

Supplemental Information: CY 2009 Operating Fund Subsidy Processing

This announcement provides additional information to public housing agencies (PHAs) regarding CY 2009 operating subsidy processing, pursuant to PIH Notice 2008-33, Public Housing Operating Subsidy Calculations for Calendar Year (CY) 2009.

Submission Schedule

The schedule for submitting CY 2009 subsidy forms is as follows:

- January 7, 2009 – Submissions due to Field Offices for PHAs with fewer than 250 units
- January 23, 2009 – Submissions due to Field Offices for PHAs with 250 or more units
- March 20, 2009 – Field Office processing completed and forwarded to Headquarters
- April 30, 2009 – Second funding obligation completed, based on actual PHA submissions
- July 13, 2009 – Revision deadline

PHA HUD-52723 Excel Tool

The Department has posted the HUD-52723 Excel Tool for each project on the CY 2009 Subsidy Processing website (see <http://www.hud.gov/offices/pih/programs/ph/am/of/opfnd2009.cfm>) These tools include certain pre-populated data. A table of the pre-populated data is also available at the above-referenced website. PHAs should contact their local Field Office with any questions regarding the data or Excel Tools.

Initial Funding Obligation and Proration

For CY 2009, the Department will begin with an initial four-month obligation, covering January through April. The amounts will be available in eLOCCS by January 1, 2009. CY 2009 proration is estimated to be 88%.

More information regarding this initial funding obligation, including determination of funding levels, is available on the CY 2009 Subsidy Processing website.

Project Recognition, Fungibility, and De-obligations/Recaptures

The Department has provided Excel Tools for projects that existed in PIC in early September 2008. This initial funding obligation will recognize all projects for which an Excel Tool was provided. For guidance on funding of new projects/units, please see the CY 2009 Subsidy Processing website.

In the event that amounts included in this first obligation exceed a project's final eligibility, excess amounts will subsequently be de-obligated or recaptured. If the PHA believes the total interim funding may exceed its final prorated eligibility for 2009, it should inform its Field Office and not expend the anticipated level of excess funding because these funds will be subject to recapture.

Continuing Resolution and Asset Management Election for PHAs with 250 to 400 Units

Because HUD is operating under a Continuing Resolution until March 6, 2009, it is not known whether the asset management election for PHAs with 250 to 400 units that was contained in the 2008 appropriations bill will be included with the 2009 appropriations bill. For contingency planning purposes, PHAs should assume, in submitting their subsidy forms, that the election for PHAs with 250 to 400 units is available in 2009. Then, in the event that such a provision is enacted, the Department will already have the information to complete the subsidy processing. If, however, the provision is not extended, the Department will make the necessary adjustment to the subsidy forms.

Consequently, the HUD-52723 Excel Tool for CY 2009 currently reflects the PHA asset management election provisions in effect for CY 2008. Therefore, for all PHAs with 250-400 units, please observe the following:

- If the PHA elected to implement asset management in 2008, and plans to continue with asset management in 2009, no change in the form is required.
- If the PHA elected to implement asset management in 2008, but plans not to continue to implement asset management in 2009, leave the second self-certification box unchecked in Section 5. HUD will change the PELs for all projects within the PHA.
- If the PHA elected not to implement asset management in 2008, and plans to continue with that election in 2009, no change on the form is required. The PHA must leave the second self-certification box unchecked in Section 5.
- If the PHA elected not to implement asset management in 2008, but plans to implement asset management in 2009, check the second self-certification box in Section 5. HUD will change the PELs for all projects within the PHA.

Again, if the final appropriation does not provide the asset management election for 2009, HUD will make the necessary changes in the forms.

Also, PHAs that elected to opt out of asset management in CY 2008 will receive Excel Tools for each of their projects; however, all the projects will have the same PEL, which is calculated by treating all units as one project. Please see <http://www.hud.gov/offices/pih/programs/ph/am/ficpel.cfm> for details on the PEL calculation.

Utility Expense Level (UEL) Inflation Factor

The UEL inflation factor for CY 2009 is 9.44 percent. A detailed methodology on how the UEL inflation factor was calculated is available at:

<http://www.hud.gov/offices/pih/programs/ph/am/of/opfnd2009.cfm>