



Public Housing Repositioning
Wednesday Webinar Series:
Streamlined Voluntary Conversion

September 2, 2020



Presenters

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Why are we here?

The goal of this webinar series is to help explain and discuss common issues in the repositioning process.

Today's call will focus on:

Streamlined Voluntary Conversion

- ✓ Eligibility and program features
- ✓ Application process and “Order of Operations”
- ✓ SVC scenarios



Webinar Topics

Date

Developing a Repositioning Strategy

May 13, 2020

Options for Scattered-Site Units

June 3, 2020

Options for 50-and-Under PHAs

June 24, 2020

RAD and Section 18 Blends

July 22, 2020

Resident Considerations

August 12, 2020

Streamlined Voluntary Conversion

September 2, 2020

Options for Obsolete Units

September 30, 2020

Disposition Proceeds

October 14, 2020

Common PHA Board Questions

October 28, 2020

Public Housing Program Closeout

November 18, 2020

Project-Based Voucher Overview

December 2, 2020

All webinars will be recorded and posted at www.hudexchange.info



Need additional Repositioning resources?



- There are additional repositioning handouts and training materials available on the HUD Repositioning Website: https://www.hud.gov/program_offices/public_indian_housing/repositioning
- [Introduction to Repositioning Webinar series](#) is available on HUD Exchange.

SVC Background

Section 22 Voluntary Conversion allows PHAs to convert Section 9 public housing assistance to **Section 8 tenant-based assistance**. HUD recently published the [Streamlined Voluntary Conversion \(SVC\) PIH Notice 2019-05](#) that waives the cost-test requirement and makes it simpler for PHAs operating 250 or fewer public housing units to undergo this process.

Three key points about SVC

- 1. TPV eligibility.** HUD issues TPVs for units occupied by an assisted family within the past 24 months of SVC approval.
- 2. PHAs can PBV assistance with tenant consent.** The residents have the statutory right to the vouchers.
- 3. PHAs must commit to closing out their public housing program.** PHAs must follow the close out process as outlined in PIH Notice 2019-13.

