



*This guidance reflects a summary of current HUD policy. Congress addresses TPV funding in the annual HUD appropriations acts. HUD issues a notice each year to implement the provisions in the annual appropriations act, including TPV funding. To the extent this guidance conflicts with a statute, regulation, or HUD Notice, that authority supersedes this general guidance. This guidance does not replace formal HUD Guidance; Check HUDCLIPS for complete and current policies and regulations.*

### Tenant Protection Vouchers (TPVs) for Public Housing Actions

- 1. What are TPVs for Public Housing Actions?** Tenant Protection Vouchers (TPVs) are Section 8 Housing Choice Vouchers (HCVs) that HUD provides to Public Housing Agencies (PHAs) that administer an HCV program. Although HUD also provides TPVs to PHAs to protect HUD-assisted families from hardship as the result of certain Multifamily Housing transactions, this document addresses TPVs only for HUD's Public Housing (Low Rent) portfolio. In addition to assisting individual families, in many cases TPVs mitigate the loss of Public Housing units in the community because these TPVs become part of the PHA's HCV program and may be reissued to families on a PHA's waiting list upon turnover. There are two types of TPVs that HUD may issue for Public Housing actions: relocation TPVs and replacement TPVs (see below).

- 2. What is the difference between Relocation and Replacement TPVs?**

**Relocation TPVs** are provided in cases where the PHA is replacing the Public Housing units removed through the Public Housing action with other Public Housing units. As such, relocation TPVs are provided as a temporary resource to the PHA to assist only the individual families who are being displaced by a Public Housing action. Once HUD provides a PHA with relocation TPVs, those TPVs can only be issued to families who will be displaced by a Public Housing action.

If a family opts to relocate to another Public Housing unit, the PHA is not eligible to receive a relocation TPV for that unit. Once a family uses a relocation TPV to lease a unit, it becomes normal HCV tenant-based assistance for the family and the family cannot be required to give up such assistance and move into a replacement Public Housing Unit (once developed and ready for occupancy). However, such families may voluntarily exit the HCV program to move into a replacement Public Housing unit. Relocation TPVs "sunset" upon turnover, which means that the PHA cannot reissue the HCV assistance from the relocation TPV when the family exits the HCV program. When a family exits the HCV program, HUD will reduce the PHA's HCV assistance to account for the removal of that relocation TPV assistance from the PHA's HCV baseline inventory.

**Replacement TPVs** are provided in cases where the PHA is not replacing the Public Housing units removed through the Public Housing action with other Public Housing units. As such, replacement TPVs are provided as a permanent resource to the PHA and are intended to assist both the individual families who are being displaced by the Public Housing action, as well as other low-income families in the community. After the initial family ends its participation in the voucher program, the associated voucher funding remains in the voucher agency's baseline



funding. PHAs are eligible to receive replacement TPVs if they plan to replace Public Housing units with affordable units (including Section 8 project-based voucher (PBV) units) so long as the affordable units are not Public Housing units.

3. **How will HUD determine if a PHA is eligible to receive relocation or replacement TPVs?** HUD will make the determination as part of its review of the triggering event that makes the PHA eligible to receive the TPVs, typically the application that the PHA submits to HUD's Special Applications Center (SAC) via IMS/PIC (HUD-52860) (4/2018) (SAC application). In reviewing the SAC application, HUD will determine if the PHA is proposing to develop Public Housing units in connection with the Public Housing action. For instance, HUD may determine relocation TPVs are appropriate if a PHA proposes a Section 18 demolition and/or disposition in order to develop the same site with new replacement public housing units (including through mixed-finance development), or if a PHA proposes to dispose of valuable Public Housing units in order to develop more efficient/effective off-site new Public Housing units. However, if a PHA has no firm plans to develop replacement Public Housing units in connection with a Public Housing action, then HUD will generally determine the PHA is eligible to receive replacement TPVs. However, if a PHA's redevelopment plans change and the PHA receives an amendment to a HUD approval that reflects the development of replacement Public Housing units, HUD will adjust the TPV accordingly.
4. **What Public Housing actions are eligible for TPVs?** Subject to the qualifications noted below, PHAs are eligible to receive TPVs after they receive HUD approval for the following Public Housing actions:
  - Demolitions and/or dispositions approved under Section 18
  - Demolitions authorized under de minimis authority of Section 18
  - Required conversions approved under Section 33
  - Voluntary conversions approved under Section 22
  - Homeownership plans approved under Section 32
  - Removals authorized under Choice Neighborhoods and/or HOPE VI grants

