

MOVING-TO-WORK (MTW) PROGRAM POLICIES AND SPECIAL PROCEDURES

The Housing Authority of the County of San Mateo (HACSM) has been a participant in HUD's Moving to Work (MTW) demonstration program since the execution of its MTW Agreement in May 2000. Under the original MTW Agreement with the U.S. Department of Housing and Urban Development (HUD), HACSM is authorized to design and carry out a demonstration program for 300 families receiving tenant-based assistance. The demonstration exempts HACSM from most of the regulatory requirements that would otherwise apply to these families.

In December 2007, HUD developed and offered HACSM a new Amended and Restated MTW agreement. The purpose of establishing a new agreement is to provide consistent, clear, and standardized language for all MTW agencies. While the new agreement will preserve HACSM's current funding and existing program initiatives, it also gives HACSM opportunities to undertake additional program designs. As such, HACSM has written into its FY2008-09 Annual Plan a new MTW initiative wherein 60 of the existing 300 MTW vouchers are to be used to establish a Housing Readiness Program for homeless individuals and families.

The goals and objectives of HACSM in developing its MTW Program are the same as that of HUD:

- Provide incentives and assistance to families to become economically self-sufficient
- Reduce program costs and achieve greater cost effectiveness
- Increase housing choice for low-income families

To promote incentives to families to become economically self-sufficient, HACSM provides case management services to MTW participants to obtain employment, secure reliable child care, complete educational goals, improve credit ratings, establish savings, and participate in homeownership counseling. HACSM's rent policy for the MTW participants includes various income exclusions that promote working, savings, and family unifications. Furthermore, HACSM gives financial incentives in the form of escrow credit to families whose portion of rent increases due to increases in employment income. Successful graduates who participate in the MTW Self-Sufficiency Program receive the escrow fund balance at the end of their term.

This chapter states provisions unique to the MTW program. For items not addressed in this chapter, the regular Section 8 Housing Choice Voucher Program policies shall apply.

A. PARTICIPANT SELECTION

1. Admission

The MTW program has two components. The first component is to assist eligible individuals and families with their rent payments. The second component is to provide and coordinate a full range of supportive services for the individuals and families so that they may obtain self-sufficiency at the end of their contract term. The program relies upon the existing supportive services offered in San Mateo County. Some of these services are job training and placement, child care, transportation, education, homeownership education, alcohol and drug rehabilitation, domestic violence counseling, and other services that promote self-sufficiency.

HACSM only accepts applications by referral from recognized referring agencies. Social service or other community service agencies may become a referring agency by entering into an MOU with HACSM. Referring agencies are required to provide supportive services to the MTW Program participants in accordance with the terms and conditions of the MOU.

2. Eligibility

The applicants must meet the same income and other eligibility requirements as the Section 8 Housing Choice Voucher Program applicants. In addition, applicants must meet the following MTW eligibility requirements:

a. MTW Self-Sufficiency Program

- Applicants must be current participants in the County's Work First/SUCCESS or any other Community Based Assistance Program and are in compliance with the requirements of those programs.
- Applicants must agree to participate in the self-sufficiency component of the program.
- Applicants must agree to participate in the required case management with the goal of becoming self-sufficient.
- Applicants must agree to enter into a Contract of Participation Contract (COP) with HACSM. The COP is based on the family's self-sufficiency goal plan that describes a realistic process for achieving economic self-sufficiency within the term of the Contract.

b. MTW Housing Readiness Program

- Applicants must be homeless as defined by HACSM's policy.

- If the applicant is a participant in the County's Work First/SUCCESS or any other Community Based Assistance Program, the applicant must be in compliance with the requirements of those programs.
- Applicants must agree to participate in the required case management with the goal of becoming self-sufficient.

