

HRA of Hibbing Moving to Work Plan  
**Working Document (Subject to Revision)**

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*“The primary goal of this MTW vision is to create a customized approach to assisting and incentivizing graduation from public housing to self-sufficiency wherever possible”*

*“...transforming local public housing from a safety net into a trampoline”*

--HRA of Hibbing, Minnesota Final MTW Application to HUD, Dec. 5 2020

The HRA plans to begin implementation of five (5) waivers in the first year of MTW designation, likely in the summer months of 2021. These waivers can be found in “Operations Notice for the Expansion of the Moving to Work Demonstration Program” published on August 28, 2020 at FR-5994-N-05 (referred to below as “The Operations Notice”).

**1. Reexaminations (3a, 3c)**

- a. All households of Public Housing will experience a new timeline of income reexaminations after implementation of the MTW designation.
  - i. Households eligible for the Trampoline Program (nonelderly and nondisabled) will be scheduled for recertification once every 2 years
  - ii. Households not eligible for the Trampoline Program will be scheduled for recertification once every 3 years
  - iii. Interim increases in income for both categories of households will be disregarded until the next scheduled recertification.
  - iv. Per the Safe Harbor of the Operations Notice (3.a. and 3.b. ii), the HRA will allow any household to request one interim adjustment per calendar year.
  - v. Per the Safe Harbor of the Operations Notice, the HRA will provide a hardship policy for any household that experiences a financial hardship and has already used the interim adjustment may request an additional adjustment. This is granted at the discretion of the HRA after a written demonstration of need is considered.
- b. All households will self-certify assets.
  - i. Per the Safe Harbor of the Operations Notice (3.c. and 3.d. i) the agency will allow self-certification of assets up to \$50,000

HRA Explanation: The purpose of the alternative recertification schedule is to incentivize and reward increased tenant earnings by allowing for increased savings. Additionally, it will reduce administrative burden on staff.

Model(s) Consulted: Fairfax County Redevelopment and Housing Authority, Chicago Housing Authority

**2. Tenant Rent Policies (1a, 1c, 1e)**

- a. The minimum rent for Trampoline Program eligible households (nonelderly and nondisabled) will be set at \$98 per month.
  - i. This is calculated by totaling 12 hours (for example, two shifts of 6 hours) at the 2021 Minnesota small business minimum wage of \$8.21
  - ii. Per the Safe Harbor of the Operations Notice (1.e. and 1.f. iv), the HRA will offer a hardship policy to all tenants experiencing a financial hardship.
    - 1. Tenants experiencing a hardship may request a meeting with the HRA to determine a rent adjustment according to the Financial Hardship Policy found in the HRA’s Admissions and Continued Occupancy Policy Manual (Pg 6-36).
  - iii. Per the Safe Harbor of the Operations Notice (1.e. and 1.f. ii), elderly and disabled families are excluded from this rent policy reform.
- b. A Stepped Rent schedule will also apply to all households in the Trampoline Program

Year of Residency	Rent Determination
1	20% of Gross Income or Minimum Rent
2	20% of Gross Income or Minimum Rent
3	20% of Newly Certified Gross Income or Minimum Rent, Whichever Is Higher
4	20% of Gross Income (No New Recertification) + 4% Increase of Fair Market Rent Determined by HUD for Applicable Area
5	25% of Newly Certified Gross Income + 4% Increase of Fair Market Rent Determined by HUD for Applicable Area
6	25% Certified Gross Income (No New Recertification) + 4% Increase of Fair Market Rent Determined by HUD for Applicable Area
7	32% of Newly Certified Gross Income + 4% Increase of Fair Market Rent Determined by HUD for Applicable Area