HUD does not award TPVs for Public Housing units converted under HUD's Rental Assistance Demonstration (RAD) program. RAD units are funded through the direct conversion of subsidy. PHAs should also note that if they receive a TPV for a Public Housing action, those units are no longer eligible to be converted under RAD, even if the PHA has not yet removed the units from its Public Housing inventory.

In addition, in instances of imminent health and safety, a PHA may be eligible to receive TPVs after it submits a SAC application to HUD but prior to receiving HUD approval of that Public Housing Action. See additional guidance.

5. **How many TPVs is a PHA eligible to receive?** This depends on several factors, including:



- *Occupancy of Units.* The 2019 Appropriations Act limits TPVs to units occupied within the previous 24 months that cease to be available as assisted housing, to the extent funding is available. Current HUD policy is to provide relocation TPVs for units occupied at the time of the TPV application and replacement TPVs for units occupied within 24-months of the time of HUD approval.<sup>1</sup>
- *Sufficient TPV funding* at the time the PHA submits the TPV request;
- *Certain Disposition Justifications--Improved efficiency or effectiveness.* PIH Notice 2018-04, limits a PHA's TPV award to 25 percent of the units approved for disposition at the project for dispositions based on improved efficiency or effectiveness under Section 3(A)(2) or 3(A)(3)(d) of the notice.
- *Other HUD-issued guidance and/or the terms of HUD's approval documents* authorizing the action that makes the PHA eligible to receive the TPVs.
- *PHA's request.* A PHA may request fewer TPVs than it is eligible to receive (e.g. because families have expressed a preference to be relocated to available Public Housing units; or a PHA has sufficient existing HCV resources to relocate families with HCV without a TPV award).

*See Appendix A for a chart that illustrates TPV eligibility under existing guidance.*

- 6. If a family who will be displaced by a Public Housing action has expressed a preference to be relocated with another form of comparable housing (i.e. Public Housing or PBRA RAD unit), and the PHA can accommodate that request, can the PHA receive a TPV for that family's unit?**

It depends:

- No, if the TPV award is relocation TPVs. A PHA can only receive a relocation TPV if it needs the TPV to assist a family in an impacted unit.
- Yes, if the TPV award is replacement TPVs. In this case, the PHA can add that TPV to its HCV baseline (i.e., provide it to an eligible family on its waitlist at turnover or use it as part of a PBV award).

- 7. How does HUD determine a replacement TPV award when a PHA is doing a phased Public Housing action and removing public housing units over a 5-10 year period?** A PHA's maximum replacement TPV award is based on occupancy of units as explained in Question 5 above. This policy enables a PHA to "lock-in" a replacement TPV award, notwithstanding its plan to do a phased disposition. For example, if a PHA received a Section 18 approval to dispose of 500 Public Housing units, and is planning on implementing the relocation in 5-phases (100 units per phase over a 10-year period), the PHA is eligible to receive replacement TPVs based on occupancy (including the 24-month look-back) at the time of the HUD approval, regardless of the occupancy at the time the PHA submits a TPV request to HUD for a particular phase. This will

<sup>1</sup> HUD's policy to provide replacement TPVs for units occupied within 24-months of the time of HUD approval applies to all TPV allocations with effective dates of October 1, 2018, or later. See memorandum from HUD dated October 22, 2018.



allow a PHA to vacate units at turnover, in future phases, without losing any replacement TPV award eligibility.

