

EXECUTIVE SUMMARY

Housing Catalyst Administrative Plan – 2025 Updates

Purpose

The 2025 draft Administrative Plan modernizes Housing Catalyst’s policies to reflect current HUD regulations, strengthen protections for participants, and support operational efficiency. Updates align with **HOTMA**, **NSPIRE**, **MTW flexibilities**, and other recent federal guidance.

Highlights of Major Updates

Policy Modernization and Clarity

- Updated formatting, improved readability, and more consistent language.
- Clearer distinction between **mandatory vs. discretionary** policies.
- Stronger alignment with Housing Catalyst’s **mission, vision, and sustainability goals**.

New MTW Activities

- **Alternative Utility Allowance** (unit/site-based).
- **Biennial Reexaminations** for qualified households.
- **Extended Portability Hold** (24 months) for PBV units.

Enhanced Participant Protections

- New policies for **VAWA complaints** and **Equal Access protections**.
- Expanded inclusion of **reasonable accommodation language** in communications.
- Complaint response procedures clarified for consistency and transparency.



Eligibility and Briefing Improvements

- New criteria for:
 - **Asset and property ownership limits.**
 - **Duplication of subsidy prohibition.**
 - **Foster youth (18–24)** eligibility.
- Remote briefing process added with digital accessibility and alternative options.
- **Subleasing** clearly defined and restricted.

Income Verification & Rent Calculation Updates

- HOTMA-aligned updates:
 - **Streamlined fixed income verification.**
 - **Safe Harbor income determination** (not adopted by HC).
 - **Verification hierarchy** (Level 6 to 1).
- Asset **self-certification threshold** increased to **\$50,000**.

Inspections and Rent Reasonableness

- Transition from **HQS** to **NSPIRE** standards.
- Four-tier deficiency levels implemented.
- Rent reasonableness determinations use **MTW flexibility**.
- Remote Video Inspections (RVI) referenced, though not adopted by HC.

Tenancy and Lease Management

- Owners must:
 - Certify **prior rent amounts**.
 - Disclose **family-owner relationships**.
- Lease correction procedures must be in writing.
- Lease terms under one year allowed under certain conditions.

Reexaminations and Certification

- Adds **biennial reexams** for eligible families.
- Introduces **streamlined/self-certification** for fixed-income households.
- Virtual reexams and clearer rules on income/expense changes and reporting triggers.



Termination and Program Integrity

- Structured by PHA, tenant, and owner termination.
- Adds:
 - **Funding shortfall policy** with prioritization and reinstatement process.
 - Stronger guidelines for **criminal activity, evidence standards, and rehabilitation consideration**.
- Clearer notices and use of HUD-required forms (e.g., VAWA, appeals).

Monitoring, Fraud, and Compliance

- Introduces:
 - **De minimis error policy** ($\leq \$30/\text{month}$).
 - Detailed **staff misconduct** provisions.
 - Referral thresholds for **HUD OIG prosecution**.
- Allows Housing Catalyst to retain 50% of fraud recovery (if permitted by HUD).

Special Housing Types & PBV Updates

- NSPIRE standards applied across all housing types.
- Clear eligibility restrictions (e.g., congregate/group homes allowed only with RA).
- **PBV updates** include:
 - Expanded **project cap exceptions**.
 - Enhanced selection procedures.
 - Independent oversight for **PHA-owned PBVs**.

Conclusion

The 2025 draft plan reflects a comprehensive update that ensures **regulatory compliance, operational flexibility, and participant-centered service delivery**. It integrates recent HUD requirements, emphasizes accessibility and fairness, and prepares Housing Catalyst for evolving housing needs.

