FOIA Number: 2014-0224-F

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

Collection/Record Group: Clinton Presidential Records

Subgroup/Office of Origin: Domestic Policy Council

Series/Staff Member: Andrea Kane

Subseries:

OA/ID Number: 20331

FolderID:

Folder Title:
Housing Vouchers - Welfare to Work Implementation

Stack:	Row:	Section:	Shelf:	Position:
S	95	3	5	1

f: Housing
WtW Vouchers
implementation

Section 8 Welfare to Work Voucher Program
Summary of Best Practices

Note: Implementation of the Section 8 Welfare to Work (WtW) Voucher Program began on January 1, 2000. Most of the sites dedicated the first few months to start-up and planning activities. Because the program is in the early stages of implementation, it is too early in some cases to accurately assess whether a program or activity is a "best practice". Nonetheless, the following highlights represent successes or promising approaches in the implementation of the WtW Voucher Program.

Housing Search Assistance and Landlord Outreach

- Portland (OR) Housing Authority offers WtW families a Ready to Rent Program, an innovative program developed with money from the state of Oregon. The program includes five sessions that address the barriers that low-income families encounter when they search for rental housing. Families completing the program receive a merit badge. Their names are given to the screening company used by Portland landlords. Portland Housing Authority "guarantees" any family completing the program against unpaid rent or damages for six months. Funds from the state are used to cover any claims under the program.

- Hollywood (FL) Housing Authority advertises for landlords in the local cable TV channel. To date, over 70 landlords have responded to the advertisement and offered units for rent.

- Perth Amboy (NJ) Housing Authority has dedicated one staff person full-time to communicate with Section 8 landlords interested in or currently participating in the WtW Voucher Program. This staff person promotes the program and ensures that landlords receive a high level of service.

- Butler County Housing Authority (BCHA) employs one full-time AmeriCorps volunteer who is responsible for implementing a comprehensive outreach plan to market the WtW program to families, landlords, and the community. At a very low cost, BCHA is able to develop and implement a comprehensive and coordinated outreach strategy. The annual cost is $3,200 for one full-time AmeriCorps volunteer (1,700 hours).

- CHAC, Inc. in Chicago, IL and the Metropolitan Boston Housing Partnership (partner of the Boston Housing Authority) have established Resource Rooms for program participants and landlords. The Resource Room offers participants a quiet center to access resources, write a resume, make calls to inquire about potential employment or make appointments to view available housing units. The Room has a "one-stop shopping" quality, and the materials available are geared to the needs of all clients. Landlords also find the Resource Room helpful for research purposes and to gain an understanding of various property management issues and Section 8 regulations.

Strong Partnerships

- Several programs attribute much of their success to the strong partnership with the local TANF agency. These partnerships have resulted in efficient eligibility, selection, and referral processes and the close coordination of housing and case management/supportive service activities. The following programs have exemplary relationships with their local TANF agency:

  - Housing Authority in Baltimore County (MD)
  - Grand Rapids (MI) Housing Commission
  - Colorado Department of Human Services, Supportive Housing and Homeless Programs
  - Kenosha (WI) Housing Authority
  - Island County (WA) Housing Authority
  - Snohomish (WA) Housing Authority
  - Everett (WA) Housing Authority
  - Raleigh (NC) Housing Authority

- Kenosha (WI) Housing Authority's strong coordination and real, working partnerships have resulted in a seamless service delivery system. Program participants must meet with the PHA's WtW Coordinator upon lease up to discuss their employment plan. The WtW Coordinator is co-located at the Kenosha Job Center along with staff from the local Workforce Development Agency and TANF agency. The result is a seamless system for the provision of employment and supportive services to WtW participants. Clients do not know which staff at the Job Center belong to which agency.

- Metrolinks is a partnership of four WtW PHAs in the Chicago metropolitan area (Chicago/CHAC, Inc., Dupage, Cook County, and Lake County). The Metrolinks program is a public-private partnership that takes a regional approach to addressing housing, welfare, and self-sufficiency issues. In addition to the four PHAs, major partners include the Chicago Community Trust, Illinois Department of Human Services, Chicago Department of Housing, Mayor's Office of Workforce Development and the Metropolitan Planning Council. Metrolinks has leveraged nearly $10 million in funds and in-kind service contributions from government agencies, non-profits, and foundations. It is in the process of hiring a Project Manager to oversee Metrolinks. It has also secured a consultant to design an evaluation of the program and is in the process of contracting with an independent evaluator.

Streamlined Intake and Leasing Procedures

- The Housing Authority of Baltimore County also has adopted a streamlined issuing process in which staff is assigned to specific parts of the intake process. It purposefully started issuing with a small number of families to test the new procedures and identify kinks that require adjustments. Now they are ready to process larger numbers. Processing begins with identifying potentially eligible families at the top of the waiting list and inviting them to an orientation. An interview packet containing the application, release, and verification forms is mailed with the invitation letter. At the orientation, the program is explained. Interested families return the application and completed forms to a Technician who reviews the package for completeness, marks the location of any missing signatures, places application papers in proper order and mails out verification forms. "TANF eligibility" is verified by PHA staff within the PHA offices.

- Two PHAs, Fresno and Houston, have used mass briefing and issuing sessions for the WtW program to process large number of families quickly. Fresno has issued 1007 vouchers in a very short period of time using its "housing fair" approach.

- Bergen County has signed cooperation agreements with seven local PHAs, which allows WtW families to lease in these seven communities. This arrangement enables Bergen County to place families near areas of employment, public transportation, day care, etc.

Model Large Program

- The Georgia Department of Community Affairs is an example of a successful implementation approach for a large program. It was awarded 2000 Section 8 WtW Vouchers. Because it serves the entire 149 counties in the State of Georgia and was awarded such a large allocation of vouchers, the agency devised a method of program implementation that phases the counties into the program by three tiers. Each tier has a designated number of counties that will be phased into the program consecutively. This will allow for better management and tracking of the program instead of having implementation scattered through the State simultaneously.

CENTER ON BUDGET AND POLICY PRIORITIES

Revised February 2, 1999

Welfare-to-Work Housing Vouchers: An Innovative Approach to Welfare Reform

by Jeff Lubell and Barbara Sard

For 1999, the President and Congress have created a promising new program to help states achieve their welfare reform objectives. Designed to help families for whom the lack of stable, affordable housing is a barrier to employment, the Welfare-to-Work Voucher Program will provide 50,000 Section 8 housing vouchers to families attempting to make the transition from welfare to work. These vouchers can be used to help families move to areas with better job opportunities or transportation networks or to provide incentives for families on welfare to secure and retain employment.

In conjunction with state and local welfare agencies and local entities administering Department of Labor (DOL) welfare-to-work grants, public housing agencies (PHAs) will compete for the vouchers in a competition administered by the U.S. Department of Housing and Urban Development (HUD). Winners of the competition will receive an allocation of new Section 8 housing vouchers, which will carry the standard administrative fee. Applicants will have substantial flexibility to design programs that meet local needs and support local welfare reform strategies.

Applications for the welfare-to-work voucher program are due April 28, 1999. To obtain a copy of the request for proposals (termed a Notice of Funding Availability, or NOFA) and an application kit, contact HUD at 1-800-955-2232. The NOFA also may be obtained from the January 28, 1999 Federal Register or downloaded from the Internet at: www.hudclips.org (select "Current NOFAs" from the main menu).

Promoting Employment Through Welfare-to-Work Vouchers

The vouchers families receive through the welfare-to-work voucher program will subsidize the rents of apartments they locate in the private market. Families receiving welfare-to-work vouchers will pay approximately 30 percent of their income in rent; the difference between the family's rent payment and a "reasonable rent standard" for housing will be paid by the PHA with funds obtained through HUD.

There are any number of different ways to use the new vouchers to promote families' transition from welfare to work. The following are a few examples:

- **Addressing Job Access Problems**. Welfare-to-work vouchers may be used to help families move closer to a prospective work site or to an area with better job opportunities and transportation networks. For example, a mother from a high-poverty neighborhood could work with a job training and employment services agency in a high-growth area in her search for a job. If successful in her job search, the mother could be given a voucher to help her move closer to her new place of employment.

- **Meeting Families' Housing Needs.** Welfare agencies, job training providers, and employers often are able to identify situations in which long commute time or housing instability undermine a family's ability to make the transition from welfare to work or to retain employment. But if the agency or employer directs the family to the local public housing authority, it takes an average of 26 months between the time of application and receipt of a housing voucher, and even longer in many cities. In many areas, the waiting lists are so long that they are closed to new applicants. A local welfare-to-work voucher program could be designed to permit welfare agencies, current and would-be employers and training providers to refer directly to PHAs families whose unstable housing situations, long commute times or homelessness are affecting their ability to find or retain jobs.

- **Links with Employers**. In certain areas, employers face a shortage of low-skilled labor. An employer facing a shortage of labor could make a commitment to hire a certain number of parents moving from welfare to work, and the local housing authority could commit to providing these new hires housing vouchers so they could move closer to their new jobs.

- **Links to Housing Producers**. In certain areas, even if a mother has been offered a job and a voucher, she may be unable to move near her prospective place of employment due to an insufficient supply of housing at reasonable cost. The vouchers could be tied to new units financed through federal- or state-funded production programs, such as the low-income housing tax credit or the HOME block-grant program, and located in areas with employer need and a high demand for low-skilled labor. Links with housing producers and employers could contribute to economic development efforts in such areas.

These are only a few of the different ways in which welfare-to-work vouchers can contribute to state or local welfare reform efforts. Agencies interested in applying for the vouchers may choose whatever design or combination best fits the needs of families attempting to make the transition from welfare to work in their community.

Families Eligible for Welfare-to-Work Vouchers

To be considered for one of the new welfare-to-work housing vouchers, a family must be eligible to receive, currently receiving, or a recipient within the past two years of federal or state welfare funds.(1) In addition, the housing voucher must be "critical" to the family's success in obtaining or retaining employment. Although families that already have Section 8 housing certificates or vouchers are not eligible participants, families participating in other housing programs are eligible. Thus, families that live in public housing or benefit from another project-based subsidy are eligible participants. Families receiving time-limited rental assistance under the HOME block grant or a state or local initiative also are eligible for the new vouchers.

The statute authorizing the welfare-to-work voucher program does not specify how participants are to be selected from the large number of eligible families. Agencies awarded welfare-to-work vouchers will have substantial freedom to determine which families receive the vouchers.(2) Agencies interested in applying for welfare-to-work vouchers should give this matter careful attention, as they must specify in their application how they plan to select families to participate.

All families awarded welfare-to-work vouchers must be on a PHA's waiting list for Section 8 assistance. If necessary, a PHA may reopen its waiting list for this purpose.

Agencies Eligible to Apply for Funds

Congress clearly envisions the close collaboration of PHAs and other agencies in developing and implementing local welfare-to-work voucher programs. While the applicant for funds to administer a welfare-to-work voucher program must be a PHA, the NOFA requires that PHAs develop their proposed programs "in coordination" with state or local agencies administering the TANF program (i.e., welfare agencies) and DOL Welfare-to-Work grants (in most cases, local Private Industry Councils). The NOFA also requires that each application be accompanied by certification from these other agencies that they support the PHA's application and will cooperate with the PHA to ensure the coordinated delivery of welfare-to-work services.

In light of Congress' intent to foster coordinated efforts to help families receiving the new vouchers move from welfare to work, the NOFA gives preference in funding to PHAs exhibiting close and thoughtful coordination and collaboration with other agencies. The better applications are likely to spell out in some detail the different services each agency promises to contribute to make the program a success. Applicants should think creatively and specifically about the types of services that welfare agencies and recipients of DOL grants can provide to complement the housing component of this program and help participating families both find and retain employment.

Prospective applicants also should consider the possibility of additional partners, such as employers, nonprofit organizations or government agencies other than those specifically mentioned in the statute. The participation of these entities could enhance the effectiveness of the program and increase its base of local support.

In addition to facilitating coordination among different agencies and building local support, partnerships can provide services (or funding for services) to help participating families find and retain jobs. The vouchers awarded through the welfare-to-work program will carry the standard Section 8 administrative fee, which is unlikely to be sufficient to cover all the services that applicants may wish to bundle with the vouchers in a comprehensive welfare-to-work program. To ensure that participating families have the supportive services they need to make a successful transition from welfare to work, applicants should reach out to partners that will provide or fund these services.

Finally, the NOFA permits PHAs to partner with other PHAs. For example, a PHA that serves an area with a large number of eligible families may wish to partner with a PHA that serves a job-rich area. Similarly, a group of PHAs serving a single metropolitan region may wish to apply as a consortium to take advantage of economies-of-scale. By working and/or applying together, two or more PHAs may present a stronger application and stand a better chance of receiving an allocation of the new vouchers.(3)

Content of Proposals

Local housing agencies may apply for up to 700 new welfare-to-work vouchers; state housing agencies may apply for up to 2000 new vouchers. The number of requested vouchers may not exceed one-half the total number of certificates and vouchers in the agency's portfolio. Agencies may increase the size of their proposed welfare-to-work voucher program by augmenting any new appropriations with vouchers from their current Section 8 portfolio.

