



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

PRINCIPAL DEPUTY ASSISTANT SECRETARY
FOR PUBLIC AND INDIAN HOUSING

MAY 22 2015

Dear PHA Executive Director:

I hope that, by now, you have started to feel the momentum building. You have heard that New Orleans, Louisiana has ended homelessness among Veterans – and other cities are close to achieving this goal. Maybe your Mayor, Governor, or County Executive is one of the over 570 leaders across the country to join the Mayors Challenge to End Veteran Homelessness, committing to achieving that goal by the end of this year. You may have heard President Obama or First Lady Michelle Obama talking about the progress we have made in reducing Veteran homelessness nationwide – a 33 percent decrease from 2010 to 2014. But you also know that, in order to meet the ambitious goal of ending Veteran homelessness by the end of this year, we must act with urgency. And we cannot do that without you.

As a Public Housing Authority Director, you are a crucial partner in the strategy to end Veteran homelessness in 2015. The effective and efficient use of resources like HUD-VASH is central to achieving the goal, and at HUD and VA we are working to ensure those resources are deployed quickly. That's why we announced the first allocation of the FY 2015 HUD-VASH vouchers on April 20th this year. We are also working to ensure that HUD-VASH staff positions are filled by June 30 to facilitate an increase in Veterans being referred to your agency.

The purpose of this letter is to discuss additional tools at your disposal for administering the HUD-VASH program:

- **Effective Date of FY 2015 HUD-VASH Allocations:** For those PHAs that received funding under the FY 2015 HUD-VASH allocation, HUD set an effective date for the award based on current utilization data as well as the number of referrals and issued HUD-VASH vouchers at your PHA. **Do not let this proposed effective date prevent your agency from accepting referrals, issuing vouchers, and leasing units.** This date is only a proposed effective date if your PHA needs additional HUD-VASH funds the date can be changed at any time prior to the proposed date by contacting your Financial Analyst at the Financial Management Center and sending an email to VASH@hud.gov.
- **HUD-VASH Set-Aside Category:** Earlier this week, your PHA received a letter regarding eligibility for set-aside funds under Notice PIH 2015-03. This letter has extended the deadline for applying for the FY 2015 set-aside funds under the HUD-VASH category. HUD will allow PHAs requiring funds under either Category 1 (Shortfalls) and/or Category 4 (HUD-VASH) to submit applications until November 13, 2015.

Awards could be reduced, in whole or in part, if PHAs have available reserves (Restricted Net Position (RNP) and/or HUD-held reserves) above a reasonable

threshold, as defined by the Secretary. PHAs should submit applications for these categories in accordance with Notice PIH 2015-03 and to the email address provided in that Notice. PHAs should use Attachment B, Application for \$120 Million Set-Aside from Notice PIH 2015-03 when applying for HUD-VASH.


- **Extraordinary Administrative Fees (EAF):** As described in Notice PIH 2015-03, HUD has Set-Aside \$10,000,000 from the Administrative Fee account that could be allocated to PHAs that need additional funds to administer their Section 8 programs. The Program Office usually allocates this Set-aside for special fees for housing conversion actions, Homeownership fees, and Special Fees for specific small PHAs for Audit Costs (unit of a larger organization with different FYE). A portion of these funds is also earmarked for other EAF, under the Secretary's discretion. Your PHA can apply for funds under this portion by justifying increased costs specifically from administering the HUD-VASH program, including but not limited to, holding extra briefings for HUD-VASH clients, providing housing search assistance, or other services to ensure that HUD-VASH clients can move into their new homes with a voucher in the shortest time-period possible.

In order to apply for these funds, please contact your PHA's Financial Analyst at the Financial Management Center and include documentation to support the additional administrative expenses above what can be supported by your PHA's earned or anticipated ongoing administrative fees for the year. Additionally, the request must be accompanied by the estimated Unrestricted Net Asset (Administrative fee reserve) balance as of the day of the request.

- **Technical Assistance:** HUD will review utilization for HUD-VASH sites throughout the year and, for those sites where additional assistance may be helpful, will hold joint meetings between VA staff, HUD staff, and PHAs. These meetings are not only to review issues that may be creating barriers to full utilization, but also to ask HUD and VA for resources and connections to other organizations from which your site may benefit. If you would like assistance from HUD regarding your HUD-VASH program, please reach out to your local HUD field office.

If you have any questions about the tools discussed above, please contact your local HUD field office. Once again, thank you for all of the work you do each and every day, including providing crucial housing assistance to the thousands of Veterans across the country that need it the most. With your direct efforts, these vouchers will help provide veterans with immediate access to permanent housing and bring us closer to our goal of ending veteran homelessness by the end of this year.

Sincerely,



Lourdes Castro Ramirez
Principal Deputy Assistant Secretary
for Public and Indian Housing