

Chapter 19

MAINSTREAM HOUSING CHOICE VOUCHER PROGRAM

(24 CFR §982.207, 24 CFR 982.204(e), (Notice PIH 2020-01), (NOFA FR-6300-N-43)

INTRODUCTION

The Housing Authority of Racine County (HARC) must ensure compliance with federal laws, regulations and notices and must establish policy and procedures to clarify federal requirements and to ensure consistency in program operation. This amendment to HARC's HCVP Administrative Plan describes HUD regulations and HARC policies related to the Mainstream Housing Choice Voucher Program (MHCVP) in six (6) parts.

Part I: The Mainstream Housing Choice Voucher Program. This part includes program background information and a description of the purpose of the MHCVP, the awarding of vouchers, general eligibility, and working with local partners.

Part II: Eligibility. This part describes the general eligibility requirements and definitions for Mainstream Voucher applicants. In addition, this section discusses, non-discrimination & fair housing, and the denial of assistance.

Part III: Mainstream Voucher Utilization. This section describes HUD regulations and HARC policy on the leasing, continued occupancy, income determination, verification, and portability of Mainstream Voucher holders.

Part IV: Administering the Mainstream Housing Choice Voucher Program. This part describes HUD regulations for administering and reporting on the MHCVP to HUD, including SEMAP.

PART I: THE MAINSTREAM HOUSING CHOICE VOUCHER PROGRAM

I-A. BACKGROUND, PROGRAM OVERVIEW (Notice PIH 2020-01, PIH REAC: PHA – Finance Accounting Brief #25, PIH-Notice 2013-15, NOFA FR-6300-N-43).

The Mainstream Voucher Program, (previously referred to as the Mainstream 5-Year Program and/or the Section 811 Voucher Program) was originally authorized under the *National Affordable Housing Act of 1990* (Pub.L. 101-625). The Mainstream Voucher Program provides tenant-based assistance to persons with disabilities. Until the passage of the *Frank Melville Supportive Housing Investment Act of 2010* (Pub.L. 111-374) (*Melville Act*), the program operated as a separate program distinct from the regular tenant-based Housing Choice Voucher Program. The *Melville Act* converted the Mainstream 5-Year Program to the Housing Choice Voucher (HCV) Program under 8(o) of the *U.S. Housing Act of 1937*.

Under the *Melville Act*, except for serving a specific population, Mainstream Vouchers are to be treated the same as regular voucher assistance. In other words, the same regulations at 24 CFR Part 982 (Section 8 Tenant-Based Assistance: Housing Choice Voucher Program) apply to Mainstream Vouchers. There is no authority to treat families that receive a Mainstream Voucher differently from other applicants and participants of the HCV program.

The *Consolidated Appropriations Act, 2018* and the *Consolidated Appropriations Act, 2019* (“2019 Act”) provided funding for incremental Mainstream Vouchers for non-elderly persons with disabilities, in addition to renewal and administrative fee funding.

In December 2019, HARC was awarded to participate in the Mainstream Housing Choice Voucher Program. In April 2020, HARC was awarded twenty (20) Mainstream Vouchers, and additional six (6) Mainstream Vouchers under the CARES ACT in September 1st, 2020. HARC will begin leasing for the program by September 1st, 2020.

I-B. PURPOSE OF PROGRAM (Notice PIH 2020-01, NOFA FR-6300-N-43, PIH-Notice 2013-15).

The purpose of the Mainstream Housing Choice Voucher Program (MHCVP) is to provide funding to housing agencies to assist non-elderly persons with disabilities, particularly those who are transitioning out of institutional or other separated 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; or at risk of becoming homeless.

The MHCVP encourages partnerships with local health and human service agencies with a demonstrated capacity to coordinate voluntary services and support to enable individuals to live independently in the community.

I-C. WORKING WITH LOCAL PARTNERS (Notice PIH 2020-01, HUD, Mainstream Program Implementation FAQs 3.22.2019, NOFA FR FR-6300-N-43)

A major aspect of the administration of the Mainstream Voucher Program is the PHAs commitment to work with local partners to expand opportunities for individuals and families to access quality affordable rental housing.

HARC has a history of successful collaborations with local partners which includes; Halo Homeless shelter, Women's Resource Center, Hopes Center of Racine, Continuum of Care (CoC) and any other Racine County services programs which utilizes community resources to prevent homelessness in the City of Racine and county. HARC currently administers a voucher referral program with DCHS (see Chapter 4, Applications, Waiting List and Tenant Selection, 4-III.C. Selection Method).

In administering the MHCVP, HARC will work directly with local partners who will be assisting with coordinating outreach and referral of eligible persons that meet the PHA's waiting list preference criteria, as well as, assist persons with disabilities to apply to and obtain acceptance in housing programs. In addition, HARC and local partners will work together to provide ongoing behavioral health and social services to HARC's Mainstream Voucher holders (on a voluntary basis).

PHA Policy

HARC will meet regularly with local agencies to ensure that partnerships remain viable. These local agency partners include but are not limited to; Halo Homeless shelter, Women's Resource Center, Hopes Center of Racine, Continuum of Care (CoC) and any other Racine County services programs. Housing Authority of Racine will develop plans and discuss potential referrals (once waiting list is opened), continued case management, and available services for Mainstream Vouchers holders.