The NOFA specifies five criteria for ranking applications. All criteria are weighted equally:

Factor 1: Need for Welfare-to-Work Voucher Program. "This factor examines the extent to which [applicants] identify the community need that [their] proposed activities will target and the urgency of meeting this need." To satisfy this requirement, applicants must show that the requested assistance "is necessary to assist Welfare-to-Work eligible families to obtain [or] retain employment."

Among the factors that applicants may wish to consider in preparing to meet this proposal requirement are:

- whether potentially eligible families in their area face a shortage of decent, affordable housing.
- the extent to which there is a mismatch in their area between the affordable housing stock and the location of jobs or transportation to jobs.(4)
- how the vouchers would best be used in their area to promote employment.

Factor 2: Soundness of Approach. This factor examines the overall quality of the proposed plan to help families move to work. In preparing to meet this proposal requirement, applicants should consider how their proposal would:

- further the program goals of helping eligible families obtain or retain employment.
- meet the housing needs identified in factor 1.
- incorporate performance measures that enable one to measure the effectiveness of the proposed program.

Applicants also must describe the proposed strategy for tenant counseling, housing search assistance and landlord outreach and show that the vouchers are likely to be under lease within a year of being awarded to the applicant by HUD.

Factor 3: Capacity of Applicant and Relevant Organizational Experience. This factor examines the administrative capacity of the applicant and its partners. In preparing to meet this criterion, applicants should consider the extent to which they can demonstrate success in meeting Section 8 program goals and in implementing other self-sufficiency efforts, such as the Family Self-Sufficiency Program or a state-funded housing allowance program targeted on families leaving welfare for work.

Factor 4: Leveraging Resources. "This factor addresses the commitment of public and private resources that will support [an applicant's] Welfare-to-Work voucher program." Both cash funding and in-kind contributions of services or personnel will be considered. Among other potential services that could be provided through these resources are case management services, housing search assistance and landlord outreach, child care, job training, or transportation services.

Factor 5: Comprehensiveness and Coordination. This factor addresses the extent and quality of the coordination between the PHA and its partners, including the agencies administering the TANF program and DOL welfare-to-work funds.

Waiver Authority

PHAs may seek waivers of HUD regulatory requirements but not of statutory provisions. Proposals must be workable without the requested waivers and waiver requests will play no part in the evaluation process. Waiver requests will be considered only after an applicant has been selected to participate in the welfare-to-work voucher program. Per the statute, any waivers must "substantially further the objective" of the welfare-to-work voucher program.

Evaluation Component

Congress has directed HUD to track the success of the welfare-to-work voucher program in helping families obtain and retain employment and to prepare a formal evaluation. To obtain welfare-to-work vouchers, communities may be required to participate in the evaluation process.

Conclusion

The welfare-to-work voucher program holds significant promise as a strategy for promoting employment. Although this memo sketches the broad contours of the program, it is important to read the NOFA carefully and tailor applications accordingly.

The Center welcomes inquiries and is interested in assisting state and local policymakers and advocates in efforts to develop initiatives at the intersection of welfare and housing policy. The Center's Director of Housing Policy is Barbara Sard. Jeff Lubell works on housing policy at the Center as a Housing Policy Analyst. Those interested in further information and assistance should contact the Center by e-mail at: lubell@cbpp.org.

End Notes:

1. These include federal funds provided under the Temporary Assistance for Needy Families (TANF) program and qualified state expenditures under section 409(a)(7)(B)(i) of the Social Security Act (sometimes known as Maintenance of Effort funds).

2. There are a few basic constraints on the tenant selection process for federal housing programs that will apply to the welfare-to-work voucher program. One constraint is the Fair Housing Act, which

prohibits discrimination on the basis of race, color, national origin, religion, sex, family status, or disability. Another is the requirement in the Quality Housing and Work Responsibility Act of 1998 that at least three of every four families provided federal housing vouchers have incomes below 30 percent of the area median income.

3. Applicants also may wish to consider contracting-out some or all of the administration of the new program. This could be a good option where applicants lack in-house experience in providing desired services. PHAs with low management ratings must contract out administration of the new funds.

4. Among other potential sources of useful data on this subject are applicants for the Job Access and Reverse Commute Program; they are required to compile data on the location of welfare recipients, jobs and transportation networks. Job Access applicants also could contribute transportation services for welfare-to-work voucher programs. Information on the program may be found on the Internet at: http://www.fta.dot.gov/wtw.

To join the Center's e-mail notification list, ask questions,
or send comments, write to bazie@cbpp.org
Center on Budget and Policy Priorities
820 First Street, NE, Suite 510
Washington, DC 20002
Ph: (202) 408-1080
Fax: (202) 408-1056

Jeff Lubell <lubell@cbpp.org>
11/11/99 10:14:00 AM

Please respond to Jeff Lubell <lubell@cbpp.org>

Record Type: Record

To: "Housing/Welfare List Serve" <housingwelfare@lists.cbpp.org>

cc:

Subject: Welfare-to-Work Housing Voucher Program

As many of you know, HUD recently announced the winners of a national competition for the 50,000 welfare-to-work housing vouchers Congress funded in the FY 1999 budget. A list of grantees (including the number of vouchers awarded to each) may be found at the end of this message. The attached spreadsheet (prepared by HUD) contains the same information, along with the size of each award in dollars.

Although each of the winning housing agencies submitted proposals to HUD regarding the nature of their proposed programs, it is likely that, in many cases, final program details have not yet been worked out. This means there may still be time to offer to help with program implementation or to have input into the final program design. You should be able to get copies of the welfare-to-work housing voucher application and contact information for the staff working on the program from the grantee agencies. Phone numbers for most of the grantees may be found on HUD's website at: http://www.hud.gov/pih/pha/pha_stat.html

The final regulations governing the new Section 8 Housing Choice Voucher program contain two provisions relevant to the welfare-to-work voucher program. (These regulations were published in the Federal Register on October 21, 1999 and may be found on http://www.hudclips.org . The direct URL for the .pdf version of the final Section 8 regulations is: http://www.hudclips.org/sub_nonhud/cgi/pdf/27519a.pdf .)

The new provisions relate to income targeting and termination of housing assistance under the welfare-to-work housing voucher program.

INCOME TARGETING

Under the 1998 Housing Act, housing agencies must reserve at least 75 percent of newly available Section 8 vouchers in each fiscal year for families with incomes below 30 percent of the area median income. The final section 8 rules allow

HUD to grant an exception to this requirement where necessary to achieve the objectives of a welfare-to-work voucher program. The rule states that HUD will grant an exception "only if and to the extent that the PHA has demonstrated to HUD's satisfaction that compliance with such targeting obligations with respect to such portion of WTW families would interfere with the objectives of the welfare-to-work voucher program."

The preamble to the final rule states that "HUD expects this authority to be needed only in exceptional circumstances." We agree. In most areas, the 30 percent of area median income threshold for a family of three (the most common size of families with welfare income) is high enough to include a sufficient number of families attempting to move from welfare-to-work.

It is important to remember that the income targeting rules apply only to families' projected annual income at the time of admission. Increases in income subsequent to admission have no bearing on compliance with income targeting requirements.

Before seeking exceptions to the income targeting rules for a welfare-to-work voucher program, housing agencies may wish to re-examine their practices with respect to projecting the annual incomes of Section 8 applicants. Many low-income families experience fluctuations in income during the year as a result of changes in the number of hours worked, changes in wage rates, or spells of unemployment. In projecting the annual incomes of applicants, housing agencies should take these factors into account; they are not required simply to multiply the current month's income by twelve. One way to do this would be to base eligibility decisions on the prior year's annual income, adjusting as needed to account for changes in circumstances. Sensitivity to the fact that low-income families frequently experience fluctuations in earnings will ensure that a greater proportion of families attempting to move from welfare to work fall below the 30 percent of area median income threshold, minimizing the need to prepare any exception requests.

TERMINATIONS OF HOUSING ASSISTANCE

The final Section 8 regulations also allow housing agencies to terminate the Section 8 housing assistance of a family who "fails to fulfill its obligations under the welfare-to-work voucher program." (24 C.F.R. 982.552(c)(1)(x).) This is an exception to the ordinary rule that a financially eligible family can lose its housing assistance only for fraudulent or criminal behavior or after eviction by the landlord for a serious lease violation.

The preamble to the final Section 8 rule clarifies that the option to terminate the housing assistance of participants in the welfare-to-work housing voucher program is intended to "prevent program abuse by families that WILLFULLY AND PERSISTENTLY VIOLATE WORK-RELATED OBLIGATIONS under the welfare-to-work voucher program" (emphasis added). (64 Fed. Reg. 56910, Oct. 21, 1999). To ensure compliance with HUD requirements, agencies that wish to use the termination of housing assistance as a sanction for welfare-to-work voucher participants would be advised to adopt the capitalized language as the standard for determining when termination is appropriate. PHAs adopting such a requirement should also give careful consideration to the programmatic steps they could put in place to help families not meeting their obligations to overcome whatever barriers they are facing. Finally, any termination of voucher assistance requires that families be given the right to a hearing in advance to challenge the grounds of the proposed action.

In addition, the regulations specify that housing agencies must inform potential welfare-to-work voucher participants of the conditions under which they could lose their housing assistance. The purpose of the latter requirement is to ensure that families understand the consequences both of choosing to participate in the welfare-to-work housing voucher program in the first instance (rather than waiting on the list for a regular voucher to become available) and of failing to meet work-related obligations should they choose to participate in the program. (24 C.F.R. 982.301(a)(5) and (b)(14), 64 Fed. Reg. 56894, 56913, October 21, 1999).

In determining whether (and if so when) to use the termination of housing assistance as a sanction, it is important to consider the significant differences between termination of welfare assistance and termination of housing assistance. In a number of respects, the termination of a family's housing subsidy is a much more severe sanction than the termination of its welfare benefits:

FINALITY OF HOUSING SUBSIDY TERMINATIONS. The termination of a housing subsidy has final and lasting consequences. Since families with a Section 8 housing voucher are unable to afford market rents, the termination of a family's housing voucher assistance will generally lead to the family's eviction and inability to obtain other housing. While you can compensate a family for the mistaken termination of welfare benefits through back payments, there is almost no way to undo an eviction once it has been triggered by a subsidy termination. Similarly, while it is possible to use the temporary suspension of welfare benefits as an incentive to bring families back into compliance with program rules, temporary suspension of a housing subsidy is virtually certain to trigger eviction by a private landlord.

FAMILIES' ABILITY TO COMPENSATE FOR THE SANCTION. The two types of terminations also differ in terms of the family's ability to compensate for the sanction. In many cases, families can make up for the loss of welfare income by getting a job or by cutting back on expenses. But there is generally no way they can make up for the loss of subsidized housing. In most areas, the private market simply cannot provide housing that is affordable to low-income working families, and families rarely have the ability to rapidly increase their earnings.

For these reasons, we recommend that agencies involved in the welfare-to-work housing voucher program consider using methods other than housing subsidy terminations to encourage families to maintain compliance with program requirements. Welfare programs have found that interviews with specially trained caseworkers are often helpful in understanding and overcoming families' barriers to program compliance. Such special interviews, which are frequently held in families' homes, as well as other conciliation methods, have been been shown to decrease dramatically the incidence of families subject to sanction.

If an agency does choose to use housing subsidy terminations as a sanction, it must limit the sanction to circumstances in which a family "willfully and persistently violate[s] work-related obligations." In light of the above discussion, it may make sense to adopt additional standards to ensure the termination of housing assistance is used only as a sanction of last resort.

ALTERNATIVE WAY TO ENSURE COMPLIANCE
WITH WORK REQUIREMENTS

PHAs considering the termination of housing subsidy as a welfare-to-work sanction may wish instead to adopt a less disruptive alternative that accomplishes much the same result. Rather that terminating assistance of participants who do not comply with program rules, consider making compliance with TANF work requirements a condition for INITIAL receipt of the welfare-to-work voucher. This will allow you to ensure that the program enrolls only those families who take the work requirements seriously while avoiding the problem of terminating a family's housing assistance. (Families who fail to meet this initial eligibility requirement would be passed over for the welfare-to-work voucher program but would remain on the list for a regular voucher when one becomes available.)

\- - -

Several of you have written to us about your experience with the welfare-to-work housing voucher program. Please continue to do so (or share your thoughts and questions with the whole listserve if you think the matters may be of general interest). Your thoughts and insights will be most helpful as we continue to follow and analyze this important new program.

