

## Chapter 19

### MAINSTREAM HOUSING CHOICE VOUCHER PROGRAM

#### INTRODUCTION

This chapter describes HUD regulations and PHA policies related to the Mainstream Housing Choice Voucher Program in six parts:

Part I: General Requirements and Eligibility. This part describes general provisions of the Mainstream Housing Choice Voucher Program, including program history, eligibility and definitions, non-discrimination and fair housing, and the denial of assistance.

Part II: Waiting List Administration & Preferences. This part discusses HUD regulations and Northampton Housing Authority policies that govern the waiting list, new preferences added, policy for opening the waiting list, notifying the public and selecting applicants.

Part III: Voucher Utilization and Administration. This part describes requirements related to leasing, continued occupancy, income determination, verification, and portability of Mainstream Voucher holders and HUD regulations for administering and reporting to HUD including SEMAP.

## **PART I: GENERAL REQUIREMENTS AND ELIGIBILITY**

### **19-I.A. OVERVIEW AND HISTORY OF THE MAINSTREAM PROGRAM [Notice PIH 2020-01, NOFA FR-6300-N-43.]**

Initially authorized by the National Affordable Housing Act of 1990 (Public Law 101-625), the Mainstream Voucher Program has provided voucher assistance to persons with disabilities since 1997. Until the passage of the Frank Melville Supportive Housing Investment Act of 2010 (Public Law 111-374) (“Melville Act”), the program was operated as a separate voucher program from the regular tenant-based HCV Program. The Melville Act converted the Mainstream 5-Year program (sometimes referred to as the Section 811 Voucher Program) to the HCV Program under 8(o) of the U.S. Housing Act of 1937.

The Consolidated Appropriations Act, 2017 (Public Law 115-31) provided funding for incremental Mainstream Vouchers for the first time since the enactment of the Melville Act (in addition to providing renewal and administrative fee funding for these vouchers). These incremental vouchers exclusively assisted non-elderly persons with disabilities. The Consolidated Appropriations Act, 2018 (Public Law 115-141) and the Consolidated Appropriations Act, 2019 (Public Law 116-6) (“2019 Act”) also provided funding for incremental Mainstream Vouchers for non-elderly persons with disabilities, in addition to renewal and administrative fee funding. In addition, the 2019 Act states that all new and existing Mainstream Vouchers must be provided to non-elderly persons with disabilities upon turnover. Funding for these Mainstream Vouchers was provided in a separate paragraph under the Tenant-Based Rental Assistance (TBRA) heading in each years’ appropriations act.

In November, 2019 Northampton Housing Authority was awarded fifteen Mainstream Vouchers. Northampton Housing Authority will begin leasing for the program on May 1st, 2020.

### **19-I.B. ELIGIBLE POPULATION [Notice PIH 2020-01]**

Mainstream Vouchers (also formerly known as Mainstream 5-Year Vouchers or Section 811 Vouchers) are tenant-based vouchers that serve a special population of households. All Mainstream Vouchers will now serve households that include a non-elderly person(s) with disabilities, defined as any family that includes a person with disabilities who is at least 18 years old and not yet 62 years old at the effective date of the initial Housing Assistance Payment (HAP) Contract, (i.e., the effective date of the New Admission [action code =1] on the form HUD-50058 (or form HUD-50058 MTW).

Once eligible, participants do not “age out” of eligibility. Existing families receiving Mainstream Vouchers, where the eligible family member is now age 62 or older, will NOT “age out” of the Mainstream Voucher Program as long as the family was eligible on the day it was first assisted under a HAP contract.

### **19-I.C. NONDISCRIMINATION [Notice PIH 2020-01]**

Aside from separate funding appropriations and serving a specific population, Mainstream Vouchers are administered the same as regular voucher assistance in that Mainstream Vouchers are regulated under the same program requirements as the HCV Program. The same regulations at 24 CFR Part 982 apply to Mainstream Vouchers. Federal nondiscrimination laws and requirements apply as with all HCVs, including for example, requirements regarding nondiscriminatory eligibility criteria, and obligations to provide reasonable accommodations for person with disabilities. See 24 C.F.R. § 5.105(a). There is no special authority to treat families that receive a Mainstream Voucher differently from other applicants and participants of the HCV program. For example, the PHA cannot apply different payment standards, establish conditions for allowing portability, or screening.

