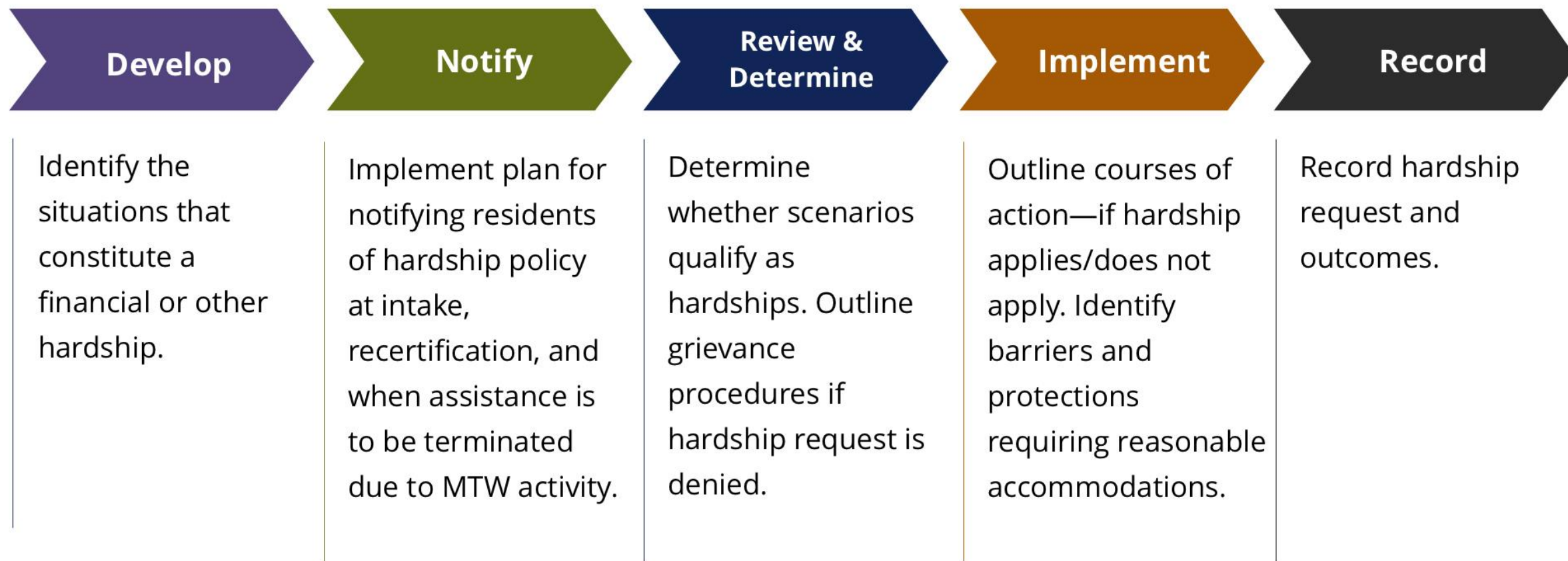
*How the agency will handle financial hardship due to:*

- *A decrease in income*
- *An increase in expenses*





# Hardship Policies: Process Overview





**Marcus**

- Lost fast food restaurant job for missing work due to minor illnesses
- Unable meet minimum rent requirement for his apartment
- Began 12-week security guard training program
- Will not meet minimum rent requirement on program's small stipend
- After completing training, will begin paid internship for a period and then transition to a full-time position

**Develop**

**Notify**

**Review &  
Determine**

**Implement**

**Record**

# Quiz Time!



Questions?



# Resources

- MTW Operations Notice Appendix II
  - Specific requirements on safe harbors related to impact analyses and hardship policies - <https://www.hud.gov/sites/dfiles/PIH/documents/FinalMTWExOpsNoticePartVIWeb.pdf>
- MTW Online Manual
  - Impact Analysis – <https://www.hudexchange.info/programs/mtw/mtw-expansion-training/obtaining-waivers-and-meeting-requirements/impact-analyses/>
  - Hardship Policies – <https://www.hudexchange.info/programs/mtw/mtw-expansion-training/obtaining-waivers-and-meeting-requirements/hardship-policies/>
- **New!** Getting Started with the MTW Expansion: Process and Resources
  - Link to be added



# Upcoming Webinar

MTW Funding & Special Purpose Vouchers

November 3, 2021

2:00 – 4:00 PM  
Eastern

**Thank you!**