FY 1999 WELFARE-TO-WORK VOUCHER GRANTEES

Grantee # of w2w vouchers.
(HA = Housing Authority)

Alabama
HA of City of Prichard 525
HA of Walker County 69
State Total 594

Alaska
Alaska Hsg Fin Corp (Anchorage)(SA) 652
State Total 652

Arizona
Phoenix HA 50
State Total 50

California
Alameda City HA 100
Anaheim HA 700
City and County of Fresno *
City of Fresno 700
County of Fresno 700
Culver City 75
Los Angeles City 700
Los Angeles County 700
Marin HA 60
Merced HA 400
Monterey HA 450
Norwalk HA 100
Plumas Co.60
Sacremento Co. HA 700
San Bernardino HA(SA) 700
San Joaquin HA 700
San Jose City HA 366
Santa Clara HA 700
Tulare HA 400
Vallejo HA 639
State Total 8950

Colorado
Colorado Dept. of Human Services 160
Colorado Springs HA 125
Jefferson County 200
State Total 485

Connecticut
Department of Social Services 1489

State Total 1489

Florida
Broward/Ft.Lauderdale/Pompano/Hollywood *
Broward 250
Ft. Lauderdale 150
Pompano Beach 75
Hollywood 100
Lakeland HA 373
Miami-Dade Housing Agency (SA) 581
Tampa HA 450
State Total 1979

Georgia
Atlanta HA 450
Augusta HA 700
Georgia Dept of Commty Affairs 2000
State Total 3150

Hawaii
Hawaii Co HA 200
Hawaii HCDC (Honolulu) 1108
Maui County HA 370
State Total 1678

Illinois
Champaign HA 200
Chicago/Lake/DuPage/Cook *
Chicago HA 700
Lake County 75
DuPage County 150
Cook County 100
State Total 1225

Kentucky
HA of Pike County 185
Housing of Hopkinsville 60
State Total 245

Maryland
Baltimore County Department of Social Services 700
HA of Baltimore City 700
HA of Rockville 50
Housing Opportunities Commission 200
Prince George's Co HA (SA) 469
St. Mary's County HA 200
State Total 2319

Massachusetts
Boston HA 300
MA Dept. of Hsg & Commty Dev. (DHCD) 2000
State Total 2300

Michigan

Ann Arbor HC (Washtenaw) 250
Grand Rapids HC 250
MSHDA - Benton Harbor 20
MSHDA - Grand Rapids (non-metro) 500
MSHDA - Jackson 20
MSHDA - Lansing 50
MSHDA - Muskegon/Holland 160
Plymouth (Wayne) 408
Wyoming 175
State Total 1833

Minnesota
Metropolitan Council HRA 150
St. Paul HA 45
State Total 195

Missouri
HA of Kansas City (SA) 700
State Total 700

Montana
Billings/Missoula *
Billings 75
Missoula 40
State Total 115

Nevada
Las Vegas HA 700
State Total 700

New Hampshire
New Hampshire Hsg Finance Authority 500
State Total 500

New Jersey
Bergen County HA 700
Monmouth County HA 500
Newark HA 700
Perth Amboy HA 160
West New York HA 146
State Total 2206

New Mexico
Albuquerque HA 700
State Total 700

New York
Albany NY HA 497
City of Niagara Falls HA 100
Geneva HA 50
New York HA 700
NYC Dept. of Hsg Presv and Dev (SA) 700
Rochester HA 450
Town of Colonie HA 50

State Total 2547

North Carolina
Charlotte HA(SA) 700
Laurinburg HA 100
Northwestern Regional HA 100
Raleigh Housing Authoirty 700
State Total 1600

Ohio
Akron MHA 100
Cuyahoga MHA (SA) 700
Hamilton MHA 100
Licking HA 100
Lucas MHA 200
Zanesville MHA 50
State Total 1250

Oklahoma
HA of the Cherokee Nation 638
Norman HA 100
Tulsa HA 400
State Total 1138

Oregon
Central Oregon Regional HA 100
Confederated Tribes of Siletz (NWONAP) 37
Douglas County HA 35
HA of the City of Salem 225
Mid-Columbia/Umatilla *
Mid-Columbia 50
Umatilla 50
Washington County/Portland *
Washington County 700
Portland 700
State Total 1897

Pennsylvania
Butler Co. HA 300
Chester County HA 50
Easton HA 50
Montgomery County HA 50
State Total 450

South Carolina
Aiken HA 165
State Total 165

Tennessee
Chattanooga HA 650
State Total 650

Texas
Austin HA 700

City of Amarillo, Commty Service Div. 100
Hidalgo County HA 100
Houston HA 700
Texoma Council of Govts (Fanning Co.) 50
Texoma Council of Govts (Grayson Co.) 100
State Total 1750

Utah
Salt Lake City 200
Salt Lake County HA 400
St. George HA 80
State Total 680

Virginia
Chesapeake HA 350
Virginia HDA (Bedford, Culpepper) 860
State Total 1210

Washington
Bellingham/Whatcom County 430
City of Wala Wala HA 75
Everett/Snohomish *
Everett HA 575
Snohomish HA 700
Island County HA 35
King/Seattle *
King County HA 700
Seattle HA 700
Spokane HA 700
Thurston County HA 250
State Total 4165

West Virginia
Parkersburg HA 233
State Total 233

Wisconsin
Kenosha 200
State Total 200

Grand Totals 50000

* Joint applications - separate funding each joint applicant
SA = Recipient of Welfare-to-Work Set Aside funding

[[WTWFUN~2.XLS : 3842 in WTWFUN~2.XLS]]

- WTWFUN~2.XLS

APHSA
American Public Human Services Association

CLPHA
Council of Large Public Housing Authorities

NAHRO
building communities together

CENTER ON BUDGET AND POLICY PRIORITIES

December 2, 1998

Re: New Welfare-to-Work Housing Vouchers

Dear Housing or Human Service Administrator:

We are writing to alert you to a new opportunity for housing and human service agencies to collaborate to assist families making the transition from welfare to work.

In October 1998, the President and Congress approved funding for 50,000 housing vouchers in a new welfare-to-work initiative designed to help families for whom the lack of stable, affordable housing is a barrier to employment. Through a national competition, the U.S. Department of Housing and Urban Development (HUD) will award the new housing vouchers to public housing agencies (PHAs) with the most promising plans for using the vouchers to help families make the transition from welfare to work. PHAs must develop their proposals in collaboration with state and local agencies administering the federal welfare block grant (TANF) and the Welfare-to-Work grants from the Department of Labor (DOL).

As you know, collaborative planning takes time. HUD's funding announcement is likely to be issued in January 1999 or shortly thereafter. We expect that applicants will be given only 60 to 90 days to submit complete proposals. We recommend that agencies begin planning now, as there is substantial flexibility in how local agencies can choose to design their programs.

A description of the primary features of the Welfare-to-Work Voucher Program is contained in the attachment. Please contact any of our agencies with questions. (For CBPP, contact Jeff Lubell at 202-408-1080 or by e-mail at lubell@cbpp.org; for APHSA,

American Public Human Services Association	Council of Large Public Housing Authorities	National Association of Housing and Redevelopment Officials	Center on Budget & Policy Priorities
810 First Street, NE, Ste 500	601 Pennsylvania Ave., NW, Ste 825	630 Eye Street, NW	820 First Street, NE, Ste 510
Washington, DC 20002-4267	Washington, DC 20004-2612	Washington, DC 20001	Washington, DC 20002
(202) 682-0100	202-638-1300	202-289-3500	202-408-1080
fax: (202) 289-6555	fax: 202-638-2364	fax: 202-289-8181	fax: 202-408-1056

contact Tim Harrison at 202-682-0100 or by e-mail at tharrison@aphsa.org; for NAHRO, contact Connie Campos at 202-289-3500 ext. 238 or by e-mail at ccampos@nahro.org; and for CLPHA, contact Debbie Gross at 202-638-1300 or by e-mail at dsgross@aol.com.. We will post further information on our web sites when it is available.

Robert Greenstein	Richard Y. Nelson, Jr.	William Waldman	Sunia Zaterman
Center on Budget and Policy Priorities	*National Association of Housing & Redevelopment Officials*	*American Public Human Services Association*	*Council of Large Public Housing Authorities*

CENTER ON BUDGET AND POLICY PRIORITIES

December 2, 1998

WELFARE-TO-WORK HOUSING VOUCHERS: AN INNOVATIVE APPROACH TO WELFARE REFORM

For 1999, the President and Congress have created a promising new program to help states achieve their welfare reform objectives. Designed to help families for whom the lack of stable, affordable housing is a barrier to employment, the Welfare-to-Work Voucher Program will provide 50,000 Section 8 housing vouchers to families attempting to make the transition from welfare to work. These vouchers can be used to help families move to areas with better job opportunities or transportation networks or to provide incentives for families on welfare to secure and retain employment.

In conjunction with state and local welfare agencies and local entities administering Department of Labor (DOL) welfare-to-work grants, public housing agencies (PHAs) will compete for the vouchers in a competition administered by the U.S. Department of Housing and Urban Development (HUD). Winners of the competition will receive an allocation of new Section 8 housing vouchers, which will carry the standard administrative fee. Applicants will have substantial flexibility to design programs that meet local needs and support local welfare reform strategies.

Communities that wish to apply for the new vouchers would be advised to begin their planning now. HUD plans to issue its request for proposals (termed a Notice of Funding Availability, or NOFA) within the next few months and interest in the new vouchers is expected to be strong. Applicants will benefit considerably from early planning and coordination among housing and welfare agencies.

Promoting Employment Through Welfare-to-Work Vouchers

The vouchers families receive through the welfare-to-work voucher program will subsidize the rents of apartments they locate in the private market. Families receiving welfare-to-work vouchers will pay approximately 30 percent of their income in rent; the difference between the family's rent payment and a "reasonable rent standard" for housing will be paid by the PHA with funds obtained through HUD.

There are any number of different ways to use the new vouchers to promote families' transition from welfare to work. The following are a few examples:

- **Addressing Job Access Problems**. Welfare-to-work vouchers may be used to help families move closer to a prospective work site or to an area with better job opportunities and transportation networks. For example, a mother from a high-poverty neighborhood could work with a job training

820 First Street, NE, Suite 510, Washington, DC 20002
Tel: 202-408-1080 Fax: 202-408-1056 center@center.cbpp.org http://www.cbpp.org HN0026

and employment services agency in a high-growth area in her search for a job. If successful in her job search, the mother could be given a voucher to help her move closer to her new place of employment.

- **Incentive to Work**. Welfare-to-work vouchers may be used as a reward for families that have successfully obtained a job, thus providing additional incentives for families to move into the workforce or remain employed.

- **Meeting Families' Housing Needs.** Welfare agencies, job training providers, and employers often are able to identify situations in which long commute time or housing instability undermine a family's ability to make the transition from welfare to work or to retain employment. But if the agency or employer directs the family to the local public housing authority, it takes an average of 26 months between the time of application and receipt of a housing voucher, and even longer in many cities. In many areas, the waiting lists are so long that they are closed to new applicants. A local welfare-to-work voucher program could be designed to permit welfare agencies, current and would-be employers and training providers to refer directly to PHAs families whose unstable housing situations or long commute times are affecting their ability to find or retain jobs.

- **Links with Employers**. In certain areas, employers face a shortage of low-skilled labor. An employer facing a shortage of labor could make a commitment to hire a certain number of parents moving from welfare to work, and the local housing authority could commit to providing these new hires housing vouchers so they could move closer to their new jobs.

- **Links to Housing Producers**. In certain areas, even if a mother has been offered a job and a voucher, she may be unable to move near her prospective place of employment due to an insufficient supply of housing at reasonable cost. If permitted by the NOFA, the vouchers could be tied to new units financed through federal- or state-funded production programs, such as the low-income housing tax credit or the HOME block-grant program, and located in areas with employer need and a high demand for low-skilled labor. Links with housing producers and employers could contribute to economic development efforts in such areas.

These are only a few of the different ways in which welfare-to-work vouchers can contribute to state or local welfare reform efforts. Agencies interested in applying for the vouchers may choose whatever design or combination best fits the needs of families attempting to make the transition from welfare to work in their community.

Families Eligible for Welfare-to-Work Vouchers

To be considered for one of the new welfare-to-work housing vouchers, a family must be eligible to receive, currently receiving, or a recipient within the past two years of federal or state welfare funds.[1] In addition, the housing voucher must be "critical" to the family's success in obtaining or retaining employment. Although families that already have Section 8 housing certificates or vouchers are not eligible participants, families participating in other housing programs are eligible. Thus, families that live in public housing or benefit from another project-based subsidy are eligible participants. Families receiving time-limited rental assistance under the HOME block grant or a state or local initiative also are eligible for the new vouchers.

The statute authorizing the welfare-to-work voucher program does not specify how participants are to be selected from the large number of eligible families. While HUD's NOFA may provide some guidance on this issue, we expect that agencies awarded welfare-to-work vouchers will have substantial freedom to determine which families receive the vouchers.[2] Agencies interested in applying for welfare-to-work vouchers should give this matter careful attention, as they are likely to be required to specify in their application how they plan to select families to participate.

