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## ***Chapter 2 – How the Housing Choice Voucher Program is Administered***

# KEY CONCEPTS

### **IT IS IMPORTANT TO DETERMINE**

which public housing agencies (PHAs) administer the Housing Choice Voucher (HCV) program in each locality, remembering that there may be more than one.

**MANY HCV POLICIES** are left to the discretion of the PHA.

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### *Why the Housing Choice Voucher Program Is So Hard to Understand*

The Housing Choice Voucher (HCV) program is governed not only by government regulations, but by public housing agency (PHA) policies and local trends in a PHA's community as well.

Each year, Congress appropriates funding for the U.S. Department of Housing and Urban Development (HUD) to administer the HCV program. Since 1975, Congress has also passed laws that govern the program. For example, a federal law sets the income eligibility requirements for the HCV program. These laws, combined with regulations developed by HUD, establish the federal requirements for the HCV program that are followed at the state and local levels. In this guidebook, these federal HCV requirements are referred to as "regulations."

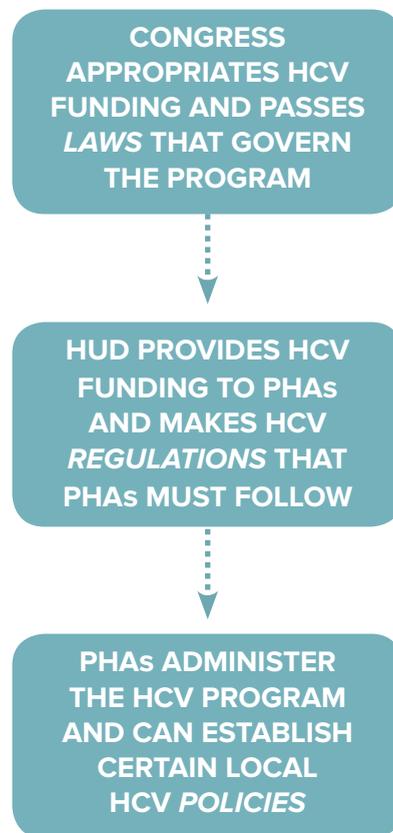
Additional HCV policies are determined by the state and local PHAs that receive funding from HUD to administer the HCV program. For example, a PHA is allowed to establish a preference for households that meet certain criteria when it is selecting applicants from the HCV waiting list. For the purpose of this guidebook, such locally established HCV guidelines will be referred to as "policies" — and should be interpreted to mean that the PHA has some flexibility in setting them. These local policies are where homeless providers, advocates, and Continuums of Care (CoCs) can exert influence and have the most impact. [Figure 2.01](#) illustrates the different roles and responsibilities that shape the HCV program.

### *Public Housing Agencies that Administer the Housing Choice Voucher Program*

The patchwork of federal regulations and PHA policies is one of the most confusing aspects of the HCV program, making it difficult to know which procedures are actually HUD requirements and which are local PHA policies that could be changed. To better understand this, it helps to understand which agencies can administer the HCV program and how much flexibility they actually have in establishing HCV policies.

All agencies that administer an HCV program are referred to by HUD as public housing agencies, or PHAs. The number of PHAs varies greatly from state to state. The sheer number of PHAs administering the HCV program makes it even more challenging to navigate. The map on [page 17](#) displays the number of PHAs in each state that administer the HCV program.

**Figure 2.01 Housing Choice Voucher Program  
Laws, Regulations, and Policies**



The first step to obtaining a Housing Choice Voucher is to determine which PHAs in your community administer an HCV program (HUD maintains a publicly accessible [database of public housing agencies](#)). HUD considers all PHAs the same with regards to administering the HCV program. However, you may find it useful to distinguish between two different types of PHAs that administer the HCV program<sup>1</sup>: local public housing authorities and state housing agencies.

### **Local Public Housing Authorities<sup>2</sup>**

Usually, though not always, HCV administering agencies are public housing authorities. A public housing authority is a unique governmental body that administers public housing and/or HCV rental vouchers for the federal government at the local level. Public housing authorities are established through state laws, and have an elected or appointed board of commissioners, an executive director, and staff who run specific programs.

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<sup>1</sup> In 1999, approximately 25 nonprofit disability organizations became eligible to administer a small set-aside of vouchers for people with disabilities. These nonprofit organizations are required to administer the HCV program in the same manner as other PHAs but are not public housing authorities unless they meet the legal definition for housing authority for the state in which they are located.

<sup>2</sup> Public housing authorities are the most common and well-known HCV-administering agencies. When people use the term “PHA” they are usually referring to public housing authorities. To be consistent with HUD definitions, however, the term “PHAs” in this guidebook refers to “public housing agencies” and includes any agency under contract with HUD to administer HCV housing assistance.

Public housing authorities are not required by HUD to run the HCV program; in fact, some housing authorities only administer federal public housing units and do not administer an HCV program. Although there are more than 3,700 local public housing authorities across the country, at the present time only 2,200 housing authorities administer the HCV program. The remaining housing authorities administer only federal public housing.

