

Streamlined Voluntary Conversion—Cheat Sheet

This “cheat sheet” is intended to assist PHAs and HUD staff in preparing, submitting, and processing streamlined voluntary conversion applications under PIH Notice 2014-14.

PHA Submission Requirements (IMS/PIC Instructions)

- Go to the Inventory Removals sub-module in IMS/PIC.
- Select your PHA and click on “Create Application” on the right-hand side.
- Select from the drop-down list: Application Type: “Streamlined Voluntary Conversion (VC).”
- Click “Create.”
- Click on “Add/Remove Development.”
- Select the Development, move it over to the “Proposed” box using the arrow button, and click on “Save.” Repeat this step if the PHA has public housing property (e.g., units, vacant land, playgrounds, administrative buildings, community buildings) in more than one development. PHAs applying for conversion under PIH Notice 2014-14 must select all of their public housing property under ACC and DOT.
- Four sub tabs will appear under the Application tab: Form HUD-52860 (Application Index), Supporting documents, Quality Checklist, and Submission.
- Under the Application sub tab (Form HUD 52860), complete sections 1, 3, 4, 5, 6, 7, 8 (as applicable).
- Click on each section to access the application section and click “Modify” and enter applicable information and “Save.”
- Click on the “Supporting Documents” sub-tab. Select “Attachment Type” from pull down menu and select “Attachment hook 01”. Click on the SELECT button. Enter a description for each of the required supporting documents to the application (e.g., Board Resolution) (see next section for complete list). Click on the “Browse” button and upload the applicable attachment. Click “Attach”. If file is uploaded successfully, it will say, “File uploaded successfully: [file name].”
- Click on “Submission” sub-tab to see summary information.
- Submit the application.

Supporting Documents for Streamlined Voluntary Conversion Application (“Attachments”)

- PHA Board Resolution (approving the conversion application/action);
- Certification of Compliance with PHA Plan Requirements; to demonstrate compliance with the requirement to hold a public hearing, Qualified PHAs may submit a notice of the public hearing and sign-in sheets;
- Identification of any outstanding charges, cause determinations, lawsuits, or findings of noncompliance against the applicant or voucher PHA, if applicable;
- Identification of any voluntary compliance agreements, settlement agreements, consent orders, or other remedial agreement to which the applicant or voucher PHA is a party; any potential conflicts between this conversion action and those agreements; and any proposed modifications to those remedial agreements, if applicable;
- Statement of compliance with all applicable nondiscrimination and equal opportunity requirements, including but not limited to those specified in HUD’s regulations at 24 CFR § 5.105(a);

- Agreement with HCV agency. For applicant PHAs that do not administer HCV assistance, a signed copy of the agreement between the PHA and the HCV agency that will be administering the HCV assistance (tenant protection vouchers);
- Description of future use of project. A description of the intended plans for the converted public housing project(s) (physical asset and underlying land), including any demolition or disposition of the project, provision of financing, rehabilitation, or modernization of the property (see FAQ for options);
- Proceeds. A proposed use (consistent with authorized uses under Section 18(a) of the 1937 Act) for any proceeds that will be realized from a disposition of the public housing property;
- Relocation Plan. The conversion plan must include a relocation plan that contains all information identified in 24 CFR § 972.230(g)(1)–(4). PHAs are reminded that if the project (or a portion) converted is used as housing after conversion, each resident may choose to remain in the dwelling unit in the project and use the tenant-based [voucher] for rent.
- Identification of any Capital Fund Financing Program transaction, Section 30 PHA Mortgage Transaction, or Operating Fund Financing Program that HUD has approved for the PHA, along with an indication of how the PHA plans to retire such debt;
- Significant Resident Participation. Applicant PHAs must develop a conversion plan with significant participation by the residents of the project. This requirement is in addition to the public participation requirements for the PHA Annual Plan. To satisfy the requirement, the applicant PHA must hold at least one meeting with all residents (including Resident Councils) at which the PHA explains the requirements of section 22 of the 1937 Act, 24 CFR part 972, and Notice PIH 2014-14 and provides draft copies of the conversion plan to any interested residents. The PHA must then provide a reasonable comment period for residents and summarize the resident comments (as well as the PHA responses to the significant issues raised by the commenters) for HUD, and consider these comments in developing the final conversion plan;
- Local Government Consultation. The PHA must submit a certification from the appropriate state or local officials that the conversion plan is consistent with that jurisdiction’s Consolidated Plan. This may be the same certification as is required for the PHA Annual Plan that includes the conversion plan, so long as the certification specifically addresses the conversion plan.
- Environmental Review Compliance. The PHA must submit sufficient information to its local HUD Field Office of Public Housing in order to allow that office to assess whether all applicable environmental review requirements have been satisfied under 24 CFR part 50 or 58;
- A list identifying any tangible or personal property (e.g., equipment, office furniture, computers) that the PHA acquired with 1937 Act funds;
- Rental Market Analysis. 24 CFR § 972.218(c). The conversion plan must include an analysis of the likely success of public housing residents in using tenant-based assistance in the rental market, taking into account the particular characteristics of such residents (such as large households or the presence of elderly or disabled family members or other “hard to house” families). When describing the rental market conditions, the PHA must take into account the following: (1) the overall use of its tenant-based assistance (vouchers) under lease; (2) its current success rates of using tenant-based assistance in the community for the appropriate bedroom sizes; (3) its recent success rates for units rented at or below the established payment standard; (4) and any particular characteristics of the specific residents of the public housing that may affect their ability to be housed. PHAs must utilize current census data, local consolidated plan information, and available housing figures when describing the rental market condition. The PHA should provide an overview of the rental housing market in the area as well as the concentration of poverty. The PHA should evaluate the location and types of housing