Agencies Eligible to Apply for Funds

Congress clearly envisions the close collaboration of PHAs and other agencies in developing and implementing local welfare-to-work voucher programs. While the applicant for funds to administer a welfare-to-work voucher program must be a PHA, the statute requires that PHAs develop their proposed programs "in consultation" with state or local agencies administering the TANF program (*i.e.*, welfare agencies) and DOL Welfare-to-Work grants (in most cases, local Private Industry Councils). The statute also requires that each application be accompanied by certification from these other agencies that they support the PHA's application and will cooperate with the PHA to ensure the coordinated delivery of welfare-to-work services.

In light of Congress' intent to foster coordinated efforts to help families receiving the new vouchers move from welfare to work, we expect HUD will give preference in funding to PHAs exhibiting close and thoughtful coordination and collaboration with

---

[1] These include federal funds provided under the Temporary Assistance for Needy Families (TANF) program and qualified state expenditures under section 409(a)(7)(B)(i) of the Social Security Act (sometimes known as Maintenance of Effort funds).

[2] There are a few basic constraints on the tenant selection process for federal housing programs that will apply to the welfare-to-work voucher program. One constraint is the Fair Housing Act, which prohibits discrimination on the basis of race, color, national origin, religion, sex, family status, or disability. Another is the requirement in the Quality Housing and Work Responsibility Act of 1998 that at least three of every four families provided federal housing vouchers have incomes below 30 percent of the area median income.

other agencies. The better applications are likely to spell out in some detail the different services each agency promises to contribute to make the program a success. Applicants should think creatively and specifically about the types of services that welfare agencies and recipients of DOL grants can provide to complement the housing component of this program and help participating families both find and retain employment.

Prospective applicants also should consider the possibility of additional partners, such as employers, nonprofit organizations or government agencies other than those specifically mentioned in the statute. The participation of these entities could enhance the effectiveness of the program and increase its base of local support.

In addition to facilitating coordination among different agencies and building local support, partnerships can provide services (or funding for services) to help participating families find and retain jobs. The vouchers awarded through the welfare-to-work program will carry the standard Section 8 administrative fee, which is unlikely to be sufficient to cover all the services that applicants may wish to bundle with the vouchers in a comprehensive welfare-to-work program. To ensure that participating families have the supportive services they need to make a successful transition from welfare to work, applicants should reach out to partners that will provide or fund these services.

Applicants interested in providing participating families with transportation to job locations should consider partnering with agencies or organizations seeking funding under the new federal Job Access and Reverse Commute program ("Job Access"). This program provides funds for transportation services that help families access jobs. Applicants for Job Access grants receive points in the funding competition for partnering with PHAs that intend to apply for welfare-to-work vouchers. To receive these points, however, Job Access applicants must know of the PHA's intent to seek welfare-to-work voucher funds *as soon as possible;* applications for Job Access funds are due December 31, 1998.[3]

Finally, PHAs may wish to partner with other PHAs. For example, a PHA that serves an area with a large number of eligible families may wish to partner with a PHA that serves a job-rich area. Similarly, a group of PHAs serving a single metropolitan region may wish to apply as a consortium to take advantage of economies-of-scale. By working and/or applying together, two or more PHAs may present a stronger application and stand a better chance of receiving an allocation of the new vouchers.[4]

---

[3] The Notice of availability of funds for the Job Access and Reverse Commute Competitive Grants was published in the Nov. 6, 1998 Federal Register at p. 60167. The notice may also be found on the Internet at: http://www.fta.dot.gov/wtw.

[4] Applicants also may wish to consider contracting-out some or all of the administration of the new program. This could be a good option where applicants lack in-house experience in providing desired

(continued...)

Content of Proposals

The precise elements required of proposals for funding under the new program cannot be determined until HUD releases its NOFA. Applicants also must await the NOFA to learn the number of vouchers for which they may apply. The statute does, however, specify three proposal elements that applicants should consider in their initial planning.

First, applicants must demonstrate that the requested vouchers are "critical to the success of assisting eligible families to obtain or retain employment." Among the factors that applicants may wish to consider in preparing to meet this proposal requirement are:

- whether potentially eligible families in their area face a shortage of decent, affordable housing.
- the extent to which there is a mismatch in their area between the affordable housing stock and the location of jobs or transportation to jobs.[5]
- how the vouchers would best be used in their area to promote employment.

Second, applicants must "describe the proposed strategy for tenant counseling and housing search assistance and landlord outreach." Experience with the housing voucher program has shown that vouchers work best when recipients receive assistance in locating suitable housing and when the administering agencies reach out to landlords to encourage them to participate in the voucher program. Such assistance will be particularly important for welfare-to-work voucher programs that seek to move participating families to areas with better job opportunities. Since landlords generally are not required to accept housing vouchers, and voucher recipients may have little or no experience with the housing market outside their current neighborhoods, housing search assistance and landlord outreach will be necessary in most communities to help voucher recipients find willing landlords in the desired neighborhoods.

The provision of housing search assistance and landlord outreach services may be a good subject for partnering arrangements. Some PHAs already have partnerships with community-based organizations to provide housing search assistance. Other

---

[4] (...continued)
services. This option also could be useful for PHAs that expect to be at a disadvantage in the competition due to low management ratings from HUD.

[5] Among other potential sources of useful data on this subject are applicants for the Job Access Program; they are required to compile data on the location of welfare recipients, jobs and transportation networks.

organizations may be willing to provide search assistance and landlord outreach as a contribution to the program or on a contract basis if funding is obtained from other sources. Particularly in areas where employers are having a hard time locating qualified employees, local employers may be willing to join or even lead landlord outreach efforts. The support and involvement of employers in the community also may help build a base of local political support, aiding the success of the program.

Third, PHAs may (but are not required to) seek waivers of HUD program regulations. Any waivers must "substantially further the objective" of the welfare-to-work voucher program. The scope of HUD's waiver authority is presently unclear, but is likely to be clarified in the NOFA.

Evaluation Component

Congress has directed HUD to track the success of the welfare-to-work voucher program in helping families obtain and retain employment and to prepare a formal evaluation. To obtain welfare-to-work vouchers, communities may be required to participate in the evaluation process.[6]

Conclusion

The welfare-to-work voucher program holds significant promise as a strategy for promoting employment. Because a successful application involves the cooperation and collaboration of two or more agencies, it is important to begin the planning process as soon as possible. Although this memo sketches the broad contours of the program as outlined by Congress, HUD has considerable discretion in drafting the NOFA to refine both the program and the application process. We recommend that applicants read the NOFA carefully as soon as it is available and tailor their applications accordingly. HUD NOFAs are published in the Federal Register and available on the Internet at www.hudclips.org (select "Current NOFAs" from the main menu). To the extent the NOFA differs from this program description, the NOFA obviously controls.

The Center on Budget and Policy Priorities is a nonpartisan research organization and policy institute that conducts research and analysis on a range of government policies and programs, with an emphasis on those affecting low- and moderate-income families and individuals. The Center welcomes inquiries and is interested in assisting state and local policymakers and advocates in efforts to develop initiatives at the intersection of welfare and housing policy. The Center's Director of Housing Policy is Barbara Sard. Jeff Lubell works on housing policy at the Center as a Housing Policy Analyst. Those interested in further information and assistance should contact the Center by e-mail at: lubell@cbpp.org.

---

[6] It is not clear whether HUD will give extra credit in the competitive process to applicants that offer to go above and beyond what HUD requires by way of cooperation in the evaluation process. Nevertheless, a demonstrated willingness to go the extra mile in helping the evaluation succeed (*e.g.*, by offering to participate in a controlled experiment or to commit local funds to an in-depth local evaluation) could enhance an applicant's proposal.

U. S. Department of Housing and Urban Development
Washington, D.C. 20410-8000

OFFICE OF THE ASSISTANT SECRETARY FOR
CONGRESSIONAL AND INTERGOVERNMENTAL RELATIONS

December 1, 1998

William Pound, Executive Director
The National Conference of State Legislatures
444 North Capitol Street, NW Suite 515
Washington, DC 20001

Dear Mr. Pound:

Across the country communities are facing the challenges of making Welfare Reform work. When President Clinton signed the Department of Housing and Urban Development's FY 1999 appropriations bill into law, he provided an important new tool—50,000 Section 8 Welfare-to-Work Rental Vouchers. Here at the Department of Housing and Urban Development, we are working hard to ensure that this new program will be an effective tool in helping families obtain and retain employment.

In light of your contributions in advancing the economic opportunities for low-income families, I want to invite you or your expert on this issue to join us to provide your recommendations for the implementation of this Welfare-to-Work Rental Voucher Program. Enclosed is a summary of this new tenant-based assistance program.

The meeting will take place on December 2, 1998 from 10 a.m. - 12 noon in the 10th floor Departmental Conference room at HUD Headquarters, 451 Seventh Street, SW in Washington, DC.

Please call Alisha Alexander at (301) 495-1080 by December 1, 1998 to let us know if you will be able to attend.

We look forward to seeing you on December 2, 1998.

Sincerely,

Gloria J. Cousar
Deputy Assistant Secretary for
Public and Assisted Housing Delivery

Enclosure

PROVISIONS OF THE FY 1999 HUD APPROPRIATIONS AND AUTHORIZED BILLS RELATED TO WELFARE REFORM

WELFARE TO WORK VOUCHERS

Citation - Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999, Title II - Department of Housing and Urban Development

General:

- To help eligible families make the transition from welfare to work, $283 million (50,000 vouchers)
- To be administered by PHAs, including Indian tribes and Tribally Designated Housing Entities
- Available until expended

Family Eligibility:

- Families eligible to receive, currently receiving, or have received TANF within the preceding two years.
- Determined by agency that tenant-based housing assistance is critical to successfully obtaining or retaining employment
- Not already receiving tenant-based assistance

Application requirements:

- Describe proposed program
- Program developed by PHA in cooperation with TANF and Welfare-to-Work grant agencies
- Demonstrate that tenant-based housing assistance is critical to success of families to obtain or retain employment
- Specify criteria for selecting families
- Describe strategy for tenant counseling, housing search assistance and landlord outreach

- Request necessary waivers

- Include certifications from TANF and Welfare-to-Work grant agencies that they support the program and will cooperate with it to assure that assistance is coordinated.

- Include other information that the Secretary may require

Consultation with Secretaries of Health and Human Services and Labor required prior to selection of PHAs done competitively based on:

- Need for and quality of proposed program, including innovative approaches

- Extent to which assistance will be coordinated with welfare reform and welfare-to-work initiatives

- Extent to which application demonstrates that tenant-based assistance is critical to success of assisting eligible families to obtain or retain employment

- Other criteria set by the Secretary

Other provisions:

- One percent of total ($2.83 million) available to conduct evaluation of effectiveness of assistance

- $4 million (about 700 vouchers) each available to San Bernadino County, CA; Cleveland, OH; Kansas City, MO; Charlotte, NC; Miami/Dade County, FL; Prince George County, MD; New York, NY; and Anchorage, AL

U.S. Department of Housing and Urban Development
Washington, D.C. 20410-1000

Office of the Assistant Secretary for
Congressional and Intergovernmental Relations

OFFICE OF LEGISLATION
Facsimile Transmission

Office: (202) 708-0005
FAX: (202) 708-3794

Date: 11/24/98

TO: Andrea Kane FROM: John Bohm

FAX: 456 7431

PHONE:

Number of pages (including cover)

COMMENTS:

Andrea, Do you have any other suggestions for interest groups who should be invited to our meeting next week If so please call Joan Kenny here at HUD at as I will be out for the remainder of the week
Agency letters (DOL, HHS) to follow.

