

FY 2022 Housing Choice Voucher (HCV) Funding and Implementation Notice

May 25, 2022



Webinar Logistics

- This session is being recorded. Recording will be shared at www.hud.gov/hcv (See 'Webinars and Trainings' section)
- All participants are muted. If you are having trouble connecting your computer audio, you can call in using the following information:
 - 888-251-2949 or 215-861-0694
 - Access Code: 1047217#
- If you are having technical issues, please call 301-250-7202
- Please submit your questions in the Q&A box

Agenda

- FY 2022 Budget Highlights
- New HCV Incremental Vouchers
- HCV Renewal Funding Basics
- CY 2022 Funding
- Administrative Fees
- Special Fees
- HAP Set-Aside Funding
- Key Take-aways
- Funding Implementation - Demo

FY 2022 Budget Highlights

- \$200M for New HCV Incremental Vouchers
- 100% Proration
- Increase in Admin Fees (\$2.4B)
- Increase in Set-Aside Funding (\$200M)

CY 2022 Appropriations

HAP Renewal Funding ¹	\$24,090,029,000
Tenant Protection Vouchers ²	\$100,000,000
Administrative Fees	\$2,410,612,000
Tribal HUD-VASH ¹	\$5,000,000
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
Total Available CY 2022 Appropriations	\$27,369,641,000

New HCV Incremental Vouchers

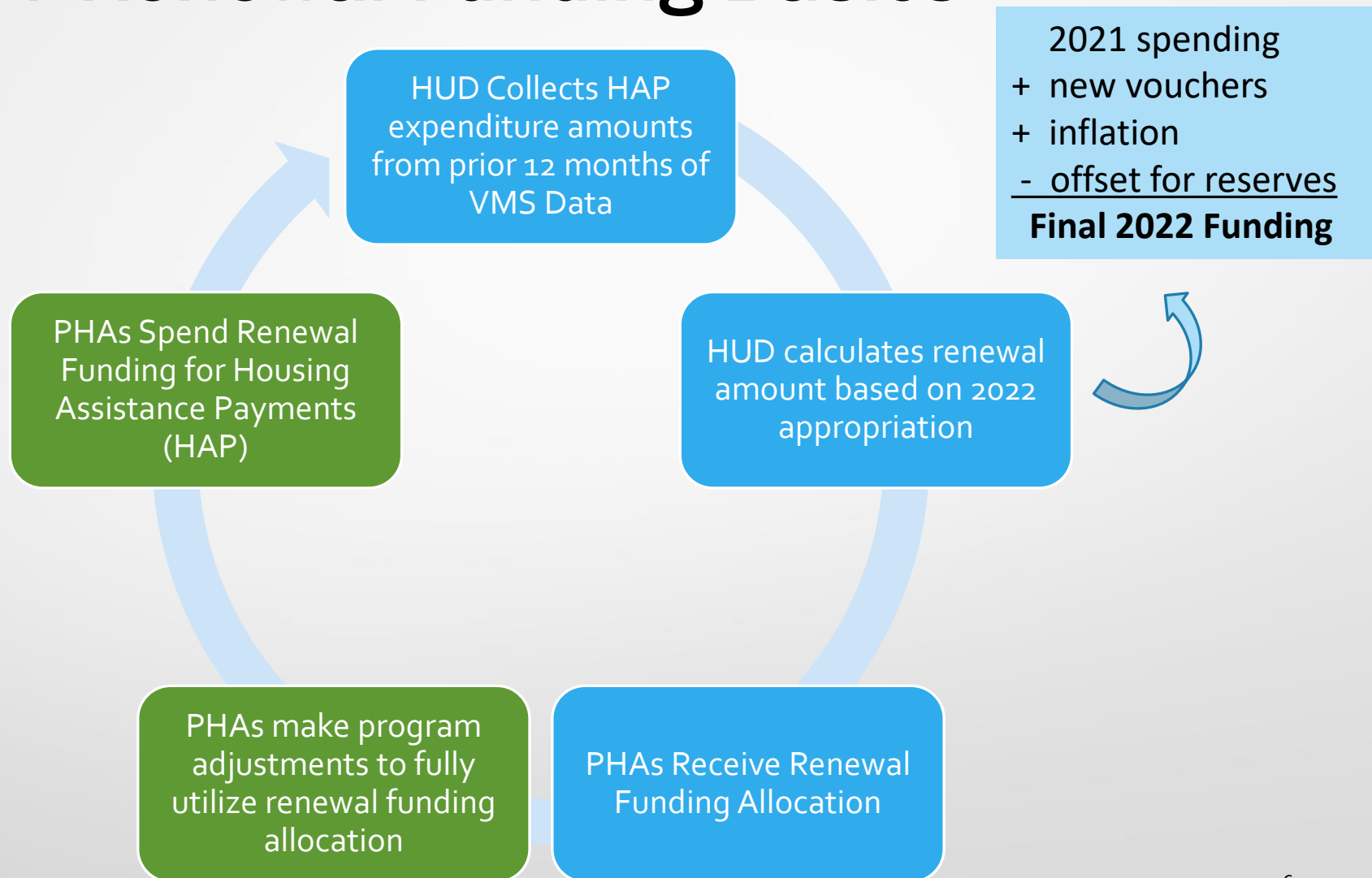
- \$200M for new HCV Incremental (Fair Share) vouchers
- First incremental vouchers since 2001
- Awarded through a noncompetitive formula
- Awards will be issued later in 2022
- Future notice will describe the eligibility formula, uses of funds, and reporting requirements

