



[Docket No. FR-6191-N-05]

Section 8 Housing Choice Vouchers: Implementation of the Housing Choice Voucher Mobility Demonstration for Awarded PHAs, Supplementary Notice for Demonstration Participants

AGENCY: Office of the Assistant Secretary for Public and Indian Housing (PIH), Department of Housing and Urban Development (HUD).

ACTION: Notice.

SUMMARY: On July 15, 2020, HUD published a notice (“Implementation Notice”) implementing the Housing Choice Voucher (HCV) mobility demonstration (“demonstration”) authorized by the Consolidated Appropriations Act, 2019. Through that Implementation Notice, HUD made available up to \$50,000,000 to participating Public Housing Agencies (“PHAs”) to implement housing mobility programs. On April 30, 2021, HUD announced its selection of PHAs that will participate in the demonstration. These PHAs will receive \$45.7 million in total funding under that award. This notice supplements the July 15, 2020, notice to describe additional policies and flexibilities for PHAs selected to participate in the demonstration.

FOR FURTHER INFORMATION CONTACT: Ryan Jones, Director, Housing Voucher Management and Operations Division, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4214, Washington, DC 20410, telephone number (202) 402-2677. (This is not a toll-free number.) Individuals with hearing or speech impediments may access this number via TTY by calling the Federal Relay during working hours at 800-877-8339. (This is a toll-free number). HUD encourages submission of questions about the demonstration be sent to: HCVmobilitydemonstration@hud.gov.

SUPPLEMENTARY INFORMATION:

Background

On July 15, 2020, HUD published an Implementation Notice for the Housing Choice Voucher (HCV) mobility demonstration authorized by the Consolidated Appropriations Act,

2019. Through that Notice, HUD made available up to \$50,000,000 to participating PHAs throughout the country to implement housing mobility programs by offering mobility-related services to increase the number of voucher families with children living in opportunity areas. On April 30, 2021, HUD announced that nine lead PHAs will participate in the HCV mobility demonstration and were awarded new housing choice vouchers and mobility-related services funding, and that an additional four PHAs that applied in partnership with a lead PHA were awarded new housing choice vouchers. These PHAs will receive \$45.7 million in total funding under that award. Through the demonstration, the awarded PHAs will provide approximately 10,000 families with children better access to low-poverty neighborhoods with high-performing schools and other strong community resources.

The Implementation Notice described broad parameters for selected PHAs, including the set of mobility-related services that they will likely be required to provide to families participating in the program, the likely research design, and an estimated cost of services per family offered participation in the program. The Implementation Notice also described a required evaluation that would be conducted at the selected PHAs and explained that some aspects of the program and research design would be determined jointly by HUD (including its research evaluator and technical assistance provider) in collaboration with the selected PHAs.

During the collaborative process to finalize the program and research design, HUD has identified policies to supplement those identified in the Implementation Notice that will promote the goals of the demonstration. The additional flexibilities will benefit families participating in the programs and the selected PHAs as well as help ensure an effective research evaluation.

HUD now supplements the July 15, 2020, Implementation Notice to describe policies and flexibilities for PHAs selected to participate in the HCV mobility demonstration.

Supplement to the Implementation Notice

I. Pilot Length

The Implementation Notice described that a planning and pilot period would last approximately one year. After working closely with the selected PHAs, HUD has determined that additional flexibility in the length of the pilot may be necessary for PHAs to successfully pilot their programs prior to full program implementation. HUD therefore will determine the length of the pilot in collaboration with the PHA.

Before the pilot can begin, HUD and its evaluator must complete certain tasks and obtain approvals. Once HUD has completed all its required tasks and gained all the required approvals, PHAs may begin their pilots. HUD calls the date that it has completed all the required tasks and received all the required approvals the “earliest pilot start date.”

Each PHA is expected to start its pilot no later than four months after the established earliest pilot start date. A PHA that is unable to start its pilot within four months after the earliest pilot start date will receive a corrective action plan and technical assistance to identify and support the necessary final preparations. If a PHA is unable to start its pilot within six months after the established earliest pilot start date, HUD may recapture any remaining funds that were awarded to PHA.

The anticipated length of the pilot is six months. PHA sites that are experiencing challenges completing their pilot activities timely will receive a corrective action plan and technical assistance to identify and support the necessary final preparations. If the PHA is unable to complete their pilot activities within nine months from the start date of their pilot, HUD may recapture funds from the PHA.

HUD will issue a Public and Indian Housing (PIH) Notice that describes the policies and procedures regarding funding recapture and reallocation.