Joan Kenny's # is 619-8054
(fax) 401 7911

Human Services (they changed their name this summer)

American Public ~~Welfare~~ Association
Elaine Ryan, Director of Government Affairs
810 First Street, N.E., Suite 500
Washington, D. C. 20002
Phone: 202-682-0100 Fax: 202-289-6555

Center for Community Change
Andrew Mott, Executive Director
Othello Poulard, Director
1000 Wisconsin Avenue, N.W.
Washington, D. C. 20007
Phone 202-342-0529 Fax: 202-342-1132
Desk:6

Center for Budget and Policy Priorities
Robert Greenstein, Executive Director
820 First Street, N.E., Suite 510
Washington, D. C. 20002
Phone: 202-408-1080 Fax: 202-408-1056

Child Welfare League
David Liederman, Executive Director
Bob McKay, Director of Homelessness and Housing
440 First Street, N.W. 3rd Floor
Washington, D. C. 20001
Phone: 202-638-2952 Fax: 202-638-4004

Council of Large Public Housing Authorities (CLAPHA)
Sunia Zateman, Executive Director
Debra Gross, Research Director
601 Pennsylvania Avenue, N.W., Suite 825
Washington, D. C. 20004-2612
Phone: 202-638-1300 Fax: 202-638-2364

Council of State Community Development Agencies
John Sidor, Executive Director
Carol Assmann, Program Associate CDBG
444 North Capitol Street, N.W., Suite 224
Washington, D. C. 20001
Phone: 202-624-3635 Fax: 202-624-3639

add (per HUD)

- National League of Cities
- Childrens Defense Fund
- Nat. Affordable Housing Management Assoc.
- CLASP
- NAPIC
- 2 Nat. Am grps

Enterprise Foundation
F. Barton Harvey, Chairman and CEO
10227 Wincopin Circle
Columbia, MD 21044

Alan Greenlee,Senior Policy Adviser
415 Second Street, N.E., 2nd Floor
Washington, D. C. 20002
Phone 202-543-4599 Fax: 202-543-8130
Desk:6

Local Initiatives Support Corporation
Buzz Robert, Vice President for Policy
1825 K Street, N.W., Suite 1100
Washington, D. C. 20006
Phone: 202-739-9264 Fax: 202-835-8931
Phone: 202-785-2908 Fax: 202-835-8931

National Association of Counties
Larry Naake, Executive Director
Haron Battle, Associate Legislative Director
440 First Street, N.W., 8th Floor
Washington, D. C. 20001-2081
Phone: 202-393-6226 Fax: 393-2630

National Association of Housing Redevelopment Officials(NAHRO)
Deborah Erlanson, President
Richard Nelson, Executive Director
Michael Nail, Deputy Executive Director
Julio Barreto, Jr., Divisional Director of Legislative and Program Development
630 Eye Street, N.W.
Wahington, D. C. 20001-3736
Phone: 202-289-3500 Fax: 202-289-8181

National Community Development Association
Leona Plaugh, President
Dianne Taylor, Director
Vicky Watson, Housing Legislative and Policy Analyst
Chandra Western, Legislative Counsel
522 21st Street, N.W., Suite 120
Washington, D. C. 20006
Phone: 202-293-7587 Fax: 202-887-5546
Desk: 5

National Congress for Community Economic Development
Roy Priest, President
Kevin Kelly, Director of Programs
Carol Wayman, Associate of Programs
11 Dupont Circle, N.W., Suite 325
Washington, D. C. 20036
Phone: 202-234-5009 Fax: 202-234-4510

National Council of State Housing Agencies
Barbara Thompson, Director of Policy and Government Affairs
Ellen Lurie Hoffman, Legislative and Policy Associate
444 North Capitol Street, N.W., Suite 438
Washington, D. C. 20001
Phone: 202-624-7710 Fax: 202-624-5899
Desk: 4

National Governors' Association
Raymond Scheppach, Executive Director
~~Governor George Voinovich, (Ohio)~~ Chairman Governor Carper is now the Chair
Jennifer Lakins-Mello, Staff Assistant and Evelyn Ganzglass, Director Employment + Social Services Programs (still represent welfare + workforce areas)
444 North Capitol Street, N.W., Suite 267
Washington, D. C. 20001
Phone: 202-624-5390 Fax: 202-624-5313
Desk:

National Housing Conference
Robert Reid, Executive Director
Conrad Egan, Deputy Director of Policy Development
815 15th Street, N.W., Suite 538
Washington, D. C. 20005
Phone: 202-393-5772 Fax: 202-393-5656

National Housing Law Project
Nancy Bernstine, Director of Government Relations
1629 K Street, N.W., Suite 600
Washington, D. C. 20006
Phone: 202-463-9461 Fax: 202-463-9462
Desk: 6

National Leased Housing Association
Denise Muha, Executive Director
1300 19th Street, N.W., Suite 410
Washington, D. C. 20036
Phone: 202-785-8888 Fax: 202-785-2008

National Low Income Housing Coalition
Helen Dunlap, President
Linda Couch, Legislative Liaison
1012 14th Street, N.W., Ssuite 610
Washington, D. C. 20005-3406
Phone: 202-662-1530 Fax: 202-393-1973
Desk: 5

Public Housing Authorities Directors Association
Timothy Kaiser, Executive Director
511 Capitol Court, N.E., Suite 200
Washington, D. C. 20002
Phone: 202-546-5445 Fax: 202-546-2280
Desk: 6

U. S. Conference of Mayors
Mayor Paul Helmke, President
J. Thomas Cocran, Executive Director
Eugene Lowe, Executive Staff
1620 Eye Street, N.W., 4th Floor
Washington, D. C. 20006
Phone: 202-293-7330 Fax: 202-293-2352
Desk:3

Suggest adding:
Ntl Conference of State Legislatures
Sheri Steisel is the welfare person; not sure who housing person is
ph 624-8693
444 N. Capitol St, #515
WDC 20001
fax 737-1064

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY
WASHINGTON, D.C. 20410-0001

November 23, 1998

The Honorable Alexis M. Herman
Secretary of Labor
Washington, DC 20210

Dear Madam Secretary:

The Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act of 1999, provided HUD with 50,000 new Section 8 rental housing vouchers to be used to help families make the transition from welfare to work. A summary of the provisions of the Act is enclosed. Because I share your commitment to the success of welfare reform, I am delighted to receive these vouchers. I will ensure that they are used to address the unmet housing needs of families for whom housing assistance is an essential element in the struggle to become self-sufficient, and I would like your help to do this.

The 50,000 vouchers are to be awarded competitively to public housing agencies meeting selection criteria specified in the Act. The Act also calls upon HUD to consult with the Departments of Health and Human Services and Labor before making the awards. Because cooperation among the local public housing agency, the welfare agency, and the recipient (if any) of Department of Labor Welfare-to-Work grant funds is important to the successful use of these vouchers, I believe that your input early in this process is essential. Therefore, I would like to invite you to name a representative to work with my staff in the design of the Notice of Funds Availability that will solicit applications.

Please submit the name of your representative to John Bohm, Deputy Assistant Secretary, Office of Congressional and Intergovernmental Relations, by November 25, 1998. You may reach Mr. Bohm at 202-708-0005.

Thank you for your assistance in this project which is so critical to the President's welfare reform efforts. I look forward to partnering with you.

Sincerely,

Andrew Cuomo

Enclosure

PROVISIONS OF THE FY 1999 HUD APPROPRIATIONS ACT

WELFARE-TO-WORK VOUCHERS

Citation - Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999, Title II - Department of Housing and Urban Development

General:

- To help eligible families make the transition from welfare to work, $283 million (50,000 vouchers)
- To be administered by PHAs, including Indian tribes and tribally designated housing entities
- Available until expended

Family Eligibility:

- Families eligible to receive, currently receiving, or have received TANF within preceding two years
- Determined by agency that tenant-based housing assistance is critical to successfully obtaining or retaining employment
- Not already receiving tenant-based assistance

Application requirements:

- Describe proposed program
- Program developed by PHA in cooperation with TANF and Welfare-to-Work grant agencies
- Demonstrate that tenant-based housing assistance is critical to success of families to obtain or retain employment
- Specify criteria for selecting families
- Describe strategy for tenant counseling, housing search assistance and landlord outreach
- Request necessary waivers

- Include certifications from TANF and Welfare-to-Work grant agencies that they support the program and will cooperate with it to assure that assistance is coordinated

- Include other information that the Secretary may require

Consultation with Secretaries of Health and Human Services and Labor required prior to selection of PHAs done competitively based on:

- Need for and quality of proposed program, including innovative approaches

- Extent to which assistance will be coordinated with welfare reform and welfare-to-work initiatives

- Extent to which application demonstrates that tenant-based assistance is critical to success of assisting eligible families to obtain or retain employment

- Other criteria set by Secretary

Other provisions:

- One percent of total ($2.83 million) available to conduct evaluation of effectiveness of assistance

- $4 million (about 700 vouchers) each available to San Bernadino County, CA; Cleveland, OH; Kansas City, MO; Charlotte, NC; Miami/Dade County, FL; Prince Georges County, MD; New York, NY; and Anchorage, AL

Timeframe (1)
steps
Role -- w/in HUD + at 3rd do
consultation
~~Issues~~

John Bohm

~~XAN~~ Briggs, PD&R
Gloria Cousar, PIH) major operational responsibility
Jacqui Lawing

Good meeting w/ RC last week.
Got most of policy guidance they needed.

Some issues in drafting -- consistency w/ '74 Act

Secretary
Concerns w/ national competition (cd have fair shared) ~~or~~ done on regional basis
but opted " " -- most consistent w/
what we want but most challenging.

Have begun consultation -- have sent letter to Shalala +
Herman asking for a contact + their input

Time line -
can cut 2 mos off due to HUD process + reduce intergov
process since they'll be involved.

Gloria - Time Line
- have skeleton NOFA -- as of 11/19
- Team drafting boilerplat
- public consultations ~~two~~ week of 11/30 -- broad group of interest groups

get paper

get their advice

②

Set up discussion for 11/24

including OMB

- agency consultations week of 12/7 - finish 12/10
- week of 12/10 synthesize into NOFA package + draft applic. kit -- no draft docs shared w/ them (HUD program issues)
- go into clearance 12/22 w/ simultaneous clearance thru OMB.
- feedback by end of 1st week in January.
- factor in changes --
- sign off w/in a day
- into public. w/in 2 wks --
- commit to end of January

External discussion half a day
Structured discussion
Issues: . time frame
. policy issues

HUD v. strict re: NOFA
want to avoid going back to Fed Reg.

Using NOFA as regs --

Olara @ pres mtg

700 vouchers to each of 8 communities --
submit plan, but not competitive

next
week - consultation w/ external grps
12/8(?) next week - invite other agencies, HHS, Labor

Issues
- what does local cooperation mean?
- Eligibility - for getting & keeping a job - what does that mean?
- Structuring partnerships
- Size
- capacity

→ linked w/ CDAP - rep't card for sec 8

Andrea Kane

Record Type: Record

To: Paul J. Weinstein Jr./OPD/EOP
cc: jacquie_m._lawing @ hud.gov @ inet, Cynthia A. Rice/OPD/EOP, christa robinson @ eop @ lngtwy
bcc: Records Management
Subject: Re: Welfare to Work Housing Vouchers

In addition to working on an event, I'd still recommend we meet with HUD re: their plan for implementing the vouchers, including consultation, what kind of issues to ask for inut on, whether to have an interagency advisory committee etc. Nancy Kirschner-Rodriguez in HUD's IGA said they're working through some of these issues and would probably be ready to meet with us next week on them. Apparently Jacquie's on the road w/ Cuomo for next few days. Just want to make sure these other issues don't get lost in discussion re: event.
Paul J. Weinstein Jr.

Paul J. Weinstein Jr.
10/26/98 02:17:32 PM

Record Type: Record

To: jacquie_m._lawing @ hud.gov @ inet
cc: Cynthia A. Rice/OPD/EOP, Andrea Kane/OPD/EOP, Christa Robinson @ EOP @ LNGTWY
Subject: Welfare to Work Housing Vouchers

As we discussed before, Bruce wants to have a rollout of the NOFA for WTW Vouchers not later than mid-december. To help moves things along, it would be helpful if you could identify two individuals on your staff, preferably someone in Public Housing and someone from Press/Communications, who could work with us on this process.

Paul J. Weinstein Jr.
10/26/98 02:17:32 PM

Record Type: Record

To: jacquie_m._lawing @ hud.gov @ inet

cc: Cynthia A. Rice/OPD/EOP, Andrea Kane/OPD/EOP, Christa Robinson @ EOP @ LNGTWY
Subject: Welfare to Work Housing Vouchers

As we discussed before, Bruce wants to have a rollout of the NOFA for WTW Vouchers not later than mid-december. To help moves things along, it would be helpful if you could identify two individuals on your staff, preferably someone in Public Housing and someone from Press/Communications, who could work with us on this process.

not used

DRAFT 10/16 10:00 a.m.

MEMORANDUM FOR THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT

SUBJECT: Competition for 50,000 New Welfare-to-Work Housing Vouchers

We now have a critical new tool to help families moving from welfare to work. This year, for the first time, 50,000 families who need to move closer to a new job or obtain more stable housing in order to move from welfare to work will be able to obtain housing vouchers to help them. This is the first time that housing vouchers have been targeted for families moving from welfare to work and this is the largest increase in housing vouchers in XX years. I am pleased that the Congress has joined me in recognizing the critical connection between housing and welfare reform and has fully funded my $283 million request.

For some families, having decent, affordable housing located near employment is essential to getting a job in the first place; for other families, such housing is critical to keeping that job and succeeding in the workforce. In many places jobs are being created far from where most welfare recipients live. Currently, about two-thirds of new jobs are being created in the suburbs, but three of four welfare recipients live in rural areas or central cities. Some families on welfare live in overcrowded, unstable, or unsafe conditions that make it difficult to get to work each day on time and perform their best. One of the first things many parents who move from welfare to work do is relocate to a neighborhood that is better for their family and more convenient to their job. These housing vouchers complement the new Access to Jobs transportation funds we obtained in the Transportation Equity Act for the 21st Century (TEA-21), which will assist states and localities to develop flexible transportation alternatives for welfare recipients and other low income workers.

