



**Seattle Housing Authority**

190 Queen Anne Ave N  
PO Box 19028  
Seattle, WA 98109

206.615.3300  
seattlehousing.org

November 3, 2020

Colette Pollard  
Reports Management Officer, QDAM  
Department of Housing and Urban Development  
[colette.pollard@hud.gov](mailto:colette.pollard@hud.gov)

RE: 60-Day Notice of Proposed Information Collection: Moving to Work Demonstration  
(Docket No. FR-7028-N-06)

To Whom it May Concern:

The Seattle Housing Authority (SHA) has participated in the Moving to Work (MTW) demonstration program since the 1999 Fiscal Year. Over the more than 20 years we have participated in this program, we have used the flexibilities of the block grant and regulatory waivers to innovate our operations, responding to and reflecting the values and conditions of our local context while pursuing the MTW statutory objectives. MTW is an integral part of our organization. As such, SHA has a strong vested interest in the *Form 50900: Elements for the Annual Moving to Work Plan and Annual Moving to Work Report*, the document which dictates SHA's primary MTW-specific reporting requirements and other critical areas. It is our position that robust reporting mechanisms such as the annual MTW Plans and Reports could be a valuable tool for evaluation and sharing best practices across the industry.

This letter will address our feedback on many of the new and ongoing requirements in the proposed Form 50900, as well as on the process itself. In particular, we will address the following points:

- This version has added unwarranted additional reporting burdens for rent reform/term limit activities which should be removed.
- There continues to be an inappropriate threshold for re-proposing existing activities, which should be changed to align with the intent of the MTW Agreement.
- New and updated financial reporting information requirements are confusing and unnecessary. We concur with the MTW Collaborative Finance Workgroup's comments and request the proposed changes be withdrawn.
- Finally, we request that HUD honor their commitment to allow for the time needed to collaboratively develop the next iteration of the MTW metrics by removing the Performance Metrics proposal from this public comment process.

Throughout our comments, we also offer recommendations where appropriate on how we think the form and process could be improved. We look forward to HUD's response and hope that our feedback will be seen as an opportunity to continue authentic dialogue between HUD and the MTW Collaborative to improve what could potentially be an invaluable tool to HUD and the industry as a whole.

**Commissioners**

Paul Purcell, *Chair*

Dr. Paula Houston, *Vice-Chair*

Robert Crutchfield

Michael Diaz

Twyla Minor

Gerald Smiley

Deborah Thiele

Andrew Lofton, *Executive Director*

### **Section-specific comments**

In the introductory statement to the form, HUD estimates an annual time burden of 81 hours per year. This is a vast underestimate of the time burden per year per PHA. Many of the 39 MTW agencies, including SHA, have full-time positions dedicated entirely to Moving to Work, and a not insignificant amount of these employees' worktime is spent preparing these two documents annually. In the Federal Register posting of this form, HUD provides a useful table with a breakdown of the estimated hours. It appears in developing this estimate HUD is only counting the time it takes to type up the information, not the time it takes to formulate it or the time associated with internal or community review. For example, for the Introduction section in both the Plan and the Report, HUD estimates a total of 1 hour annually to complete the following (p. 6):

<b>ANNUAL MTW PLAN</b>	<b>ANNUAL MTW REPORT</b>
<b>A. TABLE OF CONTENTS</b> Include all of the required elements of the Annual MTW Plan (including appendices).	<b>A. TABLE OF CONTENTS</b> Include all the required elements of the Annual MTW Report (including appendices).
<b>B. OVERVIEW OF SHORT-TERM AND LONG-TERM MTW GOALS AND OBJECTIVES</b> Short-term goals and objectives include those that Plan Year. Long-term goals and objectives include those that the MTW PHA plans to accomplish beyond the current Plan Year. MTW PHAs have the ability to define the level of specificity in the short-term and long-term goals and objectives. If the MTW PHA includes non-MTW components, the MTW PHA should clearly delineate which are MTW and which are non-MTW goals and objectives. MTW PHAs have the flexibility to include references to proposed and ongoing activities in this section if it assists in providing an explanation about short-term and long-term goals and objectives. However, this is not required.	<b>B. OVERVIEW OF SHORT-TERM AND LONG-TERM MTW GOALS AND OBJECTIVES</b> The MTW PHA should include information about whether the short-term goals and objectives provided in the corresponding Annual MTW Plan were accomplished. MTW PHAs should report progress towards the long-term goals and objectives provided in the corresponding Annual MTW Plan.

