

Moving To Work (MTW)

Tenant Focus Group #1



December 2, 2020



Agenda

- Welcome
- What is Moving to Work?
- Rent Reform & Policies
- Scenarios
- Resident Discussion

What is Moving To Work?

HUD demonstration project – started 1996

Funding and regulatory flexibility

simplify policies, practices

better meet local needs

MTW's statutory objectives:

- Use federal dollars more efficiently
- Increase housing choices for low-income families
- Helps residents become self-sufficient with employment and services

MTW Requirements

- Ensure 75% of households are very low-income
- Establish a rent policy that encourages employment and self-sufficiency
- Continue to assist substantially the same total number of households
- Continue to assist a comparable mix of households by family size
- Meet HQS requirements

Rent Reform

- New calculation to determine how much rent participants pay.
- Applies only to non-elderly, non-disabled households
- Random placement into either control group or test group

Control Group

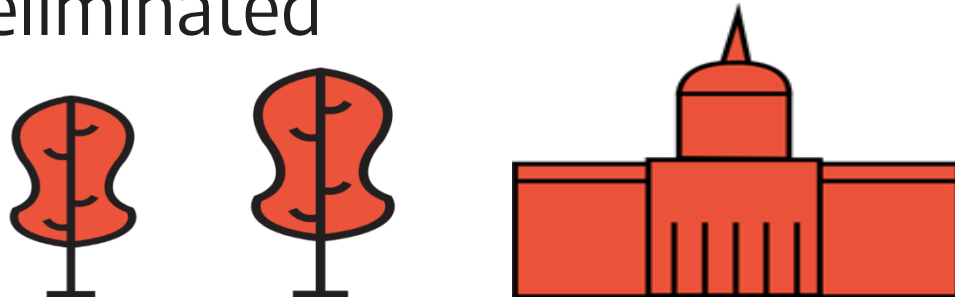
- 50% of households
- No change to rent calculation

Test Group

- 50% of households
- Rent determined based on new calculation

Rent Reform

- Hardship provisions are available for decrease in income
- Triennial Reexams
- Rent is based on Gross Income and deductions are eliminated



Current Rent Policies

Federal regulations determine rent

Rent is based on income

- Rent is calculated at 30% of monthly income after deductions.

Families must report any change of income

- Income increases– rent increases
- Income decreases – rent decreases

Stepped Rent

Rent increases over time (fixed schedule) regardless of income.

- Household starts paying 30% of gross income for rent
- Rent does not change when income increases
- If income decreases, household can request hardship
- Household rent will increase every year by a set amount.

Bedroom Size	0	1	2	3	4	5	6	7	8
Fair Market Rate	\$829	\$1,001	\$1,204	\$1,690	\$1,892	\$2,176	\$2,460	\$2,743	\$3,027
2% Increase	\$17	\$20	\$24	\$34	\$38	\$44	\$49	\$55	\$61

Sample Household A – Income **Increase**

	Current Rent Calculation	Stepped Rent Calculation
Enters program earning \$13,000/yr	\$306 / mo	\$325 / mo
After 6 months, income increases to \$45,000/yr	\$1,058 / mo	\$325 / mo
Total rent paid for the year	\$8,184 / yr	\$3,900 / yr
Total income minus rent	\$20,816 / yr	\$25,100 / yr
Rent at annual recertification	\$1,058 / mo	\$345 / mo
Next year's income minus rent	\$32,304 / yr	\$40,860 / yr

Sample Household B – Income **Decrease**

	Current Rent Calculation	Stepped Rent Calculation
Enters program earning \$25,000/yr	\$588 / mo	\$625 / mo
After 6 months, income decreases to \$15,000/yr	\$353 / mo	\$375 / mo
*Household B qualifies for a hardship rent decrease until their income goes back up.		
Total rent paid for the year	\$5,646 / yr	\$6,000 / yr
Total income minus rent	\$14,354 / yr	\$14,000 / yr
Rent at annual recertification	\$353 / mo	\$375 / mo
*Household's rent does not go up because they have qualified for hardship waiver.		
Next year's income minus rent	\$10,764 / yr	\$10,500 / yr

Resident Discussion



Tentative Timeline

June, 2019	Housing Connect submitted letter of interest
August 28, 2020	Housing Connect was invited to apply for MTW.
September 29, 2020	Housing Connect mailed notification to residents of intent to participate.
October 22 and October 30, 2020	Resident Participation Meetings
November 16, 2020	Draft of Application made available to public
November 30, 2020	Public Hearing
December 23, 2020	Submit Application
March 1, 2021	Announcement of Award by HUD
March 2021 - February 2022	MTW Planning
March 1, 2022	MTW Policy Changes Implemented

Thank You for your participation tonight!

