

## **Project-Based Voucher Program Workshop Questions and Answers**

### **Does the MTBA projects count under "competitive" Allocations made under LIHTC?**

MTBA is non-competitive. Competitive allocations refer specifically to the 9% LIHTC program.

### **Are existing properties required to do the Environmental Review?**

No Environmental Review is required to be undertaken before THDA enters a HAP contract for existing housing, unless: 1) an Environmental Review is required by law or regulation relating to funding other than PBV HAP; 2) the project or proposal was selected in accordance with the site selection standards at 24 C.F.R. 983.55 in effect before June 6, 2024. An Environmental Review is required for new construction or rehabilitated projects.

### **Would we initiate the Environmental Review and Subsidy Layering Review once selected for PBVs?**

Yes, once selected all properties must receive an Environmental Review clearance. Activities under the PBV Program are subject to HUD environmental regulations at 24 C.F.R. 50 and 58.

### **To apply for a PBV award, the project in question must have received 9% LIHTC, THTF, or HOME through THDA?**

Yes, to apply, you must have received an award of 9% Low-Income Housing Tax Credit (LIHTC), Tennessee Housing Trust Fund (THTF) or HOME through THDA.

### **Are there rural property preferences?**

The project selected for PBV assistance must (i) assist families in Tennessee's rural and distressed counties (as defined under the THDA Program it was initially awarded under), (ii) provide permanent supportive housing within THDA's HCV service area, or (iii) otherwise serve THDA's priorities outlined in its Annual Plan.

### **Regarding rural areas of TN receiving priority to this upcoming program, as it was presented to THDA's board of directors several months ago, it now appears the priorities of the State of TN's Annual Action Plan have been included. That appears to open the program up beyond its initial intent of rural TN counties, into all counties served by THDA's Housing Choice Voucher Program service area of 72 counties. Am I reading that correctly?**

THDA's PBV Administrative Plan was drafted to allow THDA to utilize selection criteria, other than rural counties and supportive housing, with board approval, without having to continually amend the Administrative Plan, since the rulemaking amendment process can be burdensome.

For its initial award, THDA will follow the selection criteria approved by its Board in September 2022, "assisting families in Tennessee's rural and distressed counties and/or those developments which will provide permanent supportive housing within THDA's HCV service area." This criterion is outlined in its Offering, posted on THDA's website. The award will continue to operate on a first-come first-served basis, with applications being accepted starting August 1, 2025.



**Is there an actual application form that we should fill out or would it be more of a cover letter from us making the request and then attaching all of the items that are listed on the workshop slides?**

The Offering and Application is published and posted on the THDA PBV page (<https://thda.org/rental-housing-partners/project-based-voucher-program-pbv>) Applications will be accepted beginning August 1, 2025.

**How do I find out if the property has been selected under one of the THDA programs within the last 3 years?**

THDA awarded projects for the past three (3) years may be found at <https://thda.org/rental-housing-partners/project-based-voucher-program-pbv>.

**Are organizations that have been awarded funding from the Barnes Housing Trust Fund—administered by the Metropolitan Government of Nashville and Davidson County eligible for PBV award?**

PBV selection of units are based on previous competition. THDA will utilize its other state and federal housing assistance, community development, and supportive service programs, including, but not limited to, its Tennessee Housing Trust Fund programs, Housing Trust Fund Program, HOME Program, and the Low-Income Housing Tax Credit Program (THDA Programs) to select projects for PBV assistance that (i) assist families in Tennessee's rural and distressed counties (as defined under the THDA Program it was initially awarded under), (ii) provide permanent supportive housing within THDA's HCV service area, or (iii) otherwise serve THDA's priorities outlined in its Annual Plan. THDA may either contact specific owners directly, whose projects fit the criteria THDA is seeking, to inform them of available PBV assistance, or it may send an email blast to owners under the programs above, notifying them of an offering of PBV assistance, in order for the owners to submit applications for such assistance. Before any round of selection based on a previous competition, THDA will also post its current selection criteria and the number of units it is seeking to project-base to [www.THDA.org](http://www.THDA.org). To be eligible for selection, a project must have been selected:

1. By THDA;
2. Competitively under one of its housing assistance programs.
3. Within the last three (3) years of the PBV selection date.
4. Without any consideration as to whether the project would receive PBV assistance.

**Would it be possible to add my contact information for the list of Q & A mentioned that would be going out after all the sessions have been completed?**

Responses to questions received during the Owner Workshops will be posted on THDA's website. Applications for the Project-Based Voucher (PBV) Program will open on Friday, August 1, 2025, at 6:00 a.m. CT.

