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CHAPTER 4. PUBLIC HOUSING APPLICATION

Section 1. Introduction

- 4-1. APPLICABILITY. The Application for a Public Housing Project (Form HUD 52470) is for use only by a PHA located in an allocation area with more than one PHA -- outside a central city established as a separate allocation area by the Area Office pursuant to 24 CFR 891. This chapter establishes the procedures for PHA preparation and submission of a public housing application as well as the Area Office application review and rating procedures.
- 4-2. PURPOSE OF APPLICATION. The application provides a method for an Area Office to "target" funds to a PHA located in an allocation area which encompasses more than one PHA and where competition among PHAs is made necessary because of the limited availability of public housing funds. The application enables competing PHAs to advise the Area Office of their interest in public housing to meet local housing need and provides sufficient data for the Area Office to evaluate the community's housing need relative to other communities within the Area Office jurisdiction.
- a. Housing Need and Local Priorities. The application provides a PHA an opportunity to advise the Area Office of:
- (1) the number of units by housing type, household type, and structure type for a proposed project;
  - (2) the extent the project proposed in the application will address the community's housing need as identified in any applicable three-year HAP goals or, in the absence of a HAP, in State, regional, or local housing surveys or plans;
  - (3) local housing priorities and the relationship of the proposed project to local community development activities; and
  - (4) the PHAs current financial capability and administrative capacity to develop and manage additional public housing or, if applicable, the progress being made by the PHA for improving its administrative capacity.

- b. Rating. Each PHA application will be reviewed by the Area Office for completeness, consistency with the public housing program requirements, and consistency with the three-year goals identified in any applicable HAP or AHOP. Each approvable application will be assigned a general priority rating (i.e., excellent, very good, good) in accordance with Section 3 and will be placed in the Area Office application pipeline.
- c. Pipeline. The application pipeline will be used to determine the extent that public housing funds will be made available for specific allocation areas in the Area Office fiscal year allocation plan. When public housing funds are made available to the Area Manager, pipeline applications will be selected on the basis of their ratings and consistency with the Area Office allocation plan and the PHAs having the selected applications will be invited to submit a PHA proposal. PHAs will be expected to make front-end expenditures to prepare PHA proposals and option sites only after they have a reasonable assurance of obtaining public housing funds.

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## Section 2. PHA Application Submission

- 11. GENERAL. The PHA is responsible for preparing and submitting an application for public housing to the Field Office. A PHA may submit one or more applications for a public housing project at any time. PHAs that require assistance should call the MHP Chief and a MHR will be designated to provide assistance.
- 12. APPLICATION PREPARATION. The PHA shall prepare the Application for a Public Housing Project (Form HUD-52470) and supporting documentation in accordance with the instructions provided with the form.
  - a. General. Each application shall be for a specific project. Separate applications must be submitted for each housing type, development method, and community for which the project is proposed. If a PHA submits more than one application for the same community, the PHA shall assign a priority rating to each application based on its assessment of local housing need and priorities.
  - b. Factors to Consider. The PHA shall consider the following when preparing an application:
    - (1) the remaining units for which the PHA has the required local authority (e.g., Cooperation Agreement, referendum

authority);

(2) the local housing needs and three-year goals identified in any applicable HAPS or AHOPs or, in the absence of such HAPS or AHOPs, comparable estimates of housing need identified in State, regional, and local housing surveys and plans;

\* (3) if applicable, the availability of sites and accessible public facilities and services that are suitable for the proposed project within the general locations identified in the community's HAP. While the PHA may identify proposed site(s) at the time of application, Field Office approval of the application, regardless of whether stated in the application approval letter, shall not constitute approval of the site. Field Office approval of the site may occur only after its review of the PHA submission of the information described in paragraphs 6-25 and 6-26 as well as completion of the Intergovernmental Review (paragraph 3-72) and Section 213 (paragraph 3-73) requirements; \*

(4) the minimum number of units required for the feasible development and management of the proposed project; and

(5) the PHAs capacity to develop and manage additional public housing.

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c. Revisions. Each PHA with applications being retained in the Area Office pipeline must, at least annually (during the month of July), notify the Area Office in writing that it reviewed the contents of its applications and determined that no changes are required or, if applicable, shall submit revised applications. If a PHA fails to provide the required annual statement, its pipeline applications will be returned by the Area Office.