HUD also does not take into account the time for the required public hearing and public comment process. Those alone can easily be 80 hours per year. In addition, the MTW Plan and Report require the collection and analysis of data above and beyond what is required during regular business and reporting requirements to HUD. We suggest HUD engage with the MTW agencies to understand the true amount of time expended on preparing the MTW Annual Plans and Reports. Further, we encourage HUD to enact the recommendations outlined below to help reduce the existing time burden on PHA staff and prevent additional time burden.

## **Section II: General operating information**

**A. Housing stock information i. Planned new public housing units:** HUD requires MTW PHAs to submit a table containing all new public housing units anticipated in the coming fiscal year in each MTW Plan, including a breakdown by unit size and mobility features. HUD does not require this level of detail for any of the other housing stock information in this section. HUD also does not require that PHAs provide information in the MTW Report on actuals. It is unclear as to why HUD requires unit bedroom size and accessibility information in the MTW Plan and where MTW agencies can or should indicate if actual unit production differs from what was in the Plan. We recommend that HUD remove the bedroom size and accessibility information this section. *If* HUD considers it necessary to continue to collect this information in the MTW Plan, we would appreciate an explanation of the rationale and make the following recommended improvements:

**Bedroom size categories:** The bedroom size categories should be updated to match the data fields in the PIH Information Center (PIC) as follows: 0 bedroom, 1 bedroom, 2 bedrooms, 3 bedrooms, 4 bedrooms, 5+ bedrooms.

**Accessibility information:** In the proposed 50900, HUD has altered the requested accessibility information in this section from asking for a count of UFAS units broken down by fully accessible and adaptable to the following categories:

Accessible Units (Mobility)	Adaptable Units (Hearing / Vision)
--------------------------------	---------------------------------------

These new categories do not align with any existing definitions. Many hearing and vision adaptations are made as individual accommodation requests and are not necessarily even considered a unit feature. For example, visual doorbells for those with hearing impairments are relatively inexpensive and added/removed from existing units as needed. There is an existing definition for “adaptable units” under UFAS. Does HUD envision that those units now be reported as “Accessible Units (Mobility)” or not at all?

**A. Housing stock information iii. Planned/Actual new project-based vouchers:** In 2020, HUD released both a 60- and 30-day notice of proposed information collection on a new project-based voucher (PBV) data collection system. If/when this new system goes into effect, it may make the reporting of all PBV units in the MTW Plan and Report duplicative. We recommend that HUD staff review both the 50900 and the PBV data collection system together and ensure that reporting requirements for PHAs are coordinated and streamlined, particularly given how time intensive it is to compile this information for agencies such as SHA which have very large PBV portfolios.

**A. Housing stock information iv. Existing project-based vouchers:** Currently SHA’s list of existing project-based vouchers in our Annual Plan and Report is at least seven pages long. We cannot help but question the value of repeating this list each year. As stated above, HUD should review and coordinate all project-based reporting requirements. At a minimum, now that HUD has a baseline of actual project-based projects from each MTW agency, in this 50900 HUD should replace the requirement to provide the list of actual project-based units with a summary table of total units.

B. Leasing information i. Planned/actual number of households served: The Form 50900 requires the MTW PHAs to report on households served by totaling the number of unit months and dividing that number by twelve. Calculating households served by this method is misleading and often undercounts the number of households truly served by each PHA annually. This is particularly true for programs such as short-term rental assistance programs, rapid rehousing and those designed to end homelessness, which often intentionally serve more than one unique household per “unit” per year. We recommend that this section be updated to reflect unit months per HUD’s definition and households served per the PHA’s calculation, such as unique households served.

D. Information on statutory objectives and requirements ii. Maintain comparable mix: We appreciate that in the proposed Form 50900, HUD has updated the instructions to state that non-MTW adjustments now include factors “unrelated to the MTW PHA’s local MTW program.” This will allow for taking into account non-MTW changes that have taken place as agencies, like SHA, have evolved over more than two decades, adapted to rapidly changing housing markets and participated in other HUD programs that impact housing programs such as HOPE VI and Choice Neighborhoods.

