

# HUD Publishes MTW Operations Notice and Request for First Round of New MTW Applicants

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HUD's Moving to Work (MTW) Office has been busy! Earlier this month, HUD published for public comment a revised [Operations Notice](#) that will govern an expanded MTW program. Just a few days ago, HUD published the much-awaited [notice inviting the first round of new applicants for the expanded MTW program](#).

The MTW program has been in existence for over 2 decades, with nearly 40 public housing authorities (PHAs) presently participating in the program. The initial number of authorized MTW agencies was 30, but over the years, Congress allowed a handful of additional agencies to be added to the program. In 2016, however, Congress passed legislation providing for 100 public housing authorities (PHAs) to be added to the program over 7 years. The legislation including some additional requirements for PHA selection. HUD has been hard at work since that time determining how the MTW expansion and application process will work.

The Operations Notice includes some significant amendments to the framework for MTW operations, so it's worth a close review for PHAs potentially interested in MTW participation. Comments are due on the notice on November 19, 2018.

The notice soliciting new MTW agencies applies only to the first round of new admissions (which HUD refers to as a "cohort"). The first cohort is limited to approximately 30 PHAs with 1000 or fewer total public housing and HCV units. The notice describes an admission process that is different from prior MTW

competitions:

- First, interested PHAs submit a letter of interest package (due January 11, 2019).
- HUD will then confirm that the interested PHAs meet the eligibility criteria of the notice. Some of this eligibility criteria is discussed below.
- Applicants that HUD deems eligible will be sorted into 5 geographic areas: Northeast (HUD Regions 1, 2, 3); Southeast (HUD Region 4); Midwest (HUD Region 5); Southwest (HUD Regions 6, 7) and West (HUD Regions 8, 9, 10). A lottery will then be conducted for each geographic area to randomly select PHAs for participation. HUD anticipates selecting the following numbers of PHAs from each geographic area: Northeast (5 PHAs); Southeast (7 PHAs); Midwest (5 PHAs); Southwest (10 PHAs); and West (3 PHAs).
- The selected applicants will be invited to submit an MTW plan and application to HUD, as both are described in the notice. It appears the randomly selected, geographically distributed PHAs will become part of the MTW program once they submit a plan and application that is acceptable to HUD and otherwise comply with the notice's requirements.

The solicitation establishes a number of requirements for the first round of new MTW admissions, some of which are consistent with the MTW legislation and others of which are additions from HUD. Among the new requirements are the following:

- Applicants must be high performers in PHAS *or* SEMAP and cannot be troubled under either system.
- Applicants must be up-to-date on various HUD submissions, including PHA Plans and Financial Assessment Sub-System (including the preceding 3 fiscal years).
- Applicants must not have unaddressed findings from HUD OIG audits, independent audits, litigation with HUD, or any other on-site or remote HUD reviews. Nondiscrimination/civil rights issues must also have been resolved.
- The PHA must have complied with Capital Fund expenditure deadlines for the past 3 years.

See the notice for all the details on this first round of MTW applications.

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