

## **Emergency Housing Vouchers**

### **MSHDA Frequently Asked Questions**

#### **General Questions**

##### **What is a PHA?**

PHA stands for Public Housing Agency. Many PHAs operating a Housing Choice Voucher (HCV) and/or Public Housing Program on behalf of HUD.

##### **Who is the Housing Agent?**

MSHDA contracts out the administration of the HCV program to “Housing Agents”. Housing Agents provide front-line services to program applicants, participants, owners, and management companies which includes the determination of participant eligibility and the approval of safe, decent, and affordable housing units. Housing Agents have been assigned an allocation of EHV and will be working directly with the Continuum of Care (CoC) or Local Planning Body (LPB) and referring service agencies as it relates to applicant eligibility and lease-up. In most cases, the CoC, LPB and referring service agencies will be working with the same Housing Agent as the normal HCV/homeless preference program.

##### **Is the program going to take over PSH and MDHHS programs?**

While individuals/families participating in PSH and MDHHS programs may qualify for the EHV, the EHV will not replace those funding sources/programs.

#### **EHV Alternatives and Waivers**

##### **How long will the 120% of the Fair Market Rent last?**

HUD is allowing PHAs to set the Payment Standard for EHV at 120% of the Fair Market Rent (FMR). This is slightly higher than the regular HCV program, which is capped at 110% of the FMR. While HUD allows to go up to 120% of the FMR, the unit must still meet rent reasonableness. It is MSHDA’s intent to adopt 120% of the FMR for EHV and this would remain in effect throughout the duration of the EHV, unless HUD issues guidance that eliminates the use of this alternative waiver.

##### **Can you confirm there is no county preference?**

Given the emergency nature of these vouchers, the fact that many individuals and families in the targeted populations may not necessarily qualify as a “resident” due to their housing circumstances, HUD has determined that PHAs may not apply any residency preference to EHV applicants.

As stated above, if the EHV individual/family is determined eligible for the voucher, they can move to any county within MSHDA or outside of the state of Michigan. If they move outside of the CoC/LPB jurisdiction, but within the state of Michigan, the receiving CoC/LPB may provide the EHV services as required for that individual/family. In these instances, MSHDA may transfer the service funds from the initial CoC/LPB to the receiving CoC/LPB.

## **Are the vouchers permanent?**

Currently, the EHV program end date for each individual PHA is unknown and additional guidance regarding program wrap-up and closeout will be issued in the future. However, outer boundaries are known. For example, when a PHA no longer has any EHV families under lease and is not permitted to reissue any of its remaining EHV's due to the statutory September 30, 2023 reissuance prohibition, the PHA's program will have effectively ended, and all associated unexpended funds must be remitted to HUD. Likewise, the funds appropriated for the EHV program are available for obligation by HUD only until September 30, 2030 and will be cancelled as a matter of law on September 30, 2035.

## **[EHV Applicant Eligibility](#)**

### **What is the applicant screening for the EHV's?**

Under the EHV program, mandatory denials for EHV applicants include:

- 24 CFR 982.553(a)(1)(ii)(C), which prohibits admission if any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.
- 24 CFR 982.553(a)(2)(i), which prohibits admission to the program if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.

HUD also allows PHAs to adopt permissive denials for EHV applicants. MSHDA intends to adopt the following as allowed in PIH Notice 2021-15:

Any household member is currently engaged in or has engaged any of the following within the previous twelve (12) months:

- Violent criminal activity
- Other criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity
- If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program within the previous 12 months.
- If the family engaged in or threatened abusive or violent behavior toward MSHDA personnel within the previous 12 months.

MSHDA defines currently engaged in as a record of conviction/adjudication where the earlier of the arrest and/or charge date is within the previous twelve (12) months.

MSHDA may not deny EHV applicants for any other reason(s) beyond what is listed above.