units and rental rates that are available for occupancy that could accommodate the housing needs of the displaced families (i.e., 3, 4, or 5 bedroom units and units that are available to accommodate persons with disabilities) within the area. If the PHA is proposing to utilize the project (same units) as Section 8 project-based voucher (PBV) housing or other low-income housing and will not displace any residents, the rental market analysis may not be applicable. If this is the case, the PHA should explain in a short narrative why the rental market analysis does not apply;

- Impact Analysis. 24 CFR § 972.218(d). The PHA must complete an analysis on the likely impact the voluntary conversion would have on the community in which the development is located. The PHA should provide a detailed discussion on how the voluntary conversion would impact: (1) the availability of affordable housing in the community; (2) the concentration of poverty in the community; and (3) any other substantial characteristics of the community. The PHA should specifically address the projected impact of the voluntary conversion on market rental rates, the availability and diversity of housing in the community, and the demand for tenant-based assistance rental units in the community and how the occupancy patterns and rental rates of the housing market will be affected by the new demand for tenant-based assistance units. The PHA must demonstrate how it believes the voluntary conversion will impact fair housing choice in the community. The PHA should address how the proposed conversion will contribute (or not contribute) to the diversification of available housing opportunities (types; number of affordable and market-rate rental units, including accessible units; and prices) within the community; whether rents and housing prices will be affordable to the displaced families; whether the relocated residents will have easy access to public and private facilities and services, such as retail establishments, parks, public transportation, employment, and schools; whether the unique needs of special household groups will be considered and how; and whether there will be a concentration of poverty in the neighborhood(s) to which the residents will be relocating. If the PHA is proposing to utilize the project (same units) as Section 8 project-based voucher (PBV) housing or other low-income housing and will not displace any residents, the impact analysis may not be applicable. If this is the case, the PHA should explain in a short narrative why the impact analysis does not apply;
- Narrative statement summarizing why the conversion will principally benefit residents, the PHA, and the community (which can be supported by the rental market analysis and/or impact analysis); and
- PHA Certification of Compliance (pages 24-25 of HUD Form HUD-52860).

HUD Application Processing

- SAC “threshold” review. The Special Applications Center (SAC) will first do a threshold review to verify that the PHA is listed on Appendix A and has not identified any outstanding civil rights violations that are not subject to a remediation agreement. The SAC will review the application for completeness (i.e., the submissions and information identified above). If an application is deficient or incomplete, the SAC will reject the application;
- FHEO review: FHEO will do a front-end civil rights review on the conversion application to identify and address outstanding civil rights matters. FHEO will provide its written analysis and recommendations to the SAC within 45-days of notification;
- Local HUD Office of Public Housing: The local HUD Office of Public Housing is responsible for the following: (1) verifying all environmental requirements have been satisfied; (2) reviewing the agreement with the HCV agency, if applicable; (3) reviewing the list of tangible and personal

property proposed for disposition/retention with this conversion; and (4) identifying any inconsistencies or other issues in the PHA's application, including PHA Plan certification, impact analysis, and rental market analysis. SAC will request a Certification from the applicable Field Office (see draft form attached);

- SAC review. If the PHA meets the requirements of the initial threshold review, SAC will review the application in accordance with the requirements of 24 CFR part 972 and PIH Notice 2014-14. In accordance with 24 CFR 972.236, SAC will issue at least a preliminary response to the applicant PHA within 90 days of application submission. SAC will review all applications submitted by the application deadline (September 30, 2014) and issue its approvals (for eligible applications) up to 1,000 units in the order the applications were submitted in IMS/PIC; and
- If an application is approved, HUD's Deputy Assistant Secretary of the Office of Public Housing Investments (OPHI) will sign the approval letter.

