



# Housing Choice Voucher Program CY 2022 Implementation

Public Housing Agency Briefing

June 2022



# Agenda

- CY 2022 Voucher Renewal Funding (NonMTW PHAs)
- CY 2022 Voucher Renewal Funding Expansion MTW PHAs
- Offset for Reallocation
- Renewal Disbursements
- CY 2022 HAP Set-Aside
- CY 2022 Administrative Fees
- Tenant Protection Vouchers
- Special Purpose Vouchers

PIH Notice 2022-14- FY 2022 HCV Implementation Notice, published May 19, 20

[https://www.hud.gov/program\\_offices/public\\_indian\\_housing/publications/notices](https://www.hud.gov/program_offices/public_indian_housing/publications/notices))



# FFY 2022 Appropriations

- HUD operated under a continuing resolution prior to enactment of FFY 2022 Appropriations, allotments were received based on FFY 2021 appropriations during the CR period
- Public Law 117-103 was enacted March 15, 2022, providing full year appropriations
- HAP and Admin Fees funding obligated January through May 2021 based on estimated obligations



# FFY 2022 Appropriations

HAP Renewal Funding	\$24,095,029,000
Tenant Protection Vouchers	\$100,000,000
Administrative Fees	\$2,410,612,000
Mainstream Vouchers	\$459,000,000
Veterans Affairs Supportive Housing	\$50,000,000
Family Unification Program	\$30,000,000
Mobility-related Services	\$25,000,000
New HCV Incremental Vouchers	\$200,000,000
<b>Total</b>	<b>\$27,369,641,000</b>



# Voucher Renewal Funding

- Increase of \$1,015,029,000 from the 2021 HAP Renewal Funding Appropriations
- HUD can use up to \$200,000,000 of CY 2022 Renewal Funding as a HAP Set-Aside
- HUD can use up to \$5,000,000 for Tribal HUD-VASH for new grants and renewals



# Voucher Renewal Funding

- PHA renewal allocations are calculated per the Appropriations Act, summarized as follows:
  - (1) Re-benchmarking conducted, based on validated actual HAP costs reported in VMS, as of January 28 deadline,
  - (2) HUD adjusts for over leasing for baseline vouchers to ensure UMAs divided by UMLs do not exceed 100%  

Example:  $1000 \text{ UMAs} / 1050 \text{ UMLs} = .95238$   
HAP costs = \$1,000,000; multiplied by .95238 to yield baseline eligibility of \$952,380 = amount to renew 1000 UMAs
  - (3) HUD adjusts for first time renewals. Applies renewal inflation factors for new increments that span 2021 and 2022
  - (4) HUD adjusts for HCV voluntary transfers
  - (5) Renewal Inflation Factor applied to basel



# Voucher Renewal Funding

PHA renewal allocations are calculated per Appropriations Act continuation:

- (6) Total need is compared with the Appropriations Act available funds to determine national proration. Total need exceeded available funds in CY 2022.
- (7) Therefore, an offset for reallocation was implemented impacting approximately 1,100 MTW and Non-MTW PHAs in CY 2022 to ensure the national HAP proration was at 100%. On funds available for offset were considered



# Voucher Renewal Funding

- PHA's pro-rated (at 100% for 2022) eligibility is compared to renewal funds obligated January through May 2022
- If HAP obligations through May 2022 were less than pro-rated eligibility, the difference was obligated
- Otherwise, if obligations exceeded pro-rated eligibility, the excess were reduced from subsequent obligations throughout the year





# Voucher Renewal Funding-Expansion MTW PHAs

- HAP renewal funding eligibility for MTW agencies was calculated based on each MTW agency's actual expenses for the previous calendar year (known as the re-benchmark year).
  - (1) The previous Calendar Year's HAP expenses reported in the Voucher Management System (VMS), and
  - (2) the previous CY's eligible non-HAP MTW expenses reported in VMS.
- MTW HAP renewal funding is subject to an MTW Renewal Eligibility Cap derived from the number of units authorized under the MTW agency's ACC
- The lower of the total combined HAP and non-HAP expenses or the MTW Renewal Eligibility Cap will then be adjusted by the Funding Inflation Factor (RFIF) and any national proration to determine the HCV renewal appropriation to determine the MTW CY HAP renewal funding.