4-13. PRIORITY FACTORS. The PHA is encouraged to identify special housing needs and local priorities which will be considered by the Field Office for purposes of rating its application. The PHA should review the rating factors identified in Section 3 and should include, as part of its application, a demonstration of any applicable justification for a priority rating.

4-14. PHA REQUEST FOR FRONT-END FUNDS. Generally, a PHA is expected to provide necessary funding related to the preparation and submission of a PHA proposal. However, a PHA may request that the Area Office execute an ACC to provide front-end funding assistance prior to PHA identification of a site or property or prior to advertising for turnkey proposals, if the PHA can demonstrate that it would otherwise be precluded from participating in the public housing

program. Any PHA request for front-end funds shall be submitted on a project-by-project basis.

a. Area Office Approval. The Area Manager, based on the PHA demonstration, may authorize execution of an ACC to provide front-end funds for the following:

- (1) a newly established or small PHA proposing to build, rehabilitate, or acquire housing in communities that are not entitlement cities under the CDBG program;
- (2) a PHA proposing to build or rehabilitate scattered-site housing using the conventional method;
- (3) a PHA proposing to purchase scattered-site existing housing using the acquisition method; or
- (4) a PHA that is required by State or local law to hold public hearings for assisted housing sites and the public hearing process requires more time (in excess of that stated in Chapter 6) for submitting a PHA proposal.

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b. Headquarters Approval. PHA requests for execution of an ACC to provide front-end funds that do not meet the criteria identified in paragraph a may be submitted to the Assistant Secretary for Housing by the Area Manager. The Area Manager's recommendation must be accompanied by the PHA justification which identifies the specific reasons and demonstrates that the PHA would be precluded from participating in the public housing program and which identifies the additional time required to submit a PHA proposal.

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Section 3. Area Office Application Review and Rating

4-21. STANDARD PROCESSING TIME. The standard processing time (SPT) for the Area Office review of a public housing application is fifteen (15) days. The SPT is the number of calendar days between receipt of the application by the PCR Unit and mailing of the PHA notification letter advising the PHA that its application is approvable or not approvable. The SPT may be extended to provide the PHA an additional fifteen (15) days to correct any deficiencies identified by the Area Office.

4-22. PCR UNIT. The PCR Supervisor is responsible for the following application review activities:

- a. Application File. The original of each PHA application and review documents shall be maintained by the PCR Unit in an application docket file. The application file shall also include a copy of the PCR supervisor memorandum establishing the application receipt and application review dates, and the names of the Divisions and Branches requested to review the application. In addition, all completed reviewing office checklists and accompanying memorandums shall be date stamped and retained in the application file.
- b. Control Log. Each application shall be assigned a project number in accordance with the Records Control Handbook (HB 4050.1). Applications will be logged on a control record which identifies:
  - (1) the allocation area;
  - (2) the name of the PHA and, if different, the community in which the proposed project will be located;
  - (3) the project number and the application receipt date;
  - (4) the number of units by housing type and household type;
  - (5) the priority rating assigned pursuant to paragraph 4-29; and
  - (6) the action taken by the Area Office -- approvable, not approvable, or placed in application pipeline -- and the date of the PHA notification letter (paragraph 4-30).

- c. Application Distribution. The PCR Unit shall make copies of the application and supporting documents for each reviewing office. The PCR Supervisor, within one (1) working day, shall send a form memorandum which transmits

the application and review checklist to each reviewing office and which establishes the:

- (1) Application Receipt Date. The date the application was received by the PCR Unit.
- (2) Initial Screening Date. The date by which PCR must receive any reviewing office requests for missing or incomplete information. The initial screening date shall not be later than three (3) working days from the date of the PCR Supervisor memorandum.
- (3) Application Review Date. The date that the reviewing office comments, recommendations and completed review checklist are due in the PCR Unit. The application review date shall not be later than ten (10) working days from the date of the PCR Supervisor memorandum. The reviewing offices shall be requested to identify the specific reasons to support any recommendations for disapproval.

Application Tracking. The PCR Supervisor shall monitor Area Office processing actions to ensure that the application review will be completed by the established date. The completed review checklists and reviewing office recommendations shall be forwarded to the MHR immediately upon receipt. The PCR Supervisor shall also advise the MHR of any reviewing offices that have not submitted their recommendations by the application review date so that follow-up action may be initiated.

