

MTW and Special Purpose Q & A
6/25/2012

What are Special Purpose Vouchers?

- Special Purpose Vouchers are specifically provided for by Congress in line item appropriations which distinguish them from regular vouchers.
- Examples of Special Purpose Vouchers are:
 - Veteran Affairs Supportive Housing (VASH)
 - Family Unification Program (FUP)
 - Non-Elderly Disabled (NED) Tenant Protection Vouchers (TPV), including Enhanced Vouchers
- MTW agencies must provide a statement in Section II of the MTW Plan explaining what flexibilities have been applied to any special purpose vouchers that use MTW flexibilities.

HUD-VASH Vouchers

What is the purpose of HUD-VASH Vouchers?

- The HUD-VASH program combines HUD HCV rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs at its medical centers and in the community.

Do HUD-VASH Vouchers qualify for fungibility under the Standard MTW Agreement?

- HUD-VASH Vouchers are not eligible for fungibility under the MTW agreement.

What are the operating requirements for HUD-VASH Vouchers?

- HUD-VASH Vouchers have separate operating requirements and must be administered in accordance with the requirements listed at www.hud.gov/offices/pih/programs/hcv/vash. The operating requirements waive and alter many of the standard HCV statutes and regulations at 24 CFR 982. Unless stated in the HUD-VASH operating requirements, however, the regulatory requirements at 24 CFR 982 and all other HUD directives for the HCV program are applicable to HUD-VASH vouchers.

Are there any operating MTW flexibilities that can be applied to HUD-VASH Vouchers?

- PHAs may submit a request to the Office of Public Housing and Voucher Programs to operate HUD-VASH Vouchers in accordance with MTW administrative flexibilities.
- The request must identify the specific MTW provisions the PHA wants to apply to HUD-VASH vouchers.

- When assessing the request the Voucher Office will consider the impact of the MTW provisions on the target population. If the MTW provisions are not detrimental to the intended population, HUD may approve the request and waive the HUD-VASH operating requirements accordingly.
- If approved to operate in accordance with MTW flexibilities the agency must update its Administrative Plan but would not be required to amend its Annual MTW Plan.
- In cases where MTW flexibilities conflict with VASH statute or NOFA requirements, the VASH/NOFA requirements take precedence over the MTW flexibility.

What are the reporting requirements for HUD-VASH Vouchers?

- PHAs must follow reporting requirements contained in Notice PIH 2011-53.
- PHAs must submit a regular HUD-50058 for HUD-VASH families using VASH as a special program code.
- If PHAs have received approval from the Office of Public Housing and Voucher Programs to operate in accordance with their MTW agreement, they can also request to submit into the MTW-50058.
- If PHAs utilize MTW flexibilities they must report on HUD-VASH vouchers and their funding separately from other vouchers under the MTW agreement in the VASH Portion of the Voucher Management System (VMS).

Family Unification Program (FUP) and Non-Elderly Disabled (NED) Vouchers

What is the purpose of Family Unification Program Vouchers (FUP)?

- Family Unification Program Vouchers are made available to families for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child, or children, in out-of-home care, or in the delay of discharge of the child, or children, to the family from out-of-home care. FUP vouchers are also made available to youths ages 18 to 21 who left foster care at age 16 or older who lack adequate housing. By statute, FUP vouchers issued to youths may only be used to provide housing assistance for a maximum of 18 months. There is no time limitation on FUP family vouchers. Family unification vouchers enable these families and youths to lease or purchase decent, safe and sanitary housing that is affordable in the private housing market.

What is the purpose of Non-Elderly Disabled Vouchers (NED)?

- Non-Elderly Disabled Vouchers are designed to provide assisted housing to families whose head, spouse, or co-head is disabled and under 62 as of the date of signing the HAP contract. NED Category 2 vouchers are specifically for non-elderly people with disabilities transitioning from nursing homes or other health facilities into the community.

Do Family Unification Program Vouchers (FUP) and Non-Elderly Disabled Vouchers (NED) vouchers qualify for fungibility under the Standard MTW Agreement?

- FUP and NED funds are not eligible for fungibility under the MTW agreement.