### **Can some of our clients that are applying for CERA funds be eligible for the program?**

The EHV's are specifically targeted to individuals and families that meet one of the following criteria:

- Homeless
- At-risk of homelessness
- Those fleeing domestic violence, dating violence, stalking, sexual assault, or human trafficking

- Recently homeless: defined as having previously been classified by a member agency of the CoC/LPB as homeless but are not currently homeless as a result of homeless assistance (financial assistance or services), temporary rental assistance or some type of other assistance, and where the CoC or its designee determines that the loss of such assistance would result in a return to homelessness or the family having a high risk of housing instability. Examples of households that may be defined as recently homeless by the CoC/LPB include, but are not limited to, participants in rapid rehousing, and permanent supportive housing.

If any of the above applies, individuals applying for CERA assistance may be eligible.

**Will the standard at-risk definition apply to EHV or is there more flexibility?**

Per PIH Notice 2021-15, the definition of at-risk includes:

The meaning of “at-risk of homelessness” is as such term is defined in section 401(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(1)), which is codified in HUD’s Continuum of Care Program regulations at 24 CFR 578.3 and reads as follows:

At risk of homelessness. (1) An individual or family who:

- (i) Has an annual income below 30 percent of median family income for the area, as determined by HUD;
- (ii) Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in the “Homeless” definition; and
- (iii) Meets one of the following conditions:
  - (A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
  - (B) Is living in the home of another because of economic hardship;
  - (C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days of the date of application for assistance;
  - (D) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, State, or local government programs for low-income individuals;
  - (E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons, or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau;
  - (F) Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
  - (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan.

(2) A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(m)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or

(3) A child or youth who does not qualify as “homeless” under this section but qualifies as “homeless” under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

### **[EHV Memorandum of Understanding \(MOU\)](#)**

#### **May we select multiple service providers?**

Yes, this is allowable. MSHDA is updating the MOU to include more entries/signatories for service agencies and to include the HARA/Coordinated Entry Lead as a partner to the MOU.

#### **Is the HARA the service provider?**

The CoC/LPB will determine who has the capacity and experience to act as the service provider in accordance with the MOU; however, all EHV referrals must go through the HARA/Coordinated Entry System currently in place. CoCs/LPBs must submit the name of the chosen service provider to MSHDA by Friday, June 11. Information must be emailed to [mshda-hs@michigan.gov](mailto:mshda-hs@michigan.gov).

### **[EHV Rental Units](#)**

#### **Could this partnership include underutilized efficiency room/extended stay motels in our areas?**

The unit selected by the individual/family must meet Housing Quality Standards (HQS) and program requirements. While it is possible for an individual to rent an efficiency unit, provided the unit meets all requirements as determined by the Housing Agent, the EHVs cannot be used in extended stay motels.

### **[EHV Service Funding](#)**

#### **Are utility arrearages covered under utility fees if required to get utilities placed in the voucher holder’s name?**

Yes, utility arrearages are a covered activity under the service funding.

#### **Is there enough housing for these clients to get them housed?**

Housing Agents and referring service providers must conduct extensive landlord outreach and recruitment to fill the vouchers. The service funds granted to the service provider can be used for housing search and landlord recruitment. Both MSHDA and the Housing Agent have reached out to existing landlords to inquire about the availability of rental units and to educate them on the EHVs and the timing of placing individuals/families in homes. While some individuals/families have been in a housing search status longer than others, we do feel the housing stock is adequate for the EHVs.

#### **Will income thresholds for SER be adjusted to work with highly vulnerable people?**

There are currently no waivers to adjust eligibility for State Emergency Relief (SER) funding. Income eligibility for SER can be found [here](#). To be eligible for ESG or ESG-CV funding, household income must be less than 30% AMI for homeless households. Under ESG-CV, households at risk of homelessness must have income less than 50% AMI. ESG and ESG-CV income limits can be found [here](#). Chosen service providers must utilize these or other eligible funds for security deposits for EHV households that qualify at or below these income levels. If a family's income is above 50% AMI but does not exceed 80% AMI, the EHV service funds may be used for security deposit assistance.