HCV Renewal Funding Basics

Key details:

- ✓ You received an inflationary increase for 2022
- ✓ The decisions you make today will impact your funding next year

For more details on the funding process, visit the [HCV Overview Video Series](#) under “Webinars and Trainings” at www.hud.gov/hcv



CY 2022 Funding

- CY 2022 Enclosure A was sent to each PHA participating in the HCV program on May 9th via email
- CY 2022 Proration Factor 100%
- Offset for Reallocation of 43% applied to increase National Proration factor to 100%

Administrative Fees

- \$2.4B for administrative expenses
- CY 2022 Admin Fee Rates are posted in HCV Website
- PHAs can also apply for (1) **Blended Rates**: PHAs serving multiple admin fee areas may request a blended rate or (2) **Higher Admin Fee Rates**: A PHA that operates over a large geographic area, defined as two or more counties
 - Admin Fee areas are the same as FMR areas
 - Deadline: No later than 5 p.m., July 15, 2022
 - See CY 2022 Implementation Notice, [Notice PIH 2022-14](#) , for more details

Special Fees

- Up to \$30M in Special Fees
- Special Fee Categories include:
 - HUD-VASH
 - FUP
 - Disaster
 - Secretary's Discretion
- See Appendix C of the CY 2022 Implementation Notice, [Notice PIH 2022-14](#), for more details

HAP Set-Aside Funding

- \$200M available to adjust PHA HAP allocations
- The Act provides up to \$10M for a Mainstream Voucher HAP Set-aside
- Two **new** Set-Aside funding categories:
 - Category 3b – MTW New Cohorts
 - Category 7 – NLT Inspection Withheld Housing Assistance Payments
- Deadlines to apply for Set-Aside funding categories are fast approaching – **June 15, 2022, 5pm** (See [Notice PIH 2022-14](#))

HAP Set-Aside Eligible Categories

Set-Aside Category	Category Description
Category 1 – Prevention of Terminations Due to Insufficient Funding (Shortfall)	<ul style="list-style-type: none"> • PHA would be required to terminate participating families from the program due to insufficient funds despite taking reasonable cost savings measures • No deadline • Send questions to 2022ShortfallInquiries@hud.gov and application to 2022Shortfallapplications@hud.gov
Category 2a – Unforeseen Circumstances*	<ul style="list-style-type: none"> • 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 adjustment for this category are based on cost increases occurring in CY 2022
Category 2b – Portability	<ul style="list-style-type: none"> • Experienced a significant increase in renewal costs due to portability for tenant based rental assistance under Section 8(r) of the Act
Category 3a – PBV	<ul style="list-style-type: none"> • Vouchers were withheld from use during the CY 2021 re-benchmarking period to be available to meet a commitment for PBV assistance. Adjustments only apply to vouchers withheld pursuant to a PBV Agreement to enter into an AHAP for newly constructed or rehabilitated housing.

*Indicates two submission deadlines

- Refer to PIH Notice 2022-14 for detailed information on eligibility and submission requirements

HAP Set-Aside Eligible Categories

Set-Aside Category	Category Description
Category 3b – MTW New Cohorts	<ul style="list-style-type: none"> • Received MTW designation in CY 2021 • Funds were obligated, but not expended during CY 2021 • Documentation must be provided that the obligated funds are for an MTW-eligible commitment/activity for the development of affordable housing
Category 4 – HUD-VASH*	<ul style="list-style-type: none"> • PHAs administering HUD-VASH vouchers that can demonstrate a need for adjustment funding for at least one of the following situations: <ul style="list-style-type: none"> • PUC Increase • Leasing Cost Increase
Category 5 – Lower-than-average Leasing	<ul style="list-style-type: none"> • PHAs that are: <ul style="list-style-type: none"> • Leasing a lower-than-average percentage of their authorized vouchers • low amounts of budget authority in their net restricted asset accounts and HUD-held programmatic reserves • not participating in the MTW demonstration

*Indicates two submission deadlines

- Refer to PIH Notice 2022-14 for detailed information on eligibility and submission requirements