These vouchers will be made available to communities on a competitive basis, in order to foster local innovation and partnership. It is critical that all sectors of society join together to help families move from welfare to work, and this competitive process will require housing agencies to consult with welfare and workforce development agencies in developing their plans. Several communities around the nation -- in California, Connecticut, Georgia, Illinois, Kentucky, and New Jersey -- have already shown that this can be done.

We must put in place this important new effort as soon as possible. Thereby, I direct you to:

(1) Immediately disseminate information about this new competition, as well as promising models and best practices, through the World Wide Web and other methods.

(2) Develop and publish guidelines for this grant competition within 60 days.

(3) In developing these guidelines, consult widely with state, local, and tribal housing, welfare, and employment officials and their national organizations, as well as key policy and research

organizations, private and community-based organizations, and families who would benefit from these welfare-to-work housing vouchers as well as other federal agencies involved in implementing welfare to work initiatives, including the Departments of Health and Human Services, Labor, and Transportation.

(4) Ensure that the guidelines provide maximum flexibility to allow local areas to align their housing, welfare and employment policies to promote the successful movement of families toward self-sufficiency, require strong local coordination among key welfare to work partners, and reward well-designed, collaborative and innovative approaches.

Through this effort, we will continue to provide those willing to work hard and play by the rules the tools they need to succeed.

TENNESSEE DEPT.
HUMAN SERVICES
400 DEADERICK STREET.
12th Floor
NASHVILLE, TN 37248-7100

FAX

Date: 10/16/98

Number of pages including cover sheet: 5

To: Andrea Kane
Domestic Policy
Council

Phone:

Fax phone:

CC:

From: Bettie Teasley

Phone: (615) 313-5652

Fax phone: (615) 313-6619

REMARKS: ☒ Urgent ☐ For your review ☐ Reply ASAP ☐ Please comment

See page 4 - It did get in there - just w/ a one year delay it looks like.

Bettie

H.R.4194

Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999 (Enrolled Bill (Sent to President))

(c) CONFORMING AMENDMENT- The third sentence of section 3(a)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(1)) is amended by inserting `and subject to the requirement under paragraph (3)' before the first comma.

(d) EFFECTIVE DATE- The amendments under this section are made on, and shall apply beginning upon, the date of the enactment of this Act.

SEC. 508. DETERMINATION OF ADJUSTED INCOME AND MEDIAN INCOME.

(a) ADJUSTED INCOME- Paragraph (5) of section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(5) is amended to read as follows:

`(5) ADJUSTED INCOME- The term `adjusted income' means, with respect to a family, the amount (as determined by the public housing agency) of the income of the members of the family residing in a dwelling unit or the persons on a lease, after any income exclusions as follows:

`(A) MANDATORY EXCLUSIONS- In determining adjusted income, a public housing agency shall exclude from the annual income of a family the following amounts:

`(i) ELDERLY AND DISABLED FAMILIES- $400 for any elderly or disabled family.

`(ii) MEDICAL EXPENSES- The amount by which 3 percent of the annual family income is exceeded by the sum of--

`(I) unreimbursed medical expenses of any elderly family or disabled family;

`(II) unreimbursed medical expenses of any family that is not covered under subclause (I), except that this subclause shall apply only to the extent approved in appropriation Acts; and

`(III) unreimbursed reasonable attendant care and auxiliary apparatus expenses for each handicapped member of the family, to the extent necessary to enable any member of such family (including such handicapped member) to be employed.

`(iii) CHILD CARE EXPENSES- Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

`(iv) MINORS, STUDENTS, AND PERSONS WITH DISABILITIES- $480 for each member of the family residing in the household (other than the head of the household or his or her spouse) who is less than 18 years of age or is attending school or vocational training on a full-time basis, or who is 18 years of age or older and is a person with disabilities.

`(v) CHILD SUPPORT PAYMENTS- Any payment made by a member of the family for the support and maintenance of any child who does not reside in the household, except that the amount excluded under this clause may not exceed $480 for each child for whom such payment is made; except that this clause shall apply only to the extent approved in appropriations Acts.

`(vi) SPOUSAL SUPPORT EXPENSES- Any payment made by a member of the family for the support and maintenance of any spouse or former spouse who does not reside in the household, except that the amount excluded under this clause shall not exceed the lesser of (I) the amount that such family member has a legal obligation to pay, or (II) $550 for each individual for whom such payment is made; except that this clause shall apply only to the extent approved in appropriations Acts.

`(vii) EARNED INCOME OF MINORS- The amount of any earned income of a member of the family who is not--

`(I) 18 years of age or older; and

`(II) the head of the household (or the spouse of the head of the household).

`(B) PERMISSIVE EXCLUSIONS FOR PUBLIC HOUSING- In determining adjusted income, a public housing agency may, in the discretion of the agency, establish exclusions from the annual income of a family residing in a public housing dwelling unit. Such exclusions may include the following amounts:

THIS SEARCH *THIS DOCUMENT* *GO TO*
Next Hit Forward New Bills Search
Prev Hit Back HomePage
Hit List Best Sections Help
Doc Contents

H.R.4194

Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999 (Enrolled Bill (Sent to President))

`(i) EXCESSIVE TRAVEL EXPENSES- Excessive travel expenses in an amount not to exceed $25 per family per week, for employment- or education-related travel.

`(ii) EARNED INCOME- An amount of any earned income of the family, established at the discretion of the public housing agency, which may be based on--

`(I) all earned income of the family,

`(II) the amount earned by particular members of the family;

`(III) the amount earned by families having certain characteristics; or

`(IV) the amount earned by families or members during certain periods or from certain sources.

`(iii) OTHERS- Such other amounts for other purposes, as the public housing agency may establish.'.

(b) DISALLOWANCE OF EARNED INCOME FROM PUBLIC HOUSING RENT DETERMINATIONS-

(1) IN GENERAL- Section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a) is amended--

(A) by striking the undesignated paragraph that follows subsection (c)(3) (as added by section 515(b) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625; 104 Stat. 4199)); and

(B) by adding at the end the following new subsections:

`(d) DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS-

`(1) IN GENERAL- Notwithstanding any other provision of law, the rent payable under subsection (a) by a family described in paragraph (3) of this subsection may not be increased as a result of the increased income due to such employment during the 12-month period beginning on the date on which the employment is commenced.

`(2) PHASE-IN OF RENT INCREASES- Upon the expiration of the 12-month period referred to in paragraph (1), the rent payable by a family described in paragraph (3) may be increased due to the continued employment of the family member described in paragraph (3)(B), except that during the 12-month period beginning upon such expiration the amount of the increase may not be greater than 50 percent of the amount of the total rent increase that would be applicable but for this paragraph.

`(3) ELIGIBLE FAMILIES- A family described in this paragraph is a family--

`(A) that--

`(i) occupies a dwelling unit in a public housing project; or

`(ii) receives assistance under section 8; and

`(B)(i) whose income increases as a result of employment of a member of the family who was previously unemployed for 1 or more years;

`(ii) whose earned income increases during the participation of a family member in any family self-sufficiency or other job training program; or

`(iii) who is or was, within 6 months, assisted under any State program for temporary assistance for needy families funded under part A of title IV of the Social Security Act and whose earned income increases.

`(4) APPLICABILITY- This subsection and subsection (e) shall apply beginning upon October 1, 1999, except that this subsection and subsection (e) shall apply with respect to any family described in paragraph 3(A)(ii) only to the extent provided in advance in appropriations Acts.

`(e) INDIVIDUAL SAVINGS ACCOUNTS-

`(1) IN GENERAL- In lieu of a disallowance of earned income under subsection (d), upon the request of a family that qualifies under subsection (d), a public housing agency may establish an individual savings account in accordance with this subsection for that family.

`(2) DEPOSITS TO ACCOUNT- The public housing agency shall deposit in any savings account established under this subsection an amount equal to the total amount that otherwise would be applied to the family's rent payment under subsection (a) as a result of employment.

DRAFT

HUD'S EMPLOYMENT AND TRAINING PROGRAMS

The Department of Housing and Urban Development has a strong commitment to providing employment opportunities and necessary training and supportive services for low-income persons. Many of HUD's economic development programs generate large numbers of new jobs. Thus, it is important that these opportunities for employment are not lost for low-income residents of the communities where the jobs are created. The following descriptions provide a look at the many ways in which the Department is approaching this challenge.

Employment Training Programs

Family Self-Sufficiency helps residents of public housing and recipients of tenant-based Section 8 assistance become self-sufficient through education, training, and the provision of supportive services, including case management. Each public housing authority (PHA) receiving public housing or Section 8 funding commitments for incremental units has a legal responsibility to operate an FSS program. Family participation is voluntary, though each participating family signs a contract with the PHA specifying both what steps the family and the PHA will take to help them to financial independence and penalties for failure to comply with the contract.

Using public and private resources in the community, PHAs work to develop employment opportunities and deliver support services. As an incentive to becoming independent, any increase in rent that a participating family might otherwise pay because of increases in earned income is deposited to an escrow account that the family may withdraw upon successful completion of its FSS contract and may use for any purpose it chooses.

> Funding: FY 1996 - $9.3 million was available for Section 8 FSS Service Coordinators; FY 1997 - $15 million; FY 1998 - $24.6 million. No funds are provided for services.

We have had seven graduates from the [Family Self-Sufficiency] programs: four graduated from college, and three have full-time employment. One person became a homeowner and another is in the process.

--Joan W. Goodrich, Dir. Of Housing Management, Portsmouth Housing Authority in the Norfolk, VA *Pilot*, Feb. 8, 1998

Economic Development and Supportive Services Grant Program provides grants to PHAs, Indian Housing Authorities, and cooperating nonprofit organizations for social services designed to enhance the self-sufficiency of residents of public and assisted-housing. Economic Development activities include entrepreneurship training and development, micro-loan funds, and credit union development activities. Supportive services may include child care, employment training and counseling, computer training, education, and transportation.

> Funding: FY 1996 - $30.8 million; FY 1997 - $48.75 million; FY 1998 - $42 million.

Campus of Learners is designed to provide public housing residents with an opportunity to live in a college campus-like setting that is focused on learning. As a condition of living on campus, residents will agree to enroll in an education program involving computer technology, job training, and comprehensive education and support services. A significant component will be the physical reconfiguration of public housing developments to foster a campus/learning environment and the establishment of community-based partnerships. HOPE VI grantees will house the initial Campus of Learners sites. These PHAs will use HOPE VI resources for the creation of the Campus of Learners facilities and some of the services. Additional resources come from local schools, universities, businesses and other private sector partners. These organizations will provide internships, job training and employment opportunities, mentoring, telecommunication resources, apprenticeships and training positions. The first 25 sites were announced on September 27, 1996.

> Funding: No additional funds are provided for Campus of Learners, but HOPE VI and public housing comprehensive grant funds may be used for this purpose.

Neighborhood Networks is a community-based voluntary and comprehensive approach to establishing computer learning centers in FHA-insured and assisted multifamily developments. Neighborhood Networks computer learning centers will give residents access to job skills training, formal education and community services leading to opportunities for employment, telecommuting and micro-enterprise development. Family economic self-reliance is the long-term goal of the initiative. Support from local partners is vital. Donations of used computers, educational and technical software, job training, business development, volunteers, capital funding, links with schools and community colleges, and numerous other donated services are essential for success.

> Collaborating with HUD on Florida's Neighborhood Networks ""*is, in a small way, about giving residents here the ability to create the world they want. Microsoft has always believed that access to technology empowers people."*
>
> --Marty Paradise, Microsoft's Southeast District general manager in "Neighborhood Network News," Sprint 1998

Funding: No specific funds are provided for Neighborhood Networks, but owners are permitted and encouraged to use funds from project resources to pay for the costs of learning center development. Loans from reserves are also permissible.

YouthBuild provides opportunities to economically disadvantaged young adults (ages 16-24) by providing education and employment training and skills to achieve self-sufficiency. The on-site training portion of the program teaches construction skills by hands-on construction or rehabilitation of low-income housing or housing for the homeless. When not on the construction site, participants are also provided with education, social services, counseling, and leadership training. Around 6,000 trainees have been enrolled to date.

Funding: FY 1996 - $20 million; FY 1997 - $30 million; FY 1998 -$35 million.

Tenant Opportunity Program provides grants to public housing Resident Councils and Resident Management Corporations to fund training and other tenant opportunities, such as business development, education, job training and development, and social services. Since 1988, 911 resident groups have been funded for training and are in various stages of training.

