



Housing Choice Voucher Program CY 2021 Implementation

Public Housing Agency Briefing

March 2021



Hot Topics

- ▶ CY 2021 Voucher Renewal Funding
- ▶ Disbursements of Budget Authority
- ▶ CY 2021 HAP Set-Aside
- ▶ CY 2020 HAP Set Aside - Unforeseen Circumstances for PUC Increases
- ▶ CY 2021 Administrative Fees
- ▶ Tenant Protection Vouchers and Special Purpose Vouchers

** The CY 2021 Implementation Notice is located at

https://www.hud.gov/program_offices/public_indian_housing/publications/notices



FFY 2021 Appropriations

- ▶ HUD operated under a continuing resolution prior to enactment of FFY 2021 Appropriations, allotments were received based on FFY 2020 appropriations during the CR period
- ▶ Public Law 116-260 was enacted December 27, 2020, providing full year appropriations
- ▶ January through May 2021 obligations to PHAs have been made



FFY 2021 Appropriations

HAP Renewal Funding	\$23,080,000,000
Tenant Protection Vouchers	\$116,000,000
Administrative Fees	\$2,159,000,000
Mainstream Vouchers	\$314,000,000
Veterans Affairs Supportive Housing	\$40,000,000
Family Unification Program	\$25,000,000
Housing Stability Vouchers	\$43,439,000
Total	\$25,777,439,000



2021 HAP Renewal Funding

- ▶ Increase of \$1,578,000,000 from the 2020 HAP Renewal Funding Appropriations
- ▶ HUD can use up to \$110,000,000 of CY 2021 Renewal Funding as a HAP Set-Aside
- ▶ HUD can use up to \$5,000,000 for Tribal HUD-VASH



2021 HAP Renewal Funding

- ▶ PHA renewal allocations are calculated per the Appropriations Act, summarized as follows:
 - ▶ (1) Re-benchmarking conducted, based on actual HAP costs for CY 2020, per VMS reporting and HUD review, not to exceed costs for baseline units
 - ▶ (2) Initial funding is inflated per renewal inflation factors for new increments that span 2020 and 2021
 - ▶ (3) Make adjustments for HCV voluntary transfers
 - ▶ (4) 2021 Renewal Inflation Factor applied



2021 HAP Renewal Funding

PHA renewal allocations are calculated per Appropriations Act:

- ▶ (5) The National Proration Factor is set at 100%
 - ▶ Result is CY 2021 Prorated Renewal Funding
 - ▶ Remember: PHAs may also have non-renewal funding and RNP/Program Reserves available to support CY 2021 HAP needs
- ▶ A small offset (impacting a limited number of PHAs) for reallocation in CY 2021 to ensure the national HAP proration is closer to 100%. No offset was made to prevent the termination of rental assistance for families as the result of insufficient funding



2021 HAP Renewal Funding

- ▶ PHA's eligibility is compared to renewal funds obligated January through May 2021
 - ▶ If HAP obligations through May 2021 are less than eligibility, the difference will be obligated
 - ▶ Otherwise, if obligations exceed eligibility, the excess will be reduced from subsequent obligations throughout the year



2021 HAP Renewal Funding

(1) Re-benchmarking

- ▶ Based on submitted and validated CY 2020 HAP costs per VMS, as of January 22 deadline
- ▶ HAP costs capped at 100% of baseline vouchers to ensure over-leasing is not funded:
 - ▶ UMAs divided by UMLs, not to exceed 100%
 - ▶ Example: $1000 \text{ UMAs} / 1050 \text{ UMLs} = .95238$
 - ▶ HAP costs = \$1,000,000; multiplied by .95238 to yield baseline eligibility of \$952,380 = amount to renew 1000 UMAs



2021 HAP Renewal Funding

(2) Adjustment for first time renewals

- ▶ Applies to new (not renewal) increments effective after January 1, 2020
- ▶ An inflation adjustment per the renewal inflation factor is applied in CY 2021

(3) Make adjustments for HCV Voluntary Transfers

(4) Renewal Funding Inflation Factor is applied to the PHAs calculated 12-month renewal requirement after adjustments for steps 1, 2 and 3 have been applied

(5) Proration: HUD determines a total eligibility for all PHAs and compares that amount to the total available HAP renewal funding per the 2021 Act in order to determine a proration factor (proration is 100%)