Do PHAs have the flexibility to operate Family Unification Program (FUP) Vouchers and Non-Elderly Disabled (NED) Vouchers in accordance with their MTW agreements?

- The NOFA language allows vouchers to be administered in accordance with MTW agreements unless MTW provisions are inconsistent with the appropriations act or requirements of the NOFA. No additional approval is needed from Office of Public Housing and Voucher Programs
- In the event of a conflict between an MTW agreement and the appropriations act or NOFA language, the act and NOFA govern.
- Applicable NOFAs include FY2009 NED NOFA, FY 2008, 2009, and 2010 FUP NOFAs and FY 2008 Certain Developments and Designated Housing NOFA.

What are the reporting requirements for Family Unification Program (FUP) Vouchers and Non-Elderly Disabled (NED) Vouchers?

- The MTW-50058 form may be used if MTW flexibilities are applied to these vouchers.
- Special Purpose codes must be identified on the HUD-50058 (or the MTW-50058, if using) for FUP and NED families.
 - The code for all NED vouchers except NED Category 2 is NED
 - The code for NED Category 2 vouchers is NHT
 - The codes for FUP are:
 1. FUPF for FUP-eligible families
 2. FUPY for FUP-eligible youths
- PHAs must also report in the FUP and NED components of VMS.

What fields should agencies use to report FUP and NED vouchers in VMS?

- FUP: There are two VMS fields that PHAs must use when reporting their FUP vouchers and corresponding HAP expenses into VMS; the “Family Unification” and “2008 & 2009 Family Unification” fields. The “Family Unification” field is only used to report FUP vouchers awarded to the PHA under 2001 and prior appropriations. The “2008 & 2009 Family Unification” field is only used to report FUP vouchers awarded to the PHA under the FY2008, FY2009, or subsequent appropriations..
- NED: PHAs report all NED vouchers leased in the “2008 and 2009 Non-Elderly Disabled” field in VMS. This includes NED vouchers awarded prior to 2008 under the One-year Mainstream program, or any other increment of vouchers awarded for the NED population since 1997.

What fields should agencies use to report FUP and NED Vouchers into the MTW-50058?

- The field for entering FUP and NED Vouchers is 2n or 2p in MTW-50058.

Tenant Protection Vouchers, including Enhanced Vouchers

What is the Purpose of enhanced vouchers?

- Enhanced vouchers are a type of tenant protection voucher administered by the local public housing authorities to subsidize rents for tenants facing a Housing conversion action—owner opt-outs of Section 8 project-based contracts; owner prepayment of the mortgage or voluntary termination of the mortgage insurance of a preservation eligible property (preservation prepayments).
 - HUD is required by statute to offer enhanced vouchers to families impacted by a Housing conversion action under Section 8(t) of the United States Housing Act of 1937, as amended.
 - Enhanced vouchers may exceed the PHA’s ordinary payment standard used for its regular HCV program, allowing the payment standard to equal the gross rent, provided such rent is reasonable in comparison to other similar, unassisted units on the private market.
 - Enhanced vouchers provide the tenant the right to remain in the unit after the conversion to market rents.
 - If the family moves from the unit, the voucher loses its enhancement and becomes a regular voucher.
 - Notices PIH 2001-41, 2008-12, 2011-20 provide additional detailed information.

What is the purpose of regular tenant protection vouchers (TPVs)?

- Regular tenant protection vouchers (TPVs) are regular tenant-based vouchers administered by the local public housing authorities used to subsidize rents for tenants facing a Housing conversion action or HUD enforcement actions against the owner not covered by enhanced vouchers—termination or non-renewal (by the Contract Administrator) of a Section 8 Project-based housing assistance payment contract, sale or foreclosure of a HUD-subsidized mortgage, or demolition/disposition of public housing under Section 18 of the United States Housing Act of 1937, as amended.
 - Regular TPVs do not have an enhanced payment standard and the tenant does not have the right to remain, for example, because in some circumstance the condition of the property does not comply with voucher HQS. Therefore, the tenant must move in order to continue receiving assistance (unless specifically provided in statute e.g., voluntary conversions).
 - Notice PIH 2001-41 provides additional detailed information.