Funding: FY 1996 - $15 million; FY 1997 - $5 million; FY 1998 - $5 million

> *The Committee is very pleased with the leadership of the HOPE VI office...the HOPE VI Program is a complex program that is an important building block for the economic redevelopment of communities.*
>
> --Senate Committee on Appropriations in HUD Appropriations Bill, 1999

HOPE VI provides grants to PHAs for revitalization of severely distressed properties. A portion of the funds may also be used for community service programs and for supportive services, including, but not limited to, literacy training, job training and day care. All HOPE VI grantees must submit a plan for providing social services that help move residents toward economic self-sufficiency. Up to 20 percent of grant funds may be used for these purposes; in addition, each participating city must make contributions from non-Federal sources for supportive services in an amount equal to 15 percent of the funding provided by HUD for supportive services.

Funding: FY 1996 - Up to $96 million for community and supportive services; FY 1997 - up to $110 million; FY 1998 - up to $110 million.

Section 3 of the Housing and Urban Development Act of 1968 requires that, to the greatest extent feasible, employment and other economic opportunities generated by Federal financial assistance for housing and community development programs be directed toward low-income persons, particularly those who are recipients of Federal housing assistance. Priority for training and employment is provided to low-income persons who are residents of public and assisted housing, residents of the neighborhood where the programs are being operated, participants in Youthbuild, and homeless persons. Priority in contracting is also given to businesses which offer opportunities to these classes of low-income persons.

Funding: There is no funding for Section 3.

Step-Up provides career-oriented jobs and training through use of registered apprenticeships and comprehensive support services for participants. Twenty-five HUD-recognized sites and over 700 participants have been involved since the first pilot was initiated in Chicago in late 1992. Most programs focus on construction and modernization work, but other occupations, including child care, are being developed as well.

Funding: There is no funding for Step-Up.

Empowerment Zones/Enterprise Communities encourage comprehensive planning and investment aimed at job creation and the economic, physical and social development of the neediest urban and rural regions of the country. A total of 72 urban areas and 33 rural communities were designated as Empowerment Zones and Enterprise Communities in 1994. The eight urban Empowerment Zones (including two Zones originally designated Supplemental EZs that were made full-fledged EZs in 1998) are areas of five of the seven largest cities in the country. Each urban Empowerment Zone received $100 million in Social Services Block Grants. The 64 urban Enterprise Communities each received $3 million in Social Services Block Grant funds. In addition, employers in the Empowerment Zones are eligible for wage tax credits of $30,000 for each employee hired who lives in the Zone. Businesses may also use increased tax expensing for equipment purchases of up to $37,500, which is $20,000 above the normal first-year write-off. Job creation, job training, support of entrepreneurship, and stimulation of investment are supported in all of the sites through training, technical assistance, tax credits, regulatory relief, and the combination of Federal, State and local financial resources.

The message in this is that our nation's cities remain great centers for commerce and global trade. Philadelphia is in a position to compete and our Federal EZ's are at the center of the action.

-- Philadelphia Mayor Edward Rendell about a Malaysian firm opening up a manufacturing company in the Philadelphia-Camden Empowerment Zone

The Taxpayer Relief Act of 1997 authorized designation of 20 new EZs, 15 urban and 5 rural. The new EZs will be eligible for additional new benefits: a Brownfields Tax Incentive, enhanced private activity bonds permitting $60-230 million in private activity bond authority to subsidize job creation and business expansion; and $20,000 in additional expensing of Section 179 expensing of investments in capital and equipment to promote commercial investment.

Funding: In all, there were $1.5 billion in grants and over $2.5 billion in tax incentives. Urban Empowerment Zones each received $100 million and urban Enterprise Communities each received $3 million in Social Services Block Grants for use over a 10-year period. Several sites also received support from HUD's Economic Development Initiative.

> *To help you create jobs we have a program that is working well at HUD called EDI - Economic Development Initiative. It is... helping you do commercial development, investing in private businesses.*
>
> --HUD Secretary Andrew Cuomo addressing the U.S. Conference of Mayors, Jan. 29, 1998

Economic Development Initiative supports job creation projects through its financing of community and economic development initiatives. EDI supplements the Section 108 Loan Guarantee and Community Development Block Grant programs by putting additional equity into community and economic development programs. EDI has helped finance projects as varied as shopping centers, restaurants, and entertainment complexes, all of which generated new construction and long-term employment opportunities. EDI grants also support Homeownership Zones, where large tracts of new, single family-housing will be built to replace vacant and blighted urban areas. This construction will generate jobs and provide affordable homeownership opportunities for these newly employed workers. In FY 1994, $18.9 million was awarded to 44 projects in 40 communities; in FY 1995, $50 million was awarded to 70 projects in 65 communities. In addition, $278 million of FY 1995 funds were provided to the Supplemental Empowerment Zones and Enhanced Enterprise Communities. In FY 1996 $50 million was awarded to 6 Homeownership Zones and 11 other projects, for a total of 17 awards.

Funding: FY 1996 - $50 million; FY 1997 - no funding; FY 1998 -$137 million.

Community Development Block Grants are provided to help cities and counties develop viable communities by providing decent housing and by expanding economic opportunities. In addition to generating jobs through projects such as housing rehabilitation and the construction of public facilities, CDBG funds are used for job training and supportive services to allow low-income persons to seek and retain employment. CDBG can provide assistance to private and for-profit entities to create or retain jobs for low-and moderate income persons and create businesses owned by community residents. CDBG can also provide assistance to public and private agencies, as well as nonprofit organizations for a number of efforts which can help lead to employment, including: providing credit for establishment, stabilization and expansion of microenterprises and support services for such enterprises. CDBG can also fund technical assistance to promote all of these efforts. The Department has revised the CDBG regulations to facilitate these uses of the funds. It is estimated that the CDBG program helped create 130,000 jobs during Fiscal Year 1996.

Funding: FY 1997 - up to $690 million; FY 1998 - up to $701 million (15 percent of the CDBG appropriation). Much of that is spent on job training and related services.

Moving-to-Work (MTW) will give 30 public housing authorities the flexibility to provide housing assistance that gives incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient. The PHAs selected for MTW will have considerable freedom in determining how to use Federal funds to most effectively provide housing and related assistance to low-income families; their proposals include a wide range of activities such as changes in rent structure, revised reporting requirements, expanded self-sufficiency programs, and homeownership opportunities.

PHAs selected to participate in MTW will be permitted to create a single pool of resources by combining operating subsidies, modernization funding and Section 8 tenant-based assistance certificates and vouchers. This funding source will be free of most of the requirements of the Housing Act of 1937. However, the funding must be used by the PHA to provide housing assistance for low-income families and services to facilitate the transition to work. For example, PHAs must establish a rent policy designed to encourage employment and self-sufficiency on the part of participating families.

Funding: FY 1997 and FY 1998 - $5 million for technical assistance.

We're looking at saturating a public housing development with all kinds of initiatives that get people from welfare to work. We're trying to put as many of those services on site as possible.

--Wanda Woodward, JOBS PLUS Project Director in *The Baltimore Sun* April 19, 1998

Jobs Plus, one element of the Moving-to-Work Demonstration, focuses Moving-to-Work's flexibility on one targeted public housing site in each of seven communities in order to saturate that site with services, dramatically increase the share of residents who are employed, and retain them as community residents once employed. HUD has been working with the Manpower Demonstration Research Corporation and the Rockefeller Foundation, which is also providing financial support, to design innovative and replicable, locally-based strategies.

Funding: FY 1996- $5 million for technical assistance and evaluation. Additional funding provided by: The Rockefeller Foundation - $5 million; Surdna Foundation - $400,000; Irvine Foundation - $600,000; Northwest Area Foundation - $500,000; Joyce Foundation - $500,000; Casey Foundation - $100,000; U.S. Department of Health and Human Services - $1 million; U.S. Department of Labor $250,000.

Bridges to Work is a five-site demonstration to connect inner-city residents with suburban employment opportunities by proving job placement, transportation and support services including child care and counseling. Each participating community has formed a regional collaborative consisting of neighborhood groups, private employers, nonprofit service providers, regional transportation providers, metropolitan planning organizations and local and State governments to provide the resources necessary to help job-ready inner-city residents succeed in becoming self-sufficient by finding and keeping suburban employment. Baltimore, Chicago, Denver, Milwaukee, and St. Louis are participating in the demonstration.

> Funding: $17 million over 4 years including $8 million - HUD and the Department of Transportation; $3 million - local public and private contributions; $6 million - the Ford, Rockefeller and MacArthur foundations for monitoring, research and evaluation; and additional contributions - the Annie E. Casey Foundation and the Pew Charitable Trust.

Bridges, whose clients must be job-ready welfare recipients, helps their clients find jobs, counsels them once they are placed, and provides assistance with child care and other needed services. They help them manage the vital logistics of their lives.

--Alexis Herman, Secretary of Labor, Before the Subcommittee on Labor, HHS, Education Committee on Appropriations United States Senate March 18, 1998

Francis S. Redburn	10/16/98 02:41:47 PM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP

cc: See the distribution list at the bottom of this message

Subject: Re: Draft Housing Vouchers Directive for possible signing on Monday

This is a great idea. I have three suggestions to reinforce the effort, the first of which could be added to the draft directive under paragraph (3). The other two are internal and could possibly be raised in a conversation with the Secretary.

(1) look @ level of applications

(2) XAN projects to scope at need

1. [as part of the wide consultation called for in paragraph (3)] solicit from communities and states information about their welfare to work efforts that can be used to estimate the numbers of families for whom this form of housing assistance could help overcome obstacles, such as travel distance, to successful transitions from welfare to work. [This could help us estimate the potential demand and need for WTW housing vouchers, to justify future budget requests.]
2. establish within HUD's office of public and Indian housing a separate staff dedicated to and held accountable for the success of the new program. [If this is administered by a carefully chosen, top quality staff with its own separate mission and performance goals, there is a much lower risk the new program will be subsumed in the rules and rituals of the larger Section 8 program and a much greater chance it will be carried out vigorously and develop its own distinctive program "culture."]

yes

3. To reinforce #2, establish a performance goal and quantitative performance targets in the HUD FY 2000 GPRA performance plan for moving families toward work and self-sufficiency using these vouchers.

XAN recruiting plan for 99 + 2000

Message Copied To:

paul j. weinstein jr./opd/eop
jonathan orszag/opd/eop
michael deich/omb/eop
andrea kane/opd/eop
Alan B. Rhinesmith/OMB/EOP
Theodore Wartell/OMB/EOP
Patricia E. Romani/OMB/EOP
Katherine L. Meredith/OMB/EOP
James F. Jordan/OMB/EOP

HOUSING INCENTIVE FOR TANF FAMILIES MOVING FROM WELFARE TO WORK

PROGRAM DESIGN

CHICAGO LOW-INCOME HOUSING TRUST FUND
C/O CITY OF CHICAGO
DEPARTMENT OF HOUSING
318 S. MICHIGAN
CHICAGO, ILLINOIS 60604

August 14, 1998

Re: Provide housing for Temporary Assistance to Needy Families (TANF) recipients

Dear Friends of the Chicago Low-Income Housing Trust Fund:

In a joint effort between the Chicago Low-Income Housing Trust Fund (Trust Fund), Illinois Department of Human Services (IDHS) and the Chicago Housing Authority (CHA) we are pleased to announce the availability of $450,000 for the Housing Incentive for TANF Families Moving from Welfare to Work Pilot Program. The objective of the program is to provide 100 TANF families that are currently residing in CHA developments with the opportunity to improve their housing situation. Enclosed are the program design and application.

Eligible applicants for this program are housing providers that can demonstrate a track record that provides quality housing and assurance that professional property management is in place. All buildings must meet the City of Chicago Building Code and Section 8 housing standards. (Please refer to the attached program design for a more detailed description of the program and eligibility requirements.)

Eligible tenants must be Chicago TANF clients who have demonstrated progress toward self-sufficiency and volunteer to participate in the pilot. They must reside in the geographic area of the pilot. The Trust Fund will provide each tenant with rental subsidy until each client receives a Section 8 certificate (approximately six or seven months) or for a maximum of 12 months, whichever time period is shorter. (Please refer to the attached program design for a more detailed description of the program and eligibility requirements.)

check tenant selection prefs

IDHS is required to provide all TANF related services to families before and after placement in new housing. CHA will provide a relocation financial package and a pre and post relocation package for all TANF families selected under the pilot.

?

In order to make sure everyone understands this pilot program and its eligibility requirements, we are holding an orientation meeting on Thursday, September 3, 1998, at 10:00 a.m., at 2102 W. Ogden Avenue (Mayor's Office for People with Disabilities field office). Please RSVP to the Trust Fund no later than Tuesday, September 1, 1998.

If you are interested in applying for this pilot program but are unable to attend the orientation, the application deadline is the close of business Friday, September 25, 1998.

Please submit a completed application to the Chicago Low-Income Housing Trust Fund c/o City of Chicago Department of Housing, 318 S. Michigan Avenue, Chicago, Illinois 60604, Attention Edward Doherty, 4th Floor.

If you have any questions about program requirements, please contact Edward Doherty at 1-312-747-6172.