HAP Set-Aside Eligible Categories

Set-Aside Category	Category Description
Category 6 – Disaster*	<ul style="list-style-type: none"> Experienced increased costs or loss of units in an area for which the President declared a disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act Funding provided through this category will address the impact disasters have had on CY 2022 expenses
Category 7 – NLT Inspection Withheld Housing Assistance Payments	<ul style="list-style-type: none"> 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 HAP that were withheld during calendar year 2021 in accordance with the requirements of the non-life threatening (NLT) initial inspection option under section 8(o)(8)(A)(ii) of the United States Housing Act of 1937 For detailed guidance on the NLT initial inspection option, please see PIH Notice 2017-20

*Indicates two submission deadlines

- Refer to PIH Notice 2022-14 for detailed information on eligibility and submission requirements

Key Take-aways

- Now is the time to start utilizing these funds
 - Utilization Tools/Videos are available at www.hud.gov/hcv
 - Contact your Field Office for more Assistance
- You may be eligible for additional funds
 - Review the Set-Aside categories (deadlines start June 15th)
 - New Incremental Funding awards will be made later this year – look out for the Notice

Funding Implementation – Demo

- HCV Two-Year Projection Tool
(https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/Tools)



Thank you!

Appendix - Funding Deadlines

Deadline	Funding Opportunity	Description
June 15, 2022	Set-Aside - Unforeseen Circumstances*	Aids PHAs who have experienced an occurrence, within or after the re-benchmarking period, that could not have been anticipated and was out of the PHA's control.
	Set-Aside - Portability	Helps PHAs that experienced a significant increase in renewal costs due to portability for tenant based rental assistance under Section 8(r) of the Act.
	Set-Aside - Project Based Vouchers	Reimburses PHAs for HCV renewal funds that were not included in the CY2021 re-benchmarking because the PHA intentionally held the funds for an upcoming PBV to Enter into a Housing Assistance Payment (AHAP).
	Set-Aside - MTW New Cohorts	Provides funding for PHAs that received their MTW designation in CY 2021 where funds were obligated, but not expended in CY 2021.
	Set-Aside - HUD-VASH*	Supports PHAs administering HUD-VASH that can demonstrate a need for adjustment funding due to at least one of the following situations: (1) PUC Increase (2) Leasing Cost Increase.
	Set-Aside - Lower-than-average Leasing	Aids PHAs that are leasing at a lower-than-average percentage of their authorized vouchers, have low amounts of budget authority in their NRA and HUD-held programmatic reserves.
	Set-Aside - Non-Life Threatening (NLT) Inspection Withheld HAP	Reimburses PHAs for cases where the PHA paid the owner HAP that were withheld during CY 2021 in accordance with the requirements of the NLT initial inspection option.
	Blended Rate Administrative Fees	Increased Administrative Fees for PHAs serving multiple Administrative Fee areas.
July 8, 2022	Higher Administrative Fees	Increased Administrative Fees for PHAs that operate over a large geographic area, defined as two or more counties.
	Special Fees - HUD-VASH	Supports necessary additional administrative expenses incurred to increase lease-up success rates or decrease the time it takes for a veteran to locate and move into a unit. See Appendix C of the notice.
September 30, 2022	Special Fees - HUD-FUP	Supports necessary additional administrative expenses incurred to achieve either of the following activities: 100% FUP/FYI voucher utilization; and Increase access to the program for FUP-eligible youth. See Appendix C of the notice.
	Set-Aside – Disaster*	Supports PHAs whose expenses have been impacted by disasters.
	Set-Aside - Unforeseen Circumstances*	Second and final deadline for additional funding for unforeseen circumstances.
October 28, 2022	Set-Aside - HUD-VASH*	Second and final deadline for additional funding for HUD-VASH
	Special Fees - Disaster	In the event of a future allocation of disaster vouchers during CY 2022, PIH will provide eligibility and application guidance for disaster related vouchers' special fees. See Appendix C of the notice.
December 30, 2022	Special Fees - Secretary's Discretion	Provides additional administrative fee funding to cover administrative expenses incurred as the result of a situation outside of the specific categories described in the CY2022 Funding Implementation notice. See Appendix C of the notice.
	Set-Aside – Disaster*	Second and final deadline to request funding for Disaster assistance.
No Deadline	Set-Aside - Prevention of Terminations Due to Insufficient Funding (Shortfall)	Provides funding for PHAs that would be required to terminate participating families from the program due to insufficient funds despite taking reasonable cost savings measures.

For more information on eligibility and submission requirements see [Notice PIH 2022-14](#)

*Indicates two submission deadlines for the same category of funding, including: (1) Unforeseen Circumstances; (2) HUD-VASH; and (3) Disaster.