# Offset for Reallocation

- The 12/31/2021 reconciled HAP program reserves
- Protect from offset the following amounts to the extent reserves are available to protect:
  - Difference between PHA's eligibility and prorated eligibility
  - CY 2022 amounts needs to fully fund VASH units
  - Difference between the higher of December 2021 UMLs x 12 or CY 2021 UMLs up to baseline units under ACC
  - CY 2021 new incremental BA (1/2 of eligibility)
  - CY 2021 Set-aside protection (1/2 of eligibility)
  - CARES Act HAP Protection – Unspent Remaining Funds\*
- PHAs with CY 2021 inflation factors that were higher than the CY 2021 national weighted average inflator
- Protect 1/2 of RAD 1 HAP for Projects in their 1st Full Year of Funding during CY 2021



# Offset for Reallocation

- Portion of 2021 renewal eligibility (based on units under ACC):
  - 4% - 500 and above units
  - 6% - 250-499 units
  - 12% - less than 250 units
- HUD reduced aggregated protections from total program reserves. Result is total available program reserves for offset for reallocation
- HUD determined offset amount. (Total available for offset x 43%)
- Note: PHAs that were determined to be in Shortfall in CY 2021 and PHAs who received an award for Lower-Than-Average Leasing award are exempt from offset. Additionally, PHAs that received 2021 ARP funds for PUC Increases are also exempt from this offset.

\*ARP and CARES Act Awards are not part of PHA reserves, and consequently unspent funds were not subject to offset.



# Renewal Disbursements

- For CY 2022:
  - Disbursements are based on cash management requirements per Notice PIH 2017-06
    - Margin will vary based on national leasing and cost fluctuations
    - Margin does not change funding eligibility
  - HUD transitioned excess reserves as of December 31, 2021, starting June 2022
  - PHAs must still assess level of program they can support across the CY based on total HAP funding and RNP/HUD-held reserves available, actual expenses to date, and projected expenses



# Renewal Disbursements

- For CY 2022:
  - Frontloads will continue to be available, up to the total budget authority obligated for the PHA and available HAP reserves
  - Non-renewal disbursements will continue to be made based on contract terms of incremental awards and/or Notice of Funding Opportunity (NOFO) (tenant protection, VASH, Mainstream, FUP and RAD)
  - Total HAP disbursements will be reconciled against total HAP expenses twice annually



# CY 2022 HAP Set-Aside

- Up to \$200,000,000 of renewal appropriations may be used to augment renewal allocations
- The funds for both set-asides are specified below:
  - Prevention of terminations due to insufficient funding (HCV and Mainstream Vouchers may both apply, Mainstream Vouchers will be funded through the \$10,000,000 Mainstream HAP Set-aside)
  - Unforeseen circumstances (HCV and Mainstream Vouchers may both apply, Mainstream Vouchers will be funded through the \$10,000,000 Mainstream HAP Set-aside)
  - Portability
  - Project-Based Vouchers
  - MTW New Cohorts
  - HUD-VASH
  - Lower-than-average Leasing
  - Disaster
  - NLT Inspection Withheld Housing Assistance Payments

Please refer to the CY 2022 Implementation Notice for the specific application re



# CY 2022 HAP Set-Aside

## Shortfall:

- Despite taking reasonable cost savings measures as determined by the Secretary, PHA would otherwise be required to terminate families from the program due to insufficient funds
- Prevention of terminations due to insufficient funding
- Note: PHAs administering the regular HCV Program and/or Mainstream Vouchers may be eligible for shortfall funding

## Exclusions:

1. Vouchers issued to current HCV participants to move.



# CY 2022 HAP Set-Aside

Exclusions continued:

2. Vouchers issued to avert a reduction in leasing due to program attrition. The PHA must manage the issuance of these vouchers so that the PHA does not exceed the number of units leased at the time of the SPT-confirmed shortfall and any additional units that are also authorized to be leased in accordance with these requirements.