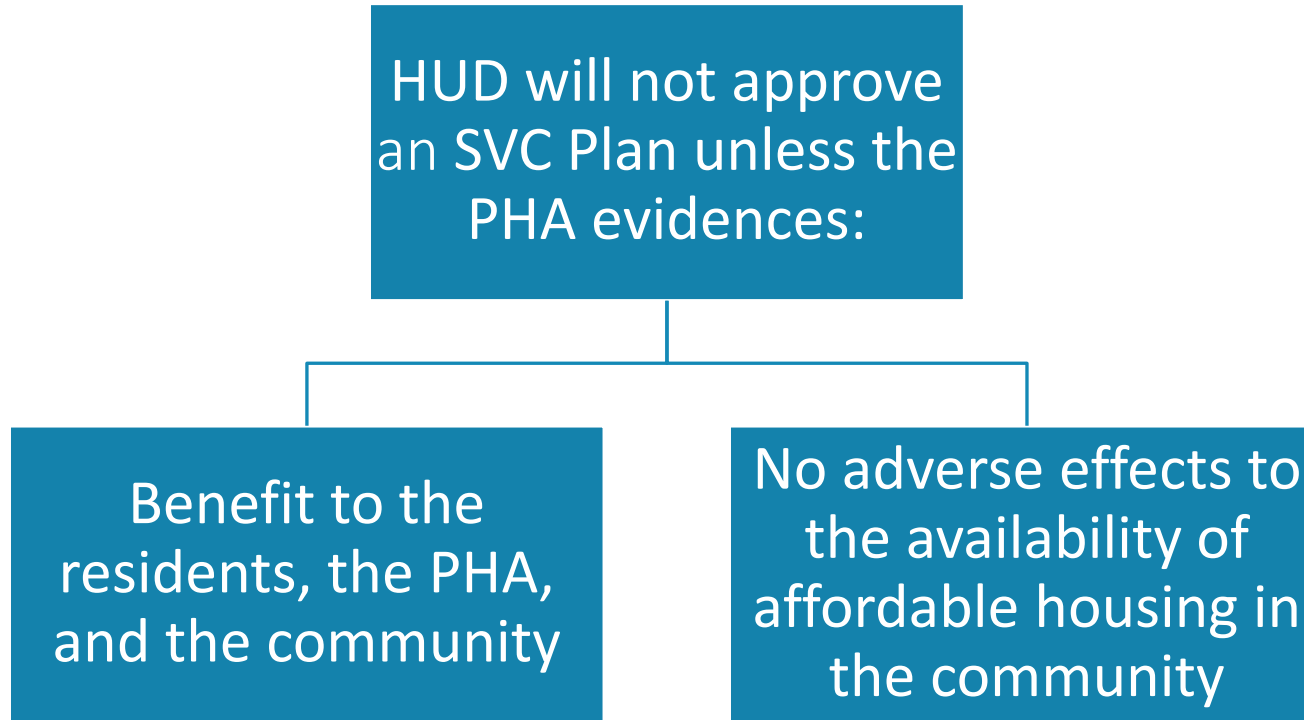


SVC – Order of Operations & Checklist

- HUD developed an “Order of Operations” document to assist PHAs in planning and implementing their SVCs.
https://www.hud.gov/sites/dfiles/PIH/documents/svc_operations.pdf
- HUD developed an SVC checklist to assist PHAs in preparing and submitting the SVC application. In the fall, HUD should have trained expeditors available to help with SVC applications.
https://www.hud.gov/sites/dfiles/PIH/documents/SVC_Checklist.pdf