### **Section III: Proposed MTW activities**

C. Cost implications: SHA maintains that requiring MTW PHAs to account for associated costs/deficits for proposed MTW activities is overly restrictive and unsuitable given the MTW agencies’ block grant flexibility, a core tenet of MTW. Additionally, MTW agencies already provide detailed accounts of expenditures and balances through systems like the Financial Data Schedule (FDS). We do understand the desire for transparency if an MTW activity is going to have substantial cost implications. Therefore, rather than removing this entire section, we recommend that following revisions:

- C.i. Insert “significant” before “cost implications”
- C.ii. Amend the last clause to state, “...provide an estimate of the amount.”

E. Rent reform/term limit information ii. Hardship case criteria: HUD has added two additional requirements to the instructions for proposing a new rent reform and/or term limit activity which we object to and request that HUD remove from the final version.

- Reasonable accommodation policy: HUD has updated the instructions to require a “hardship *and* reasonable accommodation policy” for any rent reform or term limit policy. PHAs are already required to establish a hardship policy that provides for households to request temporary or permanent exemption from a rent reform or term limit policy. Reasonable accommodations are already granted through other regulatory requirements such as the Violence Against Women Act and the Americans with Disabilities Act. There is no need to establish separate reasonable accommodation policies specific to MTW activities and we request it be removed.
- Hardship policies in appendices: The proposed 50900 would require a copy of the hardship policy associated with any proposed new rent reform/term limit activity, to be included in an appendix. HUD also indicates that this is to be used for the express purpose of the public review/comment process and will not be used in HUD’s review of

the activity itself. We do not think this is a necessary or appropriate requirement. There are existing regulations as well as local accountability standards that housing authorities follow for transparency and when engaging with residents and the community when proposing to adopt or amend policies. It is not HUD's place to dictate the details of these processes. For these reasons, we think that this requirement is inappropriate and should also be removed.

#### **Section IV: Approved MTW activities**

##### **A. MTW performance metrics**

Two of the main goals of the 50900, as stated in the introductory statement to the document, are "to evaluate the impacts of [MTW] activities" and "identify promising practices learned through the MTW demonstration." SHA is strongly committed to robust assessment, evaluation and continuous improvement of our policies and programs utilizing data-informed decision-making and an equity lens in our approach to planning and implementation. We have dedicated countless resources over the years to sharing lessons learned with MTW peers (MTW and non-MTW), HUD, evaluators, policy-makers, advocacy organizations and other stakeholders to support our collective desire to identify promising practices and even to learn from our challenges and things we wish we had done differently. If there is a practical way to distill all of this into a standardized reporting format, we are all for it. Our more than twenty years of experience and observation of the work of others like Abt Associates, Urban Institute and even the Government Accountability Office (GAO) tells us that, while laudable, this really is not feasible. Nonetheless, we are committed to working collaboratively with HUD and our peer MTW agencies to try to find the closest possible solution.

Given these complexities, the MTW Collaborative and HUD have engaged in discussion about the need for a joint review process of the MTW metrics for many years. We appreciate that HUD responded to the request of the MTW Collaborative this summer to begin engaging with the PHAs regarding their proposal prior to the release of the current proposed 50900. The conversations with HUD staff were helpful in gaining an understanding of the intent behind the proposal. The new approach to metrics in the proposed 50900, to aggregate activities by statutory objective, is an interesting one and a significant departure from the existing reporting methodology. However, the time allotted so far, particularly given that PHA staff are primarily focused on responding to issues related to the COVID-19 pandemic, is not nearly adequate to ensure that the new reporting approach will indeed be sufficiently better at achieving HUD's stated goals to justify the necessary tradeoffs. Additionally, there has not been a clear process for agreeing on the goals of the metrics in the 50900 (for example, other tools or strategies may be better suited in some cases).

Therefore, along with the MTW Collaborative, we request that HUD honor the commitment made this summer to allow for the time needed to have a legitimate collaborative process for developing the next iteration of the MTW metrics. **Specifically, we request that HUD remove Section IV: A: MTW performance metrics from this Paperwork Reduction Act process and replace it with the Standard HUD metrics section from current 50900.** Meanwhile the MTW PHAs and HUD will continue to work together to develop a stronger proposal and HUD can amend the 50900 when a workable metrics framework is developed.

While we are looking forward to future in-person discussions on the performance metrics, we will also take the opportunity afforded by the 60-day comment period to provide some feedback on the proposed version of the 50900. This feedback can be found in the appendix of this letter.