#### PHA Policy

Northampton Housing Authority will follow the regulations and policies governing the Fair Housing as listed in in the current Administrative Plan, Chapter 2, Fair Housing and Equal Opportunity.

## **19-I.D. DENIAL OF ASSISTANCE**

### PHA Policy

Northampton Housing Authority will follow the regulations and policies governing the denial of assistance as listed in in the current Administrative Plan, Chapter 3, Eligibility, Part III.

## **PART II: Waiting List Administration & Preferences**

### **19-II.A. OVERVIEW [Notice PIH 2020-01]**

PHAs must lease the awarded vouchers by selecting Mainstream-eligible applicants from the waiting list. PHAs are not permitted to reassign existing participants to the Mainstream Voucher Program in order to make regular tenant-based vouchers available. There is no provision that allows PHAs to admit tenants without following their waiting list procedures when using a Mainstream Voucher.

### **19-II.B. NEW PREFERENCES ADDED [Notice PIH 2020-01, NOFA FR-6300-N-43.]**

If PHA claimed points for a preference in a Notice of Funding Availability (NOFA) application, PHA must adopt a preference for at least one of the targeted groups in the NOFA.

#### PHA Policy

PHA will grant one additional point to non-elderly persons with disabilities for each of the following criteria as indicated in the NOFA Application:

- Transitioning out of institutional and other segregated settings
- At serious risk of institutionalization
- Currently experiencing homelessness
- Previously experienced homelessness and currently a client in a permanent supportive housing or rapid rehousing project at risk of experiencing homelessness

PHAs may limit the number of applicants who will qualify for the preference –24 CFR 982.207(a)(3) allows PHAs to set a limit to the number of applicants that may qualify for a local preference.

#### PHA Policy

Northampton Housing Authority will limit the number of preferences awarded to 15, the number of vouchers awarded in November 19, 2020. The agency will increase the number of preferences granted if the authority receives additional Mainstream Awards in the future.

Update PHA preference policy/procedures – To effectively apply and manage preferences, the PHA must have a written policy for how preferences will be applied including how families with the same preference will be selected, either in order by the date and time of their application or a random choice technique (24 CFR 982.207(c)).

### PHA Policy

Families will be selected from the waiting list based on the targeted funding or selection preference(s) for which they qualify, and in accordance with the PHA's hierarchy of preferences, if applicable. Within each targeted funding or preference category, families will be selected on a first-come, first-served basis according to the date and time their complete application is received by the PHA.

## **19-II.C. OPENING THE WAITING LIST AND NOTIFYING THE PUBLIC [Notice PIH 2020-01]**

Opening PHA waiting list for a limited preference

### PHA Policy

Northampton Housing Authority will open its waiting list solely for applicants that meet the preference for targeted subgroups identified in the Mainstream Voucher NOFA.

Northampton Housing Authority will post a public notice that it is opening its waiting list specifically for non-elderly persons with disabilities who are: transitioning out of institutional and other segregated settings, at serious risk of institutionalization, currently experiencing homelessness, and previously experienced homelessness and currently a client in a permanent supportive housing or rapid rehousing project at risk of experiencing homelessness.

Northampton Housing Authority will comply with the requirements for opening the waiting list under 24 CFR 982.206, including the requirement to provide public notice and to accept applications from families for whom the list is open, and in accordance with current Administrative Plan, Chapter 4, II.C. Opening and Closing the Waiting List.

Updating Waiting List for change in eligible population PHAs may choose to do a full waiting list update or a limited update. A full or limited update may be done regardless of whether a PHA will be opening the waiting list or not.

### PHA Policy

Northampton Housing Authority will complete a full waiting list update:

- Step 1: Send out letter to all applicants on the current waiting list to identify (1) if there are any household members who are non-elderly persons with disabilities and (2) if the household qualifies for the new preference (if applicable).
- Step 2: Update waiting list order based on new information on preferences and the PHA's specific policies for how to apply preferences.
- Step 3: Begin pulling families from waiting list, beginning with the first Mainstream-eligible family on the HCV tenant-based waiting list.

## **19-II.D. SELECTING APPLICANTS**

When a family has been selected from the waiting list, Northampton Housing Authority must notify the family [24 CFR 982.554(a)].

### PHA Policy

Northampton Housing Authority will notify the family by first class mail when it is selected from the waiting list.