HACSM Homeless Definition:

Applicants are considered homeless if they are:

- In places not meant for human habitation, such as cars, parks, sidewalks, abandoned buildings (on the street).
- In an emergency shelter.
- In transitional or supportive housing for homeless persons who originally came from the streets or emergency shelters.
- In any of the above places but is spending a short time (up to 30 consecutive days) in a hospital or other institution.
- Is being discharged within 30 calendar days from an institution, such as a mental health or substance abuse treatment facility or a jail/prison, in which the person has been a resident for more than 30 consecutive days and no subsequent residence has been identified and the person lacks the resources and support networks needed to obtain housing.
- Is fleeing a domestic violence housing situation and no subsequent residence has been identified and lacks the resources and support networks needed to obtain housing.

3. Preference

HACSM has established a system of preferences for the selection of individuals or families admitted to the program. These preferences are based on local housing needs and priorities, and are consistent with the program goals and objectives. The selection preferences affect only the order of selecting applicants. They do not make any individual or family ineligible which would otherwise be eligible. Preference will be given to individuals and families that:

- Have members who reside, work, or are hired to work in San Mateo County.
- Are not a prior MTW participant.

One preference point will be given for each of the verifiable preferences. HACSM will select families with the highest total preference points for eligibility interviews first. Families who have the same total preference points will be selected based on the time and date that the completed referral packet was received by HACSM. Applicants who claim a preference must submit verifiable documents with their referral packet. Below are some examples of acceptable documents:

- Residency: signed lease, utility bills, governmental benefit notices prior to becoming homeless. Certification from supportive service agencies.
- First time program participant: HACSM will use its data base to verify this preference.

B. WAITING LIST

When funding is not sufficient to serve all eligible applicants or all 300 vouchers are in current use, HACSM will place applicants on the MTW Self-Sufficiency or the MTW Housing Readiness waiting lists, in the order of preference points and the time and date that the referral was received. HACSM may close its waitlist at any time. Referring agencies will be notified of the waitlist closing. Referral packets received after the closing will be returned to the referral agency.

C. TIME LIMITED ASSISTANCE

Participants in the MTW Self-Sufficiency Program have a maximum of 72 months of rental assistance. Participants in the MTW Housing Readiness Program have a maximum of 36 months of rental assistance.

When applicants receive their vouchers they will be given an MTW addendum describing time limits on MTW assistance and other aspects of the program that differ from the Housing Choice Voucher Program. MTW families will also be required to sign a statement regarding time remaining in the program at each annual reexamination.

D. HARDSHIP EXCEPTIONS

MTW participants who meet all of the following criteria may apply for hardship exemption to extend their term of assistance:

- The participant is in compliance with all the program rules and regulations
- The participant does not owe HACSM any money
- The Head of household and all the adult (18 and over) household members are 62 years of age or older or people with disabilities
- The Head of household is the sole adult member who is responsible to care for a minor (under 18) household member who is a person with disability. HUD's definition of disability for the Section 8 Voucher Program shall apply.

E. PORTABILITY

MTW participants may only use their rental assistance in the County of San Mateo. MTW vouchers are not portable.

F. VOUCHER ISSUANCE

All applicants selected to receive MTW vouchers will receive a briefing on how the program operates and what he/she as an applicant must do to achieve and maintain eligible status. Whether delivered individually or in a group setting, the briefing must contain all pertinent information about the voucher program in general and the MTW program in particular. The staff member conducting the briefing should place special emphasis on non-traditional aspects of the program, particularly:

- The time limited feature of the program.
- The fact that MTW vouchers are not portable.
- For the MTW Self-Sufficiency Program participants, the requirement for participation in the self-sufficiency component of the program by the head of household and all other adult members of the household.
- The requirement of having case management.

To ensure that the applicant fully understands the differences between an MTW voucher and a Housing Choice Voucher, the applicant must sign the MTW Voucher Addendum.

G. SUBSIDY CALCULATION

All definitions in subsidy calculation used in the Housing Choice Voucher Program will apply to MTW participants, except as noted below for the MTW Self-Sufficiency Program participants:

- a. Exclusion of Income from Assets:
HACSM will exclude the imputed or actual income from assets up to \$20,000 accumulated after the family qualifies for housing assistance.
- b. Exclusion of Earned Income:
HACSM will exclude seventy-five percent of the income earned by a member of the household receiving assistance who was not a member of the household at or up to one year prior to the time the family qualified for assistance. This exclusion is a one-time benefit and it is for two years only.