B. Implemented activities iii. Description/impact/update: HUD has inserted the word “thorough” in front of “description of the MTW activity.” These ongoing activities have already been described in detail in prior plans when proposed or amended. Per the 50900 instructions, PHAs already provide information on the year the activity was first identified and first implemented in each subsequent Plan and Report so that HUD may easily reference the respective description. Most of the 39 MTW agencies have been participating for upwards of two decades and have a multitude of activities. SHA has more than 20 MTW activities that include nearly 125 strategies. The Approved Activities section alone of our Annual Plans and Reports already average 30 to 50 pages each. We request that HUD remove the word “thorough” as adequate information is already easily available.

In the Report instructions for this item, HUD has also made significant and concerning changes to reporting requirements under the title of “NOTE.” In addition to requiring a copy of the hardship policy related to proposed activities in Section III (discussed above), the new 50900 also requires PHAs to include copies of all hardship policies associated with each rent reform activity in an appendix. This is an unnecessary requirement. SHA hardship policies are already required to go through a full public comment process, are reviewed by resident organizations and are already publicly available in the PHA’s Admissions and Continued Occupancy Policies (ACOP) and Housing Choice Voucher Administrative Plan (“Admin Plan”). When accessed through these documents, the hardship policies are placed in context alongside the policies they are designed to complement. Divorcing them from these policies makes them difficult to interpret. In order to make the policies understandable, each PHA would have to provide the accompanying policy, which is an overwhelming amount of information to include in each MTW Report, in addition to being duplicative of content already available on every PHA’s website and that has already been through appropriate processes when adopted.

MTW PHAs are already required to provide the “number and results of any hardship requests” received by the PHA each fiscal year. A new accompanying note instructs PHAs to change names and other PII and to take other measures to protect individuals’ privacy. This leads us to interpret the instructions as HUD’s intent to requiring a high level of detail for each hardship request included in the Report. This is problematic for several reasons. First and foremost, even with changing names and other personally identifiable information, this is still a gross violation of resident privacy. Next, the MTW Report is not an appropriate location to provide this type of compliance information. Finally, PHAs already have formal and informal accountability measures, such as Boards of Commissioners and resident advisory groups. This note should be removed and HUD should refrain from any further attempts to gather such detailed information.

B. Implemented activities iii. Planned/actual non-significant changes and v. Planned/actual significant changes: This version of the 50900 *still* requires PHAs to re-propose activities if “significant changes” are anticipated in the Plan year. This concept of re-proposal is antithetical to the very purpose of MTW. Attachment C of the Standard Agreement states “The purpose of the Statement of Authorizations is to delegate to the Agency the authority to

pursue locally driven policies, procedures and programs...” It is not HUD’s role to approve our specific policies but to authorize use of MTW flexibilities. SHA and our MTW peers have rightfully been objecting for years to HUD’s excessively broad criteria for what constitutes a significant change. A significant change is loosely defined in the proposed 50900, in part, as a change which “fundamentally changes the nature and scope of an activity to the extent that there is the potential for a *different impact* on residents” (p. 4, emphasis ours). “Different impact” is not a reasonable threshold for “fundamentally changing the nature and scope of an activity” or of a “significant change.” For example, if a PHA has an activity allowing them to set an alternative minimum rent and, in the original proposal, specified the amount as \$50. After ten years the agency may want to adjust the minimum rent to \$75 to reflect inflation. This is technically a different impact but it is in no way a fundamental change to the activity itself and absolutely should not require a re-proposal. Similarly, a PHA could even be making a change that is to residents’ benefit and this threshold would still require a re-proposal.

Additionally, HUD’s only criteria to be able to reject an MTW activity is if it is not waivable under Attachments C and D. HUD’s other standard for a “significant changes to activities” is if “an additional MTW authorization is needed.” If HUD’s only ability to reject an activity is that the scope or nature of the activity is not waivable under the Standard Agreement, then there is no reason to re-propose an activity which is already allowable. Surely there is another method for HUD to consider the addition of an MTW authorization without having to re-propose the entire activity. We once again strongly encourage HUD to remove/revise this section to be consistent with the purpose of MTW.

### **Section V: Planned application of MTW funds**

Seattle Housing Authority endorses the comments submitted by the Moving to Work Collaborative - Finance Workgroup on proposed changes to Form 50900. SHA will add comments to theirs and offer some additional remarks on Section V. A. iii. iv. and v., following general comments immediately below.