- ✓ A small offset (impacting a limited number of PHAs) for reallocation in CY 2021 to ensure the national HAP proration is closer to 100% and to prevent the termination of rental assistance for families as the result of insufficient funding



2021 HAP Renewal Funding - Offset for Reallocation

- ▶ The 12/31/2020 reconciled HAP program reserves
- ▶ Protect from offset the following amounts to the extent reserves are available to protect:
 - ▶ Difference between PHA's eligibility and prorated eligibility
 - ▶ CY 2021 amounts needs to fully fund VASH units
 - ▶ Difference between the higher of December 2020 UMLs x 12 or CY 2020 UMLs up to baseline units under ACC
 - ▶ CY 2020 new incremental BA (1/2 of eligibility)
 - ▶ CY 2020 Set-aside protection (1/2 of eligibility)
 - ▶ CARES Act HAP Awards protection- Total Eligibility
 - ▶ Portion of 2021 renewal eligibility (based on units under ACC):
 - ▶ 4% - 500 and above units
 - ▶ 6% - 250-499 units
 - ▶ 12% - less than 250 units



2021 HAP Renewal Funding - Offset for Reallocation

- ▶ PHAs with CY 2020 inflation factors that were higher than the CY 2020 national weighted average inflator
- ▶ Protect 1/2 of RAD 1 HAP for Projects in their 1st Full Year of Funding during CY 2020
- ▶ Result is total available for offset
- ▶ Offset amount (total available for offset x 70%)
- ▶ Note: PHAs that were determined to be a shortfall PHA in CY 2020 are exempt from offset. Also, PHAs who received a Lower-Than-Average Leasing award are exempt from offset.



Renewal Disbursements

- ▶ For CY 2021:
 - ▶ Disbursements are based on cash management requirements per Notice PIH 2017-06
 - ▶ Margin will vary based on national leasing and cost fluctuations
 - ▶ Margin does not change funding eligibility
 - ▶ HUD will transition Excess Reserves as of December 31, 2020 starting June 2021
 - ▶ PHAs must still assess level of program they can support across the CY based on total HAP funding and RNP/HUD-held reserves available, actual expenses to date, and projected expenses



Renewal Disbursements

- ▶ For CY 2021:
 - ▶ Frontloads will continue to be available, up to the total budget authority obligated for the PHA and available HAP reserves
 - ▶ Non-renewal disbursements will continue to be made based on contract terms of incremental awards and/or Notice of Funding Availability (NOFA) (tenant protection, VASH, Mainstream, FUP and RAD)
 - ▶ Total HAP disbursements will be reconciled against total HAP expenses twice annually



CY 2021 HAP Set-Aside

- ▶ Up to \$110,000,000 of renewal appropriations may be used to augment renewal allocations for the following purposes:
 - ▶ Prevention of terminations due to insufficient funding (HCV and Mainstream)
 - ▶ Unforeseen circumstances (HCV and Mainstream)
 - ▶ Portability (HCV and Mainstream)
 - ▶ Project-Based Vouchers
 - ▶ HUD-VASH
 - ▶ Lower-than-average Leasing
 - ▶ Disaster
- ▶ HUD will use its discretion to prioritize the 2021 HAP set-aside (or ARPA funds) for Shortfall Prevention and PUC Increases (referred to as Category 1 - Prevention of Terminations Due to Insufficient Funding (Shortfall) and Category 2a - Unforeseen Circumstance in this notice).
- ▶ Please refer to the CY 2021 Implementation Notice for the specific application requirements



CY 2021 HAP Set-Aside

Shortfall:

- ▶ Despite taking reasonable cost savings measures as determined by the Secretary, PHA would otherwise be required to terminate families from the program due to insufficient funds
- ▶ Prevention of terminations due to insufficient funding
- ▶ Note: PHAs administering the regular HCV Program and/or Mainstream Vouchers may be eligible for shortfall funding

Exclusions:

1. Vouchers issued to current HCV participants to allow them to move.



CY 2021 HAP Set-Aside

Exclusions continued:

2. The reissuance of turnover vouchers lost to attrition only during the period the PHA is impacted by COVID 19; however, PHAs must not exceed the number of units leased at the time of the SPT confirmed shortfall. This unit cap may only be exceeded by the SPVs listed in item 4 below and vouchers reissued from the Lower-than-average Leasing award

