

**Proposed Summary of Changes
2025 Housing Choice Voucher (HCV) Administrative Plan
Effective January 1, 2025**

Below is a summary of changes incorporated into the 2024 HCV Administrative Plan.

There were several changes made to the Administrative Plan as a result of the Department of Housing and Urban Development's (HUD) additional streamlining changes under the "Housing Opportunity Through Modernization Act [HOTMA Final Rule, May 7, 2024] for Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) programs. These changes are considered statutory. The changes also represent some discretionary policies as permitted to allow flexibility in implementing certain sections of the HOTMA Final Rule. Some changes were incorporated from the National Standard for the Physical Inspection of Real Estate (NPIRE) Final Rule [May 11, 2023] into the HOTMA Final Rule with some additional changes that build upon changes from the NSPIRE final rule. NSPIRE is also known as Housing Quality Standard (HQS) inspections.

This document serves as a summary of changes and does not represent all changes incorporated in the Administrative Plan. For full details of changes, the public can access the redline edits to the Plan online.

Some notable reforms in the HOTMA Final Rule include:

Payment Standards.

- Allowing PHAs struggling with success rates to adopt an exception payment standard of up to 120 percent through a simple notification process;
- Requires PHAs to increase payment standards during the HAP contract term: when there's an increase to the HAP contract rent and at the families first regular or interim reexamination.
- Aligning a payment standard change when there's an increase or decrease in family size;

Project-Based Voucher Selection and Development Activity.

- Methods of Competitive Selection: FH written notice for selection of projects to the owner and written notice responses to FH from the owner to accept terms and conditions;
- For selection of projects through Exceptions to Competitive Selection, FH must give prompt written notice of project selection to the owner following FH's Board's resolution approving the project-basing of assistance at the specific project. The written notice of project selection must require the owner of the project selected to provide a written response to FH accepting the terms and requirements stated in the notice.

- Allows some types of manufactured housing to be used in the PBV program: Manufactured homes are ineligible only if the manufactured home is not permanently affixed to a permanent foundation or the owner does not own fee title to the real property (land) on which the manufactured home is located.
- PHA discretion to not use an Agreement or execute an Agreement after construction or rehabilitation development activity under certain conditions;
- Adding an additional category to units excluded from the program cap under certain conditions for eligible youth;

Project-Based Voucher: Dealing with Wrong-sized and Accessible units.

- Accommodating families with additional time to locate other affordable, safe and geographically proximate replacement housing;

HQS Inspections.

- PHA discretion to use withheld abated Housing Assistance Payments to assist with family's moving costs;

Other Changes

Other changes made in the Plan were directly related to clarifying the significant changes that were made in the 2024 Plan to comply with the HOTMA Final Rule [February 14, 2023]. Therefore, there is no need to summarize these changes. The public may review redline edits to the Plan online to view details of those changes.