

# MTW Questions & Answers

December 18, 2020

## Introduction

As part of the application process, the Rockford Housing Authority hosted two virtual meetings for participants within our Low-Income Public Housing and HCV programs, and a Public Hearing to discuss RHA's proposed application to HUD to join the Moving to Work (MTW) program. In response to questions posed, either verbally or through the virtual meeting chat platform, we have prepared the below summary with answers throughout these meetings.

## Questions & Answers

| Question  | Answer  |
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| What is the difference between Section 8 and Moving to Work?  | Commonly known as Section 8, the <b>Housing Choice Voucher Program (HCV)</b> is a federally assisted housing program that provides rent subsidies to those in need of supportive services. The Moving to Work (MTW) program is a HUD <i>designation</i> program available to housing authorities selected by HUD. The MTW <i>designation</i> allows housing authorities the ability to intermingle funding sources to bring a more innovative service to those within both the LIPH and HCV programs. |
| What if you are already in a Family Self Sufficiency program? | You would not be eligible to participate in this rent reform study.   |

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| Will you get approved for MTW?   | We believe that we have put together a good plan and have partnerships throughout the community to support our application. The MTW designation is a competitive process. HUD will only select 10 housing authorities to participate in this Cohort  |
| What is the age that you are excluded from this program?<br><br>I am only 40; would I not participate? | Anyone currently age 56 or above is not eligible to participate. Please note, HUD's definition of elderly or disabled begins at age 62; however, this is a rent reform test model for the next 6 years. Therefore, we must regress to the age of 56 to eliminate someone's potential to become defined as elderly before the testing timeframe has expired.  |
| Low – Income. Is this Section 8 or Public Housing?   | <p>The rent reform program applies to both programs equally – Low Income Public Housing and Housing Choice Voucher.</p> <p>Example. If a person is currently working, earning \$300 per month – if they are selected to participate in the rent reform stud, a rent certification would be completed to determine the household's rent tier placement. With an annual income of \$3,600 (<math>300 \times 12</math>), Using the tier table, the rent tier placement would be level 2 (\$2500 to \$4999), and the person's rent would be set at \$94 a month. For the next three years, the rent amount will not change due to increased annual income.</p> |

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| Do the tiers consider family-size or number of dependents, in addition to family income? | Yes, all considerations currently provided for LIPH and HCV will apply to the rent reform test.   |
| Once selected, can a family opt-out?   | They cannot opt-out, but they can do a hardship. If a family experiences a hardship that they cannot overcome. In that case, we will review their circumstances and determine if removing them from the study will be the best overall outcome for the participant.   |
| When will this start?  | We plan to submit our application to HUD on January 8, 2021. It is unknown at this time when awards will be announced. If awarded, HUD will send in a consulting team to work with RHA to get all policies and practices in place and start the recruitment timeframe. We anticipate 6-12 months after winning the designation award. |
| Will the calculations consider family-size be published before January 3 <sup>rd</sup> ? | It is the same calculations currently used for the LIPH and HCV programs. However, currently, annual income is reviewed for the previous year. Under this rent reform test, rent will be calculated by projecting the next twelve-months income.  |
| Who came up with the tiers and how?  | These are HUD derived tiers in increments of \$2500.  |

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| Will this presentation be made available to the public? | Yes, we will post this presentation on our website and our social media pages.   |
| Will my rent go up in 2021?                             | We anticipate the policy review timeline to take us late into 2021, and with an enrollment timeline of 12 months, we do not foresee any changes until late 2021, early 2022. However, this is our forecasting, and we have no exact data or communication that would allow us to give a direct answer. However, again, this is only for those selected to participate. All others within both programs will not experience any changes to the current rent review or annual recertification. |