

## Supportive Services for Veteran Families Shallow Subsidy Services FAQ

### Fair Market Rent (FMR) and Subsidy Level

- 1. We are a Small FMR community and planning to use the Small Area FMR if allowed but would like the option of being able to use the higher of the MSA-wide FMR and the Small Area FMR.**

Yes, if the grantee is in a community with small-area FMRs and small area FMRs are approved as part of the local PHA's Administrative Plan, then they may use the small area FMR OR the traditional FMR when calculating the rent subsidy. Grantees much choose one or the other and can not use both, grantees in communities with more than one P3 grantee must all use the same FMR when calculating the rent subsidy.
- 2. Does every household receive the same rate of subsidy?**

All Veteran households in the same subpopulation should receive the same percentage of subsidy; however, communities may provide different subsidy rates for different subpopulations (i.e., 10% for singles, 35% for families or Veterans over 55), as defined by their Shallow Subsidy plan and in consultation with local CoC Leadership.
- 3. If a Veteran decides to move to a less expensive unit, from a one bedroom to a studio, for example, does the FMR change?**

Yes, in this situation the Shallow Subsidy rate would be adjusted to reflect the lower FMR because of the smaller unit. The maximum percent of the FMR paid as a Shallow Subsidy would not change.
- 4. If a Veteran adds a household member and moves to a larger unit with a higher FMR to accommodate the new household size can the percentage of FMR be adjusted up?**

Yes, in this situation the Subsidy could be adjusted to reflect the new higher FMR; however, SSVF grantees must consider this carefully to ensure that they have enough funds in their budget to pay for all obligated rental assistance through the end of the project period. Allowing Veterans to move to larger units with a higher FMR is encouraged if such a move would allow the Veteran to reunite with family or for other reasons, however, paying the higher subsidy is optional and at the discretion of the grantee as determined by budget projections.
- 5. Can we expand the geography?**

At this time the VA does not have authority to expand Shallow Subsidy to additional communities beyond the communities listed in the federal register.
- 6. Does the rental assistance amount change if FMR changes during 2-year enrollment? 35% of new FMR? Or same flat rate throughout 2-year duration?**

The FMR for the subsidy for the entire enrollment remains the same as the published FMR at the time the Shallow Subsidy services begin regardless of changes in published FMR levels during the enrollment period.
- 7. If Veteran moves to a different city within the CoC with different FMR, will rate change?**

Shallow subsidies are not portable; therefore, Veterans moving to another county would only be able to receive Shallow Subsidies in another designated community. In that case, the Subsidy would

be based on the FMR of the county in which the Veteran is going to reside. Any transfers between designated counties should first be discussed with your SSVF Regional Coordinator.

## Enrollment/Targeting/Enrollment

1. **Many Veterans start in the P1 or P2 grant and get stabilized in housing with traditional HP or RRH. Once the Veteran is stable and determined to need Shallow Subsidy then the Veteran would be transferred to Shallow Subsidy. Is this the correct way of thinking about the process for Shallow Subsidy?**

The Shallow Subsidy would be an added service, not a program transfer. Shallow Subsidies are another tool in the toolbox that SSVF has to offer. The P1/P2 and P3 grants will not be operated as separate grants, there will be no need to transfer Veterans to different projects when they begin receiving Shallow Subsidy assistance.

2. **Would a Veteran have to be recertified when they are offered Shallow Subsidy?**

Grantees should ensure the Veteran has been recertified within the past three months to document that they are eligible for SSVF prior to offering Shallow Subsidy services, regardless of whether the Shallow Subsidy will come from the P1/P2 grant or P3 grant.

3. **Will there need to be an approval to transfer clients between grants or between grantees who don't have the P3 grant and those that do?**

Grantees transferring Veterans from one grantee to another to provide the Veteran with access to Shallow Subsidy assistance will need to develop a local transfer process, no approval is necessary. Grantees should work with their HMIS Lead Agency on a HMIS transfer process.

