



**Frequently Asked Questions about PIH Notice 2012-16 (HA): Request for Applications under the Moving to Work Demonstration Program for Fiscal Year 2011**  
**UPDATED JUNE 18, 2012**

**Background**

This document contains a listing of questions regarding PIH notice 2012-16 (HA), issued on February 27, 2012. The contents of this document will be updated periodically, as questions arise that can be addressed by HUD. Additional questions and answers will be added sequentially to the end of the document as they become available. The footer will be updated to denote the updated version number and revision date. If you are applying under this notice, please check back for updates prior to the submission deadline of June 27, 2012.

For more information on the requirements for applying to the MTW Demonstration please review the full notice at: [www.hud.gov/mtw](http://www.hud.gov/mtw).

**1. What are the requirements for Public Housing Authorities (PHAs) applying for the MTW demonstration under this notice? Must applicants meet all of the requirements? Is there a way to obtain an exception to one or more of the requirements?**

Section 232 of the 2010 Appropriations Act (this provision also carried over to the 2011 Continuing Appropriations Act) requires that applicants be currently designated as a High Performing agency under the Public Housing Assessment System (PHAS) and administer no more than 5,000 aggregate housing vouchers and public housing units. Additional eligibility criteria established by HUD can be found in the notice on pages 3-8. Public Housing Authorities applying for the MTW demonstration under this notice must meet all of the eligibility requirements. Exceptions to one or more of the requirements will not be available.

**2. Is an agency that previously had in excess of 5,000 units, but now administers less than 5,000 units, eligible? How will the number of units be calculated?**

As stated on page 4 of the notice, HUD will determine applicant eligibility as of the application due date. Applicants must then meet all of the eligibility requirements as of June 27, 2012. Therefore, any inventory calculation made prior to June 27, 2012, would not be factored into an eligibility determination.

To determine eligibility, applicants should calculate the current combined number of housing choice vouchers under contract and public housing units (according to the definitions on pages 7-8 of the notice) and estimate any future changes to this number that would occur before June 27, 2012.

**3. Is a PHA that administers only housing vouchers or only public housing under the established 5,000 cap eligible? Are consortiums of PHAs considered eligible applicants?**

No. As stated on page 6 of the notice, applications submitted by multiple PHAs or from a consortium of PHAs will not be considered, nor will applications from Section 8-only PHAs or from public housing-only PHAs.

**4. Why was the cap of 5,000 units placed on applicants? Do current MTW agencies administer more than 5,000 public housing and housing voucher units?**

There are existing MTW PHAs that administer more than 5,000 combined public housing and housing voucher units. These PHAs, however, were admitted to the demonstration based upon alternate statutory requirements, which allowed for PHAs of this size to be admitted. All of these slots are filled, and HUD can only add PHAs to

the demonstration through the current Congressional authorization, which specifies that the PHAs must have no more than 5,000 combined units.

**5. Will HUD offer future rounds requesting applications for entry to the MTW demonstration under different eligibility parameters? What will prompt future rounds?**

Only Congress may authorize the addition of new MTW PHAs. Historically this has occurred through appropriations bills or continuing resolutions. For instance, the Department of Defense and Full-Year Continuing Appropriations Act, 2011, carries over from 2010 to 2011 the provision that the Secretary may add an additional three MTW PHAs, which is the basis for the recently released notice. Any future rounds would only occur if Congress authorizes them and under the parameters that Congress names.

**6. What is the schedule to choose successful applicants under this notice? When will entry to the MTW demonstration go into effect?**

Applications in response to the current notice are due on June 27, 2012. Once that window closes, applications will be reviewed by HUD in a timely manner and any successful applicant(s) will be notified as soon as a decision is made. After the announcement, the successful applicant(s) and HUD will enter into the process of executing a Standard MTW Agreement (information on this document may be found on [www.hud.gov/mtw](http://www.hud.gov/mtw)). This goes into effect once fully executed by the successful applicant and HUD. There is no set amount of time allocated for this process, as it varies and is dependent on a wide range of factors. All the Standard MTW Agreements run through the 2018 fiscal year of the agency.

**7. Would a PHA be disqualified or penalized for proposing an activity in its application that is not legal?**

No. PHAs will not be disqualified from the competition or penalized in the scoring system for proposing an activity in an application that is not legal. In responding to this notice, PHAs must cite the Attachment C authorization needed for each proposed MTW activity, and the cited authorization must plausibly relate to the proposed activity. This should eliminate potentially illegal activities. Should HUD determine that a proposed activity is not legally permissible and the PHA is selected for participation in the MTW demonstration, the PHA will need to remove the activity prior to the approval of the Annual MTW Plan at the direction of HUD.

