



**U. S. Department of Housing and Urban Development
Public and Indian Housing**

Special Attention of:
Public Housing Office Directors;
Public Housing Agencies (PHAs)

Notice PIH 2007-10 (HA)

Issued: April 30, 2007

Expires: April 30, 2008

Cross References: Supercedes Notice PIH 2005-15
(HA) issued April 26, 2005

Subject: Voucher Funding In Connection with the Demolition or Disposition of Occupied Public Housing Units

1. Purpose. The purpose of this notice is to describe the funding process for providing housing choice vouchers (“vouchers”) in connection with the demolition or disposition of occupied public housing units. This notice applies to PHAs seeking vouchers for relocation or replacement housing related to demolition or disposition (including HOPE VI), and plans for removal (required and voluntary conversion under section 33 of the U.S. Housing Act of 1937, as amended, and mandatory conversion under section 202 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996) of public housing units.

2. Background. The regulatory requirements for demolition or disposition of public housing are contained in 24 CFR part 970. The regulatory requirements for required and voluntary conversions of public housing developments to tenant-based assistance are contained in 24 CFR part 972.

3. Tenant Eligibility. Tenants residing in units approved for demolition/disposition are eligible for housing choice voucher assistance, subject to other HUD requirements. A public housing resident displaced by a federally declared disaster may not receive both Disaster Voucher Program (DVP) assistance and demolition/disposition voucher assistance under this notice for the same period of time.

4. PHA Funding Requirements. In order for a PHA to receive demolition/disposition voucher funding under this notice, the following funding requirements must be met:

a. HUD has (i) approved the demolition/disposition application, the HOPE VI Revitalization Plan containing a demolition approval, or the conversion plan containing a demolition or disposition approval, or (ii) acknowledged that the PHA provided notification of a “de minimis demolition” of the lesser of not more than five public housing units or five percent of the total dwelling units owned by the PHA. (Prior HUD approval is not required for a “de minimis demolition.” The regulation at 24 CFR 970.27(e) requires PHAs to submit certain information for record keeping purposes.)

b. The PHA has not previously received voucher or other relocation or replacement funding for these units, as further described in section 6 of this notice.

5. Demolition/Disposition Voucher Funding Eligibility. The following demolition/disposition actions are eligible for voucher funding:

a. Public housing demolition/disposition in connection with HOPE VI Revitalization Plans, required conversions to tenant-based assistance, and other displacement actions determined by the Assistant Secretary for Public and Indian Housing.

PHAs may submit an application for these demolition/disposition vouchers as soon as the PHA receives written HUD approval of the demolition or disposition application, the HOPE VI Revitalization Plan, or the conversion plan. These demolition/disposition voucher funding applications will be funded based on the date of HUD approval of the demolition/disposition application in the order of submission of the demolition/disposition voucher funding application.

b. Public housing demolition/disposition in connection with voluntary conversions to tenant-based assistance.

PHAs may submit an application for these demolition/disposition vouchers as soon as the PHA receives written HUD approval of the conversion plan. PHA voluntary conversion demolition/disposition voucher applications will be funded in the order of receipt of acceptable (as determined by HUD) applications. In most cases, funding will be made available for these applications during the period of August 1 to August 31.

c. Public housing demolition/disposition in conjunction with a “de minimis demolition” and any other demolition/disposition actions.

PHAs may submit an application for these demolition/disposition vouchers as soon as the PHA receives written acknowledgement of the “de minimis demolition” action from HUD’s Special Applications Center (SAC) or the written HUD approval of the demolition or disposition application. PHA demolition/disposition voucher applications will be funded based on the date the SAC received the demolition/disposition application or PHA notice of the “de minimis demolition.” PHAs with the earliest receipt date will be funded first. In most cases, funding will be made available for these applications during the period of August 31 to September 30.

6. Maximum Voucher Request. The maximum number of demolition/disposition vouchers for which a PHA may be eligible is based upon the number of occupied units that will be demolished, sold or otherwise disposed of minus the number of families that will move to other public housing units. For example, assume a 500-unit complex is going to be demolished and at the time of the PHA’s application for vouchers under this notice, 300 of the 500 units were occupied. Two hundred families indicated a preference for vouchers and 100 families indicated a preference for moving to other public housing units. In this example, the PHA may be eligible for 200 vouchers. In this scenario, the number of vouchers requested could be increased if 100 public housing units will not be available to those families that indicated a preference for such units.