In general, a PHA may reissue the turnover voucher to a family from the PHA waiting list, except for eligible VASH turnovers where a referral is provided by the Veterans Administration Medical Centers (VAMC), issue the voucher to a family moving from a Project-Based Voucher (PBV) unit in accordance with 24 CFR 983.261, or use the voucher to absorb a family under portability. However, a PBV family that has the right to move in accordance with 24 CFR 983.261 and wishes to do so has priority for the turnover voucher.





# CY 2022 HAP Set-Aside

Exclusions continued:

3. Instances in which the PHA is leasing under the HUD-VASH program up to the baseline level of units under all HUD-VASH allocations (not just recent allocations), including turnover of HUD-VASH vouchers.
4. Vouchers issued to program applicants under Tenant Protection vouchers (TPVs) or special-purpose voucher increments awarded in CY 2021 or CY 2022. These SPVs include Family Unification Program (FUP), Non-Elderly Disabled (NED), and Foster the Youth to Independence (FYI) vouchers.
5. Project-Based Vouchers (PBV) under the Rental Assistance Demonstration (RAD), in their first full year of funding through the HCV Program.



# CY 2022 HAP Set-Aside

Exclusions continued:

6. PHAs may allow applicants to move into PBV units to allow the PHA to meet its contractual obligation to fill PBV AHAP units being placed under HAP for the first time, and PBV units currently under HAP that are vacated by program participants
7. Vouchers issued pursuant to the settlement of litigation (“Litigation Vouchers”) against a PHA. PHAs must request approval to continue leasing Litigation Vouchers and submit supporting documentation. HUD will review and decide on a case-by-case basis using the supporting documentation received as the basis for the decision
8. Vouchers issued using funds awarded under the Lower-than-average Leasing HAP Set-Aside category
9. The Secretary reserves the right to consider additional exceptions on a case-by-case basis



# CY 2022 HAP Set-Aside

- Shortfalls: Determination of Funding Required
  - Calculated by HUD using Two Year Projection Tool
  - Compares all resources available to PHA to HAP expenses projected for the year
    - Resources: RNP; HUD-held reserves; CY 2022 renewal BA; CY 2022 portion of incremental BA; set-aside funds
    - Expenses: Current leasing and expense data projected through the year; suspension of vouchers; projected attrition based on prior actual attrition



# CY 2022 HAP Set-Aside

- Shortfalls:
  - PHA anticipating a shortfall should immediately contact the field office
  - Application period remains open throughout CY 2022; however, PHAs facing shortfalls in October and November 2022, must submit applications no later than 5 p.m., per PHA's time zone, Friday, September 2<sup>nd</sup>, 2022, so HUD can provide the funds prior to FFY 2022 close-out
  - For SPT confirmed shortfalls for the month of December 2022, PHAs must submit applications no later than 5 p.m., per the PHA's time zone, Friday, November 4, 2022 (HUD reserves the right to accept additional applications on a case-by-case basis after this date)
  - Shortfall funds will be awarded in the amount needed for the PHA to end CY 2022~~1~~ with \$0 RNP and reserves



# CY 2022 HAP Set-Aside

- Electronic Address for Set-Aside Requests:
  - Completed and signed Appendix F
  - [2022shortfallapplications@hud.gov](mailto:2022shortfallapplications@hud.gov)
  - The subject line of the email must include the PHA's number and the words "Shortfall Application" (for example, TX123 Shortfall Application - HCV) and indicate if the application is for the regular HCV Program and/or Mainstream Vouchers or both
  - The application period will remain open
  - Note: Applications provided via Mail or Fax will not be accepted