In general, a PHA may reissue the turnover voucher to a family from the PHA waiting list, except for eligible VASH turnovers where a referral is provided by the Veterans Administration Medical Centers (VAMC), issue the voucher to a family moving from a Project-Based Voucher (PBV) unit in accordance with 24 CFR 983.261, or use the voucher to absorb a family under portability. However, a PBV family that has the right to move in accordance with 24 CFR 983.261 and wishes to do so has priority for the turnover voucher



CY 2021 HAP Set-Aside

Exclusions continued:

3. Instances in which the PHA is leasing under the HUD-VASH program up to the baseline level of units under all HUD-VASH allocations (not just recent allocations), including turnover of HUD-VASH vouchers
4. Vouchers issued to program applicants under special-purpose voucher increments awarded in CY 2020 or CY 2021. These special-purpose vouchers (SPVs) include Family Unification Program (FUP), Non-Elderly Disabled (NED), Foster the Youth to Independence (FYI) Initiative, and Tenant Protection vouchers initially awarded in 2020 and/or 2021, to include Set-aside funding
5. Project-Based Vouchers (PBV) under the Rental Assistance Demonstration (RAD) 1, in their first full year of funding through the HCV Program



CY 2021 HAP Set-Aside

Exclusions continued:

6. PHAs may allow applicants to move into PBV units to allow the PHA to meet its contractual obligation to fill PBV AHAP units being placed under HAP for the first time, and PBV units currently under HAP that are vacated by program participants
7. Vouchers issued pursuant to the settlement of litigation (“Litigation Vouchers”) against a PHA. PHAs must request approval to continue leasing Litigation Vouchers and submit supporting documentation. HUD will review and decide on a case-by-case basis using the supporting documentation received as the basis for the decision
8. Vouchers issued using funds awarded under the Lower-Than-Average Leasing HAP Set-Aside category
9. The Secretary reserves the right to consider additional exceptions on a case-by-case basis



CY 2021 HAP Set-Aside

- ▶ Shortfalls: Determination of Funding Required
 - ▶ Calculated by HUD using Two Year Projection Tool
 - ▶ Compares all resources available to PHA to HAP expenses projected for the year
 - ▶ Resources: RNP; HUD-held reserves; CY 2021 renewal BA; CY 2021 portion of incremental BA; set-aside funds; CARES Act HAP funding
 - ▶ Expenses: Current leasing and expense data projected through the year; suspension of vouchers; projected attrition based on prior actual attrition



CY 2021 HAP Set-Aside

- ▶ Shortfalls:
 - ▶ PHAs must be working with HUD's SPT at the time of their shortfall application
 - ▶ Application period remains open throughout CY 2021; however, PHAs facing shortfalls in October and November 2021, should submit applications no later than 5 p.m., per PHA's time zone, Friday, September 3, 2021, so HUD can provide the funds prior to FFY 2021 close-out
 - ▶ For SPT confirmed shortfalls for the month of December 2021, PHAs should submit applications no later than 5 p.m., per the PHA's time zone, Friday, October 29, 2021 (HUD reserves the right to accept additional applications on a case-by-case basis after this date)
 - ▶ Shortfall funds will be awarded in the amount needed for the PHA to end CY 2021 with \$0 RNP and reserves



CY 2021 HAP Set-Aside

- ▶ Electronic Address for Set-Aside Requests:
 - ▶ Completed and signed Appendix F
 - ▶ 2021shortfallapplications@hud.gov
 - ▶ The subject line of the email must include the PHA's number and the words "Shortfall Application" (for example, TX123 Shortfall Application - HCV) and indicate if the application is for the regular HCV Program and/or Mainstream Vouchers or both
 - ▶ The application period will remain open
 - ▶ Note: Applications provided via Mail or Fax will not be accepted



CY 2021 HAP Set-Aside

- ▶ Unforeseen Circumstances - Eligibility:
 - ▶ Unforeseen circumstance is an occurrence within or after the re-benchmarking period which the PHA could not reasonably have anticipated and was out of the PHA's control
 - ▶ Mainstream Vouchers are eligible to apply for this category of Set-aside funding

Criteria for significant cost increase:

- ▶ PHA's latest validated 2021 PUC, per VMS, must be 102 percent or greater than the PUC HUD used to determine the PHA's CY 2021 renewal funding (the CY 2021 Renewal PUC) to be eligible



CY 2021 HAP Set-Aside

► Unforeseen Circumstances - Eligibility (cont'd):