The notice will inform the family of the following:

- Date, time, and location of the scheduled application interview, including any procedures for rescheduling the interview.
- Who is required to attend the interview
- All documents that must be provided at the interview, including information about what constitutes acceptable documentation

If a notification letter is returned with no forwarding address, the family will be removed from the waiting list. A notice of denial (see Chapter 3) will be sent to the family's address of record, as well as to any known alternate address.

Northampton Housing Authority must verify all information provided by the family (see Chapter 7). Based on verified information, NHA must make a final determination of eligibility (see Chapter 3) and must confirm that the family qualified for any special admission, targeted funding admission, or selection preference that affected the order in which the family was selected from the waiting list.

If Northampton Housing Authority determines that the family is ineligible, NHA will send written notification of the ineligibility determination within 10 business days of the determination. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review (Chapter 16, part III).

If a family fails to qualify for any criteria that affected the order in which it was selected from the waiting list the family will be returned to its original position on the waiting list. NHA will notify the family in writing that it has been returned to the waiting list, and will specify the reasons for it.

If NHA determines that the family is eligible to receive assistance, NHA will invite the family to attend a briefing in accordance with the policies in Chapter 5.

## **PART III: VOUCHER UTILIZATION AND ADMINISTRATION**

### **19-III.A. OVERVIEW**

### **19-III.B. REISSUANCE OF MAINSTREAM VOUCHERS**

At turnover, ALL Mainstream turnover vouchers must be reissued to the next Mainstream-eligible family on the PHA's waiting list. Turnover occurs when a family receiving Mainstream voucher assistance leaves the program.

### **19-III.C. IMS/PIC REPORTIN [Notice PIH 2020-01]**

#### PHA Policy

Northampton Housing Authority ensure:

- Form HUD-50058 and Form HUD-50058 MTW – PHAs must submit a form HUD- 50058 (or form HUD-50058 MTW) to IMS/PIC or successor system for all transactions, including Voucher Issuance (action code 10), Voucher Expiration (action code 11), and End of Participation (action code 6). For a full list of required actions, see the Form HUD-50058 Instruction Booklet. Submission of all required actions is important for HUD's monitoring and evaluation of the Mainstream Voucher Program.
- Other Special Program field – All Mainstream families will be coded on line 2n of the Family Report (form HUD-50058) and on line 2p of the MTW Family Report as "MS5". In cases of portability, the initial PHA must include "MS5", as applicable, on the HUD-50058, Family Report sent to the receiving PHA. Receiving PHAs must maintain the "MS5" code on their Family Reports for the duration of the family's participation in the Mainstream Voucher Program if the receiving PHA is billing the initial PHA. The PHA should not code more families than the number of Mainstream Vouchers awarded.
- Homeless at admission – PHAs must use line 4c "Homeless at admission? (Y or N)" of the HUD-50058 or MTW Family Report to accurately report whether the family being admitted to the program was homeless at the time of admission.



### **19-III.D . SECTION EIGHT MANAGEMENT ASSESSMENT PROGRAM (SEMAP)**

[Notice PIH 2020-01]

Mainstream Vouchers, excluding all new awards for the first year, must be included in the utilization rate for the purposes of determining the PHA's overall utilization under Indicator 13. PIC's calculation of the Lease-up indicator incorrectly excludes Mainstream Vouchers from consideration. The Financial Management Center (FMC) determines the Indicator 13 utilization rate for all PHAs using VMS reported expenses and leasing and sends the calculations to the appropriate Field Office to distribute to the PHA. Using VMS, PHAs can approximate their overall utilization rate for SEMAP by adding the Mainstream 5-Year data to the overall HCV program data.

Example of how newly awarded Mainstream Vouchers are handled:

Effective date of new vouchers: 6/1/2018

First increment expiration: 5/31/2019

The new Mainstream unit months available (UMAs) and budget authority (BA) will be excluded completely from the denominator for calendar year (CY) 2018 SEMAP. The new Mainstream UMAs and BA will also be excluded from CY 2019 SEMAP for January through May 2019. UMAs and BA will be counted in the utilization rate from June 2019 through December 2019.

For the period that new Mainstream UMAs and BA are not considered for SEMAP, Mainstream unit months leased (UMLs) and Mainstream HAP expenses will also be **excluded** from the numerator if possible, however; if the PHA has **existing** Mainstream Vouchers at the time of the new award, all Mainstream UMLs and BA will be included because they cannot be separated out.