General Comments on Section V: SHA acknowledges and appreciates the opportunity members of the Finance Workgroup had to provide input on changes to 50900 and gain an understanding of some of HUD’s considerations. We particularly appreciate HUD’s aim to minimize the administrative work for MTW finance staff in preparing information to respond to the new reporting requirements. Both the Finance Workgroup and SHA believe this intent will be greatly advanced by adopting the change we have both proposed to Section V. A. iv. to use total funds available, as reflected by an agency’s MTW Single Fund, and how the unspent funds are projected to be used in the coming year.

On a related note, SHA suggests it is time to acknowledge and accept that the MTW Demonstration Program, from its inception over twenty years ago was based on both the flexibility to seek waivers to Section 8 and 9 regulations and the mandate to combine Section 8 and 9 funding sources and use them with full fungibility. It is time for HUD to accept the terminology “single fund authority” and “single fund flexibility.”

Our specific comments on Section V. A. iii. iv. and v. follow below.

iii. Description of Planned Application of **MTW Single Fund Flexibility**: This paragraph should be removed. HUD should implement the recommendations below for paragraph iv., making paragraph iii. duplicative. The description of planned use of projected unspent MTW Single Funds for the fiscal year will include information requested in this paragraph.

iv. Planned Application of Unspent **MTW Single Fund Flexibility** in Plan Year: Consistent with the recommendations of the MTW Collaborative Finance Group, SHA proposes that this section address the use of MTW's Single Fund Flexibility and show the projected unspent balance of funds combined as the **MTW Single Fund** and the projected uses for the coming fiscal year of these funds. The table suggested below would replace that included in Section V. A. iv of the proposed revisions to Form 50900. Further, the description of planned expenditures paragraph should be revised to remove references to Section 8 and Section 9 MTW fund sources.

<b>Status of MTW Single Fund</b>	<b>Dollars in (000)</b>
Beginning Balance: Unspent MTW Single Fund, as of XX/XX/XXX	\$
Planned Uses of Unspent MTW Single Funds during FY XXXX	\$

Congress provided in the 1996 legislation establishing the MTW Demonstration Program that a PHA in applying for the program "shall request authority to combine assistance under Sections 8, 9, and 14 of the United States Housing Act of 1937" (Public Law 104-134 – April 26, 1996). It seems like HUD has repeatedly attempted to undermine this authority and by doing so has requested that we report as if we did not combine the funds. This has added unnecessary work and administrative inefficiencies.

Particularly, in this case, where HUD has explicitly indicated that none of the information in this section is intended as a representation of PHAs' financial reporting, the request that PHAs attempt to unwind spending of our Single Fund to its original sources is unreasonable. Further, as we understand it, the main purpose of the reserve schedule is to enable MTW agencies to share information with stakeholders, including HUD, about future projected uses of reserves. Thus, total funds available and their proposed uses projected for the coming year is the clearest, most straight forward and most administratively efficient focus for this section. Finally, the MTW Fund is officially and separately recognized in the Catalog of Federal Domestic Assistance (CFDA) – MTW CFDA #14.881 -- as a HUD program and fund into which MTW agencies combine the original Section 8 and Section 9 fund sources.

v. Local Asset Management Plan (LAMP): The only change made by HUD to this section is to the first question. It changes from asking whether the "MTW PHA is allocating costs within statute?" to whether the "MTW PHA is allocating costs within *the PH Operating Subsidy* statute?" In combination with second question asking whether the MTW PHA is implementing a LAMP, the reader may infer from a response of "No" to the first question that the MTW agency implementing a LAMP is not operating in accordance with statute. To eliminate this potential point of confusion, given the changes to the first question, the second question might be changed to read:

ii. "Is the MTW PHA allocating costs under a local asset management plan (LAMP) within 2 CFR Parts 200 and 225?"



Since 2010 SHA has operated under a LAMP authorized by the First Amendment to the Amended and Restated MTW Agreement, allowing an MTW PHA to develop a LAMP for its public housing program. The agency is to describe its LAMP in the Annual MTW Plan, to include a description of how it is implementing project-based management, budgeting, accounting and financial management and any deviations from HUD's asset management requirements.

Under the First Amendment, SHA agreed its cost accounting and financial reporting methods would comply with the federal Office of Management and Budget (OMB) Circular A-87 (superseded by 2 CFR Parts 200 and 225) and agreed to describe its cost accounting plan as part of its LAMP, including how the indirect service fee is determined and applied. SHA has updated its LAMP as needed and been in compliance with required OMB regulations each year. HUD has approved SHA's LAMP submittal every year since 2010.