4-23. LEGAL DIVISION. The Legal Division shall review the application and supporting documents and submit the Area Counsel's recommendations and completed review checklist to the PCR Supervisor by the application review date. In order to recommend approval, the Area Counsel must determine that:

- a. PHA Eligibility. The PHA was previously approved as eligible to participate in the public housing program (Chapter 2). The

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Area Counsel shall also ascertain that there is no pending litigation or court proceeding against the PHA that would affect approval of the application.

- b. Legal Documents. The dates indicated on the application and the number of units shall be reviewed to verify that they are consistent with the approved PHA organization documents, Cooperation Agreement, and any other required legal authority.

- c. PHA Resolution. The PHA resolution shall be reviewed to determine that it was properly executed.
- d. Rating. The Field Counsel shall determine whether the application is entitled to a priority rating pursuant to paragraph 4-29 and shall also so indicate on the review checklist.

4-24. FHEO DIVISION. The FHEO Division shall review the application and supporting documents from existing PHAs (i.e., not newly established PHAs) and submit the FHEO Director's recommendations and completed review checklist to the PCR Supervisor by the application review date. In order to recommend approval, the FHEO Director must determine acceptance of the PHA certification of intent to comply with all civil rights laws. In making this determination, consideration is given to the PHAs part performance in selecting sites that provided housing opportunities outside areas of minority concentration, selecting and assigning tenants in a nondiscriminatory manner, providing equal employment opportunity to PHA employees, and providing employment opportunities to project area residents and businesses as well as minority and women-owned business enterprises. The FHEO Director shall determine whether any of the following apply:

- a. Suits. Civil rights suits, brought by the United States Department of Justice, are being prosecuted against the PHA.
- b. Administrative Action. The PHA has outstanding findings of noncompliance with civil rights laws, Executive Orders, or regulations as a result of formal administrative procedures.
- c. Deferrals. The approval of applications or PHA proposals has been deferred pending compliance with Title VI of the Civil Rights Act of 1964, the Attorney General's Guidelines (28 CFR 50.3), the HUD Title VI regulations (24 CFR 1.8) and processing procedures (HUD Handbook 8040.1), Section 504 of the Rehabilitation Act of 1973 and related implementing regulations (24 CFR 8.57), or any other applicable requirements under 24 CFR 941.208. \*

4-25. EMAS. The EMAS shall review the application and supporting documents and submit the completed review checklist to the PCR Supervisor by the application review deadline. In order to \* recommend approval, the EMAS must determine that there is a need and a market for the project \*

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in the locality (the unit of local government in which the project is proposed to be located). In making this determination, consideration is given to the following:

- a. Market determination. The extent that the number and type of units proposed are consistent with local market needs and demand. This determination shall be based on available data related to the household type to be served by the proposed project. Consideration is to be given to local growth trends, housing conditions and in relation to the existing supply of
  - \* assisted housing. The EMAS shall consider in its determination any FmHA comments about the demand for additional assisted housing and possible harm to existing projects in the same market area. \*
- \* b. Inadequate Housing Supply. The extent that the submitted documentation reasonably demonstrates an inadequate housing supply (typically four percent or less vacancy rate considering housing market conditions, such as level of growth or changes in the numbers of households relative to housing supply and the effect of housing supply on rent increases, and Section 8 certificates/voucher holders are experiencing difficulty in leasing units typically less than 85 percent lease-up within 60 days). \*
- c. Unmet Housing Need. The extent that the locality has been under-funded relative to its needs in comparison to other communities in the applicable metro/nonmetropolitan portions of the Field office jurisdiction and the extent to which a household type that has been proportionately underserved in the locality will be assisted.
- d. Housing and Market Conditions. The EMAS shall provide an opinion on the reasonableness of the proposed housing type (acquisition of existing housing, rehabilitation or new construction) based on the current overall market conditions in the market where the project is to be located.
- e. Rating. The EMAS shall determine whether the application meets threshold approvability and shall identify and rate each applicable rating factor on the review checklist.

