U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000



OFFICE OF PUBLIC AND INDIAN HOUSING

Special Attention of:

Directors of HUD Regional and Field Offices of Public Housing; Agencies that Administer the Housing Choice Voucher Program **Notice PIH 2022-26 (HA)**

Issued: August 16, 2022

Expires: This notice remains in effect until amended, superseded, or rescinded.

Cross References: Section 8 Housing Choice Vouchers: Revised Implementation of the HUD Veterans Affairs Supportive Housing Program published in the Federal Register on September 27. 2021.

Subject: Registration of Interest for HUD-VASH Vouchers

1. Purpose. This notice announces the availability of approximately \$79 million in HUD-Veterans Affairs Supportive Housing (HUD-VASH). Based on average costs, HUD anticipates that this funding will support approximately 8,500 new HUD-VASH vouchers. These vouchers are administered in partnership with the U.S. Department of Veterans Affairs (VA) and enable homeless veterans and their families to access affordable housing with an array of supportive services.

HUD-VASH vouchers are authorized under section 8(o)(19) of the United States Housing Act of 1937, as modified by the requirements in the Consolidated Appropriations Act, 2022 (Public Law 117-103, approved March 15, 2022) (the Act). The Act provides \$50 million in funding for the vouchers being made available under this notice. The additional \$29 million in funding is available from prior year appropriations.

2. Background. The HUD-VASH program combines HUD Housing Choice Voucher (HCV) rental assistance for homeless Veterans with case management and clinical services provided by the VA at its medical centers (VAMC) and community-based outpatient clinics (CBOCs) or by VA contractors or VA designated entities. The VA facility refers all eligible HUD-VASH families to the public housing agency (PHA).

Generally, the HUD-VASH program is administered in accordance with 24 C.F.R. Section 982 and 983 (in cases where VASH vouchers are project-based). However, the Act allows HUD (in consultation with the VA) to waive or specify alternative requirements for any provision of any statute or regulation that HUD administers in connection with this program in order to effectively deliver and administer HUD-VASH assistance (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective delivery and administration of such youcher assistance.

Waivers and alternative requirements for HUD-VASH are detailed in the Revised Operating Requirements published in the *Federal Register* (86 F.R. 53207) on September 27, 2021. This and other documents pertinent to the program can be found on the HUD-VASH website at: https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/vash.

3. Summary of 2022 Allocation Process. The 2022 Registration of Interest (ROI) process presents two major revisions from the 2021 ROI process (Notice PIH 2021-21). The first revision allows an exception for PHAs that do not meet the utilization criteria as a result of a documented plan to project-base HUD-VASH vouchers. Additional details can be found in Section 6.a. of this notice. The second revision pertains to the process for ROI submissions. This year's process introduces an electronic HUD-VASH Registration of Interest form which allows PHAs to register their interest online. The process for electronic submissions can be found in Section 7.

Under the Act, HUD-VASH funding must be awarded based on geographic need, PHA administrative performance, and other factors specified by HUD. Consistent with the requirements of the Act, HUD will award tenant-based HUD-VASH vouchers based on geographic need to PHAs who self-identify to HUD their interest in receiving an allocation. Fiscal Year 2022 awards will follow a two-step process:

- (a) Eligible PHAs will respond to this notice via the Registration of Interest link located on the HUD-VASH webpage (https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/vash). Please note that a signed Letter of Support from the partnering VAMCs is required and must be uploaded at the time of PHA submission. See Section 7 of this notice for detailed instructions.
- (b) Based on a relative need formula, using VA Gap Analysis data, registered PHAs will receive an invitation to apply for a specific number of HUD-VASH vouchers.

PHA administrative performance will be determined as detailed in Section 6 of this notice. Leasing capacity, or utilization threshold, criteria is explained in detail in Section 6.a. of this notice. The criteria for leasing capacity ensures that PHAs in communities where there is the greatest likelihood that homeless veterans can be housed promptly will receive HUD-VASH vouchers.

- **4. Registration of Interest Due Date.** The FY22 HUD-VASH Electronic Registration of Interest form, located on the HUD-VASH webpage (https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/vash), must be submitted no later than midnight in the time zone of the PHA on Friday, September 16, 2022. See Section 7 for all Registration of Interest Requirements.
- **5. Eligible Applicants.** Any PHA currently administering an HCV program that also meets the threshold criteria detailed in Section 6 below is eligible to submit a Registration of Interest.

PHAs without a current HUD-VASH program are not subject to the utilization threshold requirements outlined in Section 6.a. of this notice and are eligible to submit a Registration of

Interest if the other threshold requirements in Section 6.c. are met.

NOTE: Non-profit agencies that only administer HCV Mainstream vouchers are not eligible to submit a Registration of Interest under this Notice.