- iv. This rent structure will apply to both all current eligible (nonelderly, nondisabled) tenants and all future eligible tenants
- v. Per the Safe Harbor of the Operations Notice (1.c. and 1.d iii.) this rent structure will exclude elderly and disabled households
- vi. Per the Safe Harbor of the Operations Notice (1.c. and 1.d. iii) the HRA will offer a hardship policy for households to pause the increase of rent through a written application decided by the HRA.
  - 1. Tenants experiencing a hardship may request a meeting with the HRA to determine a rent adjustment according to the Financial Hardship Policy found in the HRA’s Admissions and Continued Occupancy Policy Manual (Pg 6-36).
- vii. Per the Safe Harbor of the Operations Notice (1.c. and 1.d. iv) the HRA will make all necessary referrals to service of partner organizations to support families preparing for the termination of assistance

HRA Explanation: The purpose of the increased rent and stepped rent reform is to incentivize residents to increase income, which will also serve to prepare them for eventual graduation from public housing.

Model(s) Consulted: Keene Housing (New Hampshire)

### **3. MTW Self-Sufficiency “Trampoline” Program (11a, 11b)**

- a. All nonelderly, nondisabled tenants are eligible and must participate in the Trampoline Program as a condition of tenancy.
- b. The requirements and expectations of this program will be clearly presented to the tenant upon move-in. The tenant will be required to sign and agree to these requirements and expectations.
- c. The goal of the Trampoline Program (name subject to change) is to graduate residents from public housing to sustainable self-sufficiency, which the HRA defines as the ability to maintain nonsubsidized housing for at least 12 months.
  - viii. Eligible is defined as over the age of 18 (17 if not full time in school) and under the age of 62.
  - ix. Disabled residents, as defined under 216(i)(1) or 1614 of the Social Security Act (42 U.S.C. Section 416(i)(1); Section 1382c), are not required to participate but can voluntarily take part in all program offerings.
    - 1. Per the Safe Harbor of the Operations Notice (11.a.-11.b.i):
      - a. An impact analysis will be developed and adopted in accordance with MTW guidance prior to the implementation of the activity

- b. A hardship policy will offered to tenants who can apply for accommodations. Tenants will collaborate with the HRA’s MTW Coordinator to develop reasonable accommodations or substitutes for program requirements as needed.
- x. All tenants of the program will be required to meet with the HRA’s MTW Coordinator or mutually agreed upon community partner of the HRA at least once every six months to discuss progress towards goal.
- xi. Additionally, all tenants of the Trampoline Program must participate in prescribed educational opportunities:

Year	Resource
1	Budgeting/Personal Finance Class (Example of Community Partner: Lutheran Social Services or Workforce Center) + Free subscription to resources like University of Minnesota Extension)
2	Participation in Family Assets for Independence in Minnesota (FAIM) savings matching program offered by the Arrowhead Economic Opportunity Agency.
3	Classes on Homeownership or Fair Market Rental depending on preferences of tenant (Partner: Habitat for Humanity)
4	Additional Check-Ins with HRA MTW Coordinator and Community Partners as appropriate to specific situation
5	Additional Check-Ins with HRA MTW Coordinator and Community Partners as appropriate to specific situation
6 (If Necessary)	Additional Check-Ins with HRA MTW Coordinator and Community Partners as appropriate to specific situation
7 (If Necessary)	Additional Check-Ins with HRA MTW Coordinator and Community Partners as appropriate to specific situation

- xii. All check-ins and educational components of the Trampoline Program are mandatory and a condition of tenancy. All tenants in the Program are granted “Three Strikes” on compliance.
  - 1. A tenant who fails to attend either without explanation or making other arrangements with the HRA ahead of time will receive a written warning.

2. A second consecutive failure to attend without explanation will result in a lease violation.
3. A third failure to attend could lead the HRA to pursue termination
  - a. Per the Safe Harbor of the Operations Notice (11.a.-11.b.i): If the HRA terminates tenancy of a family for alleged violation of mandatory MTW Self-Sufficiency Program participation, the family will be entitled to a hearing under the HRA's Grievance Procedure (24 CFR part 966, subpart B).
- xiii. Tenants of the Trampoline Program will sign an explanatory contract, agreeing to these conditions of tenancy, upon moving in.