4-26. HM BRANCH. The HM Branch shall review the application and supporting documents and submit the HM Chief's recommendation and completed review checklist to the PCR Supervisor by the application review deadline. In order to recommend approval, the HM Chief must determine that:

- a. PHA Management Capability. The PHA has the capability to manage the proposed project, any other projects under development and completed projects in accordance with all applicable program requirements. Consideration shall be given to the documentation submitted by the PHA, or in the absence of such Information, the most recent Field Office Management review of the PHA, to determine that:

- (1) the PHAs program implementation and project management activities comply with the public housing program requirements; or
  - (2) the PHA is making satisfactory progress in improving its management capability in those areas previously identified by the Area Office.
- b. PHA Tenant Selection Experience. The PHA has been successful in selecting tenants in accordance with program requirements. In making this determination, consideration shall be given to:
- (1) the PHAs past performance and experience in attracting and selecting a "cross section" of tenants with a broad range of incomes and rent paying abilities that is representative of the range of incomes for lower income families in the community;
  - (2) any PHA outreach efforts currently underway or planned for the immediate future to promote such a "cross section";
  - (3) the adequacy of the PHAs income limits; and
  - (4) the PHAs past performance and experience in selecting tenants whose habits or practices may reasonably be expected to have a positive effect on the project or other tenants.
- c. Rating. The AHM Chief shall determine whether the application is entitled to a priority rating pursuant to paragraph 4-29 and shall identify each applicable criterion on the review checklist.
- 4-27. CPD DIVISION. The CPD Division shall review the application and supporting documents and submit the CPD Director's recommendations and completed review checklist to the PCR Supervisor by the application review date.
- a. Environmental. The Environmental Clearance Officer shall review the application to determine whether there are any community-wide factors that would preclude or delay development of the proposed project. This may include such factors as water and sewerage moratoriums, water quality, adequacy of fire protection, and relationship of the community to identified flood hazard areas. The purpose

of this review is to identify as early as possible any environmental issues so that appropriate guidance may be provided to the PHA prior to its preparation of a PHA proposal.

- b. Rating. The CPD Director shall review each application for housing in a community participating in the CDBG program to determine whether the application is entitled to a priority rating pursuant to paragraph 4-29. The CPD Director shall identify each applicable criterion on which the rating is based on the review checklist.

4-28. MHP BRANCH. The MHP Chief shall designate a MHR to complete the following application review activities:

- a. Development Method. The development method proposed by the PHA shall be reviewed to determine that a new construction or rehabilitation project would be developed under either the conventional or turnkey method or that an existing housing project would be developed under the acquisition method.
- b. PHA Development Capability. The PHAs development capability shall be reviewed to determine that the PHA has or will have the necessary staff and expertise to develop the proposed project in a timely manner. In making this determination, consideration shall be given to:
  - (1) any recent PHA experience in developing public housing projects;
  - (2) the status of any projects currently in development; and
  - (3) the reasonableness of the proposed project development schedule.
- c. Rating. The MHR shall determine the final rating to be assigned to each application by consolidating the ratings assigned by the reviewing offices -- MHP Branch, ARM Branch, Area Counsel, EMAD and CPD Divisions.
- d. ACC for Front-End Funds. Any PHA request for execution of an ACC to provide front-end funds shall be reviewed to determine whether approval is justified in accordance with paragraph 4-14,

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e. Evaluation of Review Comments. The recommendations and completed review checklists shall be evaluated to determine that there are no recommendations for disapproval or conflicting comments. The MHR shall resolve any conflicting comments. If agreement cannot be reached, the MHR shall schedule a meeting with the Housing Director and the applicable reviewing offices.

4-29. APPLICATION APPROVABILITY, RATING AND RANKING. The MHR shall coordinate the determination of approvability, assignment of a rating and ranking with the appropriate reviewing offices for each PHA application that is approvable, as described in this paragraph.

a. Threshold Approvability. An application shall be determined approvable if it meets all program requirements:

- (1) Legal Eligibility. The Field Counsel shall determine if the PHA has any litigation pending which should preclude approval of the application or entitle it to receive a priority rating. In addition, the Field Counsel must have determined that the PHA is legally eligible to develop, own and operate public housing under the Act and has:
  - (a) approved and current PEA organization documents;
  - (b) local cooperation to cover the units requested (in the form of the required Cooperation Agreement) and any other required local authority, including a Local Governing Body Resolution if front-end funds are requested under an ACC; and
  - (c) properly executed and complete PHA resolution, including required advice or certifications, such as under sections 5(j) or 6(h) of the Act, Drug Free Workplace Act of 1988, HUD Reform Act of 1989, P.L.101-121 (Byrd Amendment), and any other required certifications.

