



May 10, 2021

MTW PROGRAM NEWS

HUD Selects 10 PHAs for the Second Cohort of the MTW Expansion

Last Friday on the [Moving to Work \(MTW\) Demonstration Program website](#), the Department of Housing and Urban Development ([HUD](#)) announced that it has selected 10 PHAs to join the MTW demonstration program through the second cohort of the MTW Expansion.

Through the 10 agencies selected in the second cohort, HUD will evaluate alternative rent policies, such as tiered rents and stepped rents, designed to increase resident self-sufficiency and reduce PHA administrative burdens. Cohort #2 includes PHAs with 1,001 or more aggregate authorized public housing and Housing Choice Voucher ([HCV](#)) units. Click [here](#) for a brief description of each PHA selected for the second cohort.

MTW allows PHAs to practice greater program flexibility and encourages housing choice and self-sufficiency among low-income families. HUD is also inviting agencies interested in participating in the MTW demonstration to submit applications for the third and fourth cohorts of the MTW Expansion, which will evaluate work requirements and landlord incentives.

GENERAL NEWS

Treasury Allocates Second Round of ERAP Funds and Updates FAQs

Last Friday the U.S. Department of Treasury ([Treasury](#)) [announced](#) that it has allocated the \$21.55 billion in additional Emergency Rental Assistance Program ([ERA](#)) funds, provided under the American Rescue Plan Act of 2021. The Department has also posted an updated version of the frequently asked questions ([FAQs](#)) for the ERA program. The 15-page document, dated May 7, 2021, was revised to provide initial guidance for ERA2, to clarify differences between ERA1 and ERA2, and to explain how ERA should be used to promote housing stability for eligible households. Some highlights of the new guidance include:

- It requires programs, for the first time, to offer assistance directly to renters if landlords refuse to participate.
- It cuts in half the time to determine whether a landlord elects to participate. Seven days when reaching out by mail and five days when reaching out by phone, text, or email.
- It prohibits grantees from establishing burdensome documentation requirements that would reduce participation.
- It prohibits ERA programs from denying assistance to eligible residents solely because they live in federally assisted housing.
- It requires ERA programs to report on how they will meet the statutory requirement to prioritize the most in need households.
- It prohibits landlords from evicting renters for nonpayment while ERA payments are being made on their behalf.

You can also access an ERA [Fact Sheet](#) on the [ERAP website](#).

As you know, the ERA program makes funding available to assist households that are unable to pay rent or utilities. Two separate programs have been established: ERA1 provides up to \$25 billion under the Consolidated Appropriations Act, 2021, enacted on December 27, 2020, and ERA2 provides up to \$21.55 billion under the American Rescue Plan Act of 2021, enacted on March 11, 2021. The funds are provided directly to states, U.S. territories, local governments, and, in the case of ERA1, Indian tribes. Grantees use the funds to provide assistance to eligible households through existing or newly created rental assistance programs.



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