Submission Requirements:

- Completed and signed 2021 Appendix G
- If the PHA is applying for a PUC increase related to an unforeseen circumstance other than COVID-19, the PHA must also include a written narrative
- A narrative is not required if the unforeseen circumstance is related to COVID-19

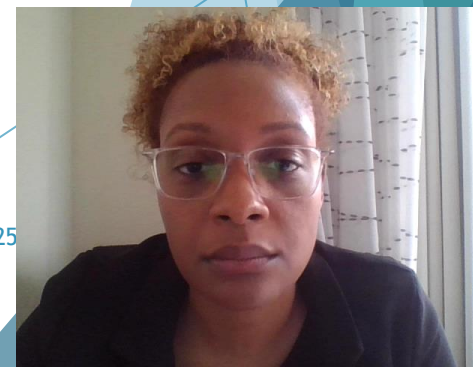


CY 2021 HAP Set-Aside

- ▶ Portability - Eligibility:
 - ▶ PHA must have experienced a significant increase in renewal costs due to portability (HUD will calculate)
 - ▶ PHAs may apply for and receive set-aside funds for Mainstream Voucher program
 - ▶ portability average HAP PUC for re-benchmarking period must exceed program-wide PUC by 110%
 - ▶ eligibility will be HAP difference multiplied by the unit months leased for “Port Vouchers Paid”

Submission Requirements:

- ▶ Signed Set-Aside Appendix H for CY 2021



CY 2021 HAP Set-Aside

- ▶ Project-Based Vouchers - Eligibility:
 - ▶ Vouchers were not in use during the re-benchmarking period, in order to be available to meet a commitment for PBV assistance
 - ▶ Adjustment will not exceed the number of unleased unit months
 - ▶ Only new construction and rehabilitated housing are eligible
 - ▶ Mainstream Vouchers are not eligible for set-aside funds under category 3-PBVs



CY 2021 HAP Set-Aside

▶ Project-Based Vouchers - Eligibility:

Submission requirements:

- ▶ Specific sections of the executed AHAP agreement (see the Notice)
- ▶ If executed, specific sections of the HAP agreement (see the Notice). If not yet executed, state estimated execution date
- ▶ Completed and signed Set-Aside Appendices H and I for CY 2021



2021 HAP Set-Aside

- ▶ HUD-VASH - Eligibility:
 - ▶ Per Unit Cost Increase: Program-wide funded CY 2021 HAP PUC is less than current VASH HAP PUC
 - ▶ HUD will calculate eligibility; no documentation required
 - ▶ Leasing Increase: Total VASH leasing for CY 2021 will exceed the level included in renewal funding plus leasing that will be supported by RNP and reserves
 - ▶ HUD will calculate eligibility; no documentation required
 - ▶ Submit signed CY 2021 Set-Aside Appendix H



CY 2021 HAP Set-Aside

- ▶ Lower-Than-Average Leasing - Eligibility:
 - ▶ Based on December 31, 2020 leasing and reserves.
 - ▶ PHAs are grouped by size:
 - ▶ small (less than 250 units)
 - ▶ medium (250 - 499 units); and
 - ▶ large (500 or more units)
 - ▶ Determine the average leasing as well as average reserves based on PHA size
 - ▶ Limited to PHAs that fall below both the 25th percentile of average leasing and 25th percentile of median reserves based on PHA size
 - ▶ Eligible PHAs will have award amounts capped at \$2 million and cannot exceed PHA's authorized units
 - ▶ **PHAs must reissue vouchers with this award**
 - ▶ Eligibility for this category is only PHAs not participating in the MTW demonstration
 - ▶ The list of PHAs that are eligible to apply for this category of set-aside funding is in the 'Attachment' link located at https://www.hud.gov/program_offices/public_indian_housing/publications/notices



CY 2021 HAP Set-Aside

- ▶ Lower-Than-Average Leasing - Eligibility (cont'd):
 - ▶ Submission requirements:
 - ▶ Signed Appendix H for CY2021
 - ▶ A written narrative that describes leasing need. To include the following:
 - ▶ 1. The amount of inventory of units in their jurisdiction, with the source of this information identified;
 - ▶ 2. The total number of families on their waiting list; and
 - ▶ 3. Assertion that the PHA has the administrative capacity to issue the vouchers and get the families into the units.



