



**Strengthening Neighborhoods.
Improving Lives.**

Council of Large Public Housing Authorities

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May 16, 2016

Regulations Division
Office of General Counsel
US Department of Housing and Urban Development
451 7th Street SW, Room 10276
Washington, DC 20410-7000

Re: [Docket No. FR-5932-N-01] Request for Specific Policy Proposals and Methods of Research and Evaluation for MTW Demonstration Expansion

To Whom It May Concern:

CLPHA is a non-profit organization committed to preserving, improving, and expanding the availability of housing opportunities for low-income, elderly, and disabled individuals and families. CLPHA's members comprise more than 70 of the largest housing authorities, in most major metropolitan areas in the United States. These agencies act as both housing providers and community developers, effectively serving over one million households, managing almost half of the nation's multi-billion dollar public housing stock, and administering over one-quarter of the Section-8 Housing Choice Voucher program.

CLPHA welcomes the opportunity to submit comments on HUD's notice soliciting recommendations for policy and research proposals for MTW expansion. Below are our general comments, as well as specific policy recommendations:

General Comments on MTW Expansion and the Research Advisory Committee

We believe that the Research Advisory Committee should develop the research agenda through a thoughtful, measured, and engaged process with considerable input from the housing authorities and industry groups. In comments submitted to HUD last week on the notice establishing the Research Advisory Committee, CLPHA asked that HUD create an open dialogue with the public and industry group *throughout the entire* RAC process, regularly sharing information and soliciting comments and feedback as the research agenda is being developed. While we welcome the opportunity to submit recommendations for policy proposals and research methodologies, we want to emphasize that this should not be the final opportunity to provide comments. HUD should publish a draft of the research agenda well in advance of the first round of applications and invite feedback

on the agenda from the public and industry groups, in addition to regular engagement throughout the development process. We also want to emphasize that developing a well-designed research evaluation takes considerable time and thoughtful planning, as recent research efforts from Abt Associates, MDRC, and the University of North Carolina, Chapel Hill have shown. Housing authorities should be given the flexibility to develop the evaluations at a pace appropriate for them, the discretion to test the designated policies portfolio wide or only at specific properties, and the freedom to choose appropriate evaluation partners.

HUD has not made it clear whether or not it will be prescribing specific research evaluation methods following recommendations from the RAC, or allowing PHAs to determine their own evaluation designs. *CLPHA recommends that housing authorities should be given full flexibility and latitude over the design and implementation of their research methodologies.* PHAs best understand their operations, portfolios, and populations, as well as local markets and conditions, and can tailor their methodologies accordingly. If HUD plans to prescribe specific research methods, it should permit housing authorities to use the broadest range of research methodologies and designs possible. The statutory language authorizing the expansion of MTW calls for “rigorous research”. Although some consider randomized control studies to be the only gold standard, CLPHA believes “rigorous research” should be applied broadly. In addition to randomized control and comparison studies, qualitative methods such as surveys, interviews, case studies, and other methods should be employed. Permitting PHAs to use multiple methods will not only create a larger supply of information and data for evaluation, but also allow for a more complete understanding of the impacts of the designated policies.

HUD should pay particular attention to researchers who have done innovative research in public housing. At Johns Hopkins University, sociologist Stephanie Deluca used qualitative methodologies to study adolescents growing up in public housing in Baltimore. Her research, documented in *Coming of Age in the Other America*, tracked a group of youth for 10 years. Through extensive fieldwork, including repeated interviews with the children and their parents, Deluca’s study identified the opportunities and unique challenges around upward mobility facing youth in Baltimore’s public housing. HUD can also take lessons from Charlotte Housing Authority’s (CHA) recent research efforts. Working in collaboration with evaluators from the University of North Carolina at Chapel Hill, CHA developed a comparison study, supplemented with survey and interview data, which evaluated employment and eviction rates between properties that implemented work requirements and properties that did not. The study included rigorous, carefully thought-out methodologies and implementation strategies that took both resident capacity and local markets into consideration. For example, CHA built in exceptions for residents identified as potentially having disabilities (and therefore unable to work) and provided on-site case management and supportive services for work-eligible residents for over two years prior to implementing work requirements. CHA also delayed the enforcement of work-requirements due to a local economic recession and accompanying high unemployment rates in Charlotte.