### **Certifications of Compliance**

HUD requires the Chair of the PHA's Board of Commissioners (or other authorizing body) sign the Certifications of Compliance with the submittal of each Annual Plan, certifying compliance with various governing regulations over public housing authorities. The certification is legally binding and any error could result, per the form, in "criminal and/or civil penalties." As such, we have some concerns that we would like HUD to address, per below. When referencing specific line items, we will reference them by their numerical prefix as listed in the proposed Certifications.

Gender neutral terminology: The Certifications twice refer to the "Chairman" of the Board of Commissioners. We recommend changing this reference to the "Chair" of the Board.

Items 5-7: One of the potential problems with the Certifications of Compliance as a whole is that it includes terms that could potentially change significantly during the approved lifespan of the form (typically five years). This is especially true of fair housing provisions, as outlined in items 5, 6 and 7. Enforcement and administration of fair housing policies and practices have changed significantly in the past several years, and regardless of the political landscape in 2021 and moving forward, it is likely to continue to change. An example of this is that item 6 references the Analysis of Impediments to Fair Housing Choice and requires that PHAs certify their Plan is consistent with their local jurisdiction's Consolidated Plan. The City of Seattle, SHA's local jurisdiction, no longer completes an Analysis of Impediments but rather the Assessment of Fair Housing per the Affirmatively Furthering Fair Housing rule from 2015. With all the past and future movement in this area, we have concerns that our Chair would be asked to certify to inaccurate information. We request that HUD update the language to address this concern.

Item 8: It appears that HUD has left some internal notes in this section which should be removed ("OGCFH Concurring: Adding the correct implementing regulations for the Age Discrimination Act").

Item 21: This section is a new addition to the Certifications and contains two distinct statements – one related to PIH 2011-45 and one related to Housing Quality Standards. SHA has objections to the inclusion of both in the Certifications of Compliance.

November 3, 2020

- In this version, HUD has added reference to a PIH notice. As previously articulated by SHA and the MTW Collaborative, a PIH notice cannot supersede the terms of the MTW Agreement (of which the Form 50900 would be part once approved) and HUD should not attempt to insert compliance with a PIH notice into the MTW Agreement. Specifically, in Item 21, HUD writes that the MTW PHA must comply with housing quality standards “as required in PIH Notice 2011-45, *or successor notice*.” This should be removed from the Certifications.
- This section also adds a certification to the PHAs’ responsibilities to comply with and enforce safe housing standards. The section specifically references 24 CFR Part 982, referring to Housing Quality Standards in voucher households. However, MTW agencies may waive 24 CFR Part 982 per our Attachment C. HUD should not be requiring PHAs to enforce a regulation that we are able to waive. This language should be removed from the Certifications.

## **Conclusion**

We continue to believe that a more deliberate process to engage the MTW agencies and the Department on developing comprehensive and relevant performance metrics is the correct and most efficient way to revise the 50900 form. We appreciate the Department’s quick response when the MTW Collaborative reminded the Department of this agreement. We feel the discussions have been fruitful and have reiterated the importance of additional time needed for the Department and the MTW agencies to come together on a comprehensive set of metrics. Seattle Housing Authority values our partnership with the Moving to Work Office. We welcome the opportunity going forward to continue working collaboratively to develop a mutually beneficial metrics framework and to address the various areas of improvement outlined above and in the appendix.

Please contact Andria Lazaga, Director of Policy and Strategic Initiatives, at [andria.lazaga@seattlehousing.org](mailto:andria.lazaga@seattlehousing.org) should you have any questions or other follow-up regarding these comments. Thank you for your consideration.

Sincerely,

Andrew J. Lofton  
Executive Director

## **Appendix: Feedback on Proposed Metrics Framework**

Seattle Housing Authority fully supports transparency and accountability and shares similar aspirations as HUD for the usefulness of the MTW Plan and Report. A platform to share best practices and a data-collection tool that allows for robust meaning-making within and across housing agencies would be a benefit to all current 39 MTW agencies, as well as the entire public housing sector. Any concerns about the proposed metrics framework are driven from our deep commitment as “America’s housing policy lab” to creating and sharing useful learnings to inform the field for our fellow housing authorities, HUD and policy makers. Additionally, we want the best information possible at the local level. In every decision we make to allocate resources or test a new program or flexibility, there are trade-offs with repercussions both positive and challenging, some of which may not be visible for many years. We strongly support a Moving to Work reporting system that supports introspection and evaluation, and want such a report to be public, meaningful and actually used to inform policies.

