

**Housing Authority of Gloucester County
Housing Authority of the Borough of Glassboro
Administrative Office**

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DATE: March 31, 2026
TO: HAGC Section 8 Housing Choice Voucher
Program Landlords and Participants
FROM: HAGC/GHA Administration
RE: 2026 HCV Program Shortfall Notice and Cost Saving Measures

Dear Landlords and Program Participants,

Last year, the Housing Authority of Gloucester County (HAGC) and the Housing Authority of the Borough of Glassboro (GHA) received notice from HUD that our Housing Choice Voucher (HCV) program was in “Shortfall”, this means that the funds allocated by HUD to cover the Authority’s portion of rental assistance was not sufficient to cover all current contracts at year’s end. HAGC and GHA worked in close contact with HUD and implemented short-term cost saving measures required by HUD to avoid terminating assistance to any participant in the HCV program and be eligible to receive “Shortfall Funding”. However, late last year, HUD issued a notice indicating that the expected funding for FY2026 may be once again insufficient to cover all current contracts, directing PHAs across the country to implement short-term cost saving measures as noted under PIH Notice 2025-28 until further notice.

Therefore, HAGC and GHA have implemented the following cost saving measures to mitigate the risk of being in Shortfall at the end of FY2026 and having to terminate households currently being assisted on the HCV Program:

- Waiting lists for the HCV program will remain closed, until further notice.
- New vouchers will not be issued until further notice.
- Unit bedroom size (Voucher size) will be adjusted based on current policy for moves and new admissions.
- Requests to move or transfer to a new unit will be restricted. Moves to higher costing areas are prohibited and will be denied. The cost of an area is determined by comparing HUD’s Fair Market Rent for the ZIP code and bedroom size of the current and requested unit.
- Payment Standards (the maximum subsidy amount) will be reduced to 105% of the Small Area Fair Market Rent (SAFMR) established by HUD, which could impact the total rent that can be approved under the program for new admissions and moves, effective April 1, 2026, and for recertifications starting on April 1, 2028 (unless HUD grants a waiver to apply reduced Payment Standards to recertifications prior to April 1, 2028)



- Rent Reasonableness will continue to be enforced, to ensure rents are in line with comparable units in the area.
- Annual rent increase requests will be limited and cannot exceed the Renewal Funding Inflation Factor (RFIF), as determined by HUD.
- Participants may see an increase in their portion of rent when subsidy limits are adjusted.
- Implementation of a minimum rent equal to \$50 for all HCV participants.
- Assistance may be reduced or terminated if funding becomes critically limited.
- Implement additional cost savings measures as required by HUD.

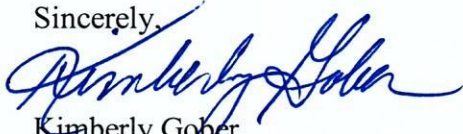
Please note that, subject to the above cost saving measures, participants have the option to relocate at the end of the lease term, provided that they are in compliance with the terms of the lease agreement and HCV program requirements. **However, please keep in mind that due to the reductions in Payment Standards and limited availability of units throughout Gloucester County, we strongly recommend participants remain in their current location when possible.**

HAGC and GHA understand that these changes may create uncertainty and concern. Please know that we are committed to implementing any changes as carefully and fairly as possible, prioritizing the least impactful options first, continuing to support both landlords and participants to the best of our ability.

HAGC and GHA will continue to communicate any specific policy changes in advance and provide guidance as they are implemented, adding pertinent information to our websites www.hagc.org and www.glassborohousing.org.

Thank you for your continued partnership and understanding as we work through these challenges together.

Sincerely,



Kimberly Gober
Executive Director
Housing Authority of Gloucester County
Housing Authority of the Borough of Glassboro

