



January 6, 2023

HCV PROGRAM NEWS

PIH Sends “Get Ready for 2023” Letter

Yesterday HUD’s Office of Public and Indian Housing ([PIH](#)) sent out a [letter](#) to PHA executive directors to help them plan their 2023 budgets for the Housing Choice Voucher ([HCV](#)) program. The letter provides important information and guidance about budgeting for the year. Below are just a few highlights:

- The Department estimates that the overall funding proration levels for 2023 will be 99% for housing assistance payments (HAP) and 91% for administrative fees (AF). At this level of HAP funding, PHAs can anticipate an offset and reallocation from HAP program reserves that will ensure an overall HAP proration of approximately 100%.
- The Department applied a national average inflation factor of 10.13%, however, local inflation factors will be used to calculate each individual PHA’s CY 2023 eligibility and these factors may significantly differ between an individual PHA’s inflation factor and the national average.
- Although final PHA-level funding amounts will not be available until the end-of-year reconciliation is completed in March 2023, PHAs should expect a funding increase of around 10 percent, on average. HUD strongly recommends PHAs use HUD’s [HCV utilization tools](#) to make program adjustments now to account for this substantial funding increase.
- PHAs should expect timely HAP and AF disbursements for the HCV program and Mainstream Voucher program through February 2023. Funds have been obligated as follows: January and February 2023 HAP obligations at 100% proration of estimated CY 2022 eligibility, January and February 2023 AF obligations at 89% proration of estimated CY 2023 eligibility, and for PHAs administering Mainstream Vouchers, both HAP and AF for January and February 2023 have been obligated at 100% and 89%, respectively.
- The deadline to submit CY 2022 costs and leasing adjustments in VMS, if needed, is January 27, 2023.
- All CY 2022 PIC reporting must be successfully submitted by no later than 4 p.m., Friday, March 31, 2023.

Further details can be found in the [letter](#).

HUD Awards \$24.7 Million through Mainstream Voucher Program

In a [press release](#) Wednesday, HUD announced that it has awarded \$24.7 million to 98 local PHAs across the country to provide permanent affordable housing to non-elderly persons with disabilities. The funding, awarded through HUD’s Section 811 [Mainstream Housing Choice Voucher](#) program, allows these PHAs to house up to 2,210 additional families, and further support community integration for persons with disabilities.

According to the announcement, HUD awarded both new vouchers and extraordinary administrative fees. The \$5 million of extraordinary administrative fees awarded to 88 PHAs can be used to support housing search and leasing up of eligible applicants, in addition to easing costs related to the retention, recruitment, and support of participating owners. This will include security deposits, signing bonuses, vacancy payments, and damage mitigation. Click [here](#) for a list of awards by agency.



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