To support you through the application process, you may review the PBV Application Workshop via pre-recording. Using the link below you can review information covered in the Owner

Workshops. The pre-recorded workshop includes all program eligibility criteria and submission guidelines. You can view the PBV Application Workshop on the THDA website <https://www.youtube.com/watch?v=RSHUzAsVcos>

If you have questions after reviewing the self-guided recording, please submit them via email at [RAPBV@THDA.ORG](mailto:RAPBV@THDA.ORG). Comments/questions received during each live workshop Q& A will be compiled and shared with all parties on the THDA website.

THDA's website is currently under restructure and the PBV section has been moved to the Rental Housing Partners and Landlords section. We apologize for any earlier inconveniences, and we look forward to connecting with you and supporting your participation in the PBV Program. The direct link to the PBV section is <https://thda.org/rental-housing-partners/project-based-voucher-program-pbv>).

**Is a project that meets all requirements and is in Davidson County eligible for THDA PBVs?**

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3. Within the last three (3) years of the PBV selection date; and
4. Without any consideration as to whether the project would receive PBV assistance

**If a project has 200 affordable housing units, would the max PBV allocation be 25 or 50?**

THDA may provide PBV assistance to the greater of twenty-five (25) units or forty (40) percent of the number of units in the project if the project is located in an area where vouchers are difficult to use, defined as: i) a census tract with a poverty rate of twenty (20) percent or less as determined by HUD; ii) a zip code area where the rental vacancy rate is less than four (4)

percent as determined by HUD; iii) a zip code area where 90 percent of the Small Area FMR is more than one hundred ten (110) percent of the metropolitan area or county FMR.

**Do projects that have received an MTBA commitment after 2022 qualify?**

MTBA is non-competitive. PBV selection of units are based on previous competition. THDA will utilize its other state and federal housing assistance, community development, and supportive service programs, including, but not limited to, its Tennessee Housing Trust Fund programs, Housing Trust Fund Program, HOME Program, and the Low-Income Housing Tax Credit Program (THDA Programs) to select projects for PBV assistance that (i) assist families in Tennessee's rural and distressed counties (as defined under the THDA Program it was initially awarded under), (ii) provide permanent supportive housing within THDA's HCV service area, or (iii) otherwise serve THDA's priorities outlined in its Annual Plan. THDA may either contact specific owners directly, whose projects fit the criteria THDA is seeking, to inform them of available PBV assistance, or it may send an email blast to owners under the programs above, notifying them of an offering of PBV assistance, in order for the owners to submit applications for such assistance. Before any round of selection based on a previous competition, THDA will also post its current selection criteria and the number of units it is seeking to project-base to [www.THDA.org](http://www.THDA.org). To be eligible for selection, a project must have been selected:

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**If we are approved for access to the LIHTC applications, will we need to be approved by THDA again for the voucher application? Where do we send the request to gain access to the voucher application in THDA's system? How do I submit my proposal?**

Property Owners Workshops are completed. The PBV Offering, Application, and Electronic Data Transfer (EDT) Instructions are posted on the PBV page of the THDA website. You may proceed with submitting the EDT per the instructions and the system will identify if a new account is needed. Please continue to monitor the website.

**How are you all going to administer PBV vouchers? Do we administer them ourselves and pull them from our waiting list?**

The property owner will maintain the wait list. THDA will administer the PBV.

**Would an eligible site control per the 2025 QAP be acceptable proof of ownership for the purpose of a PBV application? For example, an eligible purchase agreement?**

It depends on what stage the project is in and it will need to be reviewed by THDA's Legal.

**The list of eligible properties includes a lot of Davidson County properties, but the coverage map excludes this county. Are Davidson County projects eligible?**

For the initial round of PBV Offering, the awarded project must be in the service coverage area where THDA administers the Housing Choice Voucher (HCV) Program. An HCV coverage map can be located here: <https://thda.org/pdf/Coverage-Map.pdf>.

**We have been awarded tax credits for the development for which we intend to apply for PBV assistance. However, we have not yet closed on the land. The application requires proof of ownership—does this mean the land must be purchased/acquired prior to submitting the application?**

THDA may allow for entities that have site control to submit proposals provided the entity will be the owner prior to entering into the Agreement or HAP contract. If awarded PBV, the award letter will inform the owner/future owner the timeframe for which the project must enter an AHAP after an award has been made. All PBV awards are based on funding availability.