8. **How does Congress fund TPVs?** Congress funds TPVs as part of annual Appropriations Act. In 2019, the final Appropriations Act included \$85M for TPVs. This amount, combined with available carryover, was anticipated to support approximately 17,000 families. HUD implements HCV funding policies, including those for TPVs, in annual funding implementation notices. The latest funding implementation notice is PIH 2018-09. HUD will be issuing a new implementation notice for the 2019 Appropriations Act funding. Such notices are posted on HUD's website at: [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/publications/notices](https://www.hud.gov/program_offices/public_indian_housing/publications/notices)
9. **How does HUD fund TPVs?** As stated in PIH Notice 2019-08, HUD generally issues TPVs based on the average Per Unit Cost (PUC) in the PHA's HCV program. However, if a PHA has concerns regarding the sufficiency of the funding based on PUC, the PHA can request higher TPV funding. HUD will be issuing additional guidance on how PHAs make request for higher TPV funding. Inquiries about TPVs' PUC should be directed to the FMD mailbox at [PIH\\_Conversion\\_Actions@hud.gov](mailto:PIH_Conversion_Actions@hud.gov).
10. **Do TPVs increase a PHA's HCV renewal?** Yes—both relocation and replacement TPVs will have the effect of increasing a PHA's HCV renewals, to the extent they remain under lease and costs are reported in VMS. However, once the relocation TPVs sunset, by definition, they will not be reissued, and HUD will reduce them from the PHA's ACC. Therefore, they will have partial to no effect in the PHA's future HCV renewals.
11. **How does a PHA know that there will be sufficient TPV funding when it applies for it?** HUD currently issues TPVs for eligible Public Housing actions on a first-come, first-serve basis. In recent years, there has been sufficient TPV funding to fund all eligible and Public Housing actions. Should the demand for TPV funding require that HUD needs to conserve TPV resources, HUD may issue guidance that describes how it will manage the TPV account, including prioritizing the circumstances or condition warranting TPV issuance. Such guidance may place constraints on certain Public Housing actions, which may include prioritizing the order in which HUD approves certain Public Housing actions, limiting the number of units that HUD approves certain Public Housing actions in a fiscal year, or temporarily suspending approvals for certain Public Housing actions until TPV resources are determined to be sufficient to meet the demand for tenant protection actions.
12. **Once a PHA receives TPVs, are the TPVs treated different from other HCVs?** Generally, not for Public Housing actions. Once a PHA receives a TPV award, all applicable HCV requirements apply to HCV funds that the PHA receives through that TPV award. However, certain TPV-specific requirements and conditions apply—including the sunset provision of relocation TPVs (i.e. the voucher cannot be reissued upon turnover), the requirement to first offer the TPV to the impacted family, and the special admissions authorization for TPVs.

### 13. Can a PHA project-base a TPV award that it receives for a Public Housing action?

- Relocation TPVs – No. A PHA cannot project-base relocation TPVs since they are being provided as a temporary resource and “sunset” with the families to whom they are issued;
- Replacement TPVs – It depends:

Section 18 Demolition/Disposition. A PHA can only project-base a replacement TPV if it offers the impacted family, as part of the relocation process, the opportunity to the PBV unit funded through the TPV. For instance, if a PHA receives Section 18 approval to dispose of 100 scattered site Public Housing units and wants to attach PBV assistance to those units, it must offer the impacted families the opportunity to remain in their units using that PBV assistance

Section 22 Voluntary Conversions. If a project will be used as housing after the conversion, the impacted family must be offered the opportunity to remain in their unit using tenant-based assistance. The family's voluntary written consent must be obtained before the PHA can project-base that family's unit. If the family does not consent, the unit cannot be project-based until the family (voluntarily) moves out.

In addition, the PHA must comply, independently, with all requirements related to project-base vouchers. See PIH Notice 2017-21, 24 CFR part 983, and related guidance.