Very truly yours,

Thomas J. McNulty

Thomas J. McNulty, President
Chicago Low-Income Housing Trust Fund

ELIGIBLE HOUSING

- Owners must respond to RFP issued by the Trust Fund. Landlords are required to keep the rent at the market rate determined by the Trust Fund (market rent for the area). The landlords will not be allowed to increase rent when the subsidy is switched to the Section 8 program .
- Properties must meet City of Chicago Building Code and Section 8 housing standards.
- The buildings must have a record of financial stability, i.e., up-to-date tax and utility payments.
- Owners must pass scofflaw check.
- Priority will be given to three and four bedroom units.

using addl $ to bring scarce units into §8 prog

Special consideration due to change of circumstances

If clients in the pilot lose income due to no fault of their own, the Trust Fund will continue to provide their portion of subsidy up to 90 days. Clients are expected to continue to make progress toward self-sufficiency within this time frame, or will risk loss of subsidized housing.

TYPE OF ASSISTANCE

- CHA will provide pre and post moving counseling to assist clients with budgeting and relocation issues up to 48 months.
- CHA will provide case management services through the Family Self-Sufficiency program.
- CHA will assist with payments for one month's security deposit, moving expense and utility turn-on charges. what $ sources
- The Trust Fund will provide a direct subsidy to the landlord until the Section 8 certificate/voucher is issued at the 6th or 7th month. Pilot participants will pay the following rate: $140 for 2-bedrooms, $165 for 3-bedrooms and $185 for 4-bedrooms. ??
- Participation in an Individual Development Account (IDA) with matching funds up to $500.00 from CHA or other private sources.

are they violating FSS escrow - or ADH matching $?

ROLES AND RESPONSIBILITIES

- DHS $

Illinois Department of Human Services

- Provides $450,000 to the Trust Fund for rental subsidy during the first 12 months.
- Provides all TANF related services to families selected before and after placement in new housing. These services include case management, child care and transportation.
- Screens and refers TANF families to CHA. ← DHS source of partic.
- Makes every effort to meet time line set for program.

Chicago Low-Income Housing Trust Fund

What is the money used for? just like 587 or add'l repair or $? bonus

- Manages the $450,000 grant provided by IDHS.
- Identifies and provides CHA & IDHS with lists of housing units available for this pilot by number of bedrooms for appropriate match.
- Works with the landlords to provide the subsidy needed once the match between TANF families and their housing units are made.
- Help to facilitate a seamless transition from Trust Fund's subsidy to Section 8 program.
- Makes every effort to meet time line set for program.

Chicago Housing Authority

- Refers TANF families to housing providers..
- Provides Section 8 certificates/vouchers for eligible families.
- Provides a financial package for TANF families selected under the pilot. ← ?
- Provides pre and post moving counseling to CHA TANF families to ensure successful transition to marketplace housing.
- Issues a Program I.D. to participating individuals once training is completed.
- Help to facilitate a seamless transition from Trust Fund's subsidy to Section 8 program.
- Makes every effort to meet time line set for program.

TANF Client

- Demonstrates progress toward self-sufficiency (i.e., retains a job found or finds a new job, enrolled and in job training/school with career advancement plan).
- Is a responsible tenant.
- Reports any changes in income status to IDHS, Trust Fund and CHA.
- Works closely with IDHS, Trust Fund and CHA to help facilitate a seamless transition from Trust Fund's subsidy to the Section 8 program.
- Makes every effort to meet time line set for program.

PROCESS

It is expected that 100 clients will be screened by IDHS and CHA and determined eligible for the pilot by September; provided pre moving counseling and matched with appropriate housing during October; and, move into housing from November 1 thru December 15, 1998. The Trust Fund will ask landlords to keep their housing units available until December 15th to allow clients sufficient time to select an apartment.

EVALUATION

The success of the pilot will be determined by the following:

- Clients continue to make progress toward self-sufficiency including the ability to obtain or retain employment and opportunity for increasing income.
- Clients are successful in obtaining subsidized housing.
- Client's quality of life is improved (i.e., better personal security, access to better school, recreation, shopping choices, etc.).
- Traditional barriers to Section 8 housing program are removed.
- Effective and productive collaboration between the pilot sponsors (IDHS, Trust Fund and CHA).
- Support from public and private sectors to expand/extend the program.

Private Foundations (Support currently being solicited)

- **Counseling services for TANF families in the pilot.**
- **Evaluation of the pilot.**
- Expansion or **extension** of the pilot.

TIME LINE

TIME FRAME	TASK	HANDLED BY
July 1998	Inter-agency agreement signed.	Trust Fund and IDHS
July	Develop case lists, client notice, award letter, Policy Memo/Instructions.	IDHS
July - August Aug. 11	Client outreach, recruitment and orientation. Train local office staff. Approval of program and application.	IDHS Trust Fund
Aug 14	Landlord RFP mailed.	Trust Fund
Sept. 3 September Sept. 25	Orientation held at MOPD. Client selection and referral to CHA for prior conviction and rent status screening. Application deadline.	Trust Fund, IDHS, CHA IDHS & CHA Trust Fund
Oct. 13 October	Approval by Trust Fund. CHA client referral and enrollment in pre-moving counseling, match with available housing and other services (i.e. financial package for relocation purpose) as well as enrolling family in self-sufficiency program.	Trust Fund IDHS and CHA/Relocation Case Management Agency
Oct. 16-31 Nov.1 - Dec 15	Sign agreements with housing providers. Clients move in new housing.	Trust Fund, IDHS, CHA IDHS, CHA, Trust Fund
December	30 days follow-up	CHA/Relocation Case Management
January, 1999	90 days follow-up	CHA/Relocation Case Management
February	Section 8 certificate/voucher redetermination	CHA/Relocation Case Management
March	Notify IDHS, Trust Fund, landlord and clients on Section 8 certificate/voucher approval	CHA/Relocation Case Management
April	Paperwork to transition from Trust Fund to Section 8 program	CHA and Trust Fund
October	Trust Fund program ends	Trust Fund, IDHS
November - December	Evaluation of the pilot program	IDHS, Trust Fund, CHA, Relocation Case Management Agency, clients, landlords

NOTE: ***All communications and services to clients by IDHS, CHA and the Trust Fund will be conducted at a time and by means most convenient for employed clients who may not be available during standard working hours.***

The DLC Update

SAVE THE DATE:
1998 DLC Annual Conference
Wednesday, December 2, 1998 • Washington, D.C.

The Democratic Leadership Council — Friday, October 9, 1998

Idea of the Week: Hot Spots

Crime policy is back as a "hot button" issue. That may surprise some observers who assumed that recent nationwide reductions in violent crime would take the issue "off the table." But, lest we forget, crime levels remain dangerously high by historical standards.

What's happening now is a very healthy debate over exactly how to further reduce crime. Many conservatives continue to insist that longer mandatory sentences for convicted criminals, including juveniles, is the "silver bullet" that will make communities safer. Meanwhile, New Democrats are building on President Bill **Clinton**'s impressive success in making Democrats a credible crime-fighting party by supporting not only tougher sentencing, but an array of ideas for helping communities fight crime and the disorder it breeds.

Exhibit A is Maryland Lt. Gov. **Kathleen Kennedy Townsend**, who is continuing the legacy of her father, **Robert F. Kennedy**, as a crime-fighting progressive.

Our May 22, 1998 *DLC Update* drew attention to Townsend's leadership in making Maryland the first state to implement widespread drug testing of parolees and probationers (see "Idea of the Week: Fighting Drugs With Coerced Abstinence" at http://www.dlcppi.org) But, Townsend has also been the prime mover in another initiative that exemplifies New Democrat thinking on crime: "Hot Spots."

The idea behind "Hot Spots" is to focus extra resources on high-crime areas, in conjunction with community-based strategies for reducing crime and disorder. A year ago in Maryland, thirty six neighborhoods formally became "Hot Spots"— one in each county that together accounted for 11 percent of the state's violent crime. In each "Hot Spot" a locally-developed strategy guides both state and local resources. One common feature has been the creation of community-based teams of police and probation officers, jointly supervising high-risk adult and juvenile offenders. Other initiatives have been tailored to specific neighborhoods, such as nuisance abatement, after-school programs for high-risk youth, or breaking up drug markets.

"Hot Spots" avoids three common mistakes made in many previous efforts to target high-crime areas:

- **Mistake 1**: Many police departments conduct "sweeps" of high-crime areas—often commercial corridors—that either displace criminal activity into adjacent areas or only temporarily interrupt long-term crime patterns. *Alternatively*, "Hot Spots" covers entire neighborhoods, and involves a sustained commitment of resources, not just a one-or-two-shot "strike."

- **Mistake 2**: Most "attacks" on high-crime areas involve only the police, which narrows the effort to solely those measures police can take. *Alternatively*, "Hot Spots" involves probation officers, prosecutors, social services agencies, schools, and community leaders—a combination that permits a flexible strategy appropriate to each neighborhood.

- **Mistake 3**: Some of the "zero tolerance" campaigns recently launched in high-crime neighborhoods have employed tactics that actually reduce community support for law enforcement, such as roadblocks where the citizenry at large is exposed to constant harassment and possible arrest for petty automobile violations. *Alternatively*, "Hot Spots" focuses heavily on community involvement in fighting crime and disorder, and makes peaceful use of public spaces, such as parks, a primary objective.

Best of all, "Hot Spots" seems to be working. Though the initiative is only one year old, initial results are strongly positive. Robberies dropped by two-thirds in an Anne Arundel County neighborhood. Overall violent crime dropped by 25 percent in a Wicomico County neighborhood. Among other "Hot Spots," drug market activity dropped in Easton, burglary and theft were cut sharply in Edgewood, and vandalism, robbery, and auto theft went down quickly in Mt. Ranier.

Perhaps the most eloquent testimonial to "Hot Spots" came from a man named **Steve Sohansky**, owner of an auto parts store located in a Baltimore County Hot Spot:

"Thank God somebody is doing something that makes sense. I've been critical of government programs in the past. 'Hot Spots' is the best use of taxpayers' money I've seen in a long time. It is simple and it just makes sense to have officers located where the crime problems are."

Simple, and it just makes sense.

Believe It Or Not, A Housing Bill

After literally years of delay, Congress has finally passed legislation reauthorizing federal housing and community development programs. The Clinton Administration prevailed on most key items in a dispute with Congressional Republicans, resulting in a modest but important step forward for national housing policy.

The big sticking point in past efforts—the income "mix" of families eligible for the Section 8 rent subsidy program—was resolved pretty much to the Administration's liking. The legislation represents a rejection of both the old-line liberal demand that only the poorest of the poor qualify (at the expense of many "working poor" families), and the conservative demand for an income ceiling so high that many needy families would be forced back into the public housing projects Section 8 was intended to slowly replace.

On a more innovative front, the bill authorizes 50,000 new housing vouchers for former welfare recipients who seek to move closer to jobs or to transportation facilities needed to get to jobs (our "Idea of the Week" in the April 3, 1998 issue of *The DLC Update*). It's important because it begins to realign housing policy, along with welfare policy, to promote empowerment and self-sufficiency rather than subsidies and dependence.

Accelerating this realignment ultimately means shifting the Department of Housing and Urban Development's (HUD) focus away from rental housing (whether in public housing projects or in Section 8-subsidized private housing) to homeownership. HUD has already taken a step in the right direction with its encouragement of "Soft Second Mortgages" (another "Idea of the Week" in the March 6, 1998 *DLC Update*) that help low-income Americans buy their first home.

Following up on his victory in the last housing debate, we hope HUD Secretary **Andrew Cuomo** will focus the next housing debate on empowerment and homeownership.

World Financial Crisis—The Long and Short Of It

No, this week's meetings of the World Bank and International Monetary Fund (IMF) governors did not produce a "solution" to the world financial crisis. But they did produce a big step forward toward clarity, and perhaps unity, in how to respond. The overall task, President Clinton noted in his speech to IMF governors, is to "tame the pattern of boom-bust on an international scale" as we have learned to do at home.

That requires short-term emergency measures and long-term reforms in the world financial system. Both require international coordination and strong leadership from the United States and Europe.

In response to the immediate crisis, central banks in the United Kingdom, Denmark, and Spain cut interest rates immediately after the Federal Reserve Board cut rates in the United States. Maybe that's a coincidence rather than a coordinated action. If so, perhaps such serendipity can be quietly arranged, if not publicly acknowledged, with other impending efforts to stimulate economic growth and financial liquidity.

The prospects for an intelligent long-term policy were greatly improved by IMF Director **Michel Camdessus'** speech this week to the IMF's 182 government representatives, in which he (1) accepted "the golden rule of transparency" for long-secret IMF operations, (2) recommended the IMF take a more cautious approach in requiring orderly deregulation of capital flows, and (3) suggested the IMF crisis response should now include debt re-negotiation for both borrowers and lenders ensuring both sides bear the pain.

The bottom line is that the world needs to move urgently on both the short-term crisis and long-range