



July 22, 2021

HCV PROGRAM NEWS

PIH Issues Notice Implementing Adjustments to 2021 Renewal Funding Allocations

Yesterday HUD's Office of Public and Indian Housing ([PIH](#)) issued Notice [PIH 2021-23](#) to implement adjustments to calendar year 2021 HAP renewal funding allocations for the Housing Choice Voucher ([HCV](#)) program and [Mainstream Vouchers](#). The funding for these adjustments was appropriated as part of the American Rescue Plan (ARP). Through this notice, HUD is making available \$200 million for PHAs that fall under two eligible categories:

- **Extraordinary circumstances:** PHAs, including Moving to Work PHAs, that experience a significant increase in voucher per unit costs (PUCs) due to extraordinary circumstances. The application process and calculation methodology provided in the notice for this category supersede those provided in Notice [PIH 2021-10](#) for the unforeseen circumstances category. The adjustment funding awarded must be used by **June 30, 2022**, or it will be recaptured.
- **Shortfall funds:** PHAs that despite taking reasonable cost savings measures, would otherwise be required to terminate rental assistance for families as a result of insufficient funding. The criteria and calculation methodology for this category are the same as those for the HAP set-aside shortfall category described in Notice PIH 2021-10. The adjustment funding awarded must be used by **December 31, 2021**, or it will be recaptured.

According to the notice, awards will be made to eligible PHAs based on need, as determined by HUD. The Department will first use the ARP funding for the aforementioned categories. HUD will supplement these funds with the 2021 HAP set-aside funds to ensure awards are fully funded. However, if funding provided through this notice and the 2021 HAP set-aside is insufficient to fully fund all eligible applications, HUD reserves the right to prioritize awards for the shortfall funds category and may need to prorate eligibility for extraordinary circumstances awards.

Further information, including a detailed description of the two eligible categories, the allocation methodology, eligibility requirements, and application instructions, can be found in the [notice](#).



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