

Office of Public and Indian Housing

Explanation of Calendar Year (CY) 2025 Public Housing Operating Subsidy Obligations for April, May, June, and partial July**Interim Project Eligibility Levels for CY 2025**

The Department is in the process of obligating Operating Subsidy grants for the months of April, May, June and approximately one and a half weeks of July 2025, in accordance with the information below. April, May, June and approximately one and a half weeks of July 2025 obligations are based on the interim eligibility determined after processing the 2025 Operating Subsidy forms. This obligation will cover six twelfths of prorated eligibility in eLOCCS.

All Operating Subsidy obligations are cumulative. As such, to the extent that excess amounts were cumulatively obligated to a project previously, its next obligation (and possibly future obligations depending upon the amount of the overfunding) will reflect a relative decrease. To the extent that insufficient amounts were cumulatively obligated to a project previously, its next obligation will reflect a relative increase. This round of funding is expected to be available in eLOCCS no later than March 14, 2025. The next round of funding is expected to be made available in eLOCCS no later than July 1, 2025. Obligation Letters and project level Detailed Calculation Reports will be available on the FMD website for 2025:

[Calendar Year \(CY\) 2025 Operating Fund Grant Processing | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](https://www.hud.gov/program_offices/general_counsel/build_america_buy_america)

These grants may be subject to the requirements of the Build America, Buy America Act (BABA) which was enacted on November 15, 2021, as part of the Infrastructure Investment and Jobs Act (Public Law 117–58), unless waived by the Department: refer to HUD's BABA webpage for further information (https://www.hud.gov/program_offices/general_counsel/build_america_buy_america).

Proration Levels for CY 2025 using an Interim Eligibility

For the April, May, June and July (one and a half weeks) months of funding, the Department considered 2025 interim eligibility to provide for an interim proration level of approximately 95%. The Department undertakes a conservative methodology in determining proration levels prior to a determination based on an Appropriation Act. For the April, May, June and July (one and a half weeks) funding, the Department considered the lowest of the current Congressional Legislative bodies (House of Representatives and Senate) 2025 Budget Proposals and 2025 interim eligibility to provide for an interim proration level of approximately 95%. The final proration will reflect the difference in the amount of the final approved PHA eligibility and the 2025 Appropriation Act.