4. **Will Veterans who receive services in both the P1/P2 and P3 grant be considered duplicates?**

No, the Veteran would be getting an added service of Shallow Subsidy. Shallow Subsidy is not a separate project under a separate grant; it is an added service within SSVF.

5. **Does a transition to Shallow Subsidy have to go through Coordinated Entry?**

The SSVF Program Office expects grantees to participate in their local Coordinated Entry process; however, it is not mandated that Veteran who receive traditional HP/RRH and then require Shallow Subsidy go through Coordinated Entry. However, grantees are expected to work with their local partners to develop a plan to target Shallow Subsidy assistance, the mechanics of how Veterans access those services should be transparent and consistent within their local community.

6. **Are Veterans who were in RRH from the previous grant year (so enrolled by 9/30/2019) eligible for Shallow Subsidy when it starts on 10/1/2019?**

Yes.

7. **Can a Veteran be exited from Shallow Subsidies before recertification?**

Yes, if the Veteran wants to move outside of the Shallow Subsidy community, he/she would be exited since the subsidy is not portable. The Veteran would also be exited if he/she obtained a permanent subsidized housing voucher (Section 8, HUD-VASH) or moved into a project based subsidized housing unit.

8. **Does the Veteran need to report changes in income before recertification?**

Yes, the SSVF provider will collect data on income quarterly and enter this information in HMIS. Changes in income do not affect eligibility for the Shallow Subsidy until the end of the two-year enrollment period.

**9. Are SSVF grantees required to use the Homelessness Prevention Screening Tool when targeting for Shallow Subsidy HP?**

Yes, however, it is expected that Veterans who enter Shallow Subsidy as homelessness prevention cases would have already been enrolled in SSVF homelessness prevention upon entering SSVF. In these cases, a new HP screening assessment is not required when Veterans begin receiving Shallow Subsidy assistance. Further, the goal of this initiative is to give grantees more tools to end homelessness; the VA expects that most Veterans served with these subsidies will be literally homeless prior to enrolling in SSVF. Grantees are required to maintain the 60% minimum for Rapid Rehousing but are encouraged to increase the Rapid Rehousing percentage to meet the needs of literally homeless Veterans.

**10. Is the primary target population for Shallow Subsidies Veterans who are currently employed?**

No. SSVF is a Housing First program and does not require nor target based on employment status. However, the Program Office does expect grantees to have active employment connections with HVRP and other providers and work to assist Veterans to increase their income over the period of enrollment.

**11. Will HUD allow for Veteran to keep homeless status even if receiving Shallow Subsidy for two whole years?**

Yes, we anticipate that Veterans who enter as RRH will keep their homeless status as long as they remain active in SSVF. Further guidance will be released in the future.

**12. What happens if someone starts in a different county but wants to live in a city with the Shallow Subsidy?**

Grantees should coordinate with their local CoC and review their designated catchment areas for their grant to determine the geography where Veterans may come from. Target areas for community-of-origin should be clearly communicated. Further, the cities selected for Shallow Subsidy were selected because of their severe rent burdens and lack of affordable housing; VA cautions grantees with respect to moving more Veterans into these challenging rental markets, particularly given many Veterans are already experiencing homelessness in these communities.

**13. Can Shallow Subsidies be targeted to those Veterans who need more assistance after first receiving traditional Rapid Rehousing or Homelessness Prevention assistance?**

Yes, this is the primary intent of the Shallow Subsidy initiative. The VA would expect, consistent with a progressive assistance approach, most Veterans will only be offered Shallow Subsidies once it is determined that traditional SSVF services are insufficient. This also allows for a deeper, more robust financial and supportive service package in the beginning of the engagement which would then be reduced to the community's defined subsidy rate (not more than 35% of FMR) later on once income or other stabilizing factors have been established. Of note, Veterans who fall below 30% of AMI are able to receive Shallow Subsidies for two years in addition to the time they received traditional SSVF Rental Assistance. Veterans above 30% of AMI but below 50% of AMI may receive two years of Shallow Subsidy, less the number of months they received traditional SSVF assistance.

