

Policy Changes for Specially Adapted Housing, Special Housing Adaptation, and Temporary Residence Adaptations Grants

1. **Purpose.** This Circular provides changes to certain policies provided in VA Manual 26-12, Revised, *Specially Adapted Housing Grant Processing Procedures, Loan Guaranty Operations for Regional Offices*. The policy changes are intended to provide relief to Specially Adapted Housing (SAH) Agents as a result of an increase in eligible Veterans in Fiscal Year (FY) 2014, reduce the paperwork required for grant approval, and decrease the processing times of SAH, Special Housing Adaptation (SHA), and Temporary Residence Adaptations (TRA) grants.

2. **Background.** Since the release of the VA Manual M26-12, Revised in February 2014, Regional Loan Centers (RLCs) have provided valuable feedback on policies that would increase benefit delivery and make SAH, SHA, and TRA grant processing more efficient:

a. Per VA Manual M26-12, Chapter 3, Topic 1(d), all components of the feasibility study (medical feasibility, financial feasibility, and property suitability) must be completed and uploaded in the system within 10-business days of completing the lot/housing unit inspection. Previously, there was no timeliness requirement associated with this action. RLCs have reported that due to the significant increase in eligible Veterans in FY 2014, this policy has adversely affected other grant processing duties and delayed benefit delivery.

b. Per VA Manual M26-12, Chapter 5, Topic 6(i) and (j), builders completing SAH, SHA, or TRA grant projects must provide detailed electrical and mechanical plans for new construction projects and remodeling projects, when applicable. RLCs have reported that, in many cases, this policy exceeds the requirements of local building authorities, lengthens the project development phase, and causes Veterans to incur additional architectural or drafting costs.

c. Per VA Manual M26-12, Chapter 5, Topic 6(k) and Chapter 9, Topic 2(b), builders completing SAH, SHA, or TRA grant projects must provide specifications on VA Form 26-1852, *Description of Materials*. RLCs have reported that the use of this form is duplicative, as most builders already have a reliable means of reporting specifications and the associated costs. RLCs have also reported that this policy increases the paperwork requirement of builders unnecessarily, thereby lengthening the project development phase.

3. **Action.** Effective immediately, the following policies will be changed to allow for greater efficiency in SAH, SHA, and TRA processing:

a. All components of the feasibility study (medical feasibility, financial feasibility, and property suitability) must be completed and uploaded in the system within 20-business days of completing the lot/housing unit inspection. All other policies provided in VA Manual M26-12, Revised, Chapter 3, Topic 1(d) remain unchanged. This additional time is designed to allow SAH Agents flexibility in prioritizing tasks.

b. Builders completing SAH, SHA, or TRA grant projects are no longer required to submit detailed electrical and mechanical plans for new construction and remodeling projects. Instead, builders must provide sufficient detail in the contract, scope of work, and/or specifications. Builders may continue to submit electrical and mechanical plans if they deem this to be the most efficient way of communicating the proposed work. SAH Agents should request copies of electrical and mechanical plans if they are required by the local building authority as part of the permitting process.

c. Builders completing SAH, SHA, or TRA grant projects are no longer required to submit specifications on VA Form 26-1852, *Description of Materials*. Builders may submit a complete list of materials in a format of their choosing. The list of materials must include enough detail so that it may be relied upon for compliance inspections and mediating potential construction complaints. Ideally, this document would incorporate the Cost Breakdown described in VA Manual M26-12, Chapter 5, Topic 7(f).

4. Questions. If you have any questions regarding the implementation of these procedures, please contact Betty Rhoades at (202) 632-8801 or betty.rhoades@va.gov.

5. Rescission: This Circular is rescinded January 1, 2017.

By Direction of the Under Secretary for Benefits

Michael J. Frueh
Director Loan Guaranty Service

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