#### PHA Policy

Northampton Housing Authority will follow regulations written above from Notice PIH 2020-01.

### **19-III.E. VMS Reporting** [Notice PIH 2020-01]

All PHAs must report all Mainstream Vouchers leased under the Mainstream 5-Year HAP and UML fields in the Voucher Management System. As with IMS/PIC reporting, PHAs must not report more Mainstream families than the established calendar year baseline of Mainstream Vouchers.

Mainstream Vouchers that have been ported and are being billed to the initial PHA must be reported under the Mainstream 5-Year field. If the PHA chooses to absorb the voucher, the voucher will be considered a regular voucher and the Mainstream Voucher at the initial PHA will be freed up to lease to another eligible family.

No other VMS line item will include Mainstream Voucher activity, such as Restricted Net Position (RNP), Unrestricted Net Position (UNP), Cash/Investment, Non-MTW Administrative Expenses, etc.

#### PHA Policy

Northampton Housing Authority will follow regulations written above from Notice PIH 2020-01.

### **19-III.F. FINANCIAL DATA SCHEDULE REPORTING [Notice PIH 2020-01]**

As clarified in PIH Notice 2012-21, PHAs should report Mainstream Vouchers under the Catalogue of Federal Domestic Assistance (CFDA) number 14.879 “Mainstream Vouchers” in the Financial Assessment of Public Housing Agencies (FASS-PH). This applies to all Mainstream Vouchers, including those awarded prior to 2018.

#### PHA Policy

Northampton Housing Authority will follow regulations written above from Notice PIH 2012-21.

### **19-III.G. MONITORING [Notice PIH 2020-01]**

All Grantees will be required to cooperate with HUD, Department of Health and Human Services (HHS), and Centers for Medicare & Medicaid Services (CMS), or any contractors affiliated with HUD, HHS, and CMS in evaluating this program. HUD will monitor utilization, program requirements, and compliance with PHA’s individual NOFA application, including preference implementation and service offerings.

#### PHA Policy

Northampton Housing Authority will follow regulations written above from Notice PIH 2020-01.

### **19-III.H. PORTABILITY [Notice PIH 2020-01]**

Mainstream Voucher participant ports to another PHA and the receiving PHA chooses to bill the initial PHA, then the voucher will remain a Mainstream Voucher. If the PHA chooses to absorb the voucher, the voucher will be considered a regular voucher, or a Mainstream Voucher if the receiving PHA has a Mainstream Voucher available, and the Mainstream Voucher at the initial PHA will be freed up to lease to another Mainstream-eligible family.

**19-III.I. PARTNERSHIPS AND SUPPORTIVE SERVICES** [Notice PIH 2020-01, NOFA FR-6300-N-43]

The Mainstream Voucher Program NOFAs encourage PHAs to establish formal and informal partnerships with a variety of organizations that assist persons with disabilities. HUD encourages PHAs to continue developing partnerships with such organizations to help ensure eligible participants find and maintain stable housing.

PHA Policy

Northampton Housing Authority has established formal and informal relationships for the following with agencies listed below by categories and will continue to reach out and build relationships with additional similar agencies:

- Coordinate outreach and referral of eligible persons that meet the PHA's preference criteria:
  - Three County Continuum of Care  
Community Action Pioneer Valley  
393 Main Street,  
Greenfield, MA 01301  
413-774-2318
  
- Assist persons with disabilities to apply to and obtain acceptance in housing programs, find housing, or secure home modifications and/or disability-related accommodations:
  - Community Action Pioneer Valley  
393 Main Street,  
Greenfield, MA 01301  
413-774-2318  
413-582-4230
  - Eliot Community Human Services, Inc.  
1 Prince Street  
Northampton, MA 01060  
413-587-6427
  - Western Massachusetts Network to End Homelessness  
1441 Main Street, Suite 147  
Springfield, MA 01103  
413-219-5658
  
- Assist persons with disabilities to move into units, including physically accessible units where appropriate, on the private rental market.
  - Eliot Community Human Services, Inc.  
1 Prince Street  
Northampton, MA 01060  
413-587-6427
  - Western Massachusetts Network to End Homelessness  
1441 Main Street, Suite 147  
Springfield, MA 01103  
413-219-5658