II. Enrollment of Existing Voucher Holders and New Admissions

As described in the Implementation Notice, each PHA must enroll families into the evaluation, which includes a randomized controlled trial (RCT). The Implementation Notice estimated that approximately 1,800 existing voucher holders and 150 new admissions would be

enrolled at each selected PHA. After discussions with the evaluator, HUD has determined that allowing a PHA limited flexibility in reducing the number of existing voucher holders enrolled and increasing, by the same amount, the number new admissions enrolled, will help ensure the evaluation is able to detect the effects of mobility-related services for new admission families. HUD anticipates that the maximum use of flexibility between existing voucher holders and new admissions would enable a PHA to enroll a maximum of 500 new admission families.

PHAs must submit a written request to HUD to change the number of existing voucher holders and new admissions. Any changes in the numbers of existing voucher holders and new admissions to be enrolled will be documented in each PHA's "recruitment and enrollment plan."

This additional flexibility will strengthen PHAs' ability to enroll families into the study and improve HUD's ability to evaluate the effects of the program. PHAs must use their own turnover vouchers — that is, vouchers that become available when a voucher holder exits the HCV program— for any increased new admissions. PHAs may use turnover mobility demonstration vouchers (MDVs) for new admissions enrolled in the demonstration. PHAs must receive prior HUD approval before using any other new incremental vouchers for this purpose. PHAs may not use vouchers from another non-partner PHA for new admissions.

III. Flexibility Between CMRS, SMRS, and Control Group

Families with children receiving voucher assistance that agree to participate in the demonstration will be randomly assigned to a treatment group that receives mobility-related services or a control group that receives HCV program services already offered by the PHA to all HCV applicants and participants. The demonstration has two different treatment groups. The first treatment group will receive comprehensive mobility-related services (CMRS). The second treatment group will receive a subset of the CMRS, which HUD calls selected mobility-related services (SMRS).

To ensure an effective study, HUD also will allow some flexibility between the number of families enrolled in the CMRS, SMRS, and control groups compared to the Implementation

Notice. These changes will be based on statistical analysis that helps ensure the validity of the evaluation. Any changes in the number of families to be enrolled in the CMRS, SMRS, and control groups will be approved by HUD and documented in each PHA's "recruitment and enrollment plan."

IV. Memorandum of Understanding and Performance Standards Requirements

The Implementation Notice stated that after the program and research design is finalized, HUD would draft a memorandum of understanding (MOU) and performance standards agreement that outlines roles and responsibilities, the program and research design, description of administrative policies, and recapture and reallocation terms, among other things. After completing the planning phase collaboratively with PHAs, HUD has determined that a statement of responsibilities is the more appropriate document to capture these provisions. Therefore, HUD will draft and issue a statement of responsibilities to the PHA sites that includes the provisions of the MOU and performance standards agreements originally stated in the Implementation Notice. PHAs will have 60 days from the issuance of the statement of responsibilities to opt to withdraw from the demonstration. After 60 days from the issuance of the statement of responsibilities, PHAs will not be able to exit the demonstration without HUD's prior authorization.

V. Eligible Uses of Funds

Through the collaborative process to finalize the program and research design, PHAs and HUD have identified uses of mobility-related services funding that will help implement the program effectively. These uses of mobility-related services funds were not directly addressed by the Implementation Notice. HUD has, for the purposes of transparency and clarity, included a discussion of these uses of funds in this notice.

As part of the evaluation, families enrolling in the study will complete an enrollment process that includes a voluntary baseline survey. The enrollment process and baseline survey will take approximately 135 minutes to complete. In recognition of the time it takes for families

to complete the study, HUD will require PHAs to provide a \$25 payment to each family upon completion of the survey, contingent on approval by the Office of Management and Budget. HUD encourages PHAs to provide this payment in the form of a gift card. This payment is an eligible use of mobility-related services funding.

PHAs participating in the demonstration must recruit and enroll families into the study over a five-year period. Each PHA site (i.e., an individual PHA or the lead PHA and its partner) may use up to \$40,000 each year for staff time and expenses related to recruitment and enrollment.

PHAs participating in the demonstration will have ongoing oversight responsibilities for implementation. Given the nature of the evaluation and importance of ensuring mobility-related services are provided with full fidelity to the agreed upon program and research design, each PHA site may use up to \$40,000 each year to supplement salaries of PHA staff, or hire new staff, who are responsible for providing oversight of the program.¹

PHAs may also use their existing mobility-related services funding award to pay for these activities. PHAs must update their annual expenditure plans to reflect the amount of funds they intend to use for these purposes and begin immediately reporting these expenditures on their invoices.

After the funding awards made on April 30, 2021, HUD has \$4,127,590 in remaining mobility-related services funding. HUD will issue an additional Federal Register notice describing the allocation process for those remaining funds.

Dominique Blom,
General Deputy Assistant Secretary for Public and Indian Housing.

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¹ These annual amounts for staff time and expenses related to recruitment and enrollment and for program oversight are in addition to the one-time, up to five percent of the PHA allocation of mobility related services funding that PHAs were permitted to use for start-up costs as described in the Implementation Notice.

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