

April 6, 2023

GENERAL NEWS

HUD Extends Comment Period for AFFH Proposed Rule

Today in the *Federal Register*, the Department of Housing and Urban Development (<u>HUD</u>) published a <u>notice</u> announcing that it has extended the public comment period for its Affirmatively Furthering Fair Housing <u>proposed rule</u>, which was published on February 9, 2023. The new deadline for public comments is **April 24, 2023**.

Comments on the proposed rule were originally due on April 10, 2023. However, HUD is extending the period for an additional 14 days to allow interested persons additional time to analyze the proposal and prepare their comments. For further details on the proposed rule, HUD has made available a <u>fact sheet</u>, a <u>quick reference guide</u>, and a <u>public comment how-to guide</u>.

HCV PROGRAM NEWS

PIH Issues Notice on Remedies for Poor Performing Owners in HCV/PBV

Yesterday HUD's Office of Public and Indian Housing (<u>PIH</u>) published Notice <u>PIH 2023-06</u>, titled "Notice on Remedies PHAs have for Poor Performing Owners in the Housing Choice Voucher and Project-Based Voucher Programs." The purpose of the notice is to:

- Remind PHAs and property owners in the HCV and PBV programs of the importance of complying with program requirements
- Remind PHAs of the remedies they have available when owners fail to comply with program requirements, particularly those that relate to the safety of the unit
- Remind PHAs of potential discretionary policies they may adopt to preclude owners from future participation in their HCV and PBV programs
- Remind PHAs of mandatory reasons for disapproval of owners in the HCV and PBV programs
- Remind PHAs and property owners of HUD's potential remedies when PHAs fail to ensure owners' compliance with statutory, regulatory, and/or housing assistance payment (HAP) contract requirements

Further details can be found in the notice.

PIH Issues 2023 Funding Notice for Voucher Program

Yesterday PIH also published Notice <u>PIH 2023-07</u> to explain the funding provisions for the Housing Choice Voucher (<u>HCV</u>) program in the Further Consolidated Appropriations Act, 2023. Below are some highlights of the 54-page notice:

- Section 4 of the notice explains the five-step process that the PIH office used to determine voucher renewal funding for PHAs in 2023.
- The 2023 Act provides \$200 million for the HAP set-aside. HUD has the authority to provide adjustments to PHA allocations for set-aside categories 1 through 7 as described in Section 12 of the notice.
- PHAs that may qualify for set-aside funds must apply by close of business June 16, 2023, for the *Portability*, *PBVs*, *MTW New Cohorts*, *Lower-than-average Leasing*, and/or *NLT Inspection Withheld Housing Assistance Payments* categories; by September 29, 2023, for the *Linference Circumstances* and *HLID VASH* extensions and by December 29, 2023.

for the *Unforeseen Circumstances* and *HUD-VASH* categories; and by **December 29**, **2023**, for the *Disaster* category. The application period for the *shortfall* category will remain open.

- With respect to tenant protection vouchers (TPVs), in addition to providing replacement vouchers for occupied units as described in Notice <u>PIH 2018-09</u>, HUD will also provide replacement TPVs for vacant units that were occupied by an assisted family within the previous 24 months that are no longer available as assisted housing; however, HUD notes that, depending on demand and funding availability, it may subsequently need to suspend this policy. You can find details on tenant protection vouchers in Section 5 of the notice.
- PIH will make available up to \$30 million in administrative fee funding for homeownership fees, special fees for multifamily housing conversion actions, special fees for receiving PHAs where portability vouchers are a significant portion of vouchers under lease, special audit fees for declaring HCV programs, and for HCV voluntary transfers. Special fees needed for PHAs experiencing increased administrative expenses as a result of administering tenant protection rental assistance, disaster-related vouchers, HUD-VASH vouchers, Small Area Fair Market Rents (SAFMR), and other special purpose incremental vouchers, are also eligible special fees. Special fees are not applicable to Mainstream Vouchers or Emergency Housing Vouchers (EHVs).
- The 2023 Act provides \$50,000,000 for new HCV Incremental Vouchers. A forthcoming operational notice will describe the eligibility formula, uses of funds, and reporting requirements for these vouchers.
- The Act also provides \$50 million for new incremental vouchers for the HUD-VASH program. Vouchers will be awarded based on geographic need and PHA administrative performance.
- In addition, the Act provides \$606,500,000 for the Mainstream program and \$30 million for the Family Unification Program (FUP). HUD will implement guidance related to FUP at a later date.

Further details can be found in the notice.



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