At the local level, public housing authorities may be part of city or county government or they may be separate entities that operate independently from the municipal structure. However, all public housing authorities are governmental bodies and may therefore be influenced by the political agendas or biases of elected or appointed officials. They can also be influenced by political pressure from homeless providers and advocates. This is important to keep in mind when engaging public housing authorities in dialogue about how to use housing resources to end chronic homelessness (see Chapter 11).

### **State Housing Agencies**

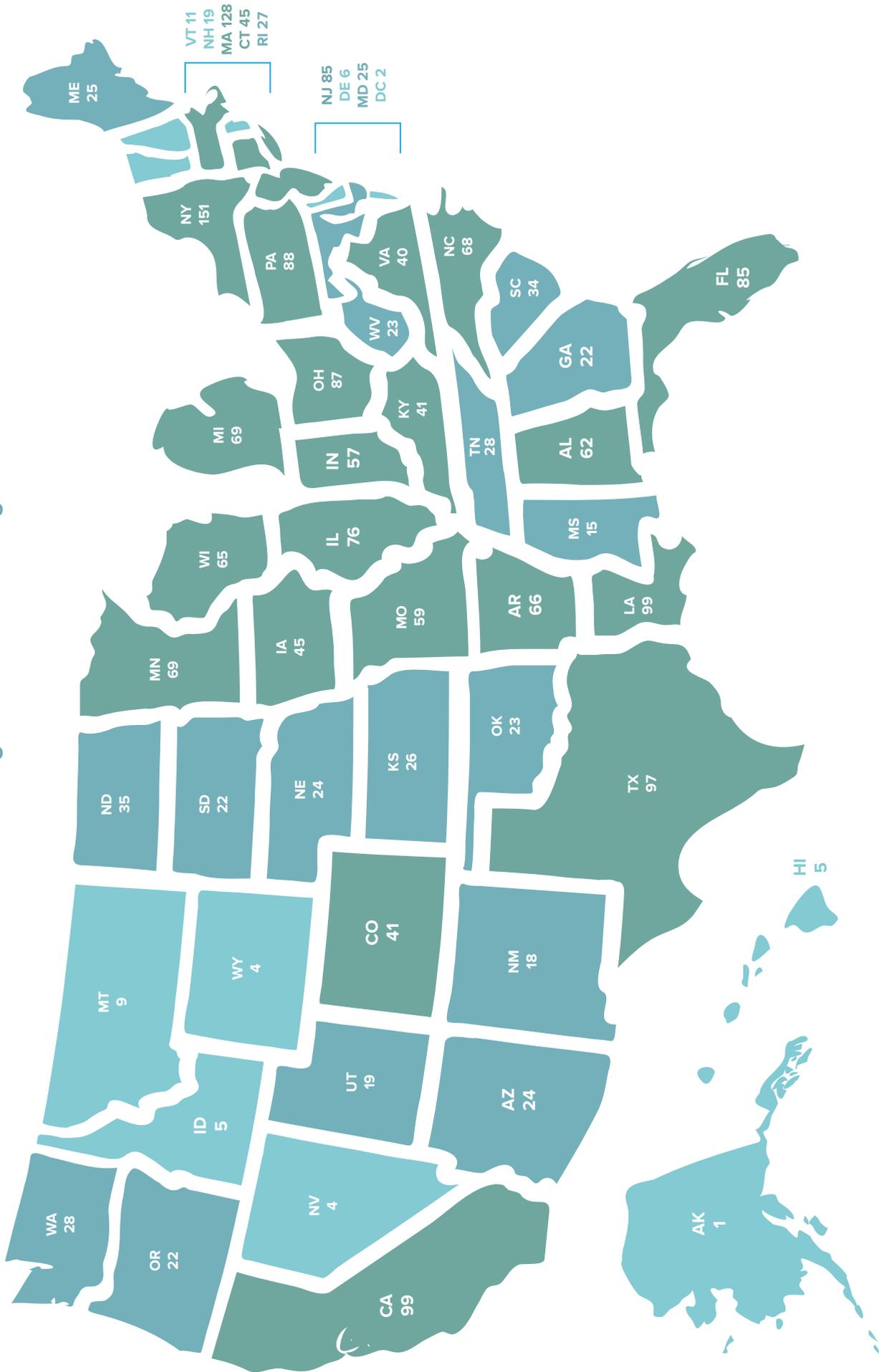
Depending on state laws, many state housing agencies (including state departments of community affairs and some state housing finance agencies) are also eligible to administer the HCV program. In some states, the state housing agency may administer the HCV program only in the areas of the state where there are no local public housing authorities. This model is sometimes referred to as a "balance of state" HCV program. In other states, both a local public housing authority and a state housing agency may administer separate HCV programs in the same communities.