# CY 2022 HAP Set-Aside

- Unforeseen Circumstances – Eligibility:
  - Unforeseen circumstance is an occurrence within or after the re-benchmarking period which the PHA could not reasonably have anticipated and was out of the PHA's control
  - Funding adjustments for this category are based on cost increases occurring in CY 2022.
  - Mainstream Vouchers are eligible to apply for this category of Set-aside funding but will be funded through the \$10,000,000

## Criteria for significant cost increase:

- PHA's latest VMS validated 2022 PUC, must be 102 percent or greater than the PUC HUD used to determine the PHA's CY 2022 renewal funding (the CY 2022 Renewal PUC)



# CY 2022 HAP Set-Aside

- Unforeseen Circumstances – Eligibility (cont'd):

## Submission Requirements:

- Completed and signed 2022 Appendix G
- A narrative is required for all unforeseen circumstances' requests
- If a PHA is applying for unforeseen circumstances for both their HCV Program and Mainstream Vouchers, they must provide a narrative for each
- There are two deadline dates for these applications, by 5 p.m. per the PHA's time zone on June 24, 2022 and by 5 p.m. per the PHA's time zone on September 30, 2022



# CY 2022 HAP Set-Aside

- Portability - Eligibility:
  - PHA must have experienced a significant increase in renewal costs due to portability (HUD will calculate)
    - portability average HAP PUC for re-benchmarking period must exceed program-wide PUC by 110%
    - eligibility will be HAP difference multiplied by the unit months leased for “Port Vouchers Paid”

## Submission Requirements:

- Signed Set-Aside Appendix H for CY 2022





# CY 2022 HAP Set-Aside

- Project-Based Vouchers – Eligibility:
  - Vouchers were not in use during the re-benchmarking period, in order to be available to meet a commitment for PBV assistance
  - Adjustment will not exceed the number of unleased unit months
  - Only new construction and rehabilitated housing are eligible



# CY 2022 HAP Set-Aside

- Project-Based Vouchers – Eligibility:

Submission requirements:

- Specific sections of the executed AHAP agreement (see the Notice)
- If executed, specific sections of the HAP agreement (see the Notice). If not yet executed, state estimated execution date
- Completed and signed Set-Aside Appendices H and I for CY 2022



# CY 2022 HAP Set-Aside

- MTW New Cohorts– Eligibility:
  - PHAs must have received their MTW designation in CY 2021
  - Demonstrate funds were obligated but not expended in CY 2021
  - Provide supporting documentation that the obligated funds are for an MTW-eligible commitment/activity for the development of affordable housing
  - The withheld funding is broken down into two types, **PBV commitment** and **Non-PBV commitment** with application requirements specific to the type of withheld funding



# CY 2022 HAP Set-Aside

- MTW New Cohorts– Eligibility:

Submission requirements for a withheld **PBV**

## **Commitment:**

- Specific sections of the executed AHAP agreement (see the Notice)
- If executed, specific sections of the HAP agreement (see the Notice). If not yet executed, state estimated execution date
- Completed and signed Set-Aside Appendices H and I



# CY 2022 HAP Set-Aside

- MTW New Cohorts– Eligibility:

Submission requirements for a withheld **Non-PBV Commitment** (such as Public Housing or Local, Non-Traditional Development):

- Completed and signed Appendices H & J
- An approved Annual PHA Plan and MTW supplement identifying the PHA's binding agreement indicating its planned use of HAP for funding for each MTW-eligible development commitment submitted
- Documentation to demonstrate the PHA will require an outlay or expenditure of funds immediately or in the future for the MTW-eligible development activity to include the submission of any completed HUD documentation to date for each MTW-eligible development commitment submitted



# CY 2022 HAP Set-Aside

- HUD-VASH - Eligibility:
  - Per Unit Cost Increase: Program-wide funded CY 2022 HAP PUC is less than current VASH HAP PUC
    - HUD will calculate eligibility; no documentation required
  - Leasing Increase: Total VASH leasing for CY 2022 will exceed the level included in renewal funding plus leasing that will be supported by RNP and reserves
    - HUD will calculate eligibility; no documentation required
- Submit signed CY 2022 Set-Aside Appendix H