\* (2) Fair Housing/Equal Opportunity. The FH&EO Division has determined acceptance of the PHA certification of intent to comply with all applicable civil rights/equal opportunity laws. \*

- (3) Market Determination. The EMAS has determined that there is a need and a market for the household type and bedroom sizes proposed for the project, taking into consideration any local plans and other assisted housing (e.g., HUD or FmHA) existing and proposed (funded but not completed).

\* (4) Administrative Capability. The HPB and the HM Branches have determined the PHA has (or will have pursuant to a written plan approved in writing by HUD or a Court Settlement Agreement) the capabilities to develop and manage the proposed housing. A PHA shall not be determined to lack administrative capability simply because it has no recent experience in developing and/or managing public/assisted housing. No application shall be determined approvable if the PHA has failed to return excess advances received during development or \*

modernization or amounts determined by HUD to constitute excess financing based on a HUD approved ADCC or AMCC.

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- (5) Environmental Issues. The CPD Division has determined that there are no environmental factors, such as sewer moratoriums, precluding development in the requested locality.
- (6) Housing Type. If new construction is requested, the Map Branch must have ascertained that the PHA submission is complete regarding certification and documentation to support the requested units as well as any statement that the PHA will accept acquisition of existing housing or rehabilitation if HUD cannot approve new construction. If the application is proposed for new construction only, the Field Office must have determined (pursuant to Section 6(h) of the Act) that new construction-is approvable.
- (7) Section 5(j) Certification. The PHA must have certified that:
  - (a) 85 percent of its public housing dwelling units:
    - (i) are maintained in substantial compliance with the Section 8 housing quality standards (24 CFR 882.109); or
    - (ii) will be so maintained upon completion of modernization for which funding has been awarded; or
    - (iii) will be so maintained upon completion of modernization for which applications pending have been submitted in good faith under Section 14 of the Act (or a comparable State or local government program) and there is a reasonable expectation, as determined by HUD in writing, 1/ that the application would be approved; OR
  - (b) the units for which application is made:
    - (i) are required to replace dwelling units that are demolished or disposed of (Section 18 of the Act) or lost through sale to residents (Section 304(g) of the Act) or through units redesign; or
    - (ii) are required to comply with court orders or directions of the Secretary (in each case, these

must be identified by the PHA); OR

- (c) it has demands for family housing not satisfied by the Section 8 existing or voucher rental assistance programs for which it plans to construct or acquire projects of not more than 100 units; OR

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1/ On the request of a PHA, the Field Office shall expeditiously provide in writing a determination as to the approvability of any modernization application the PHA has submitted which is still pending. Approvability shall be based solely on whether the application meets the required criteria, not availability of funding or other priorities.

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- (d) the application is for Major Reconstruction of Obsolete Public Housing (MROP).

- b. Rating Approvable Applications. Unless specified in a Notice of Fund Availability (NOFA)/HUD funding Notice, applications which have been determined approvable under the threshold requirements of subparagraph a shall be rated and ranked as follows: (Full points are to be given as identified if the statement is true for the PHA application; if not true, then no points are to be given).

Rating Factors

Points

\* (1) Inadequate Housing Supply. - (EMAS/FH&EO) - Based on an evaluation by the HUD Field Office, PHA submitted documentation reasonably demonstrates that the application is for a project to be located in a local market area that has an inadequate supply of housing available for use by very low-income families, based on housing market conditions taking into account vacancy rates and other market indicators, difficulty section 8 certificate/voucher holders are experiencing in meeting program and family size requirements, or evidence that the proposed development would provide increased opportunities for minorities or address special housing needs.

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(2) Relative Need. - (EMAS) - Application is for a project which will be located in a locality which has previously been underfunded for the household type (family or elderly) requested relative to the need for housing for the same household type in other localities in the respective metropolitan or nonmetropolitan portion of the Field Office jurisdiction.