- **6.** Threshold Criteria. The following threshold factors must be met in order for a PHA to be eligible to receive an award of HUD-VASH vouchers under this notice.
 - a. The threshold criteria described in this section applies only to PHAs with an existing HUD-VASH Program of more than 25 existing HUD-VASH vouchers.
 - 1. PHAs must have at least a 70 percent HUD-VASH unit utilization rate. Unit utilization rate will be defined as Voucher Management System (VMS) reported HUD-VASH Unit Months Leased (UML) data, as of April 2022 or the most current validated VMS data set available for review at the time of the ROI deadline, divided by effective HUD-VASH vouchers awarded to date.
 - 2. PHAs can review the VMS data HUD uses to establish the utilization threshold criteria by accessing the public data dashboard located at the following link: https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/dash board.
 - b. The following criteria is only for PHAs with greater than 25 HUD-VASH vouchers that do not meet the general utilization threshold requirement outlined above. These PHAs may be eligible for an exception to the utilization criteria due to their intent to project-based VASH vouchers.

PHAs who have initiated the solicitation process to project-base HUD -VASH vouchers in accordance with 24 C.F.R. 983 that do not meet the 70 percent utilization threshold criteria above may be eligible under the Project Basing Exception.

If the required criteria are met: the PHA's HUD-VASH units "formally identified" for project-based vouchers (PBV) will be removed from the PHA's "total HUD-VASH vouchers awarded to date" denominator when calculating HUD-VASH utilization rate. The resulting utilization rate must still be above 70 percent. PHA-owned units, existing units, newly constructed units, and substantially rehabilitated units are eligible to be included.

Per Notice PIH 2017-21, PHAs must submit PBV information (outlined in Attachment C, 2, a no later than 14 calendar days prior to undertaking actions outlined in Attachment C, 2, b to email: PBVsubmission@hud.gov.

To be eligible for this exception, PHAs must upload a copy of their confirmation email received from PBVsubmission@hud.gov in response to the PHA's notification of intent to project-base HUD-VASH vouchers documenting review and approval of required information with their Registration of Interest. All confirmation emails must be dated on

or before Friday, September 16, 2022.

Further, if a PHA is uncertain about whether it meets any of the above threshold criteria, the PHA may send an inquiry to <u>VASH@hud.gov</u>.

c. PHAs, as required by the Act, must demonstrate their capacity to successfully administer the HUD-VASH program. In addition to the utilization threshold, PHAs must not have any major unresolved program management findings from an Inspector General audit, HUD management review, or Independent Public Accountant audit for the PHA's HCV program, or other significant program compliance issues that were not resolved, or in the process of being resolved, as determined by HUD, prior to this notice's application deadline. Additionally, applicants must resolve all outstanding civil rights matters to HUD's satisfaction prior to this notice's Registration of Interest deadline. Applicants who after review are confirmed to have civil rights matters unresolved at the Registration of Interest deadline will be deemed ineligible. Their applications will receive no further review and they will not receive funding.

Applicants having any of the charges, cause determinations, lawsuits, or letters of findings referenced in subparagraphs (1) - (5) that have not been resolved to HUD's satisfaction before or on the Registration of Interest deadline date are ineligible for funding. Such matters include:

- 1. Charges from HUD concerning a systemic violation of the Fair Housing Act or receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of a substantially equivalent state or local fair housing law proscribing discrimination because of race, color, religion, sex, national origin, disability or familial status;
- 2. Status as a defendant in a Fair Housing Act lawsuit filed by the United States alleging a pattern or practice of discrimination or denial of rights to a group of persons raising an issue of general public importance under 42 U.S.C. 3614(a);
- 3. Status as a defendant in any other lawsuit filed or joined by the Department of Justice, or in which the Department of Justice has intervened, or filed an amicus brief or statement of interest, alleging a pattern or practice or systemic violation of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Americans with Disabilities Act or a claim under the False Claims Act related to fair housing, non-discrimination, or civil rights generally including an alleged failure to affirmatively further fair housing;
- 4. Receipt of a letter of findings identifying systemic non-compliance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974; or the Americans with Disabilities Act; or

5. Receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of provisions of a state or local law prohibiting discrimination in housing based on sexual orientation, gender identity, or lawful source of income.

HUD will determine if actions to resolve the charge, cause determination, lawsuit, or letter of findings taken before the Registration of Interest deadline date will resolve the matter. Examples of actions that may be sufficient to resolve the matter include, but are not limited to:

- Current compliance with a voluntary compliance agreement signed by all the parties;
- Current compliance with a HUD-approved conciliation agreement signed by all the parties;
- Current compliance with a conciliation agreement signed by all the parties and approved by the state governmental or local administrative agency with jurisdiction over the matter;
- Current compliance with a consent order or consent decree;
- Current compliance with a final judicial ruling or administrative ruling or decision; or
- Dismissal of charges.

