

DHCD's Expiring Use Preservation Program

September 2012

EV – PBV Program Background

- DHCD has created an initiative to promote the long-term preservation of affordable units in expiring use multi-family developments.
- Using its Moving to Work (MTW) authority, DHCD can convert an allocation of Enhanced Vouchers (EVs) into Project Based Vouchers (PBVs) and sign associated HAP contracts.
- Credit to the Cambridge Housing Authority for its ground breaking work on this preservation tool.

EV-PBV Eligible Properties

- Existing subsidized multi-family properties that are undergoing a conversion action for which HUD has issued a notice of intent to provide Enhanced Vouchers.
- HUD has designated DHCD to administer the Enhanced Vouchers.
- The owner or prospective owner has requested participation in the program.

EV-PBV Eligible Units

- Units that accommodate tenants that have chosen to live in a Project Based Section 8 unit.
- Units that receive vouchers but have ineligible tenants.
- Units that receive vouchers but are vacant at the time the vouchers is issued, but have not

EV – PBV Process

- At least 120 days prior to a conversion, all tenants will be contacted by an independent 3rd party to examine and discuss their options. (Refer to voucher comparison chart)
- Tenants will be offered a choice of an EV or residence in a PBV units.
- The 3rd party will take a preliminary count of how many tenants are interested in living in a PBV.
- DHCD will provide this information to HUD. HUD will only consider awarding the contract administration to a MTW agency if there is a critical number of tenants interested.

EV – PBV Contract and Terms

- Initial contract terms of up to 15 years with three (3) five-year renewals. Maximum of 30 years.
- Owner must apply to DHCD for program participation and DHCD must conduct a HQS inspection and determine reasonable rent.
- Owners will enter into a standard HUD PBV

MRVP units in EV-PBV

- Some of the eligible EV-PBV projects have MRVP contracts. Tenants in an existing MRVP unit will be given the option of receiving an EV or tenancy in a unit with a PBV.
- If a tenant living in a MRVP unit is not eligible for a EV or PBV, but they remain eligible for the MRVP program, DHCD is committed to keeping that MRVP voucher in the development.
- DHCD will recapture any unused MRVP vouchers and reprogram.