



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 2020-14

Issued: July 8, 2020

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amended, superseded, or rescinded.

Cross References: *Implementation of the
HUD-Veterans Affairs Supportive Housing
(HUD-VASH) Program* published in the
Federal Register on March 23, 2012.

Subject: Registration of Interest for HUD-VASH Vouchers

1. Purpose. This notice announces the availability of \$50 million in HUD-Veterans Affairs Supportive Housing (HUD-VASH) funding that will support approximately 6,000 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 Further Consolidated Appropriations Act, 2020 (Public Law 116-94, approved December 20, 2019) (the Act). The Act provides \$40 million in funding for the vouchers being made available under this notice. The additional \$10 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 CFR 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 voucher assistance.

Waivers and alternative requirements for HUD-VASH are detailed in the Revised Operating Requirements published in the *Federal Register* on March 23, 2012. 77 FR 17086. 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 2020 Allocation Process. 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. As in fiscal year 2019, awards will follow a two-step process:

- (1) Eligible PHAs will respond to this notice with an email and a VA Letter of Support (collectively referred to as the “Registration of Interest”). See Section 8 of this notice for detailed instructions.
- (2) 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 and based on their demonstrated HUD-VASH leasing capacity. The leasing capacity criteria ensures that PHAs in communities where there is the greatest likelihood that homeless veterans will be housed promptly receive HUD-VASH vouchers. The leasing capacity, or utilization threshold, criteria is explained in detail in Section 6.a. of this notice

4. Registration of Interest Due Date. Registrations of Interest must be submitted electronically to VASH_ROI@hud.gov no later than midnight in the time zone of the PHA on **September 15, 2020**. 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. Specifically, PHAs that do not currently administer the HUD-VASH program do not have to meet the threshold requirements outlined in Section 6.a. of this notice and are eligible to submit a Registration of Interest if the threshold requirements in Section 6.b. 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.
 - PHAs must have at least a 70% HUD-VASH unit utilization rate. – *Unit utilization rate will be defined as Voucher Management System (VMS) reported HUD-VASH April 2020 Unit Months Leased (UML) divided by total HUD-VASH awards to date.*
 - If a PHA does not have at least a 70% HUD-VASH unit utilization rate, then the PHA must have greater than 100% HCV budget utilization based on April 2020 VMS data. This is budget utilization for the entire HCV program administered by

a PHA – and not specific only to HUD-VASH budget authority. *For example, a PHA with a HUD-VASH unit utilization rate of 68% and an overall HCV budget utilization rate of 90% of its annual budget authority (ABA) would not be eligible for a HUD-VASH award under this notice. However, a PHA with 68% HUD-VASH unit utilization rate and a 101% HCV budget utilization rate would be eligible to receive additional HUD-VASH vouchers.*

NOTE: PHAs with fewer than 25 HUD-VASH vouchers are excepted from all the above threshold criteria and are eligible to submit a Registration of Interest. PHAs with very small HUD-VASH programs tend to have more volatile utilization rates and could be unfairly penalized by the above criteria given that only a minimal turnover of one or two vouchers can result in a utilization rate below the 70% threshold. HUD will continue to monitor these small-PHA programs through on-going utilization efforts to ensure maximum leasing.

PHAs can see the 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/dashboard.

Further, if a PHA is uncertain about whether or not it meets the threshold criteria, the PHA should send an inquiry to VASH@hud.gov.

- b. PHAs, as required by the Act, must demonstrate the capacity to successfully administer the HUD-VASH program. Therefore, PHAs must not have any major unresolved program management findings from an Inspector General audit, HUD management review, or Independent Public Accountant (IPA) 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, provided that all applicable legal processes have been satisfied.

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.

- c. 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.

- PHAs must send an email to VASH_ROI@hud.gov identifying that they are interested

in receiving HUD-VASH vouchers. If a PHA partners with more than one VA facility, the PHA must submit *a separate email* with the signed letter of support for each partnering VA facility. with which the PHA is partnering.

- The Subject Line of the email must be “Registration of Interest” followed by the PHA code (i.e., AL001).
- The body of the email must identify the name of the partnering VAMC (or CBOC), the Veterans Integrated Services [VISN] number, and the facility’s Station ID. For example: Birmingham VA Medical Center, VISN 7, Station 521.
- All Registrations of Interest must include a signed Letter of Support from the partnering VA facility.
 - If a PHA partners with more than one VA facility, a signed letter of support from each partnering VA facility must accompany each email submission.
 - A Registration of Interest submission without a valid, corresponding letter of support is not curable and will not be considered for an award.
 - Any additional attachments beyond the signed VA letter of support will NOT impact selection for an award.
- All Registrations of Interest must be transmitted no later than midnight in the time zone of the PHA on **September 15, 2020**.
 - After a successful email transmission to **VASH_ROI@hud.gov**, the sender will receive an “auto-reply” message, confirming receipt of an email. *If you do not receive an “auto-reply” confirming receipt, your email was not received, and the agency will not be considered for an award.* Faxes and hard copy submissions will not be accepted. Note: receipt of an “auto-reply” 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.

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 (HIC) 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.

10. Invitation of PHAs. Selected PHAs will receive an invitation via email to apply for a specific number of HUD-VASH vouchers. This 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 2020 Act.

11. Conversion to Project-Based Vouchers. All tenant-based HUD-VASH awards can be converted to Project-Based Vouchers (PBV) at any time after award without HUD approval. 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 VASH@hud.gov.

13. Paperwork Reduction Act. The information collection requirements contained in this notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C 3520). In accordance with the PRA, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number. The active information collections contained in this notice have been approved under the PRA OMB Control Number 2577-0169.

R. Hunter Kurtz, Assistant Secretary
for Public and Indian Housing