**Can you explain the service fees?**

HUD is providing each PHA with \$3,500 per voucher allocated to be used for eligible services as outlined in PIH Notice 2021-15. Through the MOU and grant agreement, MSHDA intends to provide each CoC/LPB with \$3,000 per voucher allocated for case management/staff and financial assistance to be used for quick lease-up of EHV individuals/families. MSHDA intends to utilize the fiduciary process currently in place to release the funding. Chosen service providers will be required to submit FSRs to the fiduciary that will include the breakdown of the funds spent for each individual/family. This information will be uploaded into MATT for MSHDA tracking purposes.

**Will MSHDA provide Administrative Fees to CoC/LBPs for the EHV's?**

HUD has confirmed this is not allowable. The service funding provide to CoC/LBPs can only be used for the activities outlined in the MOU.

**Are bus tickets/tokens an allowable expense?**

Yes. The service funding can be used for bus tickets or tokens for EHV individuals and families to view potentially available housing units during their housing search. Transportation costs can be tracked under case management – housing search within the [EHV Service Provider Report](#) (submitted monthly to the fiduciary).

**Can EHV service funds be used to pay off a debt owed to a landlord if that debt is preventing the EHV applicant from being approved for tenancy?**

No. HUD has confirmed that the service funds may not be used for this purpose. PHAs and CoCs are encouraged to connect families to other services/programs that may help pay off a debt or arrearage.

**How does MSHDA want agencies to capture EHV's in HMIS?**

Any services provided under EHV service funding do not require HMIS data entry. However, if an agency is leveraging other resources (i.e., ESG or ESG-CV) to assist households in securing or maintaining EHV, these must be recorded in HMIS per the funding requirements.

**[EHV Service Funding Grants](#)**

**Will the service funds be passed through the traditional fiduciary process?**

Yes, the service funds will pass through the fiduciary process already established by MSHDA for ESG and ESG-CV.

**When will the CoC/LPB find out their allocation of EHV's?**

At the conclusion of the webinar, MSHDA provided CoC/LPBs with their allocation of EHV's. However, as discussed on the webinar, EHV individuals/families can move anywhere in Michigan or port their voucher outside of the state of Michigan. The allocations provided reflect the initial allocations but there may be some fluctuation based on moves outside of the CoC/LPB service area.

**Should we expect to receive a contract for the grant funds?**

Yes. MSHDA is completing the grant agreements and expects to have them released by the end of July.

**What is the EHV grant agreement timeline for signatures once released?**

Once the grant agreements are released, MSHDA will likely request that they be returned within 2 weeks.

**Will the fiduciary receive the general ledger from the service provider?**

Yes. The agency expending the funds, if other than the fiduciary, must submit the general ledger for the reporting period to the fiduciary for the FSR.

**[EHV Waiting Lists](#)**

**How much leeway do we have in determining prioritization?**

Each CoC/LPB will have the ability to prioritize at the Coordinated Entry System level. Once an applicant is placed on the waiting list, they will be pulled based on date and time of application to the list.

When HUD gives MSHDA the "ok" to begin filling the EHV's, it is MSHDA's intent to move applicants on the current HCV/homeless preference waiting list over to an EHV WL. As these applicants have already gone through the Coordinated Entry System, they qualify for EHV. At this time, MSHDA plans to move 1.5 applicants per EHV allocated from the homeless preference list to the EHV list to begin the leasing process.

**Can applicants who were placed on the EHV WL be removed from the HP WL once they are pulled for the EHV?**

No. MSHDA cannot remove or deactivate an EHV applicant from another WL just because they have been pulled for the EHV. If their name reaches the top of another MSHDA WL and they are already housed, then MSHDA can deactivate them as they would be considered already assisted under the voucher program.

**What happens if an applicant is drawn from the EHV and HP WL at the same time?**

While we do not expect to see this frequently, it is possible for this to happen. In these cases, the MSHDA Housing Agent(s) and service agency(ies) should educate the individual/family on the differences and advantages of both programs. Ultimately, it is the individual/family's decision which program they wish to pursue. The family should place their decision in writing and/or the conversation with the family should be documented for the MSHDA file. The MSHDA Housing Agent will then deactivate them from the list/program not selected and continue with eligibility for the other.