CY 2021 HAP Set-Aside

- ▶ Disaster - Eligibility:
 - ▶ The PHA must have experienced loss of units or increased costs in an area for which the President declared a disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170 et seq.) in CY 2020 and/or CY 2021
 - ▶ Funding provided through this category will address the impact disasters have had on CY 2021 expenses

Submission Requirements:

- ▶ Signed 2021 Appendix J
- ▶ Written narrative detailing the impact the disaster (please refer to the Implementation Notice for specific requirements)
- ▶ Evidence to support the narrative and
- ▶ Number of Months or Unit Months impacted (please refer to the Implementation Notice for specific requirements)



CY 2021 HAP Set-Aside

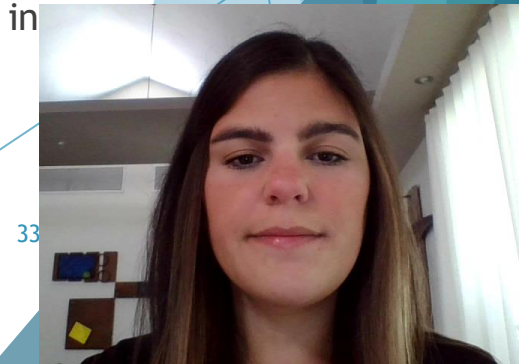
Electronic Address for Set-Aside Requests:

- ▶ 2021Set-AsideApplications@hud.gov
- ▶ Subject Line: PHA Number, 2021 Set-Aside Application
- ▶ Applications for Portability, PBV, Lower-than-Average Leasing Categories must be received by 5 p.m., per the PHA's time zone, on May 14, 2021
- ▶ Applications for Unforeseen Circumstances, HUD-VASH, and Disaster Categories must be received by 5 p.m., per the PHA's time zone, on October 1, 2021



FY 2020 HAP Set-Aside Funds - PUC Increases Due to Unforeseen Circumstances - Round 2

- ▶ Approximately \$60 million remains from the \$100M 2020 HAP Set Aside
- ▶ Due to the unprecedented increase in voucher costs during CY 2020 and the continued impact of the COVID-19 pandemic, HUD has decided to provide a second round of funding for Category 2a, Unforeseen Circumstances.
- ▶ PHAs that experienced significant increases in their 2020 HAP costs may be eligible to apply for and receive funding from the CY 2020 Set-Aside funding under this second round
- ▶ This Second Round 2020 Unforeseen Circumstances funding is available to provide adjustments for increased costs that the PHA experienced in CY 2020.
- ▶ PHAs that experience increased costs in CY 2021 must apply for an adjustment for those increased costs from the CY 2021 HAP set-aside.
- ▶ HUD will use the PHA's actual HAP expenses as reported and validated in VMS for CY 2020 to determine the adjustment necessary to cover the increased costs



FY 2020 HAP Set-Aside Funds - PUC Increases due to Unforeseen Circumstances - Round 2

Submission Requirements:

- ▶ (1) Unfunded CARES Act applications. Unfunded (but eligible PIH Notice 2020-17)) applications when CARES Act funds were depleted will be considered for Second Round 2020 Unforeseen Circumstances funding. Subject to meeting the increased cost threshold.
- ▶ (2) Application submitted by the PHA. All other PHAs may choose to apply directly for Second Round 2020 Unforeseen Circumstances funding in accordance with the application submission requirements listed in the 2021 Implementation Notice.
 - ▶ Completed and signed Appendix K
 - ▶ If the PHA is applying for a PUC increase related to an unforeseen circumstance other than COVID-19, the PHA must also include a written narrative describing the unforeseen circumstances that significantly increased renewal costs in CY 2020. This narrative is not required if the unforeseen circumstance is COVID-19.
- ▶ Mainstream Vouchers are not eligible to receive these 2020 HAP set-aside funds



FY 2020 HAP Set-Aside Funds - PUC Increases Due to Unforeseen Circumstances - Round 2

- ▶ Electronic Address for Set-Aside Requests:
- ▶ 2020COVIDHCV@hud.gov
- ▶ Subject Line: PHA Number, 2020 Set-Aside Application- Second Round
- ▶ Applications for FY 2020 HAP Set-Aside Unforeseen Circumstance Funds must be received by 5 p.m., per the PHA's time zone, on May 14, 2021



Administrative Fees

- ▶ CY 2021 Admin Fee Funding: \$2,159,000,000
- ▶ HUD MAY use up to \$30,000,000 of CY 2021 Admin Fee funding as a set-aside for housing conversion special fees, fees for portability and homeownership, etc.



