



Durham CAN
(Congregations, Associations and Neighborhoods)
732 Ninth Street, #604, Durham, NC 27705
(919) 627-1769 www.DurhamCAN.org

Date: January , 2020

Attn: Ms. Ashanti Brown, Durham Housing Authority
330 E. Main St., Durham, NC 27701

Subject: MTW WRITTEN COMMENT

The Moving to Work Demonstration program (MTW) is an opportunity for Public Housing Authorities (PHA) to participate in testing new policies aimed at 1) reducing the cost to the PHA of administering rent policies, 2) incentivizing families to work or prepare to work, and 3) increase housing choices for low-income families. The Durham Housing Authority (DHA) is applying to be a part of Cohort #2: Rent reform with the desire to test a Tiered Rent policy. Thus, a DHA resident in the treatment group would pay rent within an income tier and that rent would be the same until the next recertification in three years. DHA has suggested that the cost reductions of not having to recertify every year and the flexibility to use existing PHA and Housing Choice Voucher (HCV) funds would allow them to fund 4 new programs: 1) resident support services 2) increase funding for Project Based Vouchers (PBV) 3) increase landlord incentives, and 4) pre-development costs. However, no new funding for such programs will be provided as part of participation in the program.

We have no comment about the merits of MTW or the expansion; however, we believe it is not the right time for the Durham Housing Authority to apply to participate in the program for the following reasons:

- We fully support an increase in resident services and increasing the number of families DHA is able to assist with more PBVs; but, with no new money being provided to the agencies chosen to participate in the program, we question where this money will come from. A large portion of DHA's communities have been failing the Physical Assessment Subsystem (PASS) for many years. Resident inspections at Hoover Road in 2019 and the carbon monoxide crisis at McDougald Terrace in 2020 confirm the deteriorating conditions that families in these communities live in. The top priority for DHA should be ensuring that all units across all its properties are in safe and livable conditions.
- The tiered rent system as described at the end of the application would create a system in which some families end up paying more than 30% of their rent if their monthly income is less than the midpoint of the tier. A family with an income of \$5,000 places them in tier 3 and a rent of \$156 per month or 37% of their monthly income.
- As of January 2, 2021 DHA has 13 open positions listed on their website including the person who will manage the Jobs Plus Program that is set to launch on February 15 (according to the [2021 Annual Plan on page 17](#)). We are concerned with DHA's capacity to take on a new program while negotiating a recovery policy with HUD for the "Troubled Agency" designation as well as managing existing and new programs like ROSS and Jobs Plus.



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- DHA has been designated a “Troubled Agency” under the Public Housing Assessment System due in large part to the PASS scores. According to the Moving to Work Operations Notice ([FR-5994-N-05](#)), “MTW agencies will not be scored in PHAS unless and until HUD develops a MTW-specific system or successor ...”. This would deny the public and its residents the one way of reviewing the overall performance of their local housing authority including the physical assessment of its units, potentially leading to a further erosion of trust within the community.

We thank you for the opportunity to submit comments on the MTW Plan and Application.

Sincerely,

Durham Congregations, Associations and Neighborhoods