As we work to develop the best strategy for accomplishing our shared goals, there are several foundational areas of understanding that HUD and the MTW agencies should agree upon. For example, after more than two decades operating as MTW agencies and using the flexibilities granted under the Demonstration, many interventions are interwoven and inextricable from one another. As such, the impacts cannot be teased out one from the other. Additionally, MTW agencies operate in dynamic environments. COVID-19 has been the most extreme and recent example of this, but there are constant changes to local economies, local policies, national policies and more. Taking all this into account to determine the “success” of an MTW agency or activity requires rigor and resources. The well-respected third party professional at the Urban Institute, Abt Associates and even the GAO have affirmed that this is challenging and complex as they have attempted to construct useful comparison groups, examine changes over time and make meaning beyond just the numbers.

While flawed, the current Form 50900 has been successful in some respects. From the current form, HUD and policy makers were able to identify several successful innovations and make them available to all housing authorities via the Housing Opportunity Through Modernization Act of 2016, including triennial certifications for fixed income households, less frequent inspections in the voucher program and self-certification of assets valued under a reasonable amount. While moving forward, we must be conscientious of what we may lose, not just what we may be gain in changing the approach to MTW metrics.

HUD has proposed an innovative and dramatically different approach to collecting information about the performance of MTW activities by arranging them around the three MTW statutory objectives. SHA finds this concept very intriguing given that, after more than 20 years as an MTW agency, MTW is more than just a few distinct activities for us. It is in our DNA and we welcome the opportunity to explore a new framework that facilitates a more holistic assessment. However, we are concerned that the proposed 50900 would not yield data that would facilitate useful meaning-making on an individual PHA level or for comparing results or innovations between agencies. Additionally, questions remain as to the extent to which this can reasonably be accomplished through a tool like the annual MTW Plan and Report. Below is a sampling of feedback on the proposed framework and is not meant to be exhaustive as we anticipate further discussion through the collaborative process agreed upon between HUD and the MTW Collaborative.

### ***Performance metrics***

Use of metrics for already implemented activities: As was the case the last time HUD created a new defined set of metrics, agencies cannot be expected to obtain accurate historical data from prior to joining MTW and/or implementing an intervention for these new metrics, especially considering many agencies have activities that are over 20 years old at this point. At the same time, establishing new baselines for the new metrics on existing activities as of 2021 will provide not just useless, but misleading information.

Metric impacts outside PHA control: Many of the metrics offered as options are significantly impacted by factors not under the PHA control or not related to MTW. At the agency-wide level, metrics like Average Cost Per Unit, Average Utility Allowance and Average Household Portion may be more a reflection of local economic conditions (e.g. personnel costs, utility rates, unemployment rates) than any MTW policy. Similarly, HAP costs may increase year after year due to rapidly rising housing costs, such has been the case in Seattle in recent years. HAP costs may be lower than they otherwise would have been due to MTW activities, but they will still be higher than any baseline or year over year comparison.

Portfolio categories: HUD is proposing breaking out each metric by portfolio (public housing, housing choice voucher, local non-traditional). Many activities are not designed to be implemented differently in each of these portfolios but rather holistically across the agency. In fact, SHA makes a concerted effort to align policies across portfolios so all residents, regardless of housing program, have equal policies and enforcement. Additionally, some metrics will vary widely across programs. For example, per unit costs will differ greatly depending on whether a unit is being served through a voucher cost or whether the cost is of a PHA-owned unit (and whether the cost of the PHA-operated unit includes maintenance, capital and financing costs) and how overhead and services costs are distributed by the PHA (which may change over time).

Applicable population or pool: Some MTW activities are designed to serve only specific populations or programmatic subsets. This is especially true for self-sufficiency activities, wherein policies aimed at work-able households may be very different than those aimed at entirely elderly/disabled households, for example. Reporting outcome/output numbers without an understanding of the applicable pool will exacerbate the challenge with making meaning of the reported information.

