**Overview of The SSVF Shallow Subsidy Service**

In response to the affordable housing crisis, the Supportive Services for Veteran Families (SSVF) Program Office implemented a promising practice in the form of a new type of rental subsidy arrangement, known as the Shallow Subsidy service. A shallow subsidy offers more modest rental support over a longer time period than traditional Rapid Rehousing (RRH) and Homelessness Prevention (HP). The SSVF Program Office rolled out the Shallow Subsidy service in select- high cost and low vacancy communities- starting in 2019. The [Federal Register Publication](https://www.govinfo.gov/content/pkg/FR-2021-08-05/pdf/2021-16723.pdf) on August 5, 2021 authorized all SSVF grantees, regardless of location and service area, to use their funds and resources to deploy the Shallow Subsidy service.

**Description of SSVF Shallow Subsidy**

Shallow Subsidy is a service that provides rental assistance to Veteran households with incomes under 50% AMI. Shallow Subsidy can be a part of a progressive engagement approach, where Veterans receive some level of traditional RRH or HP rental assistance prior to beginning this service because they are rent-burdened and require the longer-term assistance to maintain permanent housing. Under the SSVF Shallow Subsidy service, SSVF grantees make a 2-year commitment to the landlord and the household – unless the household terminates their housing or receives a permanent rental subsidy. SSVF grantees will generally also provide light case management services, which may be increased if a crisis or unanticipated need arises, to assist Veteran households in maintaining their housing stability.

For SSVF's Shallow Subsidy service, the maximum amount of rental subsidy that can be provided on behalf of the Veteran household is up to 35% of HUD FMR or rent reasonableness, whichever is determined to be most advantageous for Veterans when applied uniformly, as determined by the local community planning process. The percentage, when determined, will be standard and used for any Veteran household served by an SSVF grantee within the local geography. The SSVF Program Office is currently developing a modification to regulations that proposes to raise the monthly shallow subsidy rental amount from a maximum of 35% to 50%. This subsidy amount is intended to provide a significant level of support, but distinct from other rental subsidies provided by HUD-VASH or the Section 8 Housing Choice Voucher programs, which provide higher levels of rent assistance. The Shallow Subsidy amount does not change regardless of increases or decreases in the Veteran’s household income, FMR, or rent reasonableness over the entire 2-year period.

**Community Planning** As a part of community level strategizing for Shallow Subsidy, the SSVF Program Office is encouraging grantees to review their disaggregated data (average number of Veteran households served by SSVF, average Veteran household cost burden percentages, and average number and characteristics of Veterans households returning to homelessness) to inform planning and to coordinate with other grantees with shared geography, their local Continuum of Care (CoC), HUD VASH and VAMC staff, Veterans with lived expertise, and community stakeholders to identify how best to leverage this service in coordination with other available resources. SSVF is also encouraging grantees to partner with Department of Labor’s Homeless Veterans Reintegration Program (HVRP), a Veteran specific employment and training program, or other employment support programs to assist participants with reaching economic self-sufficiency by the end of the 2–year rental subsidy.