PART II ELIGIBILITY

II-A. ELIGIBLE FAMILY & DISABILITY (24 CFR §982), (Notice PIH 2020-01), (NOFA, FR-6300-N-43), (HUD, Mainstream Program Implementation FAQs 3.22.2019)

The eligible population for vouchers awarded under the Mainstream Program are families that include a non-elderly person (under age 62) with disabilities. This includes, non-elderly disabled who are transitioning out of institutional or other segregated settings, at serious risk of institutionalization, homeless, or at risk of becoming homeless.

PHA Policy

HARC has been approved for two (4) of the newly available mainstream preferences; *homeless (individual or family who lacks a fixed, regular, and adequate nighttime residence) – 150 preference points, at serious risk of institutionalization (such as moving into a nursing home)– 150 preference points, transitioning out of an institution (such as a nursing home) – 150 preference points* and *at risk of homelessness (individual or family who will imminently lose their primary nighttime residence) – 75 preference points*, HARC will use the following definitions when discussing Mainstream Voucher Program eligibility (see following section for preferences being added for the Mainstream Program):

1. ***Eligible Family***: A family composed of one or more non-elderly persons with disabilities, which may include additional members who are not elderly persons with disabilities.
2. ***Disability***: HARC will use the definition of disability which is used in the Housing Choice Voucher Program. (42 U.S. Code §423) for Mainstream eligibility.
3. A Mainstream ***eligible non-elderly disabled family*** is:
 - a. A person 18 years of age or older and less than 62 years of age, and who has a disability and is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration and;
 - Substantially impedes his or her ability to live independently, and;
 - Is of such a nature that the ability to live independently could be improved by more suitable housing conditions or;
 - Has a development disability as defined in 42 U.S.C. 6001.
 - The eligible household member DOES NOT need to be the head of the household.
 - Eligibility for the voucher is determined at the time the voucher is first issued to the family. Non-elderly persons who turned 62 after receiving the

voucher will not lose assistance.

PART V: MAINSTREAM VOUCHER UTILIZATION

V-A. VOUCHER UTILIZATION (Notice PIH 2020-01, NOFA, FR-6300-N-43, HUD Mainstream Program Implementation FAQ 3.22.2019)

Once a Mainstream eligible applicant is pulled from the waiting list they are subject to the same regulations and policies governing all tenant-based housing choice applicants and voucher holders. This includes but is not limited to, verification of eligibility, voucher utilization, leasing, income/subsidy determination & verification, annual re-examinations, and all other regulations and policies that are applied to tenant based voucher holders in this Plan (HARC, HCVP Administrative Plan), unless noted otherwise.

Once a Mainstream voucher is issued to a non-elderly, disabled Mainstream eligible family, they cannot “age-out” of the Mainstream subsidy.

PART VI: ADMINISTERING THE MAINSTREAM PROGRAM

VI-A. VOUCHER ALLOCATION, UTILIZATION & LEASING (Notice PIH 2020-01), PIH REAC: PHA – Finance Accounting Brief #25), (HUD, Mainstream Program Implementation FAQs 3.22.2019), (NOFA, FR-6300-N-43)

HARC has been awarded Mainstream Vouchers with the opportunity to apply for additional vouchers via HUD grants in the future. HUD expects that PHAs will make every effort to utilize at least 80% of awarded vouchers within the first year of receiving them. After the first year of program administration, HUD reserves the right to recapture and reallocate funding if the PHA does not comply with the terms of an 80% leasing rate. In addition, if the PHA does not maintain a leasing rate of at least 80% after the first year, HUD may recapture and reallocate the funding.

VI- B. HUD PIC & VOUCHER MANAGEMENT SYSTEM (VMS) REPORTING (Notice PIH 2020-01, NOFA, FR-6300-N-43, HUD PIH-REAC: PHA Finance Accounting Brief, #25, HUD Mainstream Program Implementation FAQ)

PIC Management

Mainstream Voucher assistance will use the HUD-50058 to submit tenant information to PIC just as it does for all other vouchers. However, to distinguish the Mainstream Vouchers from regular tenant based vouchers, the PHA must code Section 2 of the HUD-50058 differently. In addition, for PIC to receive and count the HUD-50058 for the Mainstream Voucher transaction, at least, one family member who is non-elderly (under 62 years of age) and disabled must be indicated on the 50058.

PHAs must use line 4c “Homeless at admission? (Y or N)” of the HUD-50058 to accurately report whether the family being admitted to the program was homeless at the time of admission.

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.***

VMS Management

In order to indicate the allocation of Mainstream Vouchers, HUD requires the PHA to include the number of Mainstream Vouchers in the Voucher Management System (VMS). This includes any additional Mainstream Vouchers that may be allocated via NOFA in the future.

In the case of portability, 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.

**VI- C. SECTION EIGHT MANAGEMENT ASSESSMENT PROGRAM (SEMAP)
Indicator 13 (Lease-up)**

For the Section Eight Management Assessment Program (SEMAP), 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.