In addition, demolition/disposition voucher funding will only be provided for public housing units if the PHA has not already received relocation or replacement funding for these same units under the voucher or certificate programs, public housing development, vacancy consolidation, Major Reconstruction of Obsolete Projects, HOPE VI, or capital funds. For example, if a PHA received public housing development funds or tenant-based funding several years ago to replace a demolished public housing unit, the PHA is not eligible to receive additional demolition/disposition voucher funding for the same unit.

7. Reduction of Maximum Vouchers for Underutilization. A PHA may request a smaller budgetary allocation than it is eligible for under this notice if the PHA has a significant accumulation of housing assistance payment funds in its undesignated fund balance that can fund rental assistance under the voucher program for families affected by the actions addressed in this notice. Likewise, because the PHA is expected to use these available funds for rental assistance, HUD may, at its discretion, reduce the budgetary allocation if the PHA has a significant accumulation of housing assistance payment funds in its undesignated fund balance.

8. PHA Submission of Application for Demolition/Disposition Voucher Funding. A PHA interested in requesting demolition/disposition voucher funding must submit the following information to the local Field Office Director of the Office of Public Housing:

a. A cover letter stating: (1) the name and project number of the affected public housing development; (2) the number of occupied units in the affected public housing development at the time of the PHA's application for voucher funding under this notice; (3) the number of demolition/disposition vouchers requested; (4) the funding eligibility category (i.e.; HOPE VI, required conversion, voluntary conversion, "de minimis demolition," or "other"); and (5) a narrative describing other relocation or replacement funding previously provided for the public housing development by funding date and funding category (see section 6 of this notice), or a statement that no other such funding has been previously provided, and the amount of housing assistance payment funds in its undesignated fund balance. This information will be used solely to determine the amount of funding provided to eligible PHAs.

b. Form HUD-52515, Voucher Funding Application.

c. A leasing schedule that identifies the number of vouchers that will be leased on a quarterly basis during the calendar year in which the voucher funding is requested. If lease-up will span more than one calendar year, the PHA will need to submit a separate Form HUD-52515 and leasing schedule for each calendar year.

d. A copy of one of the following: (1) HUD approval letter for the demolition or disposition application, (2) HUD approval letter for the HOPE VI Revitalization Plan that contains a demolition approval, (3) HUD approval letter of the mandatory or voluntary conversion plan or (4) letter of acknowledgement from the SAC regarding a "de minimis demolition."

9. Field Office Processing of Applications and Notification of PHA Deficiencies. On a rolling basis, the local HUD Field Offices will process applications for demolition/disposition

voucher funding. The technical review of a PHA's application must be completed, and the PHA notified in writing of any deficiencies (information either missing or requiring correction) or the basis for lack of funding eligibility, no later than 15 days following the date of receipt of the PHA's application. The PHA must promptly submit the missing or corrected information to the local HUD Field Office within 15 days of the date of the deficiency notification letter. The Field Office review of the application must be coordinated with counterparts in the Office of Fair Housing and Equal Opportunity (FHEO) to determine the PHA's compliance with all fair housing and civil rights laws, statutes, regulations and executive orders as enumerated in 24 CFR Section 5.105. The PHA's application may be rejected for non-compliance with FHEO requirements.

10. Notification of Eligible Applications. The local HUD Field Office must advise the Housing Voucher Financial Management Division (HVFMD) in Headquarters by electronic mail of the PHAs that are eligible for voucher funding under this notice. The electronic notification must be sent to the HVFMD's general mailbox at: PIH_Conversion_Actions. The fax number is (202) 401-3726.

For each eligible PHA, the Field Office shall provide the HVFMD with (1) all of the PHA submitted information required in section 8 of this notice, except for the funding application, (2) the Congressional notification memorandum required in section 12, and (3) written Field Office confirmation that the demolition/disposition voucher funding is being requested for eligible occupied public housing units and that the number of units requested does not exceed the maximum allowed, in accordance with this notice.

11. Funding of Applications. Subject to available funding, Headquarters will fund all eligible applications from PHAs. Funds will only be provided for vouchers that will be leased in the calendar year during which the funding application is submitted. Funding for vouchers to be leased in the next calendar year will be deferred until that calendar year.

12. Notification of Office of Congressional and Intergovernmental Relations. The local HUD Field Office shall include with each application from an eligible PHA the Congressional notification memorandum for appropriate concurrences and the signature of the Assistant Secretary, Office of Public and Indian Housing (PIH). Budget authority and units should be left blank; this data will be entered by the HVFMD. PIH will then provide the memorandum to the Assistant Secretary for Congressional and Intergovernmental Relations for purposes of obtaining a Congressional release date. Two sample Congressional notifications are attached to this notice.