If a PHA is unsure whether these criteria are met, they should contact the PHA's HUD Office of Public and Indian Housing (PIH) Field Office point of contact.

- d. All Registrations of Interest must include a signed Letter of Support from the partnering VA facility.
- **7. Registration of Interest Requirements.** PHAs must consult with their partnering VA facility to discuss their intentions of submitting a Registration of Interest and request a Letter of Support for HUD-VASH vouchers under this notice. Letters of support from the VA do not need to include a specific number of vouchers requested because the number of vouchers offered to a PHA will be determined by a formula.
 - a. PHAs must complete the FY22 HUD-VASH Electronic Registration of Interest form located on the HUD-VASH webpage (https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/vash), identifying that they are interested in receiving HUD-VASH vouchers. If a PHA partners with more than one VA facility, the PHA must complete a separate Registration of Interest form with the signed letter of support for each partnering VA facility. Please note that at the time of completion, the PHA Point of Contact will need the signed Letter of Support from the PHA's partnering VAMC/CBOC.
 - 1. PHAs will be asked to enter information on the PHA (PHA name and code, the PHA Executive Director's Name and email, the name of your partnering VAMC (or CBOC)), information from the partnering VA (the Veterans

- Integrated Services (VISN) number, and the facility's Station ID (For example: Birmingham VA Medical Center, VISN 7, Station 521).
- 2. Electronic Registration of Interest Form submissions must include an upload of a signed Letter of Support from your partnering VA facility. Registration of Interest submissions without a valid, corresponding letter of support uploaded will not be curable and will not be considered for an award.
- b. PHAs expressing interest under the Project Basing Exception must upload a copy of the correspondence received from PBVsubmission@hud.gov in response to the PHA's notification of intent to project base HUD-VASH vouchers documenting review and approval of required information and notice of its intent to project-base HUD-VASH vouchers. All Registrations of Interest must be transmitted no later than midnight in the time zone of the PHA on Friday, September 16, 2022.
 - After successful completion of the FY22 HUD-VASH Registration of Interest form, the sender will receive a "submission confirmation" email, confirming receipt. If you do not receive an email confirming receipt, your submission was not received, and the agency will not be considered for an award.
 - Emails, faxes, and hard copy submissions will not be accepted. Note: receipt of a "submission confirmation" message does not validate whether or not the Registration of Interest is complete. Please review the notice in its entirety to ensure all requirements are met.
- c. PHAs are encouraged to consult with the Continuum of Care (CoC) lead agency to discuss their intention of submitting a Registration of Interest. CoC planning is a critical tool in identifying resources, assessing a community's capacity, and developing solutions to challenges that homeless veterans and their families experience. PHAs are not required to provide a letter of support from the lead CoC or CoC partnering agencies.
- **8. Formula Used for Allocating HUD-VASH Vouchers.** The allocation of HUD-VASH vouchers will be awarded based on a relative need formula using the VA Gap Analysis. The VA Gap Analysis integrates data from both VA and HUD, as well as feedback from community partners. Specifically, it incorporates annual Point-in-Time count and Housing Inventory Count data using a crosswalk of VAMC and Continuum of Care jurisdictions. It takes into consideration utilization of existing resources to estimate current and future need at each VAMC.
- 9. Minimum/Maximum Number of Vouchers. HUD is establishing a minimum and maximum number of vouchers offered under this notice. Any single PHA may be invited to apply for a minimum of five (5) vouchers and up to five hundred (500) vouchers under this notice; this is applicable to both new and existing administrators of the HUD-VASH program. Additionally, each VAMC will be capped at one thousand (1,000) vouchers.
- **10. Invitation of PHAs.** Selected PHAs will receive an invitation via email to apply for a specific number of HUD-VASH vouchers. This specific number is the maximum number of

vouchers being offered. PHAs may choose to apply for fewer vouchers. Additional instructions will be included in the invitation letter. HUD may award any remaining HUD-VASH funds via invitation to additional PHAs at any time based on availability of funding and geographic need as required by the 2022 Act.

- 11. Conversion to Project-Based Vouchers. PHAs may convert HUD-VASH awards to PBV at any time after award, provided all the established PBV regulations and requirements are followed. No additional HUD Headquarters approvals are required for project basing HUD-VASH vouchers beyond the normal process. For additional guidance, PHAs should review PIH Notice 2017-21, Implementation Guidance: Housing Opportunity Through Modernization Act of 2016 (HOTMA) Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) Provisions.
- **12. Information Contact.** All inquiries about this notice should be directed to <u>VASH@hud.gov</u>.
- 13. Paperwork Reduction Act. The information collection requirements contained in this notice are under review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C 3520). The OMB Control Number for the information collection under review is 2577-0169. HUD invites interested persons to submit comments to OMB.

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