

HABC HOUSING CHOICE VOUCHER PROGRAM (HCVP) STATEWIDE VOUCHER PROGRAM (SVP) Fiscal Analysis

- HAP funding supports 100 families.
- This program will require approval from the HABC Board of Commissioners as well as HUD approval.
- Upon new admission, a tenants' rental portion and utilities (gross rent) cannot exceed 40% of their adjusted income as it would be a rent burden.
- Per the HB 716, PHAs will receive an allocation of funding from DHCD, which would include an amount equal to the federal de minimis rate of the public housing agency's modified total direct costs to help defray administrative expenses. However, unprecedented uncertainties about federal funding could result in a lower administrative fee rate. Additionally, PHAs are required to apply a dynamic proration percentage as established by HUD, to calculate the administrative fees to be earned per voucher.
- DHCD's 2025 allocation to HABC is projected at \$1,920,560. After deducting a 6% administrative fee (\$115,234), this would leave \$1,805,326 to cover the Housing Assistance Payment (HAP).
- In 2023, HABC expended approximately \$18,658 per voucher for HAP, which does not include security deposit assistance. Using this average, HABC would be able to assist up to 114 (depending on the per unit cost) families under the SVP. Funding allocation also determines the level of assistance HABC may provide.
- The SVP would operate as a separate program, and dedicated staff would be needed to manage it. This would include staff members for:
 - Tenant selection/lease-up,
 - Housing navigation,
 - Recertification and reporting
- HABC estimates that this could require up to four full-time staff members.
 - The average salary for an HCVP Program Specialist with HABC is approximately \$73,700.00 (including benefits),
 - This would amount to \$294,800 per year for four dedicated staff members to run the SVP.
 - This projected staffing cost would create a \$117,800 funding gap per year with a \$590,200 gap over the five years with the allowable 6%, which HABC would have to cover.
 - This is all contingent on Administrative Fees established by HUD.
- HABC estimates that it could take up to 6 months to fully utilize the vouchers.

- Once fully utilized, HABC will need at least 1-2 staff to:
 - Complete Recertifications,
 - Schedule Inspections,
 - Continued Occupancy support,
 - Continuously monitor program vitals.