**8. Section 4 of the notice (through Attachment B) requires applicants to list proposed MTW activities and provide a list of required elements for each. This section of the proposal will likely be quite long. Does HUD have any recommendations for how to best present this information?**

PHAs should provide a written narrative that details each of the required elements for each activity proposed in Attachment B, Section V of the notice (found on page 19). Proposed metrics (baselines and expected benchmarks) may be given in a table format. For examples on how to present this information, applicant PHAs may review current Annual MTW Plans for current MTW PHAs on the MTW website ([www.hud.gov/mtw](http://www.hud.gov/mtw)).

**9. Are agencies required to combine operating, capital and voucher funds (Section 8 and 9 funds) into a block grant?**

No. PHAs applying to join the MTW demonstration, however, must request the authority to combine funds. Section 4, item B.10 in the notice (page 9) says that PHAs must request authority to combine funds “to the extent necessary to implement the MTW plan.” If the applicant PHA does not need to combine funds in order to implement the MTW Plan, the PHA should still request the authority to do so, but note in the response to this item in the application that it does not intend to combine funds and explain why.

**10. Can agencies propose MTW activities outside Section 8 and 9 of the United States Housing Act of 1937?**

Yes. As of October 1, 2009, MTW PHAs are permitted to use Section 8 and 9 funds for uses beyond those authorized in Sections 8 and 9, provided such an authorization is included in its Standard MTW Agreement. The activity must also continue to serve families at or below 80% of area median income (AMI), meet one of the

three MTW statutory purposes and be in compliance with PIH notice 2011-45 (available at [www.hud.gov/mtw](http://www.hud.gov/mtw)). These types of activities may include:

- *Rental Subsidy Programs* - Programs that use MTW funds to provide a rental subsidy to a third-party entity (other than a landlord or tenant) who manages intake and administration of the subsidy program.
- *Homeownership Programs* - Programs in which a PHA uses MTW funds to act as a mortgager in providing homeownership assistance to low-income families.
- *Housing Development Programs* - Programs that use MTW funds to acquire, renovate and/or build units that are not public housing or Housing Choice Voucher units.
- *Service Provision* - The provision of HUD-approved self-sufficiency or supportive services that are not otherwise permitted under the public housing and Housing Choice Voucher programs, or that are provided to eligible individuals who do not receive either public housing or Housing Choice Voucher assistance from the PHA.

**11. The notice references a public hearing and meaningful resident and community participation. Does this mean the PHA must post its draft application? If so, for what time period?**

The agency must make the proposed application available for public comment for at least thirty (30) days and hold at least one public hearing. There should be no less than fifteen (15) days between the public hearing and the approval of the application by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the application. The public hearing may be held within the public comment period. The agency should include the required documentation as set forth in Section 4, item D of the notice (found on pages 9-10).

**CLARIFICATION:** It is not necessary that every piece of the application that the applicant submits to HUD be put through the public comment process. The MTW Plan described in Section 4, item C.1 through Attachment B of the notice, along with the agency's intent to apply to the demonstration, should be the subject of the public hearing.

**12. Does HUD prefer applicants to submit a hard copy or digital copy of the application?**

Applicants should follow the submission information on page 14 of the notice.

**13. What are the size limitations of HUD's email system for receiving attachments?**

HUD's email system cannot receive attachments larger than 12 megabytes in total size and a PHA's email provider may have lower size limits. Also, when email volume is high, emails over 5 megabytes in size may be temporarily housed on HUD's server and not transmitted to an email address until after normal business hours. Given applications are due by 5:00 p.m. Eastern Standard Time on June 27, 2012, PHAs should send emails early to ensure that the application is in fact received on time. HUD will not accept late applications, as stated in the notice.

**14. What should a PHA do if the application document is too large to send via email? Does HUD have any recommendations for how PHAs can ensure that the size of the document remains small enough to mail?**

If an application is too large to send over email, there are a number of ways to reduce file size to facilitate email transmittal. Strategies such as compressing files, removing ancillary pictures/graphics, and/or splitting the document into multiple files are recommended.

**15. How can a PHA confirm that the email transmittal of the application has been received by HUD?**

PHAs using Microsoft Outlook as their email client can request a "read receipt" prior to sending the email. Additionally, HUD will issue a reply email to each sender stating "Receipt Confirmed," when the application is received.

**16. Is there any standard language that HUD will provide for the eligibility certification on “Consistency with the Consolidated Plan and Analysis of Impediments to Fair Housing Choice (described in Section 4, item A.3 on page 7 of the notice)? Does this certification require a narrative from the applicant?”**

No standard text was provided by HUD in the notice regarding the “Certification as to Consistency of the PHA Plan, amendments to the PHA Plan, and MTW Plan with the Consolidated Plan” because this text will vary depending on an applicant’s specific circumstances. In order to meet this certification requirement, an applicant should show that the MTW Plan (and if applicable associated prior PHA Plans, amendments, etc.) are consistent – and therefore not in conflict with – jurisdictional planning documents such as the Consolidated Plan (specifically including the Analysis of Impediments (AI) to Fair Housing). This will require a narrative of some kind.