**Our development is located within the HCV service area (Knox County). One of the eligibility criteria for new construction appears to be the provision of permanent supportive housing. Could you please clarify whether this refers specifically to housing for the homeless? Additionally, is the requirement that 100% of the units be designated as permanent supportive housing?**

The THDA PBV program does not require 100% of the units at the project to have supportive services. There is a preference for this PBV offering for owners who provide supportive services. However, the restrictions for supportive housing are based on the requirements under the underlying program the project was awarded under, as you must comply with the original award.

**When uploading a PBV application to EDT, are we allowed to upload individual PDF files of labeled supporting documents or do all documents need to be included in one PDF file?**

EDT will allow you to upload multiple files.

**If a PBV unit becomes vacant, must they find another voucher recipient to fill that unit? Or can they fill it with anyone that applies to the property?**

THDA will allow owner-maintained waiting lists for PBV where applicants will apply directly with the project. The owner will submit a Tenant Selection Plan with the application for PBV. The owner will make preliminary eligibility determinations for purposes of placing the family on the waitlist and preference eligibility determinations and refer qualified applicants for a unit to THDA.

**Would THDA be open to accepting a proposal from our project—even though it wasn't competitively awarded within that timeframe—given that it exclusively serves a priority population in Permanent Supportive Housing?**

For this round of PBV applications must meet all eligible criteria as stated in the Notice of Offering.

**If not all vouchers are requested, is there a possibility that one of the criteria could be waived? Or will there be an open competitive round?**

For this offering, you must meet all eligible criteria as stated in the Notice of Offering. Please continue to monitor the PBV page on THDA's website for future offers.

**Occupancy Restrictions: If a PBV contract is executed, are the designated PBV units locked into serving voucher holders only? Or can income-qualified residents occupy those units without a voucher if no voucher applicants are available?** The owner will maintain the wait list for PBV units. The awarded PBV units only allow leasing to tenants who are eligible for the PBV program.

**Unit Count Requirements: Does THDA require a minimum number of PBV units at a property?** THDA does not require a minimum number of units for this offering.

**Interaction with LIHTC/NHTF Limits: How does the PBV contract rent interact with income and rent restrictions under LIHTC or NHTF? Specifically, if a project selects the 40/60 LIHTC set-aside and has 30% AMI units (e.g., due to NHTF), can the PBV contract rent be set at the 60% AMI rent limit, as long as the tenant portion remains within the 30% AMI rent cap (due to voucher assistance)?** The Project-Based Voucher (PBV) contract rent is set according to HUD's PBV rent, generally the lower of the payment standard based on (SAFMR or FMR), the reasonable rent or the rent requested by the owner. When a unit is also subject to LIHTC or NHTF restrictions, the PBV rent may not exceed the maximum rent allowed under those programs if the maximum is lower. In a project with 40/60 LIHTC set-aside and NHTF-funded 30% AMI units, the tenant portion for the 30% AMI units remain capped at 30% of income. The PBV gross rent must comply with both PBV rent caps and applicable LIHTC/NHTF rent limits. In many cases these amounts are similar because both use HUD's income limits, but the lower income limit always prevails.

**Subsidy Payment Stability: Does THDA have any state-level protections or funding in place to ensure continued PBV subsidy payments in the event of federal cutbacks or delays?** No. Project-Based Voucher (PBV) subsidy payments are funded entirely by the Department of Housing and Urban Development (HUD). THDA receives these funds from HUD to administer the program locally to provide rental assistance for eligible households.

**May I use my current THOMAS credentials to apply?** No. All applications must be submitted via Electronic Data Transfer (EDT). EDT Instructions are posted on the PBV page of the THDA website. You may proceed with submitting the EDT per the instructions.

**When will you send out the first list of what properties have been awarded PBVs from the PBV offering or a notice of clean-up requirements for the application?**

Applications are currently being reviewed, and the notice of awards will be sent and published within 14 days of the selection.

**I had been under the impression that we would have to have a HUD Part 58 review conducted by a third party, but in looking at the PBV Program manual on THDA's website, I think we may not require that part since our building was placed in service 2025 with full**

**CO. I think for the Environmental Review, we may only require the THDA Neighborhood and Site Review. Can you clarify for us if we do need to have Part 58 done?**

As an Existing Project, an Environmental and Subsidy Layering Review is not required. As a part of PBV application process a Site and Neighborhood Review must be conducted for all eligible applicants. After the reviews are complete, the application process will conclude and result in a PBV award to qualified applicants.