H. SECURITY DEPOSIT ASSISTANCE

Similar to the method of reimbursing landlords in the former Section 8 Certificate Program, HACSM may reimburse landlords for actual damages for unpaid rent or property damages at the time of move-out, up to the maximum guarantee stated in the HAP Contract Addendum. Security Deposit Assistance must be requested by the MTW

participant and the landlord and it is subject to HACSM review and approval. Security Deposit Assistance is available to the MTW Self-Sufficiency Program participants only.

In lieu of collecting the total security deposit amount, landlords participating in the Security Deposit Assistance Program will accept a guarantee provided by the HAP Contract Addendum executed at the time of the initial lease execution. The maximum HACSM's liability for the security deposit guarantee is the lesser of:

- 50% of the security deposit required under the Lease Agreement; or
- One-month contract rent.

The security deposit amount and the value of the security deposit guarantee may not exceed the maximum security deposit amount allowed under State and local law. The total security deposit amount should also be the same as comparable units leased by the landlord at that complex.

It is the responsibility of the landlord to collect the security deposit agreed upon from the family in accordance with the lease. The family will be responsible for coming up with their share of the security deposit, whether from their own resources or through one or more of the programs discussed below. The HACSM will guarantee the difference between the required tenant paid portion and the total security; up to the maximum value stated above. Reimbursement under the guarantee will only be made for actual damages after deducting the required family portion. If the landlord fails to collect the security deposit as stated in the lease agreement from the family, HACSM will deduct the amount the landlord should have collected from the unpaid rent and/or damages before processing any claim for payment.

The maximum claim for actual damage payment by HACSM is the lesser of:

- The amount owed to the owner minus the security deposit the landlord actually collected or should have collected; or
- The value of the security deposit guarantee.

The landlord may claim the guarantee at the end of the tenancy after the tenant vacates. The landlord must follow the state and local requirements governing move-outs and disposition of security deposits. If and when the tenant is determined liable for damages to the unit or for unpaid rent beyond what the security deposit the tenant paid or should have paid, the landlord may submit a Security Deposit Guarantee Claim Form within 30 days of the move out. In order to process a claim for damages to the unit, the landlord must request a move-out inspection by HACSM within 3 business days from the vacate date. Tenant caused damage does not include normal wear and tear, pre-existing condition and damages, and repairs that are the owner's responsibility.

Supporting Documents:

Claim for Unpaid Tenant Rent

The landlord must submit a statement of unpaid rent to be claimed. The statement must show the amount and period for which the tenant rent is unpaid. If the unpaid period is more than 3 months prior to the termination of the lease, the owner must also include proof of timely attempt to collect rent (demand letter, 3-day notice, 30-day notice, unlawful detainer, etc.)

Claim for Unpaid Damages

The landlord must submit an itemized list of damages to be claimed with receipts or billings showing the actual cost incurred. The landlord must identify on the receipts the amounts and description of the repair items. Billings must include the unit address, the amounts, materials and services rendered.

If HACSM determines that the landlord is entitled to reimbursement under the security deposit guarantee program, the claim will be processed in 30 calendar days after receipt of the claim.

Once a claim payment is made to the landlord, the participant is required to reimburse HACSM for the amount paid. If the participant is unable to pay the total amount at once, HACSM may enter into a repayment agreement with the participant. Satisfactory repayment is a condition for the participant's continued eligibility or future eligibility to participate in any Section 8 program including the MTW program.

I. ESCROW CALCULATION

The basic premise of the MTW escrow calculation is the same as the Section 8 Housing Choice Voucher program. Unlike the Section 8 program, participants will be eligible to earn escrow credit even if their income exceeds the lower income limit.

Escrow account balances will be released to participants who are in compliance with the program rules and COP at the end of their program participation.

J. TERMINATION OF ASSISTANCE

MTW participants may have their assistance terminated for failure to comply with the self-sufficiency activities or the COP.