



Vermont State Housing Authority

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Dear Community Partners,

I am writing to share some unfortunate news regarding recent developments in our federal funding. The Vermont State Housing Authority (VSHA) has received notice from HUD regarding our calendar year 2025 funding allocation. While we had anticipated level funding following the Continuing Resolution approved in March 2025, we are now facing an unexpected reduction of approximately \$1 million across the Housing Choice Voucher (HCV) and Mainstream Voucher programs.

This reduction requires immediate action to manage available resources responsibly and ensure we can continue to serve the nearly 4,000 families who rely on VSHA rental assistance. Over the coming months, we will work closely with HUD to identify potential cost-saving strategies and explore additional funding options. Our goal is to minimize disruption to the families and communities we serve.

Effective immediately, the following cost-saving measures will be implemented:

1. **Cease issuing vouchers** to applicants on the HCV and Mainstream waiting lists (excluding Project-Based Vouchers).
2. **Temporarily pause referrals** for Special Purpose Vouchers, including:
 - a. HUD-VASH
 - b. Family Unification Program (FUP)
 - c. Foster Youth to Independence (FYI)
3. **Pause “Continued Assistance” moves** from Project-Based Vouchers to Tenant-Based assistance:
 - a. Tenants requesting continued assistance will be added to the waiting list and issued the next available subsidy based on the date and time of their request.
 - b. Existing contractual obligations under PBV agreements (e.g., filling vacant units) will continue to be honored.

4. **Restricting Portability** to areas with Voucher Payment Standards (VPS) that are less than or equal to VSHA's highest VPS and begin billing for Ports In to VSHA from other jurisdictions.
5. **Suspend new enrollments** into the Family Self-Sufficiency (FSS) Program.
6. **Pull back Vouchers** that have been issued but not yet leased. These households will be placed back on the waiting list and contacted when funding becomes available.

We understand that these measures will have significant impacts on the work that you do. Though necessary, we hope that these actions are temporary as we navigate this challenging budgetary environment. We remain deeply committed to our mission and to our partnership with each of you.

Thank you for your understanding and continued collaboration. If you have any questions or need additional clarification, please don't hesitate to reach out.

Sincerely,



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