

Contents of this document, except when based on statutory or regulatory authority or law, does not have the force and effect of law, and is not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

PHAs planning to convert Public Housing to Housing Choice Vouchers (HCV) at a selected property under Streamlined Voluntary Conversion (SVC) follow PIH Notice 2019-05 pursuant to Section 22 of the 1937 Act, 24 CFR Part 972. PIH Field Offices have dedicated, expert staff (called Expeditors) to assist SVC applications. HUD encourages consultations with Expeditors throughout the application process and prior to application submission.

The list below lays out the steps involved in completing the SVC process.¹

1. Develop a Streamlined Voluntary Conversion (SVC) Plan with participation by the affected residents in accordance with 24 CFR 972.227(c). PHA must hold at least one meeting with the residents. SVC Plan includes elements described 24 CFR 972.230 (see guidance in PIH Notice 2019-05).
2. Begin the Environmental Review process under 24 CFR Part 58 (or Part 50). Per 24 CFR 972.212(b), HUD will not approve a conversion plan until the required environmental review has been completed.
3. Include SVC Plan in Annual PHA Plan or a Significant Amendment to Annual Plan. Provide the required public comment period for the Annual Plan. PHA submits the Annual Plan to local HUD Office of Public Housing for approval. Qualified PHAs discuss the SVC Plan at a hearing.
4. Consult with local government officials on the SVC Plan. Obtain a letter of support or a certification the SVC Plan is consistent with the jurisdiction's Consolidated Plan.
5. Obtain Board Approval of SVC Plan.
6. Submit SVC Plan to HUD's Special Applications Center (SAC) via IMS/PIC. See Checklist.
7. Receive response from SAC within 90-days (e.g., approval, disapproval, request for information).
8. After SAC approval, issue 90-day notice to families with information required by 24 CFR 972.230(g)(4)(ii) and provide families with any necessary relocation counseling (e.g., mobility, other). If the project will remain rental housing after conversion, families have the right to remain in their units with tenant-based assistance. If the plan is to attach PBV assistance, refer to and comply with Appendix A of PIH Notice 2019-05.²

¹ This document does not include PBV assistance after conversion. Prior to entering a PBV Housing Assistance Payment (HAP) contract, all PBV requirements must be met in accordance with 24 CFR Part 983 and as amended by the Housing Opportunities Through Modernization Act (HOTMA). HUD implemented most HOTMA amendments through Federal Register Notice at 82 Fed. Reg. 5458 (January 18, 2017) and 82 Fed. Reg. 32461 (July 14, 2017), and issued PIH 2017-21. HUD has not implemented HOTMA changes through regulation, so 24 CFR Part 983 must be read in conjunction with the FR notices for full PBV requirements. If a project does not qualify as existing housing, it must be developed as new construction/rehabilitated housing, pursuant to an AHAP. See https://www.hud.gov/sites/dfiles/PIH/documents/PBV_FAQs_05_27_2020_VERSION.pdf

9. Apply for Tenant Protection Vouchers (TPV) 30-60 days before the planned start of relocation.³ See (https://www.hud.gov/sites/dfiles/PIH/documents/TPV_Repositioning_Guidance_Feb%202020.pdf).
10. Relocate Families Off-Site.
 - Issue tenant-based TPV to families who have chosen to move off-site with their TPV and submit an “Issuance of Voucher” in HUD-50058 in PIC. Assist relocations, ensuring families find appropriate units and sign leases. Pay actual and reasonable relocation costs. HCV requirements (24 CFR Part 982) apply, including requirement to brief the family once selected to participate in the HCV program. PHA revises the family’s HUD-50058 to indicate its “End of Participation” (EOP) status in the public housing program and “New Admission” to the HCV or PBV program.
 - Relocate families to off-site comparable housing other than tenant-based TPVs (e.g., over-income families) (if applicable)
11. If the project remains rental housing, the following occurs simultaneously (e.g., same day):
 - Submit a release of Declaration of Trust (DOT) to PIH Field Office
 - Issue tenant-based TPV to families who have chosen to stay in their units with tenant-based assistance and submit an “Issuance of Voucher” in HUD-50058 in PIC
 - Transfer the property (if applicable)
 - If PBV is planned, enter a PBV HAP contract for vacant units and for units where family provided written consent to PBV assistance (see Appendix A of PIH Notice 2019-05)
 - Families and project owner execute leases for units under a PBV or tenant-based HAP contract. A Statement of Family Responsibility is also required under the PBV program (HUD-52578-B)
 - For each family who will remain at the project with HCV or PBV assistance, PHA revises the family’s HUD-50058 to indicate its “End of Participation” (EOP) status in the public housing program and “New Admission” to the HCV or PBV program.
 - HUD releases the property from DOT, PHA sells or retains (in accordance with SVC Plan), and HUD changes the status of the units/property to “Removed from Inventory” in IMS/PIC.
12. If the project does not remain as rental housing, after HUD-50058s are revised for all families, or families are otherwise provided with comparable housing (and property is vacant), PHA implements future use of property, as approved by HUD in the SVC Plan (e.g., PHA demolishes, sells, or retains property). PHA submits the release of DOT to the PIH Field Office. HUD releases the property from DOT. PHA HUD changes the status of the units/property to “Removed from Inventory” in IMS/PIC.

² PHAs may hold the Family Briefing at any point in the process (before or after submitting the SVC Plan to HUD). In addition to complying with the requirements of Appendix A of PIH Notice 2019-05, to ensure informed consent, PHAs must fully inform families of relocation rights under 24 CFR part 972. Specifically, that the family has the right to move off-site with the tenant-based assistance (in addition to staying in its unit) and that the PHA pays for actual and reasonable relocation expenses and provides any necessary counseling, including appropriate mobility counseling. HUD recommends PHAs not accept a family’s written consent until after HUD approves the SVC Plan and the PHA issues the 90-day notice required by 24 CFR 972.230(g).

³ A PHA may need to submit more than one TPV application, if sequential timelines and different TPV leasing schedules for different sites.

13. HCV Funding begins when HUD-50058 is revised to add a family as a “New Admissions” to the HCV or PBV program.
14. Operating and Capital Funds. Units in RMI status with removal dates on or before June 30th will not receive Capital Funds for the next FY. Units in RMI status with removal dates on or after July 1st will likely receive Capital Funds for the next FY (assuming they meet other eligibility requirements). Where entire projects are removed from inventory before the start of the funding year via methods that are not eligible for ARF, those projects will not receive Operating Subsidy. Where an entire project was not removed from inventory before the start of the funding year, units will be funded based upon their unit status during the Operating Fund reporting period (the period beginning July 1 and ending June 30 before the Funding year) , or ARF consistent with the ARF Notice (<https://www.hud.gov/sites/dfiles/PIH/documents/pih2017-22.pdf>). Partial removal adjustments to unit months and eligibility are made during the OpFund Revision period. Units approved for SVC are not eligible for Demolition and Disposition Transitional Funding (DDTF) under 24 CFR 905.500(j) or Asset Repositioning Fee (ARF) under 24 CFR 990.190(h)(1). For more information on how PHAs can use awarded Operating and Capital Funds for eligible purposes, see the Public Housing Funds and Repositioning document at <https://www.hud.gov/sites/dfiles/PIH/documents/Repositioning%20and%20Public%20Housing%20Funds.pdf>
15. Close-out public housing program in accordance with PIH Notice 2019-13.