



JANUARY 2025

LOS ANGELES COUNTY PBV QUICK FACTS

**Total PBVs to Reach 30%
Cap Based on Current
Voucher Allocation**
8,023

PBV Commitments
4,936

**Anticipated PBV
Commitments Over the
Next 24 Months**
3,087

**Estimated Date to
Reach 30% Cap**
December 31, 2026

PROJECT-BASED VOUCHERS (PBV): A CRITICAL PIECE TO SOLVING THE AFFORDABLE HOUSING PUZZLE

THE CHALLENGE

Project-Based Vouchers (PBVs) face a restrictive Federal regulation: local Public Housing Agencies (PHAs) may not use more than 20% of their Housing Choice Voucher (HCV) allocation for PBVs. In certain cases, PHAs may use an additional 10% to assist specific special needs populations.

Once PHAs reach their cap, this overly broad Federal standard becomes a barrier to new development in communities seeking local solutions to increasing housing units.

The current cap on PBVs has become a Federal roadblock in the local ability to create new housing. Communities around the country that are at or close to their cap are increasingly unable to commit further financing to affordable housing developers with shovel-ready land.

THE REQUEST

At a time when the national shortage of affordable housing has become so critical, the Los Angeles County Development Authority (LACDA) urges Congress to pass legislation that would allow budget neutral flexibility on the current percentage cap on HCVs that can be converted to PBV.

The LACDA encourages Congress to address any bureaucratic barriers impeding expansion of the local housing stock and foster effective local public-private solutions that address unique local contexts.

THE BENEFITS

PBVs can help finance an affordable housing project, lowering the risk for investors and increasing the feasibility of many developments. They can also attract additional private investment to developments, especially if the project is using Low Income Housing Tax Credits.

Agencies can attach PBVs to newly constructed or rehabilitated units as well as existing units. By guaranteeing a future source of stable income for a development, PBVs can be integral to the financing package that makes constructing or rehabilitating affordable housing possible.

Families may have difficulty finding willing landlords, or their voucher may not pay the going rents. In neighborhoods with low vacancy rates, stiff competition for available units exacerbates these problems. PBVs offer dedicated units for families with low incomes.

Some tenants require supportive services such as intensive case management or physical and behavioral health services to maintain stable housing and improve their health. Attaching PBVs to multiple units in the same property can allow service providers to work more efficiently with residents.