- ### 14. What happens if a PHA does not have an HCV program (i.e. currently operates only a Public Housing program) and receives HUD approval to dispose of units under Section 18 or for another Public Housing action that is eligible for TPVs?
- HUD does not allow Public Housing only PHAs to create Section 8 HCV programs based solely on TPV eligibility. Therefore, if the PHA that received HUD approval of the Public Housing action is a Public Housing only agency (and therefore cannot receive or administer TPVs), the PHA must partner with another PHA (that has an HCV program) to administer the TPVs. The administering HCV PHA must have jurisdictional authority to administer its program in the PH project's geographic area under state and local law, and the administrative capacity to administer the TPVs. The partnering arrangement must be approved by HUD's local Office of Public Housing.

- ### 15. How does a PHA notify HUD that it wants to receive TPVs based on a Public Housing action? Does HUD automatically provide TPVs as part of its approval of a Public Housing action?
- The



issuance of TPVs to a PHA does not occur automatically with SAC approval of an application. Instead, the PHA must apply separately for TPVs in accordance with the current PIH funding notice for the HCV program. A PHA should not submit a TPV request until it needs the TPVs for purposes of relocating the families who will be displaced (generally no sooner than 30-60 days from the planned start of relocation).

As part of its TPV request, the PHA submits the following to its Field Office:

- A. The name and IMS/PIC number of the project approved for removal;
- B. The number of TPVs requested:
  - Replacement TPVs. Maximum TPV award based on units occupied within 24 months of the HUD approval
  - Relocation TPVs. Maximum TPV award based on units occupied at time of TPV application plus family relocation preference for HCV tenant-based assistance (i.e. PHA is not eligible to receive a relocation TPV if family will be relocated to a public housing unit);
- C. Form HUD-52515 (Voucher Funding Application). If lease-up will cover more than one calendar year, the PHA must submit a separate Form HUD-52515 for each calendar year;
- D. A leasing schedule that identifies the number of TPVs that will be leased on a month-to-month basis. If lease-up will cover more than one calendar year, the PHA must submit a separate schedule for each year; and
- E. Either a copy of HUD's approval that makes the PHA eligible for the TPVs (i.e. SAC application) or a reference to the SAC application (DDA) number and date of that approval.

If the PHA that received HUD approval of the triggering Public Housing action does not operate a Section 8 HCV program, the request should come from the HCV agency that has agreed to administer the TPVs. However, prior to submitting the TPV request, the Public Housing only PHA must request and obtain Field Office approval of that administering HCV agency.

**16. Is there a connection between the timing of a PHA's request to HUD for TPVs and the timetable in the SAC application that indicates the PHA's planned start of relocation?**

Yes. Although the timelines impact different things (i.e. the timetable in the SAC application impacts the start of the PHA's asset-repositioning fee (ARF) under 24 CFR 990.190 and the TPV request impacts when the PHA receives the TPV award), these timelines should be consistent. For instance, if the timetable in a SAC application indicates that a PHA will start relocating families 180-days after HUD approval of the SAC application, it should generally request the TPVs approximately 30-60 days before this date.

**17. Can a PHA use a Replacement TPV to temporarily relocate a family, then require the family to move back to a PBV unit after rehab?**

No. Once a tenant receives a replacement TPV and leases a unit with tenant-based assistance, it is considered permanent assistance. The PHA cannot force the tenant turn-in that tenant-based assistance and return to the former public



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housing site after it is redeveloped with project-based voucher (PBV) assistance. However, although not required by Section 18 or any other HUD requirements, a PHA could offer tenants a voluntarily option to relinquish its tenant-based assistance and return to the former public housing site under a PBV lease.





