



August 3, 2023

HCV PROGRAM NEWS

PIH Issues Notice on Allocation and Admin Fees for New Vouchers

Late yesterday HUD’s Office of Public and Indian Housing ([PIH](#)) issued Notice [PIH 2023-21](#) titled “Allocation of New Incremental Housing Choice Vouchers and Special Administrative Fees.” The notice explains HUD’s process for awarding approximately 4,000 new housing choice vouchers to PHAs and how HUD is making available preliminary fees to support the utilization of this new HCV allocation. The document details the housing assistance payments funding award process and the process for declining an allocation of these vouchers.

The notice also describes an additional fee that will be paid subject to certain conditions and time frames when the PHA reports a family as homeless at admission (which includes survivors of domestic violence, dating violence, sexual assault, stalking, and human trafficking) in the Inventory Management System/PIH Information Center (IMS/PIC) or the forthcoming successor system Housing Information Portal (HIP).

Below are some highlights of the notice:

- These new HCVs are not special purpose vouchers, rather, they are regular HCVs and will not require separate tracking or reporting.
- To be eligible to receive an HCV funding allocation, a PHA must currently administer the HCV program through an existing consolidated annual contributions contract with HUD. Nonprofit agencies that only administer HCV Mainstream vouchers are not eligible.
- HUD’s allocation formula is designed to direct HCVs to areas where there is demonstrated need among extremely low income and very low-income renter households and ensure that there is representation of both rural and urban areas. Section 4 of the notice explains the data and indicators that were used to develop the allocation formula.
- Once HUD has calculated the HCV allocation, it will notify eligible PHAs of their HCV award. The notification will specify the number of vouchers allocated to the PHA and will provide specific instructions regarding how the PHA may decline the allocation. Section 5 of the notice establishes the acceptance/declination process.
- PHAs will be allocated administrative fees as follows: one time lease up fee, homeless/dv incentive lease up fees, and on-going administrative fee. Section 6 of the notice describes the allocation of these fees.
- These vouchers will be renewed and must be reported monthly into the Voucher Management System in the same manner as voucher and administrative fees are renewed and reported for a PHA’s regular HCV program.
- The funding from these awards must exclusively be used for the leasing of new admissions to the HCV program. It cannot be used for HCV renewals or for the accumulation of reserves. PHAs are required to track the initial leasing of these vouchers and spending to document that these funds were used for leasing new admissions.
- HUD strongly encourages PHAs to implement strategies to expand housing opportunities for individuals and families experiencing homelessness or at risk of homelessness and survivors of domestic violence, dating violence, sexual assault, stalking, and human trafficking, including by establishing appropriate preferences, consistent with HCV regulations and statute.

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



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