Comparison data points: HUD is using two primary strategies for comparison: baseline or prior year. Substantial work is needed to ensure that the comparison metric is best matched for each data point. In addition to the examples in this appendix of how metrics can be influenced outside of MTW, it is also essential that there be sufficient consistency over time (if not across agencies) for meaning to be made from any comparisons. Special attention must also be paid to metrics that will experience fluctuations due to normal programmatic life cycles such as HCV waitlist times that may change dramatically when a PHA opens their waitlist for the first time in many years and begins drawing households with waitlist times of one month when previous times averaged five years. Similarly, if a PHA opens a new 200-unit building serving previously homeless families that includes self-sufficiency activities, a number of its key metrics (e.g. Average Tenant Payment, Average Household Savings, # on TANF, Per Unit Cost for HH in Self-Sufficiency Activities) will likely look worse even though this is in no way a reflection on the performance of the program.

Applicable metrics and objective: SHA and our MTW peers have articulated in comments on previous versions of the 50900 MTW that agencies should only be required to report on metrics that align with the PHA's intent of the activity. HUD's current practice of requiring PHAs to report on metrics that are not in alignment with the activity's intent lead to useless or even damaging data. In discussions about the intent of this proposed 50900, HUD staff indicated that they now agree that PHAs should be able to choose the metrics that are applicable to each activity. This is a much-welcomed change. However, that intent is not consistently evident in this 60-day draft as highlighted in the following examples:

The instructions in the proposed 50900 state that "MTW PHAs are required to track and report back to HUD on all of the applicable MTW Performance Metrics under each statutory objective implicated." The term implicated appears to be a holdover from the current approach in which HUD assigns metrics.

Under each of the statutory objectives in the Approved MTW Activities section, the PHA is instructed to, "List each activity below, where the primary objective is..." Nowhere is it explicitly stated that it is the PHA that determines the primary objective of the activity.

Assuming that HUD will honor this commitment to allow agencies to choose the applicable metrics, it is unclear how that will play out in the proposed construct. The following is an oversimplified example which illustrates our concerns. An agency may have Activity A that is clearly designed to decrease costs and Activity B that is clearly designed to increase self-sufficiency and that also has significant cost increase implications. Activity A will be listed in the chart at the top of the cost effectiveness section, Activity B will not. However, both activities will impact the metrics in the cost effectiveness table.

Additionally, limiting activities to only one objective may be problematic. Many MTW activities span multiple objectives (for example, SHA's MTW Activity 10: Local rent policy encompasses local VPS that enables increased housing choice, a rent reform activity focused on self-sufficiency and a series of administrative streamlining activities that help with cost effectiveness). As the proposed 50900 is currently laid out, the agency would have to choose one of the three as the primary statutory objective and report on the outcomes only in that aggregated section.

Aggregating metrics: Aggregating the metrics from all activities in one statutory objective means that it will be impossible to tease out the impacts of any single activity on a PHA's performance or outcomes. This seems contrary to the stated purpose of the 50900 to enable evaluation and identify best practices.

Out-of-scope metrics: In the proposed 50900 HUD added a new "Program Compliance" component within the Cost Effectiveness metrics sections. In addition to state audits and our own local high accountability standards, MTW PHAs already complete an annual audit pursuant to the federal Office of Management and Budget Circular A-133 including an MTW-specific compliance supplement. Adding program management oversight to the MTW plan or report is wholly out of scope and must be removed from further conversations about the MTW metrics.

### ***Case studies***

One aspect of the Moving to Work demonstration that could be improved is the ability to tell the story of MTW and how agencies are able to use the block grant and administrative flexibilities to adapt service delivery to the needs of their local communities and resident populations. The use of qualitative narratives (called “case studies” in the proposed 50900) could fill part of this gap, as agencies are able to provide narrative tales to accompany the quantitative metrics required by HUD.

However, despite the potential plus for PHAs, case study requirements as they are drafted now will be time consuming and burdensome on staff to gather and package, and with such narrow focus on the tenant experience they are bound to be repetitive and duplicative year-over-year. Additionally, given the very prescribed and numerically driven requirements of the MTW Report, the focus of a lay-reader will likely gravitate toward the case studies giving them a potential outsize role in the Report. As such, we have some initial recommendations:

- Offer the case studies as a voluntary supplement. Consider them a pilot in this version of the 50900 and can be made mandatory in future versions.
- Expand the scope of the case studies to allow for narratives that detail the impact of the activity on any impacted stakeholder. This would demonstrate the true breadth and scope of impact of MTW on a PHA.
- Institute a minimum and maximum length of each case study (e.g. 300-600 words each) to provide a better guide for staff and ensure more uniformity between agencies. Perhaps also rename them “vignettes” or similar, as the term “case study” has a connotation of a higher standard than is intended here.