Policy Recommendations for Evaluation

Administrative & Operational

1. Funding Flexibility

One of the unique features of MTW is the ability to merge operating, capital, and tenant-based assistance dollars into a single agency fund, allowing agencies to take advantage of opportunities not available to traditional public housing authorities. MTW agencies have made strategic use of their authority to flexibly use funds to increase housing choice and improve cost effectiveness. In HUD's report, *Moving to Work: Interim Policy Applications and the Future of the Demonstration*, HUD states that funding flexibility has enabled MTW agencies to serve more families. In a number of MTW agencies the housing authority used its combined funds to leverage financing for the development of additional affordable housing units. In Vancouver, Washington, the housing authority used its single fund flexibility to create a rapid-rehousing program for families experiencing short-term financial challenges. Developing a research question around the use of funding flexibility will allow for a more robust understanding of how the policy impacts resident outcomes, as well as MTW's three major statutory goals; expanding housing choices, increasing self-sufficiency, and increasing cost effectiveness.

2. Partnerships

There has previously been minimal research on MTW and its impact on partnerships. However, MTW housing authorities are in a unique position to leverage partnerships with local service providers, as well as develop partnerships across sectors. Many MTW housing authorities are already engaging in these innovative collaborations, including partnering with education, health, and financial institutions to provide more housing choices and better opportunities and outcomes for their residents. CLPHA believes a partnerships/collaborations research question should be included in the research agenda, so we can better understand how MTW flexibilities impact this important component of a PHA's work.

3. Improving Housing Quality and Expanding Housing Opportunities

Despite the fact that the capital backlog for public housing is now over \$26 billion and a substantial amount of public housing units are being lost every year, the flexibilities authorized under MTW have allowed agencies to preserve and revitalize their public housing stock in three substantial ways.

First, housing authorities are using MTW flexibility to improve existing stock in need of rehabilitation. In Atlanta, the housing authority undertook a portfolio transformation by recapitalizing and converting its public housing stock to mixed-income, mixed-financed developments. Financial flexibilities under MTW, such as the single agency fund and the exemption

to HUD’s Total Development Cost limits allowed the Atlanta Housing Authority take an active “developer” role in the preservation and improvement of its housing stock.

Second, housing authorities have used MTW flexibility to preserve affordable units in emerging opportunity neighborhoods. HUD has increasingly focused on providing affordable housing in areas of opportunity. However, many public housing units are already located in, or adjacent to, potential opportunity neighborhoods. In these cases agencies have used their MTW authority to preserve existing housing in neighborhoods they may have been priced out of just a few years later.

And finally, housing authorities are using MTW flexibility to create new housing options in existing opportunity neighborhoods where affordable housing has been historically absent. CLPHA recommends that the RAC develop a research question addressing how MTW authority allows PHAs to improve their housing quality, preserve their stock, and expand housing opportunities for residents.

Resident Services and Outcomes

Housing authorities have implemented a wide variety of policies and programs around resident services and outcomes. Rather than prescribing one specific policy for each cohort, the RAC should consider developing a menu of policy options grouped according to broader research categories that reflect current MTW activities – including economic self-sufficiency, health, and education. Each of these categories can have a list of several policies for PHAs in that cohort to choose from. PHAs capacity, funding, and operations, as well as resident demographics and local economic conditions vary widely across geographies and markets. Allowing PHAs to select from a menu of policy options will grant housing authorities greater flexibility in implementing policies that best work for their local conditions. Additionally, combining these policies under one research topic allows for a greater range of policies to be evaluated over the course of the expansion.