Administrative Fees

- ▶ Admin fee funds are advanced monthly, based on latest reconciled eligibility
- ▶ Admin fees are reconciled quarterly; for CY 2021 earnings are anticipated to equal approximately 82% of eligibility
- ▶ PHAs must take actions to reduce costs if fees and admin fee reserves (UNP) are insufficient
 - ▶ PIH Notice 2012-15 discusses streamlining administrative practices to reduce costs
 - ▶ HAP funds may not be used for admin costs



Administrative Fees

- ▶ CY 2021 AF schedules will be posted on the HCV website:
 - ▶ https://www.hud.gov/program_offices/public_indian_housing/programs/hcv
 - ▶ PHAs will be notified when schedules are posted
- ▶ Rates are retroactively effective January 1, 2021
- ▶ PHA requests for higher admin fees rates must be received by HUD by 5 p.m., per the PHA's time zone on May 28, 2021. Requests are submitted to Financial Management Center
- ▶ Blended fee requests are submitted to Financial Management Division; no supporting data needed. The application deadline is 5 p.m., per the PHA's time zone, on May 28, 2021
- ▶ Approvals for higher administrative and higher blended fee rates are only effective in CY 2021



Administrative Fees

- ▶ Special Fees/Set-Aside:
 - ▶ Homeownership (HO):
 - ▶ \$200 for every HO closing reported in PIC for HCV families who have become homeowners through the HCV Homeownership program, MTW Homeownership program and FSS program (HCV only)
 - ▶ HUD will also fund a one-time \$500 special fee for each newly created Homeownership Program at any PHA in CY 2021
 - ▶ HUD will calculate and disburse, based on PIC reporting - no PHA application required



Administrative Fees

- ▶ Special Fees/Set-Aside:
 - ▶ MF Housing Conversions:
 - ▶ \$200 for each unit occupied on the date of the eligibility event
 - ▶ HUD will calculate - no separate PHA application required for fees
 - ▶ Special Portability Fees:
 - ▶ PHAs administering port-in vouchers which equal 20% or more of the PHA's total leased vouchers as of December 31, 2020
 - ▶ Funding: 15% of PHA's Column A fee rate for each eligible port-in voucher for 12 months
 - ▶ HUD will calculate and disburse, based on portability data in PIC and leased data from VMS; no PHA application required



Administrative Fees

- ▶ Special Fees/Set-Aside:
- ▶ Special Fees for audit costs for declaring major HCV programs per PIH Notice 2015-16 and for HCV voluntary transfers per PIH Notice 2018-12
- ▶ All Special Fees needed for administration of Section 8 Tenant-Based Rental Assistance Program:
 - ▶ PHAs experiencing increased administrative expenses, as a result of administration of tenant protection rental assistance, disaster related vouchers, and special purpose incremental vouchers can request special fees
 - ▶ Guidance for submitting special fee requests per category is provided in the CY 2021 Implementation Notice
 - ▶ The Department reserves the right to fund one, some, or all the categories



Tenant Protection Vouchers

- ▶ \$116,000,000 appropriated
- ▶ Provided to protect HUD-assisted families from hardship as the result of a variety of actions that occur in HUD's Public Housing (Low-Rent) and Multifamily Housing portfolios
- ▶ Many cases TPVs mitigate the loss of HUD-assisted housing units in the community because these TPVs become part of the PHA's HCV program and may be reissued to families on the PHA's waiting list upon turnover
- ▶ For additional programmatic and policy guidance related to TPVs, please refer to Notice 2018-09 with the exception of the newly revised section 6a and 6d of the 2021 Funding Notice



Tenant Protection Vouchers

► Vacant Units

- In addition to providing replacement vouchers for occupied units, per PIH Notice 2018-09, HUD will also provide replacement TPVs for vacant units that were occupied within the previous 24 months. The examples below explain how this policy will work:
 - ***For Public Housing actions*** - vacant units that were occupied within the previous 24 months from the time of the Special Application Center (SAC) or Choice Neighborhoods Initiative (CNI) approval.
 - ***For Multifamily Housing actions*** - vacant units that were occupied within the previous 24 months from the eligibility event.