# CY 2022 HAP Set-Aside

- Lower-Than-Average Leasing – Eligibility:
  - Based on December 31, 2021 leasing and reserves.
  - PHAs are grouped by size:
    - small (less than 250 units)
    - medium (250 – 499 units); and
    - large (500 or more units)
  - Determine the average leasing as well as average reserves based on PHA size
  - Limited to PHAs that fall below both the 25th percentile of average leasing and 25th percentile of median reserves based on PHA size
  - Eligible PHAs will have award amounts capped at \$3 million and cannot exceed PHA's authorized units
  - **PHAs must reissue vouchers with this award**
  - Eligibility for this category is only PHAs not participating in the MTW demonstration
  - The list of PHAs that are eligible to apply for this category of set-aside funding is in the 'Attachment' link located at:  
[https://www.hud.gov/sites/dfiles/PIH/documents/pih2022\\_14\\_attachment.pdf](https://www.hud.gov/sites/dfiles/PIH/documents/pih2022_14_attachment.pdf)



# CY 2022 HAP Set-Aside

- Lower-Than-Average Leasing – Eligibility (cont'd):
  - Submission requirements:
    - Signed Appendix H for CY 2022
    - A written narrative that describes leasing need. To include the following:
      - 1. The amount of inventory of units in their jurisdiction, with the source of this information identified;
      - 2. The total number of families on their waiting list; and
      - 3. Assertion that the PHA has the administrative capacity to issue the vouchers and get the families into the units.





# CY 2022 HAP Set-Aside

- Disaster – Eligibility:

- The PHA must have experienced loss of units or increased costs in an area for which the President declared a disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170 et seq.) in CY 2021 and/or CY 2022
- Funding provided through this category will address the impact disasters have had on CY 2021 expenses

## Submission Requirements:

- Signed 2022 Appendix J
- Written narrative detailing the impact the disaster (please refer to the Implementation Notice for specific requirements)
- Evidence to support the narrative and
- Number of Months or Unit Months impacted (please refer to the Implementation Notice for specific requirements)



# CY 2022 HAP Set-Aside

- NLT Inspection Withheld Housing Assistance Payments Eligibility:
  - PHA's must demonstrate that after January 28, 2022, when HUD established the PHA's HAP renewal funding baseline to calculate the CY 2022 renewal allocation, the PHA subsequently paid the owner housing assistance payments that were withheld during CY 2021 in accordance with the requirements of the non-life threatening (NLT) initial inspection option under 8(o)(8)(A)(ii) of the United States Housing Act of 1937
  - EHV's and Mainstream Vouchers are not eligible for funding under this category



# CY 2022 HAP Set-Aside

- NLT Inspection Withheld Housing Assistance Payments Eligibility:
  - Completed and signed Appendix H
  - A spreadsheet identifying the amount of CY 2021 withheld HAP, by unit, by month, and the date of the retroactive payment was made to the owner in 2022
  - PHAs are required to enter their HAP expense amounts for NLT Inspection Withheld HAP in VMS. Details on how to properly enter this information into VMS are included in the Notice.



# CY 2022 HAP Set-Aside

Electronic Address for Set-Aside Requests:

- [2022Set-AsideApplications@hud.gov](mailto:2022Set-AsideApplications@hud.gov)
- Subject Line: PHA Number, 2022 Set-Aside Application
- Applications for Portability, PBV, MTW New Cohorts, Lower-than-Average Leasing, and NLT Inspection Withheld Housing Assistance Payments categories must be received by 5 p.m., per the PHA's time zone, on June 24, 2022
- Applications for Unforeseen Circumstances and HUD-VASH categories have two deadlines by 5 p.m. per the PHAs time zone on June 15, 2022 and by 5 p.m. per the PHAs time zone on September 30, 2022
- The Disaster category also has two deadlines, by 5 p.m. per the PHAs time zone on September 30, 2022 and by 5 p.m. per the PHAs time zone on December 30, 2022



# Administrative Fees

- CY 2022 Admin Fee Funding: \$2,410,612,000
- HUD MAY use up to \$30,000,000 of CY 2022 Admin Fee funding as a set-aside for housing conversion special fees, fees for portability and homeownership, etc.