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### APPENDIX A

This chart illustrates maximum TPV eligibility under PIH Notices 2018-04 and 2019-08 and assumes a TPV allocation with an effective date of October 1, 2018, or later. It is subject to change based on future year appropriations and HUD guidance.

| Justification   | Replacement TPVs<br>(PHA is NOT developing<br>replacement Public Housing units)  | Relocation TPVs<br>(PHA is developing replacement<br>Public Housing units)   |
|---|--|--|
| <b>Demolition<br/>970.15</b>  | Units occupied w/in previous 24 months of HUD approval   | Units occupied at time of TPV application, (HUD-52515). TPVs are needed for relocating impacted families. <sup>2</sup> |
| <b>De Minimis Demolition<br/>970.27</b>   | Units occupied w/in previous 24 months of HUD approval   | Units occupied at time of TPV application, (HUD-52515). TPVs are needed for relocating impacted families.              |
| <b>Disposition<br/>970.17(a): Health, Safety,<br/>Infeasible Operation</b>  | Units occupied w/in previous 24 months of HUD approval   | Units occupied at time of TPV application, (HUD-52515). TPVs are needed for relocating impacted families.              |
| <b>Disposition<br/>970.17(b): Improved<br/>Efficiency/Effectiveness<br/>Through Off-Site Replacement<br/>970.17(c): Improved<br/>Efficiency/Effectiveness<br/>Through On-Site Replacement</b> | 25% of units occupied w/in previous 24 months of HUD approval  | 25% of units occupied at time of TPV application, (HUD-52515). TPVs are needed for relocating impacted families        |
| <b>Disposition<br/>970.17(c): Physical<br/>Obsolescence</b>   | Units occupied w/in previous 24 months of HUD approval   | Units occupied at time of TPV application, (HUD-52515). TPVs are needed for relocating impacted families               |
| <b>Disposition<br/>970.17(c): Comprehensive<br/>Rehabilitation or Replacement<br/>Through RAD</b>   | Units occupied w/in previous 24 months of HUD approval (Units eligible for disposition are capped at 25% of units at a project. The remaining units must be converted under RAD) | N/A. Always replacement TPVs since PHA must project-base the units approved for disposition at the project.            |
| <b>Disposition<br/>970.17(c): Small PHA and will<br/>close-out</b>  | Units occupied w/in previous 24 months of HUD approval   | N/A. Always replacement TPVs since PHA must close-out its public housing program.                                      |
| <b>Disposition<br/>970.17(c): Scattered Site Units</b>  | Units occupied w/in previous 24 months of HUD approval   | Units occupied at time of TPV application, (HUD-52515). TPVs are needed for relocating impacted families.              |

<sup>2</sup> PHA is not eligible for TPVs for impacted families who will be relocated to other public housing units or when PHA is using its own HCV funds to relocate families





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### APPENDIX A (continued)

This chart illustrates maximum TPV eligibility under PIH Notices 2018-04 and 2019-08 and assumes a TPV allocation with an effective date of October 1, 2018, or later. It is subject to change based on future year appropriations and HUD guidance.

| Justification   | Replacement TPVs<br>(PHA is NOT developing replacement<br>Public Housing units)                   | Relocation TPVs<br>(PHA is developing replacement<br>Public Housing units)   |
|---|---|--|
| <b>Required Conversion (Section 33)</b>   | Units occupied w/in previous 24 months of HUD approval  | N/A. Always replacement TPVs since the conversion program converts public housing assistance to Section 8 assistance .   |
| <b>Voluntary Conversion (Section 22)</b>  | Units occupied w/in previous 24 months of HUD approval  | N/A. Always replacement TPVs since the conversion program converts public housing assistance to Section 8 assistance   |
| <b>Homeownership (Section 32)</b>   | Units occupied w/in previous 24 months of HUD approval  | Generally N/A, unless the PHA has firm plans to use homeownership sale proceeds to develop new public housing units.   |
| <b>Eminent Domain<br/>(Condemnations) (PIH Notice<br/>2012-8)</b>                             | Generally N/A, since PHA must use condemnation award to develop replacement public housing units. | Units occupied at time of TPV application, (HUD-52515). TPVs are needed for relocating impacted families. Note that Taking Body, not PHA, is responsible for relocating families—including paying all relocation expenses. |
| <b>Demolitions approved by Choice<br/>Neighborhoods &amp; Hope VI grants<br/>(Section 24)</b> | Units occupied w/in previous 24 months of HUD approval  | Units occupied at time of TPV application, (HUD-52515). TPVs are needed for relocating impacted families.  |