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(3) Priority for Large Family Housing. -(HPB)- Application is for a project comprising only three-bedroom or larger units. 20

(4) Relocation. -(CPD/EMAS)- The proposed project would primarily

assist households displaced, or to be displaced, by Federal action or a natural disaster in a Federally declared disaster area 10

(5) Low density family housing is proposed to be developed on scattered sites to expand housing opportunities (HPB) 10

- \* (6) PHA Development Experience. (HPB)
- (a) The PHAs last public housing project was developed;
  - (i) in accordance with time frames; i.e., construction started (new or rehab) or DOFA occurred (acquisition of existing) within 30 months of the fund reservation date; 5
  - (ii) in accordance with the latest approved development cost budget; 5
  - (iii) with no construction deficiencies identified; 5
  - (iv) in accordance with all (other than above) HUD requirements; 5

or

(b) The HUD Field Office doesn't have information on PHA past public housing experience to rate the PHA under (a) above, but it has determined that the PHAs application demonstrates the capability for, and the expectation of, expeditious quality development (e.g., PHA identified past Section 8 development experience, or a submitted PHA three-year management contract with a well-experienced PHA); 15

or

(c) The HUD Field Office doesn't have the information under (a) or (b) above, but it has determined that the PHA's application demonstrates the capability for, and the expectation of, expeditious quality development (e.g., PHA plans and staff capability identified); 5 \*

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\* (7) PHA Management Experience. (MB)

- (a) The vacancy rate in public housing projects under management is not greater than 2 percent, indicating that the PHA will and can fully utilize the units applied for; 20

or

- (b) The vacancy rate in public housing projects under management is not greater than 3 percent (or-two units if that is greater); 10

or

- (c) The PHA has no public housing projects in management but has management experience in the Section 8 program and management review or Inspector General audit findings, if any, are being addressed satisfactorily. 5 \*

(8) Other Priorities. (CPD/HPB/MB)

(a) The application proposes a project which, as evidenced by a letter from the locality, actively supports an area of local initiative (such as a Community Development Block Grant, urban revitalization, Enterprise Zone or other similar local activity.) (CPD)

(b) The PHA submitted a certification with its application that, pursuant to Section 3 of the Housing and Urban Development Act of 1968, at least five percent of the construction contract or contract of sale amount (which may not be increased for this purpose) will be used to train and employ lower income persons residing in the area of a proposed new construction or substantial rehabilitation project, and that to the greatest extent feasible, contracts for work to be performed for that project will be awarded to business concerns located in, or owned in substantial part by persons residing in, the area of the project. As such contracts are executed, evidence of compliance with prior year certifications shall be submitted by the PHA and referenced in subsequent applications. (HPB) 5

(e) The Field Office, based on PHA submitted documentation with Field Office confirmation, has determined that a PHA has no drug problem, or is aggressively combatting drug abuse, in its public housing projects. (MB) 5

(d) The application proposes housing the PHA shall identified with Field Office confirmation as a replacement for a Headquarters approved sale as homeownership under Section 21 or Section 5(h) (for applications for 5(h) sales submitted after October 1, 1990). (MB) 10

Total possible points 150

c. Ranking Approvable Applications. Approvable applications which have been rated under paragraph b above shall be ranked for selection for funding based on the rating points assigned. The ranking shall occur only after the MHR has verified the completeness and accuracy of the ratings provided by the reviewing offices to the PCR, as well as the accuracy of the accumulation of scores, pursuant to paragraphs 4-22 and 4-28e. The rankings, which shall be approved by the Housing Director, shall be retained as documentation, and a summary thereof made available upon PHA request, pursuant to 24 CFR Part 12.

4-30. PHA NOTIFICATION. The MHR, shall prepare a letter for the Housing Director's signature to advise the PHA of the results of the Field Office review. The letter shall not be dispatched until after all funding decisions have been made in accordance with the NOFA and HUD \* funding Notice, and shall be in compliance with 24 CFR Part 12 implementing the HUD Reform Act of 1989. Prohibition of advance disclosure of funding decisions pursuant to 24 CFR Part 4 and civil money penalties related thereto are stated in 24 CFR Part 30. \*

- a. Application Not Approvable. The PHA shall be notified, at the same time as PHAs are receiving notification of funding pursuant to paragraph 5-16, that its application is not approvable and is being returned to the FHA. The latter shall indicate the reasons for disapproval and that the PHA may wish to reapply under any further NOFA which may be published.
- b. Application Approvable-Not Funded. The PHA shall be notified, at the same time as PHAs are receiving notification of funding pursuant to paragraph 5-16, that its application is approvable but is being returned because of its relatively low rating. The latter shall indicate (1) the rating assigned to the PHA application; and (2) the major reasons that the PHA application received the rating that it did.
- c. Application Approved, and Funded. When appropriate, the PHA shall be notified pursuant to paragraph 5-16 that its application was approved and funded.

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\*U.S. Government Printing Office: 1992 - 312-218/60202  
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