**14. Can we use a self-sufficiency matrix or the full VI-SPDAT to periodically track the Shallow Subsidies participants' improvement of overall well-being?**

Yes, but formal Common Assessment tools, of which self-sufficiency and VI-SPDAT are a couple of many, are designed to review the status of people who are currently homeless. Formal assessment tools should not be over-relied on for the purposes of case planning and facilitating services for Veterans enrolled in any type of SSVF service. All grantees are encouraged to use a mix of formal and informal ways to understand the needs, choices and strengths of the Veterans they serve. This is similar to how grantees make decisions to increase or decrease services in traditional SSVF.

## Program Design

**1. Can SSVF providers hire specialized staff to focus on helping households increase their income?**

Yes, however, the SSVF program office also encourages providers to work with HVRP and other employment programs to assist with employment.

**2. Can this be used with shared housing**

Yes, however the FMR in shared housing is prorated, so grantees should consider how the subsidy would change in a shared housing situation.

**3. Guidance for domestic violence issues during Shallow Subsidy enrollment?**

Safety considerations are always of paramount importance. Domestic violence situations for all households receiving SSVF assistance should be handled according to the grantees internal policies and procedures, there is no difference because the Veteran is receiving Shallow Subsidy.

**4. Is there ongoing case management during those 2 years?**

Yes. VA anticipates that most Veterans who receive Shallow Subsidies would need a lower level of case management services than, for instance, those Veterans who need the intensity of HUD-VASH. However, this may not always be the case. A Veteran may have sufficient income that doesn't require the deep subsidy of HUD-VASH but still need ongoing services. Other Veterans may not need intense services until a crisis occurs, at which point SSVF services should be intensified. At a minimum, grantees are required to check in with the Veteran at least monthly to ensure the Veteran's portion of the rent is paid and no major housing crises are occurring. Grantees are also encouraged to coordinate and communicate with landlords to mitigate against any eviction issues or potential housing loss.

## Budget/Reporting

**1. Can we use part of our P3 award to provide traditional SSVF services?**

Yes, however grantees must adhere to the 60% TFA budget threshold for their P3 award.

**2. How are the P3 awards set up in the HHS Payment Management System?**

the SSVF Program Office has established an HHS account for the award amount that will consist of two sub-accounts, one for TFA payments and the other for Administrative and Operating costs associated with the grant agreement.

## Commitment Timelines

### 3. **Can grantees make less than a two-year commitment to Veterans who do not need that length of subsidy?**

No, Veterans should receive the full length of Shallow Subsidy available to them – 2 years for Veterans with incomes under 30% of AMI and 2 years minus the number of months the Veteran received HP or RRH TFA for Veterans with incomes between 30-50% of AMI. Veterans can only be exited if they receive another federal subsidy like section 8 or HUD-VASH, if they leave the area or abandon the unit and cannot be located, or if they are incarcerated for a period of more than 90 days.

### 4. **Guidance if Veteran gets incarcerated or goes to institutional care during Shallow Subsidy enrollment?**

Veterans who are incarcerated or go into an institution (hospital, rehab, etc.) for more than 90 days should be exited from SSVF and the grantee should seek to end the lease for the unit, or work with the landlord to fill that unit with another SSVF client. Veterans who enter institutions, including incarceration, for 90 days or less may remain in the program and SSVF may pay the subsidy portion of the rent; however, the Veteran would still be responsible for his or her portion of the rent during the period of institutional care.

### 5. **What happens if someone gets evicted even while paying the subsidy? Do we enter into a contract with the landlord that requires us to continue paying?**

The grantee should not continue to pay rent in a unit where the Veteran no longer resides. Grantees may consider helping the Veteran relocate, thus avoiding the eviction, and working with the landlord to fill the unit with another SSVF client. Grantees may pay the subsidy portion of the rent during the eviction process while the Veteran remains in the unit but must be proactive in ensuring the Veteran is paying his or her portion of the rent at the same time.