# Administrative Fees

- Admin fee funds are advanced monthly, based on latest reconciled eligibility
- Admin fees are reconciled quarterly; for CY 2022 earnings are anticipated to equal approximately 91% of eligibility
- PHAs must take actions to reduce costs if fees and admin fee reserves (UNP) are insufficient
  - PIH Notice 2012-15 discusses streamlining administrative practices to reduce costs
  - HAP funds may not be used for adm



# Administrative Fees

- CY 2022 AF schedules are accessible through the HCV website:
  - [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/hcv/guidance\\_and\\_notices](https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/guidance_and_notices)
- Rates are retroactively effective January 1, 2022
- PHA requests for higher admin fees rates must be received by HUD by 5 p.m., per the PHA's time zone on July 15, 2022. Requests are submitted to Financial Management Center
- Blended fee requests are submitted to Financial Management Division; no supporting data needed. The application deadline is 5 p.m., per the PHA's time zone, on July 15, 2022
- Approvals for higher administrative and higher blended fee rates are only effective in CY 2022

# Administrative Fees

- Special Fees/Set-Aside:
  - Homeownership (HO):
    - \$200 for every HO closing reported in PIC for HCV families who have become homeowners through the HCV Homeownership program, MTW Homeownership program and FSS program (HCV only)
    - HUD will also fund a one-time \$500 special fee for each newly created Homeownership Program at any PHA in CY 2022
    - HUD will calculate and disburse, based on PIC reporting - no PHA application required





# Administrative Fees

- Special Fees/Set-Aside:
  - MF Housing Conversions:
    - \$200 for each unit occupied on the date of the eligibility event
    - HUD will calculate – no separate PHA application required for fees
  - Special Portability Fees:
    - PHAs administering port-in vouchers which equal 20% or more of the PHA's total leased vouchers as of December 31, 2021
    - Funding: 15% of PHA's Column A fee rate for each eligible port-in voucher for 12 months
    - HUD will calculate and disburse, based on portability data in PIC and leased data from VMS; no PHA application required



# Administrative Fees

- Special Fees/Set-Aside:
- Special Fees for audit costs for declaring major HCV programs per PIH Notice 2021-08 and for HCV voluntary transfers per PIH Notice 2018-12
- All Special Fees needed for administration of Section 8 Tenant-Based Rental Assistance Program:
  - PHAs experiencing increased administrative expenses, as a result of administration of tenant protection rental assistance, disaster related vouchers, and special purpose incremental vouchers can request special fees
  - Guidance for submitting special fee requests per category is provided in the CY 2022 Implementation Notice
  - The Department reserves the right to fund one, some, or all the categories



# Tenant Protection Vouchers

- \$100,000,000 appropriated
- Provided to protect HUD-assisted families from hardship as the result of a variety of actions that occur in HUD's Public Housing (Low-Rent) and Multifamily Housing portfolios
- Many cases TPVs mitigate the loss of HUD-assisted housing units in the community because these TPVs become part of the PHA's HCV program and may be reissued to families on the PHA's waiting list upon turnover
- For additional programmatic and policy guidance related to TPVs, please refer to Notice 2018-09 with the exception of the newly revised sections 6a and 6d of the 2022 Funding Notice

# Tenant Protection Vouchers

- Vacant Units
  - HUD will provided replacement vouchers for occupied units, per PIH Notice 2018-09; however, , HUD ceased providing replacement TPVs for vacant units that were occupied within the previous 24 months for the rest of CY 2022. Should there be carryover funding at the end of FY 2022, HUD will revisit this temporary cost saving measure.