HUD-VASH Funding

- ▶ Veterans Affairs Supportive Housing
 - ▶ \$40,000,000
 - ▶ Awarded based on geographic need
 - ▶ HUD will issue guidance for these awards at a later date
 - ▶ All PHAs are responsible for tracking new units and funding for SPVs, to include new incremental vouchers and renewals. HUD-VASH can only be used for the intended purposes and are not subject to MTW fungibility provisions.
 - ▶ PHAs in need of a frontload during the year and have excess SPV funding available in their Restricted Net Position (RNP), will be provided with a frontload that does not consider their available SPV funds as SPV funds may only be used for their intended purposes.



Tribal HUD-VASH Renewals

- ▶ The 2021 Act provides up to \$5,000,000 as a set-aside from the HAP Renewal account, and not as a separate budget line item.
- ▶ These funds will renew rental assistance grants and associated admin fees to serve Native American Veterans that are homeless or at-risk of homelessness living on or near a reservation or other Indian areas



Mainstream Vouchers

- ▶ The 2021 Act provides \$314,000,000 for Mainstream
- ▶ Mainstream Voucher renewals will be based on validated Mainstream Vouchers leasing and HAP expenses as reported in VMS for CY 2020, in the same manner as other vouchers, but in a separate renewal action
- ▶ Administrative fees will be based on leasing as of the first of each month and will be prorated at the same level as fees for other vouchers
- ▶ The 2021 Act does not provide funding for incremental vouchers
- ▶ All PHAs are responsible for tracking new units and new funding for SPVs. Mainstream funds can only be used for the intended purposes. These funds are not subject to MTW fungibility provisions
- ▶ PHAs in need of a frontload during the year and have excess SPV funding available in their RNP, will be provided with a frontload that does not consider their available SPV funds as SPV funds may only be used for their intended purposes



Family Unification Program (FUP)

- ▶ The 2021 Act provides \$25,000,000 for new incremental FUP. Of this amount, \$20,000,000 is limited to use on behalf of FUP-eligible youth. Up to \$10,000,000 of which may be made available non-competitively. The remaining \$5,000,000 will be used to increase the award amount under the 2019 FUP NOFA
- ▶ The 2021 Act also provides that any PHA administering voucher assistance appropriated in a prior Act under the FUP, or competitively under this Act, that determines that it no longer has an identified need for such assistance upon turnover, shall notify the Secretary, and the Secretary shall recapture such assistance from the agency and reallocate it to any other PHA(s) based on need for FUP voucher assistance
- ▶ HUD has implemented this provision through the following NOFA [Competitive Notice of Funding Availability \(NOFA\), published on January 19, 2021](#)
- ▶ All PHAs are responsible for tracking new units and new funding for Special Purpose Vouchers. FUP funds, including those made available under the FYI initiative, can only be used for the intended purposes. These funds are not subject to MTW fungibility provisions



Housing Stability Vouchers

- ▶ New Special Purpose Voucher!
- ▶ The 2021 Act provides \$43,439,000 for new incremental vouchers targeted to individuals and families experiencing homelessness and those at-risk of homeless as the terms are defined in the McKinney Vento Homeless Assistance Act. Also includes those fleeing domestic violence, dating violence, sexual assault, or stalking. Also, families that include a veteran meeting one of the preceding categories.
- ▶ HUD will provide additional information at a later date



Foster Youth to Independence (FYI) Initiative

- ▶ HUD is no longer processing requests for TPVs under the 2019 FYI notice for FUP-eligible youth. TPVs awarded under Notice PIH 2019-20 must continue to operate under the requirements of the notice. This includes turnover requirements and the requirement to inform HUD should a youth not use a voucher or leave the program
- ▶ On October 6, 2020, HUD issued Notice PIH 2020-28, Foster Youth to Independence Initiative, which explains the eligibility and application requirements for FYI vouchers utilizing funds FUP appropriated amounts to be made available for eligible youth non-competitively
- ▶ HUD announced the FYI Competitive Notice of Funding Availability (NOFA) on January 19, 2021, making available \$20 million competitively for FYI, with an application deadline of March 22, 2021



HCVP Financial Management

- ▶ PHAs are encouraged to lease as close as possible to their capacity, without incurring a shortfall or exceeding the PHA's baseline
- ▶ PHAs should use the 2-year tool and update it regularly to see the vouchers that can be supported in the current year and the next year



Questions?

- ▶ Questions may be submitted to
PIHFinancialManagementDivision@hud.gov