**17. May a PHA that manages both federal and state units of assisted housing in its portfolio report on this inventory as one in its application? May such a PHA apply MTW activities to the state portion of its portfolio, provided they obtain all necessary approvals from other governmental bodies?**

One page 7-8 of the notice, definitions for “public housing units” and “Housing Choice Vouchers” are given. This is the only inventory (not inclusive of any special purpose, non-MTW vouchers such as VASH, FUP, NED, Mainstream, etc.) that is subject to the MTW demonstration, and as such only information on this inventory should be included in requests for information throughout this notice. The exception to this would be Section III on “Non-MTW Related Housing Authority Information” in Attachment B on page 19 of the notice or portions where “non-MTW” information is directly requested. Here the applicant could describe non-MTW inventory and any initiatives that the applicant planned for that inventory.

Similarly, MTW activities may only apply to MTW inventory. Therefore discussion of how MTW activities may affect non-MTW inventory should not be included in any discussion of proposed MTW activities. Again, discussion on any non-MTW inventory may be included in the “Non-MTW Related Housing Authority Information” section.

**18. The notice requests a “description of how the PHA exhibits innovation and creativity in...Mixed-Finance Transactions” in Section 4 item B.3 on page 9. How does HUD define a Mixed-Finance Transaction? Must Mixed-Finance Transactions include public housing?**

“Mixed-Finance Transaction” in the context of Section 4, item B.3 on page 9 of the notice may include any development activity that used Sections 8 and/or 9 funds with an alternative funding source (including other HUD and/or local funding). This section of the notice is not a threshold requirement, placing the duty on the applicant to convincingly describe innovation and creativity within the categories given in order to achieve a maximum score.

**19. The notice requires that applicants conduct a “Rent Reform Controlled Study,” discussed on page 5. Must the “control” group be residents of the applicant PHA that have rent calculated according to regulation, or may an applicant propose another means of establishing a control group.**

The “Rent Reform Controlled Study” section on page 5 of the notice defines an alternate rent strategy as a “variation of the tenant rent calculations required by statute” and requires that “applicants agree to institute a random assignment process for participants to treatment and control groups to address research standards.” Members of the control group, therefore, must have rent calculated as required by statute.

An applicant is not required to conduct the study on the agency’s full resident population, leaving the possibility that more than one rent reform strategy could be implemented, so long as the controlled study requirement was met. When determining the size of the controlled study, an applicant should demonstrate that the model addresses appropriate research standards.

**20. Are there any guidelines on page limits, font size/type, etc.?**

There are no guidelines for length of application, spacing or font. Applicants must, however, provide all of the elements listed under the “Submission Requirements” section of the notice.

**21. Is there a standard version of the “Attachment A” available for review by applicants? This document would describe how an applicant would be funded if it joined the MTW demonstration.**

Attachment A of the Standard MTW Agreement details how the funding of an MTW agency is calculated. The Attachment A has historically been specific to each MTW agency. The Attachment A’s for Boulder and Lexington are the most recent, reflecting the current requirements of appropriations law, and would most closely reflect the language HUD would use. The Attachment A’s in effect for these MTW agencies are available through the links to the MTW Agreements here:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/ph/mtw/mtwsites](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/ph/mtw/mtwsites).

**22. PHAs are receiving new PHAS scores as the application window is open under this notice. May an applicant use the PHAS score in effect when the notice was published (February 27, 2012) instead of the due date for applications (June 27, 2012)?**

The selection requirements in the Appropriations language that authorize this notice are imposed in the present tense and must be met at the time of selection. As a practical matter, HUD has implemented this requirement by requiring that the selection factors be present at the application due date rather than the actual date of selection. There is no authority provided in statute that allows HUD to ignore the current PHAS status of certain agencies by using the PHAS status as of the date the notice was issued, especially in light of more recent data and statuses being available closer to the date of selection. The relevant status is the status at the time of selection, and the deadline has been determined to be the closest point in time possible to determine status at the time of selection.

**23. Section 4.A(3) of the notice requires a certification as to consistency of the applicant’s PHA Plan, amendments to the PHA Plan and the MTW Plan with the Consolidated Plan. Does HUD require a specific format for this certification? Can HUD review a sample certification and give approval in advance of the application deadline?**

There is no specific certification format that applicants must use to provide this certification. Applicants may use any certification format that certifies consistency of the planning documents listed with the Consolidated Plan.

HUD is not able to review any application materials related to this notice submitted by applicants prior to the application deadline.

**24. May an applicant partially redact resident names on a meeting sign-in sheet in order to protect privacy?**

The notice does not give any guidance related to how names must be presented on sign-in sheets. Therefore, the format of the sign-in sheet, including whether to partially redact names, would be at the discretion of the applicant.

**25. What if I have a question not addressed in this document?**

Please direct any questions in email to: [mtw-info@hud.gov](mailto:mtw-info@hud.gov).