Threshold Criteria

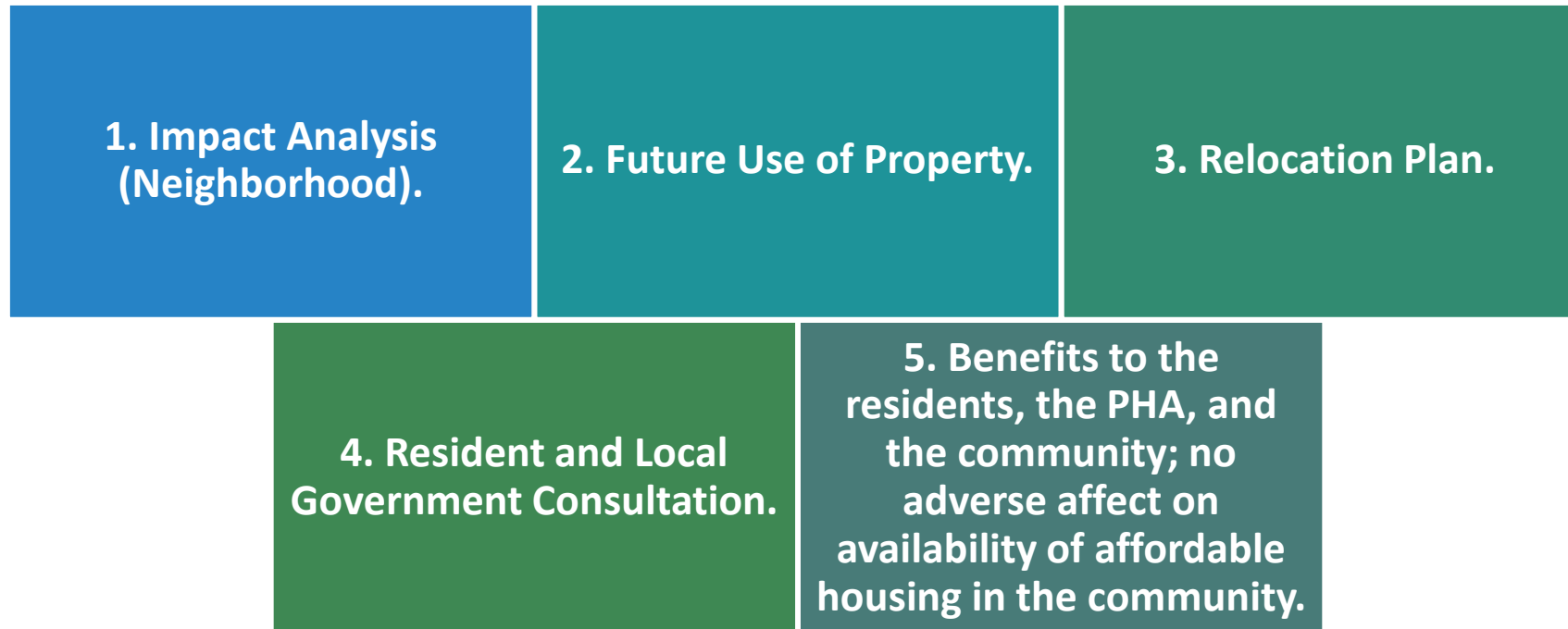


no automatic approvals for PHAs with 250 or fewer public housing units

consider rental market analysis (data availability of landlords providing tenant-based assistance); resident access to schools, jobs, and transportation; voucher utilization; ability to develop more or better affordable housing



SVC Plan (Key Components) (972.230)



Impact Analysis (Neighborhood)

Depends on Future Use of Property:

- 1. Discuss Impact on Availability of Affordable Housing
- 2. Discuss Impact on Concentration of Poverty
- 3. Discuss other substantial Impacts on the neighborhood

If future use is continued affordable rental housing, there may be minimal impact



Future Use of Property

1. Demolition.

2. Disposition (sale or ground lease).

- FMV
- Below FMV

3. Retention.

4. Different Future Uses for Different Properties.

5. Staggered Timelines.



Relocation Plan

1. Displaced Families

2. 90-Day Notice

3. Comparable Housing

4. Counseling

5. PHA Pays Relocation Costs

6. Right to Remain with Tenant- Based Assistance

7. Redevelopment.

8. Relocation Budget and Source of Funds.



Family Briefing (Only if PBV)

1. Family Briefing and Written Tenant Consent (Occupied Units).

2. Timing of Family Briefing.

3. Timing of Accepting Written Consent.



Resident and Local Government Consultation

Significant Resident Participation

- At least one resident meeting (separate from PHA Plan).
- Provide copies of draft SVC Plan.
- Explain SVC requirements and resident rights

Local Government Consultation

- Letter of support for SVC Plan or letter than certifies SVC Plan is consistent with Consolidated Plan.



Order of Operations (SVC Plan & Application)



Order of Operations –Relocation Process

8. Begin Relocation Process

Issue 90-day notice to ALL impacted families.

Provide families with any necessary relocation counseling (e.g., mobility, other).

Apply for TPVs 30-60 days before the planned start of relocation.

https://www.hud.gov/sites/dfiles/PIH/documents/TPV_Repositioning_Guidance_Feb%202020.pdf

Obtain tenant-consent to PBV (if applicable). See Appendix A of PIH Notice 2019-05.

Relocate families with HCV through HUD-50058 (i.e., off-site with tenant-based assistance or on-site with tenant-based or PBV assistance).



Order of Operations – Post Approval

9. Implement approved Future Use (i.e., demolition, disposition, or retention). If disposition or retention, submit draft DOT release to PIH Field Office.

10. If the project remains rental housing and family chooses to remain with tenant-based or project-based assistance, DOT release/property transfer and HCV assistance to families occurs simultaneously.

11. Change units to “Removed from Inventory (RMI)” status in PIC, per SVC approval.

12. Close-out public housing program in accordance with PIH Notice 2019-13.



Other Considerations

1. HCV capacity issues.
2. Project-Basing the TPVs.
3. Personal Property.
4. EPC, CFFP (other Section 30 debt), Repayment Agreements.
5. Impact on Supportive Services (i.e., ROSS, FSS). See matrix at <https://www.hud.gov/sites/dfiles/PIH/documents/CSS%20Matrix.pdf>.
6. Impact on **Existing** Public Housing Funds.
7. Impact on **Future** Public Housing Funds.
8. Public Housing-Only PHAs.
9. Closeout Options (Transfer/Consolidation vs. ACC termination).