13. PHA Notification of Approved Demolition/Disposition Voucher Funding Application. Following receipt of a release date, the local HUD Field Office shall promptly notify the PHA by letter of its eligibility for funding. The HUD Field Office shall provide a copy of the PHA eligibility letter to the Section 8 Financial Management Center (FMC). Upon receipt of the PHA eligibility letter from the local HUD Field Office, the FMC will proceed to contract the funds in HUDCAPS and transmit the Annual Contributions Contract (ACC) Amendment to the PHA.

14. Voucher Issuance and Lease-Up. Upon receipt of the eligibility letter, the PHA should commence issuance of the demolition/disposition vouchers and provide sufficient time for

families to lease units in accordance with the leasing schedule submitted with the PHA's application. The effective dates of the funding increment(s) on the ACC Amendment will reflect the leasing schedule submitted with the application. These effective dates may be prior to the actual transmittal date of the ACC Amendment to the PHA.

HUD will track the leasing of demolition/disposition vouchers through the Public and Indian Housing Information Center (PIC). The code for demolition/disposition vouchers on line 2n of the Family Report (form HUD-50058) is PHRR. Vouchers that are not leased within 12 months of the date of the ACC amendment may be subject to reallocation by HUD.

15. Unfunded Approvable Applications. Eligible PHAs that remain unfunded due to a lack of funding availability will be funded at a later time, subject to Congressional appropriations for demolition/disposition vouchers.

16. Paperwork Reduction Act Statement. The information collection requirements contained in this notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520), and assigned OMB control number 2577-0169. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

/s/
Orlando J. Cabrera, Assistant Secretary for
Public and Indian Housing

**SAMPLE CONGRESSIONAL NOTIFICATION MEMO FOR NON-HOPE VI
DEMOLITION/DISPOSITION VOUCHERS**



US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-5000

OFFICE OF THE ASSISTANT SECRETARY FOR
PUBLIC AND INDIAN HOUSING

MEMORANDUM FOR: L. Carter Cornick, General Deputy Assistant Secretary
for Congressional and Intergovernmental Relations, J

FROM: Orlando J. Cabrera, Assistant Secretary, Office of Public and Indian Housing, P

SUBJECT: Housing Choice Vouchers Awarded in Connection with Public Housing
Demolition/Disposition

The following award has been prepared for release:

Applicant: Anywhere Housing Authority (MA000)

State: MA

Amount Funded: \$X,XXX,000

Vouchers Funded: 450

Project Highlights:

The Anywhere Housing Authority has been awarded 450 housing choice vouchers for families in Anyhow Apartments, a public housing development that is scheduled for demolition in connection with the HUD-approved demolition/disposition plan (or conversion plan).

Status: All statutory, regulatory and administrative requirements have been met.

Contact: Hallie Very
Anywhere Housing Authority
2100 New Road
Anywhere, MA 70000
(617) 988-8888

HUD Contact: David Vargas, Director, Office of Housing Voucher Programs, (202) 708-2815

Congressional Representative: John Doe

Congressional District: 9th

Senators: Mary Doe
Joseph Jones

**SAMPLE CONGRESSIONAL NOTIFICATION MEMO FOR HOPE VI
DEMOLITION/DISPOSITION VOUCHERS**



US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-5000

OFFICE OF THE ASSISTANT SECRETARY FOR
PUBLIC AND INDIAN HOUSING

MEMORANDUM FOR: L. Carter Cornick, General Deputy Assistant Secretary
for Congressional and Intergovernmental Relations, J

FROM: Orlando J. Cabrera, Assistant Secretary, Office of Public and Indian Housing, P

SUBJECT: Housing Choice Vouchers Awarded in Connection with HOPE VI
Revitalization Grant

The following award has been prepared for release:

Applicant: Anywhere Housing Authority (MA000)

State: MA

Amount Funded: \$X,XXX,000

Vouchers Funded: 450

Project Highlights:

The Anywhere Housing Authority has been awarded 450 housing choice vouchers for families in Anyhow Apartments, a public housing development that is scheduled for demolition in connection with the HUD-approved Hope VI Revitalization Grant.

Status: All statutory, regulatory and administrative requirements have been met.

Contact: Hallie Very
Anywhere Housing Authority
2100 New Road
Anywhere, MA 70000
(617) 988-8888

HUD Contact: David Vargas, Director, Office of Housing Voucher Programs, (202) 708-2815

Congressional Representative: John Doe

Congressional District: 9th

Senators: Mary Doe
Joseph Jones