## **GOOD TO KNOW**

### ***"MOVING TO WORK" PUBLIC HOUSING AUTHORITIES***

There are currently 38 public housing authorities that have been designated by the Department of Housing and Urban Development (HUD) as Moving to Work (MTW) agencies. Moving to Work is a demonstration program that provides these agencies with the opportunity to design and test creative strategies to address local community needs. MTW status gives these public housing authorities more flexibility with how they use their federal funds. Some MTW public housing authorities have used this flexibility to implement innovative initiatives such as sponsor-based rental assistance. Visit [HUD's website](#) for a list of MTW agencies.

**Figure 2.02 Public Housing Agencies that Administer the Housing Choice Voucher Program**



Source: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/systems/pic/haprofiles](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/systems/pic/haprofiles)

Table 2.01 on [page 19](#) includes a list of the 29 state housing agencies that are PHAs and administer a tenant-based HCV program. Some state housing agencies operate their HCV programs through contracts with local or regional administrators. These administering agencies can be for-profit or nonprofit entities. Although the state housing agency makes all decisions regarding HCV policies, these contractors are responsible for the day-to-day administration and management of the program, including selecting households, determining eligibility for the program, issuing HCV vouchers, inspecting housing units, and making rental payments to owners. These contractors may look and act like PHAs, but do not usually have the ability to establish or change HCV policies.

### ***Public Housing Agency Policies Vary***

Because PHAs are given the flexibility to establish HCV policies, even PHAs within the same state or community may have HCV programs that operate quite differently from one another. For example, one PHA may accept applications for its HCV program all the time, while another may accept applications for only two weeks of each year. Some PHAs provide preferences for people who are homeless, but others do not. Given the large number of PHAs that administer individual HCV programs in some states, it can be extremely difficult to determine the HCV program policies in a given community.

## **GOOD TO KNOW**

### ***WHERE DOES THE CONTINUUM OF CARE FIT IN?***

A Continuum of Care (CoC) is a local homeless planning group formally established to apply for and oversee the utilization of The U.S. Department of Housing and Urban Development's (HUD) homeless assistance programs. These CoCs are intended to be broad-based and representative of providers and agencies working to end homelessness. A handful of CoCs are established as nonprofit 501(c)(3) entities; however, the majority of CoCs are not legal corporate bodies.

HUD has prioritized linkages to public housing agencies (PHAs) and mainstream housing resources (i.e., resources not targeted to people who are homeless) as part of the overall CoC planning efforts. Many PHAs are members of the CoC in their geographic area; some PHAs administer CoC grants or participate in planning efforts such as the annual point-in-time count of homeless individuals. [Research has shown](#) that those PHAs that are involved in CoC planning are more likely to make efforts to use PHA resources (including HCV) to serve homeless people. Chapter 11 describes some systems-level strategies that CoCs can use to build partnerships with PHAs and leverage resources.

**Table 2.01 State Housing Agencies Administering  
Tenant-Based Housing Choice Voucher Programs**

STATE	PHA	AREA SERVED
AK	<a href="#">AK Housing Finance Corporation</a>	Specific Communities
AZ	<a href="#">AZ Public Housing Authority</a>	Specific Communities
CO	<a href="#">CO Department of Local Affairs, Division of Housing</a>	Statewide
CT	<a href="#">CT Department of Housing</a>	Statewide
DE	<a href="#">DE State Housing Authority</a>	Specific Communities
DC	<a href="#">DC Housing Authority</a>	Districtwide
GA	<a href="#">GA Department of Community Affairs</a>	Specific Communities
HI	<a href="#">Housing and Community Development Corporation of HI</a>	Statewide
ID	<a href="#">ID Housing and Finance Association</a>	Specific Communities
IL	<a href="#">IL Department of Commerce and Economic Opportunity</a>	Statewide
IN	<a href="#">IN Housing and Community Development Authority</a>	Specific Communities
KY	<a href="#">KY Housing Corporation</a>	Specific Communities
MA	<a href="#">MA Department of Housing and Community Development</a>	Statewide
MD	<a href="#">MD Department of Housing and Community Development</a>	Specific Communities
ME	<a href="#">ME State Housing Authority</a>	Statewide
MI	<a href="#">MI State Housing Development Authority</a>	Statewide
MT	<a href="#">MT Department of Commerce, Housing Division</a>	Statewide
NC	<a href="#">NC Department of Administration Commission of Indian Affairs</a>	Specific Communities
NH	<a href="#">NH Housing Finance Authority</a>	Statewide
NJ	<a href="#">NJ Department of Community Affairs</a>	Statewide
NY	<a href="#">NY State Division of Housing and Community Renewal</a>	Statewide
OK	<a href="#">OK Housing Finance Agency</a>	Statewide
RI	<a href="#">RI Housing</a>	Statewide
SC	<a href="#">SC State Housing Finance and Development Authority</a>	Specific Communities
TN	<a href="#">TN Housing Development Agency</a>	Specific Communities
TX	<a href="#">TX Department of Housing and Community Affairs</a>	Specific Communities
VT	<a href="#">VT State Housing Authority</a>	Specific Communities
VA	<a href="#">VA Housing Development Authority</a>	Specific Communities
WI	<a href="#">WI Housing and Economic Development Authority</a>	Specific Communities