Housing Choice Voucher E-Newsletter

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http://www.hud.gov/offices/pih/programs/hcv/

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2011 HCVP Get Ready Letter Is Available

Recently Deputy Assistant Secretary for Public Housing and Voucher Programs Milan Ozdinec sent public housing agency (PHA) executive directors the Calendar Year (CY) 2011 Housing Choice Voucher Program (HCVP) Get Ready Letter. This letter is to assist PHAs in making end-of-the-year decisions related to leasing utilization and the Housing Assistance Payment (HAP), and understanding how decisions made now may impact their budgets over CY 2011.

PHAs with available Net Restricted Assets (NRA) and unit months available (UMA) may be trying to optimize lease-up before January 2011. The letter, however, cautions them to become familiar with current House of Representatives' and Senate's 2011 proposed Appropriation Bill Reports for the Housing Choice Voucher Program, HR-5850 and S-3644. Those bills, while not final, would initiate several significant changes from last year's Appropriations Act that PHAs need to take into consideration for planning purposes.

The letter discusses important proposed changes to the HAP renewal funding allocations, the HAP NRA, and funding issues.

Proposed changes include a new re-benchmarking period for the renewal funding allocations based on eligible HAP costs and leasing from the Voucher Management System (VMS) for CY 2010 rather than the Federal fiscal year. This change could have a significant effect on each PHA's funding eligibility. Additionally both bills would no longer include additional leasing in the last quarter of the calendar year as an eligible category for renewal adjustments under the set-aside funding. The letter provides additional information on eligible categories for renewal adjustments.

The letter provides a brief overview of NRA's purpose and uses.

Since HUD is currently operating under a continuing resolution, the letter provides information on HUD's process for issuing final funding letters after the budget is passed.

Please read the letter to also be reminded of:

- Other changes to the renewal funding formula.
- Limitations to the provision of additional renewal funding.
- The continued cap on over leasing.
- The system awarding points under the SEMAP utilization category.

Read the letter: **http://bit.ly/95NKWb**

Find the bills and reports located under "Appropriations Bills" at: **http://www.thomas.gov**

PIH Notices

PIH Notice 2010-43, "Continuation of Disaster Voucher Program (DVP) Housing Assistance Payments" issued October 19, 2010. This Notice informs DVP administering PHAs that, although DVP terminated September 30, 2010, HUD will continue to provide transitional monthly housing assistance payments for current DVP families through June 30, 2011, or until such time that eligible families are admitted into the HCV program (i.e., executed lease and HCV HAP contract) or other housing assistance programs. The purpose of continuing housing assistance payments is to allow additional time for HUD and the PHAs to transition eligible families to other housing assistance. This Notice also alerts PHAs to changes in the DVP reconciliation requirements previously identified in HUD Notice PIH 2008-29.

PIH Notice 2010-45, "Financial Reporting Requirements for the Housing Choice Voucher Program Submitted through the Financial Assessment Subsystem for Public Housing and the Voucher Management System," issued October 29, 2010. This Notice clarifies the financial reporting requirements and deadlines for those PHAs that administer the HCV and HCV-related programs (DVP, Disaster Housing Assistance Program – Ike (DHAP-Ike), Disaster Housing Assistance Program, Moderate Rehabilitation (Mod Rehab) and Mainstream 5-Year program (MS5), if applicable).

To view the Notices:
http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/hudclips/notices/pih

Report Explores What is Known about Voucher Program Location Outcomes

What Do We Know About Housing Choice Voucher Program Location Outcomes? examines 42 reports and articles published primarily during the past decade for evidence on neighborhood location outcomes for voucher recipients. The review focused on the distribution of voucher holders across neighborhoods, neighborhood poverty and quality outcomes, comparisons to place-based programs, and housing decisions and the search process.

Many results were positive. Voucher recipients are located in the majority of neighborhoods throughout metropolitan statistical areas (MSAs) (Devine et al. 2003; Galvez forthcoming[a]; Kingsley et al. 2003). Over 60 percent of voucher holders lived in census tracts where they did not make up a majority of households (Galvez forthcoming[a]). Nearly 80 percent of voucher recipients live in neighborhoods with poverty rates below 30 percent (Devine et al. 2003) A poverty rate of 40 percent is considered high poverty. Voucher holders live in slightly less poor areas than non-assisted poor MSA residents (Devine et al. 2003; Galvez forthcoming[a]).

However, voucher recipients are not evenly distributed among census tracts (Massey and Denton 1988) and tend to live close to their former homes (Kingsley et al. 2003; Smith et al. 2002; Buron et al. 2002). Since affordable housing is located in nearly all MSA census tracts (Devine et al. 2003), voucher recipients are not accessing the full inventory of affordable units. When race is disaggregated, the numbers become starker. Over 25 percent of black and Hispanic HCV households in the 50 largest MSAs lived in tracts with poverty rates over 30 percent in 2000; only 8 percent of white households fared the same (Devine et al. 2003).

Residents consistently stated a desire to move to "good" or "quiet" neighborhoods, but may stay closer to home from reluctance to leave family and social networks, lack of familiarity with suburban and low-poverty neighborhoods, and unit characteristics (Smith et al. 2004; Popkin and Cunningham 2000; Clampet and Lundquist 2004). Moreover, studies of the search process have found voucher recipients overwhelmed and poorly supported by their PHAs (Popkin and Cunningham 2004; Clampet and Lundquist 2004b). The role of discrimination has proven difficult to quantify and requires additional research.

For more information: **http://www.urban.org/publications/412218.html**

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