1. Economic Self-Sufficiency

Housing authorities are currently implementing a wide range of innovative economic self-sufficiency policies and activities that encourage financial mobility and independence for residents, including work requirements, rent reform, and term limits. King County Housing Authority developed revised rent policies for work-able and working households. The rental policies, adopted in 2010, combined simplified reporting and review requirements with tiered rents and a biennial recertification cycle, allowing household income to increase without an immediate impact on tenant rent. In New Haven, Connecticut, Elm City Communities developed the CARES (Caring About Resident Economic Self-Sufficiency) Initiative, which introduced term limits paired with escrow savings and supportive services to residents in certain properties. When developing the research

agenda, HUD should create a research category for economic self-sufficiency with policy options including, but is not limited to, work requirements, rent reform, and term limits.

2. Health and Education

HUD should also create research categories for studying the impact of MTW on health and education outcomes for residents, particularly the ways in which MTW flexibilities create new opportunities for funding and partnerships. Housing authorities have been deeply engaged in building partnerships between housing and school systems to improve educational outcomes for children living in public housing. In Tacoma, WA, the housing authority created the McCarver School Initiative. Through the initiative, THA offers homeless or at-risk families housing vouchers with annual rent increases over a five year period, until the families pay 80 percent of the city's fair housing market rent. Parents in the program commit to keeping their children enrolled at McCarver Elementary School, as well as completing their own education and work-related goals as a condition of receiving their housing voucher. Under the initiative the school also committed to improving its status from a low-performing school to a high-performing one. McCarver has recently been certified as an International Baccalaureate (IB) Primary Years Program school, adopting rigorous academic achievement standards and an innovative curriculum to encourage better educational outcomes for its students. Housing authorities have also done innovative work around health outcomes for residents, particularly for seniors aging in place. In Cambridge Massachusetts, the housing authority used its MTW funding flexibility to subsidize housing and services costs in an assisted-living facility, in combination with funding from the Massachusetts Medicaid Group Adult Foster Care Program and PACE (Program of All-Inclusive Care for the Elderly).

3. Special Needs Housing

Many PHAs have used their flexibility to expand their services beyond traditional program administration, partnering with community organizations to provide service-enriched housing opportunities for special needs populations, including the homeless and formerly incarcerated. In Oakland, the housing authority provides housing assistance and service coordination for mothers who have been incarcerated through the MOMS Program (Maximizing Opportunities for Mothers to Succeed), a sponsor-based housing model. The King County Housing Authority used project-based vouchers (PBVs) to place homeless families in properties with targeted support and training as part of the Sound Families Program. Using its MTW flexibility, the housing authority adopted a policy allowing families who graduated from the program to receive a tenant-based voucher without being on the traditional waitlist. Understanding how MTW agencies can use their flexibilities to serve special needs populations would be an important research question for the RAC to include in its research agenda.

4. *Mobility*

Increasing housing choice is one of the three main statutory goals of the MTW program. Many housing authorities have developed mobility strategies to assist residents in moving to higher opportunity neighborhoods. The San Diego Housing Commission created the Choice Communities program aimed at helping move families into more affluent communities with better employment and education opportunities. The housing authority used its MTW authority to create more flexible rent limits, increase payment standards, and offer no-interest loans to assist families in paying higher security deposits. In Baltimore, low-income residents are given mobility counseling to support their transitions into new communities. The RAC should create a research category for mobility that includes several policy interventions, including changes to payment standards and mobility counseling.

In conclusion, CLPHA appreciates the opportunity to submit recommendations for research methodology and policy ideas for the RAC. We recommend that housing authorities be given considerable latitude over their research design process and that a menu of policy options, under broad research categories, should be made available to each cohort. Additionally, we strongly encourage HUD create a transparent and engaged dialogue with stakeholders throughout the RAC process, including making the research agenda available for comment in advance of the first round of applications.

Thank you for the opportunity to submit these comments.

Sincerely,

A handwritten signature in cursive script that reads "Sunia Zatterman".

Sunia Zatterman
Executive Director