## HMIS

### 1. **Does Shallow Subsidy need to be in a separate HMIS project(s)?**

No, Shallow Subsidy is an extra service that SSVF providers can offer, it is not a separate project in HMIS.

### 2. **How often are grantees required to document income in HMIS?**

Grantees must document Veteran income on a quarterly basis; it is preferable that this information be entered into HMIS.

### 3. **Are we creating separate categories for Shallow Subsidies?**

No, Veterans will still be enrolled as either Homelessness Prevention or Rapid Rehousing, but they will be receiving a Shallow Subsidy service under SSVF.

### 4. **How are Shallow Subsidy services documented in HMIS?**

SSVF providers must document monthly check-ins with Veterans in HMIS by entering a case management service under V2 Services Provided response # 7 *Extended Shallow Subsidy*; grantees must document all TFA rental payments in HMIS by entering the date and amount of financial

assistance and selecting HMIS data element V3 Financial Assistance Type – response # 15 *Extended Shallow Subsidy – Rental Assistance*. Grantees should also document Veteran income in HMIS on a quarterly basis.

## Coordination of Services

- 1. Can Shallow Subsidy be combined with GPD Case Management services or is that double-dipping?**  
Veterans participating in the GPD Case Management Program are not allowed to receive case management services from other sources, including SSVF, they may, however receive temporary financial assistance from SSVF while in GPD Case Management.
- 2. Could a Veteran in GPD receive a Shallow Subsidy as part of their transition plan?**  
Yes, but there could not be any overlap between time in GPD and SSVF. Further, GPD is designed to facilitate the movement to permanent housing without further VA assistance. Grantees should be very clear about the circumstances under which a GPD client would move directly into Shallow Subsidy. It is more likely, consistent with Shallow Subsidy overall, that a Veteran in GPD would be served by traditional SSVF services and then later is identified as an appropriate case to receive the longer-term Shallow Subsidy services.
- 3. Can SSVF Shallow Subsidies be combined with other non-SSVF rental subsidies?**  
Yes, Shallow Subsidy can be combined with local community or state rent subsidies; the combination of subsidies cannot equal more than the entire rent amount of the unit. Shallow Subsidy payments cannot be used to pay the tenant portion of rent or combined with deeper federal subsidies such as Housing Choice Vouchers (Section 8) or HUD-VASH. Communities are encouraged to review regulations for each funding source before combining them with Shallow Subsidies to ensure that this is not a prohibited activity.
- 4. Can services from the primary non-P3 grant be used to support Veterans participating in Shallow Subsidies?**  
Yes, grantees may coordinate service and Shallow Subsidy payments to allow for specialization in different activities and to absorb budget constraints. The VA will provide further guidance on this coordination in the near future.
- 5. What happens if a Veteran requires assistance with the full rent amount when they are participating in shallow subsidies?**  
Veterans may not receive full SSVF TFA Rental Assistance while they are participating in Shallow Subsidy. If a Veteran is no longer able to pay their portion of rent, it is allowable to transition the household to traditional SSVF so that their full portion of rent can be paid using SSVF TFA Rental Assistance. Veterans must be recertified to verify SSVF eligibility immediately prior to transitioning the household to traditional SSVF, and the household must not have exceeded the maximum amount of TFA allowable (maximum of 12 months in a two-year period for Veterans below 30% AMI or 10 months in a two-year period for Veterans between 30-50% AMI).

Veterans may transition back to participation in Shallow Subsidy once their housing and income has been re-stabilized and they are able to pay their portion of rent. Households that were below 30% AMI when they originally began receiving Shallow Subsidy assistance will be transitioned back to Shallow Subsidy using their original recertification date, in other words, Veterans would not start the clock over to receive another two years of assistance if there is an interruption of Shallow Subsidy participation. Veterans who were between 30-50% AMI when they began receiving Shallow Subsidy assistance will require an adjustment to their original Shallow Subsidy recertification date to reflect the additional SSVF TFA Rental Assistance received by the household.