What types of families qualify for enhanced and regular tenant protection vouchers?

- Enhanced and regular tenant protection vouchers are targeted to specific families affected by a Housing conversion action by HUD or owner action in HUD multifamily projects and public housing agencies in the case of public housing projects.
- The vouchers must be offered to specified families according to statute.

Do enhanced and regular tenant protection vouchers qualify for fungibility under the Standard MTW Agreement?

- Enhanced and regular tenant protection vouchers funds are rolled into the MTW block grant upon renewal of the funds. However, there are restrictions on the MTW flexibilities that may be applied to the enhanced and regular tenant protection vouchers; see below.

Do PHAs have the flexibility to operate enhanced and regular tenant protection vouchers in accordance with their MTW agreements?

- Agencies may only operate enhance and regular tenant protection vouchers in accordance with their MTW Agreements to the extent that the MTW flexibility used does not infringe on the protections applied to these families.
- For example, for regular tenant protection vouchers, the assistance must be offered to the families targeted for assistance. They are considered special admissions to the program and the MTW PHA's waiting list preferences do not apply to these families.
- Examples of restrictions in applying MTW flexibilities to enhanced vouchers include: an MTW PHA may exercise flexibilities regarding rent, but for an enhanced voucher holder, these flexibilities must conform with the enhanced voucher minimum rent and enhanced payment standard. As a further example, enhanced voucher recipients may not be subject to termination by any term limits that are in effect for HCV recipients at the MTW PHA, because enhanced voucher holders are statutorily permitted to stay in the unit until termination or the family moves out. Please note that the enhanced voucher protection status lasts until the family moves from the residence or is terminated from the program.
- Agencies may exercise flexibilities (that do not infringe on the protections applied to these families) upon award of the enhanced voucher or regular tenant protection voucher. No additional approval is needed from Office of Public Housing and Voucher Programs to apply MTW flexibilities to these vouchers.

Can MTW fungibility apply to any remaining enhanced and regular tenant protection voucher funds after all families affected by housing conversion are provided assistance?

- All housing choice vouchers (enhanced and non-enhanced) provided in connection with a Housing conversion action are to be used first to assist the families targeted for assistance.
- Once all families impacted by the Housing conversion action have been provided a voucher, any unused voucher funding may be used by the PHA to assist families on the PHA's waiting list; such vouchers are regular vouchers and do not have any enhanced features (see Notice PIH 2001-41). As they are regular vouchers, MTW Agencies can include these unused funds in their MTW Block Grant, and all MTW flexibilities apply.

What are the operating Requirements for enhanced and regular tenant protection vouchers?

- There are no specific operating requirements.
- Policy and processing guidance is provided in Notice PIH 2001-41, 2008-12, 2011-20, and applicable statutes.

When should Agencies report enhanced and regular tenant protection vouchers in the MTW-50058 versus the regular 50058?

- The Agency must begin reporting these families in the MTW-50058 if the Agency applies any MTW flexibilities to these vouchers,

What are the reporting requirements for enhanced and regular tenant protection vouchers?

- The MTW-50058 and HUD-50058 have fields that enable tracking of special purpose vouchers (see below).
- VMS describes the different special purpose voucher types so it is clear how to report expenditures under each of these programs.

What fields should agencies use to report enhanced and regular tenant protection vouchers into the HUD-50058 and the MTW-50058?

- On the HUD-50058, enhanced vouchers should be reported in field 2m. There is no specific place to note regular tenant protection vouchers. Therefore, agencies may choose to use one of the PHA use only fields (2q through 2u), using the code TPV (regular tenant protection vouchers).
- The MTW-50058 does not have a specific place to note enhanced or regular tenant protection vouchers. Therefore, agencies can use one of the PHA use only lines, using the code EV (enhanced vouchers) or TPV (regular tenant protection vouchers).

Is there a list of special purpose programs that can be entered into the MTW-50058?

- The MTW Technical Reference Guide (TRG) lists the special purpose programs that can be entered into the MTW-50058.
- The MTW TRG can be found on the [MTW Tenant Reporting – IMS/PIC](#) webpage.