# HUD-VASH Funding

- Veterans Affairs Supportive Housing
  - \$50,000,000
  - Awarded based on geographic need
  - HUD will issue guidance for these awards and the remaining \$29 million available from prior year funding at a later date
  - All PHAs are responsible for tracking new units and funding for SPVs, to include new incremental vouchers and renewals. HUD-VASH can only be used for the intended purposes and are not subject to MTW fungibility provisions.
  - PHAs in need of a frontload during the year and have excess SPV funding available in their Restricted Net Position (RNP), will be provided with a frontload that does not consider their available SPV funds as SPV funds may only be used for their intended purposes.

# Tribal HUD-VASH Renewals

- The 2022 Act provides up to \$5,000,000 as a set-aside from the HAP Renewal account, and not as a separate budget line item.
- These funds will renew rental assistance grants and associated admin fees to serve Native American Veterans that are homeless or at-risk of homelessness living on or near a reservation or other Indian areas



# Mainstream Vouchers

- The 2022 Act provides \$459,000,000 for Mainstream
- Congress approved \$10,000,000 HAP set aside for U/C and Shortfalls
- Mainstream Voucher renewals will be based on validated Mainstream Vouchers leasing and HAP expenses as reported in VMS for CY 2021, in the same manner as other vouchers, but in a separate renewal action
- Administrative fees will be based on leasing as of the first of each month and will be prorated at the same level as fees for other vouchers
- The 2022 Act does not provide funding for incremental vouchers
- All PHAs are responsible for tracking new units and new funding for SPVs. Mainstream funds can only be used for the intended purposes. These funds are not subject to MTW fungibility provisions
- PHAs in need of a frontload during the year and have excess SPV funding available in their RNP, will be provided with a frontload that does not consider their available SPV funds as SPV funds may only be used for their intended purposes



# Family Unification Program (FUP)

- The 2021 Act provides \$30,000,000 for new incremental FUP. Of this amount, HUD plans to award \$5,000,000 through a NOFO. The remaining \$25,000,000 is limited to use on behalf of FUP-eligible youth under the FYI Initiative. Of that amount up to \$15,000,000 will be made available non-competitively through a PIH Notice, and \$10,000,000 will be awarded through a NOFO.
- The 2022 Act also provides that any PHA administering voucher assistance appropriated in a prior Act under the FUP, or competitively under this Act, that determines that it no longer has an identified need for such assistance upon turnover, shall notify the Secretary, and the Secretary shall recapture such assistance from the agency and reallocate it to any other PHA(s) based on need for FUP voucher assistance
- All PHAs are responsible for tracking new units and new funding for Special Purpose Vouchers. FUP funds, including those made available under the FYI initiative, can only be used for the intended purposes. These funds are not subject to MTW fungibility provisions





# Mobility-related Services

- New category of funding – This is for mobility-related services, which will be modeled after services provided in connection with the Community Choice Demonstration.
- The 2022 Act provides \$25,000,000 for mobility-related services. HUD will issue a NOFO at a later date. HUD will provide additional information at a later date
- Per the 2022 Act, preference will be given to PHAs with a higher concentration of HCV families with Children residing in high-poverty neighborhoods

# New HCV Incremental Vouchers

- New category of funding in 2022
- The 2022 Act provides \$200,000,000 for new Incremental Vouchers
- HUD plans to award these through a noncompetitive formula and will invite selected PHAs to accept or decline the vouchers later this year
- A forthcoming operational notice will describe the eligibility formula, uses of funds, and reporting requirements for these vouchers

# HCVP Financial Management

- PHAs are encouraged to lease as close as possible to their capacity, without incurring a shortfall or exceeding the PHA's baseline
- PHAs should use the 2-year tool and update it regularly to see the vouchers that can be supported in the current year and the next year

# Questions?

- Questions may be submitted to [PIHFinancialManagementDivision@hud.gov](mailto:PIHFinancialManagementDivision@hud.gov)