HRA Explanation: The purpose of the "Trampoline" program is to educate and empower residents with tools needed for self-sufficiency. The required conversations between staff and residents will also serve to better educate the HRA on the needs of the community and possible resources/organizational partners that could better assist residents on their path to self-sufficiency.

Model(s) Consulted: Lawrence-Douglas County Housing Authority (Kansas)

#### **4. Work Requirement (12a)**

- a. All eligible individuals (non elderly, non disabled) must complete 10 hours a week of work or equivalent number of hours in one year
- b. The HRA will use discretion to allow acceptable substitutes for employment, such as education or rehabilitation, to fulfill this requirement.
- c. This requirement increases to 15 hours per week after one year of the 10 hours a week requirement
- d. The work requirement will apply to all tenants between the ages of 18-62, who will meet with the MTW Coordinator to determine the best activity to meet the requirement's ultimate goal of self-sufficiency building on an individual basis.
- e. The agency will not make the work or other activity requirement mandatory for any individual that
  - i. is 62 years of age or older
  - ii. is 18 years of age or younger
  - iii. is a blind or disabled individual, as defined under section 216(i)(1) or 1614 of the Social Security Act (42 U.S.C. 416(i)(1); 1382c), and who is unable to comply with this section, or is a primary caretaker of such individual;
  - iv. is pregnant or the primary caretaker for a child under the age of 6 years of age
- c. (Per the Safe Harbors of the Operation Notice (12a.-12b. ii-xii):
  - i. Prior to implementation, all residents shall be given notice six months in advance of the sanction policy for non-compliance.

- ii. Supportive services shall be provided, either through the agency or a partner organization, to assist families in obtaining employment or an acceptable substitute, as defined by the HRA's policy.
- iii. Work requirements shall not be applied to exclude, or have the effect of excluding, the admission into housing or participation in supportive services by persons with disabilities or elderly individuals, or families that include persons with disabilities or elderly individuals.
- iv. The HRA will conduct an annual impact analysis.
- v. The HRA will implement a hardship policy, including a policy to address tenants seeking a determination of disability status.
- vi. The hardship policy in the ACOP will also apply to families who are actively trying to comply with the agency's work requirement, but are having difficulties obtaining work or an acceptable substitute.
- vii. The ACOP will also describe the consequences of failure to comply with the work requirement.

HRA Explanation: This policy is designed to ensure work-able residents are incentivized to pursue empowering activities that progress them towards graduation from public housing.

The HRA will administer this activity in the same manner which Congress intended PHAs to administer the Community Service and Self-Sufficiency Requirement. This "provision is not intended to be perceived as punitive, but rather considered as rewarding activity that will assist resident in improving their own and their neighbor's economic and social well-being" (S. Rep. No. 63, 105<sup>th</sup> Congress. 1<sup>st</sup> Session 1997).

Model(s) Consulted: Housing Authority of Portland, Charlotte Housing Authority

#### **5. Term-Limited Assistance (7a)**

- a. All tenants of the Trampoline Program are time-limited to a term of 5 years.
  - viii. An extension of 1 year can be applied for and granted at the HRA's discretion following the completion of 5 years.
  - ix. This 1 year extension can be applied for a maximum of two (2) times. Thus, a tenant is term-limited to a maximum of 7 years. The tenant is unable to reapply after 7 total years of tenancy, regardless of consecutiveness.
  - x. Per the Safe Harbor of the Operations Notice (7.a.-7.b. ii-iv):
    - 1. Services, or referrals to services, will be provided by the agency or a partner organization to support preparing families for the termination of assistance.
    - 2. The HRA will conduct an annual impact analysis.
    - 3. The Agency will exclude elderly and disabled families from term limit.

HRA Explanation: The purpose of this waiver is to ensure reasonable graduation rates and time on program

Model(s) Consulted: Delaware State Housing Authority