Asset Repositioning Overview

This chart reviews options to reposition public housing to a Section 8 platform and remove the Declaration of Trust (DOT). Statutes, regulations, and HUD notices supersede the summary chart."

Program	Eligible for TPVs?	Eligible for DDTF?	Eligible for ARF?	Resident Right to Return?	Replacement Housing Required?	Disposition required?	Use of Sales Proceeds	Use of PIH Program Funds	Tenant Consent to PBV?	Close-out Required?	Reduces Faircloth?
RAD	No	No	No	Yes	Yes	No	Affordable housing per RAD Notice	Yes	No	No	Yes
Streamlined RAD (50 or less units)	No	No	No	Yes	Yes	No	Affordable housing per RAD notice	Yes	No	Yes	Yes
Sec 18 Disposition: • Obsolescence • Health and Safety • Scattered Site	Yes	Yes	Yes	No	No	Yes	Low-income housing	No	No	No	No
Sec 18 Disposition: • 50 or less units	Yes	Yes	Yes	No	No	Yes	See footnote*	No	No	Yes	No
Sec 18 Disposition: • Efficient and Effective	Partial	Yes	Yes	No	No	Yes	See footnote*	No	No	No	No
Sec 18 Disposition: • RAD/Sec18 Blend	Yes	Yes	Yes	No	No	Yes	See footnote*	No	No	No	No
Voluntary Conversion	Yes	No	No	No	No	No	Low-income housing per 1937 Act	No	Yes	No	No
Streamlined Voluntary Conversion (250 Units or less)	Yes	No	No	No	No	No	Low-income housing per 1937 Act	No	Yes	Yes	No
Required Conversion	Yes	No	No	No	No	No	Low-income housing per 1937 Act	No	N/A	No	No
Section 32 Homeownership	Yes	No	No	No	No	Yes	Low-income housing per 1937 Act	N/A	No	No	No

**TPVs are subject to annual appropriations. Under current policy, PHAs receive replacement TPVs for units occupied within 24 months of SAC Demo/Dispo Approval*



Is SVC right for my PHA?

*Goal: Voucher Out – No Continued Role in Property
(PHA with HCV Program)*

PHA closes out public housing program & focuses on HCV (expanded through TPV award)

Large supply of private rental units in community (where families can use tenant-based assistance)

PHA disposes public housing property to unrelated third-party

- FMV. Uses proceeds for eligible purposes, including eligible HCV purposes;
- Below FMV to allow use as affordable rental housing (if PBV as future use, PHA's role is only HAP Administrator)



Is SVC right for my PHA?

*Goal: Voucher Out & Preservation **without** Redevelopment
(PHA with HCV program)*

PHA closes out public housing program focuses on HCV (expanded through TPV award)

PHA retains or disposes to related entity at below FMV to preserve housing as affordable

Families provided right to stay or move with tenant-based assistance; or to stay with project-based-assistance

PHA assumes role as PBV project owner (itself or through controlled entity); PHA also serves as HAP Administrator

Property can access private financing for long-term operation, maintenance, and upgrades. Excess cash-flow (if any) used for PHA mission-related purposes.



Is SVC right for my PHA?

*Goal: Voucher Out & Preservation **with** Redevelopment
(PHA with HCV program)*

Same as previous, except relocation options get more complicated if units don't meet HQS and/or will need to be vacated during redevelopment (demo/new construction; rehab) (i.e. voucher-out only, provide temporary relocation during redevelopment, not necessary right to "remain" at units with tenant-based assistance).



Is SVC right for my PHA?

Goal: PHA with No HCV Program

All the previous apply, but PHA would close-out its Federal programs with HUD and either have no future role in housing (if vouchering out) or would serve as just PBV Owner if preservation



Still want more?

- Check out the SVC Website.
https://www.hud.gov/program_offices/public_indian_housing/centers/sac/svc
- Check out the Public Housing Repositioning Website.
https://www.hud.gov/program_offices/public_indian_housing/repositioning
- Contact your Local Public Housing Field Office.
PIH Field Offices can help you complete your SVC application, and provide additional assistance explaining the conversion options.
- Email Repositioning@hud.gov or SACTA@hud.gov



Questions?