After HUD approval

- The PHA can apply for TPVs in accordance with the requirements of PIH Notice 2014-5 and Form HUD-52515;
- The PHA must comply with all conversion plan implementation instructions provided in the HUD approval documents, including how to remove the units/public housing property from ACC via IMS/PIC and how to prepare the releases of public housing units and property from DOT;
- HUD will release the property from DOT and approve its removal from ACC (PIC);
- The PHA can begin relocating residents in accordance with its approved Relocation Plan, after first issuing the required Notice;
- For applicant PHAs that operate a Public Housing Family Self-Sufficiency (PH FSS), program, no later than the effective date of conversion (the date the units are removed from ACC in IMS/PIC) the applicant PHA must disburse escrow funds (in accordance with 24 CFR 984.305(c)) to participating families that have met their obligations under their Contract of Participation or otherwise completed their contract (see 24 CFR 984.303(g)) and are welfare-free;
- For applicant PHAs that operate a Resident Opportunities and Self-Sufficiency – Service Coordinator (ROSS-SC) program, program grants would need to be closed in accordance with their grant terms; and
- For applicants PHAs that are awarded a Capital Fund Education and Training Community Facilities (CFCF) program, the PHA must return the grant amount prior to conversion or complete the project.

Field Office Certification—Streamlined Voluntary Conversion (DRAFT)

MEMORANDUM FOR: The Streamlined Voluntary Conversion File

ATTENTION: _____*your name*_____, _____*Title*_____, Special Applications Center (SAC), PIA

FROM: _____, Director/Program Center Coordinator, _____ HUB/Program Center Office
of Public Housing, _____PH

Signature

SUBJECT: Streamlined Voluntary Conversion Application Submitted by the _____
Housing Authority (____HA) on _____, for _____ Dwelling Units at _____*Dev.*
Name & number _____ (DDA000____)

My staff and I are aware of the subject submission and are familiar with the activity the Public Housing Agency (PHA) proposes in the submission to the Special Applications Center (SAC).

A. Environmental Review Compliance

PIH Notice 2014-14 provides “Any of these proposed future uses will be subject to Environmental Review. Prior to taking action to implement its plans for the project, the PHA must submit sufficient information to its local HUD Field Office of Public Housing in order to allow that office to indicate that one of the following has occurred: (1) the Environmental Review was completed by HUD under 24 CFR part 50 for the proposed action, and the action is environmentally acceptable; (2) the Environmental Review was completed by a Responsible Entity under 24 CFR part 58, and HUD has approved a Request for Release of Funds; or (3) a Responsible Entity under 24 CFR part 58 has made a determination that the project or activity is exempt under 24 CFR 58.34(a)(12) because the project or activity is categorically excluded under 24 CFR 58.35(a)(4) or (5) and none of the related environmental laws is triggered.”

I have verified that the PHA has complied with the applicable environmental review requirements for this action as required by PIH Notice 2014-14. Specifically:

_____This Office performed the Environmental Review, under 24 CFR § 50 on _____*date*_____.

_____The Environmental Review was performed by _____*Name of the Responsible Entity*_____ under 24 CFR § 58 on _____*date*_____, and this Office approved a Request for Release of Funds or made a determination that the project or activity is exempt under 24 CFR 58.34(a)(12) because the project or activity is categorically excluded under 24 CFR 58.35(a)(4) or (5).

Additional information about the Environmental Review is as follows:

B. Rental Market Analysis

As part of its Conversion Plan, the PHA completed an analysis of local rental market conditions to demonstrate that the local market could absorb residents who would be displaced from public housing due to this conversion. Based on this Office’s knowledge of the community (including the tenant-based assistance utilization rate of _____%).

I concur that the local rental market has sufficient housing availability for these residents, including residents with disabilities and have the following additional comments:

C. Impact Analysis

As part of its Conversion Plan, the PHA completed an analysis on the likely impact the voluntary conversion would have on the community in which the development is located. The PHA should provide a detailed discussion on how the voluntary conversion would impact (a) the availability of affordable housing in the community; b) the concentration of poverty in the community; and c) any other substantial characteristics of the community.

I have the following comments about the PHA’s Impact Analysis:_____

D. Termination of the PHA’s (Section 9) ACC

Since this conversion action under this will convert all of a PHA’s remaining public housing to HCVs, the action will terminate the PHA’s ACC with HUD.

I have reviewed the PHA’s request to dispose or retain (defederalized) the tangible and other personal property and appurtenances (e.g. computers, office equipment, landscaping and/or maintenance equipment, vehicles) that it acquired with 1937 Act funds and have the following comments:_____

E. Agreement with HCV agency

- This is a Public Housing Only PHA.

(If above box is checked, then the following applies).

- I have reviewed the signed agreement between the PHA and the HCV agency that will be administering the HCV assistance (tenant protection vouchers) and find it to be acceptable and find that the HCV agency has the capacity to administer these vouchers.

(add any relevant details)

F. PHA Plan Compliance Certification

The PHA certified that it has complied with the PHA Plan requirements of PIH Notice 2014-14.

I have the following comments about this PHA and the applicable PHA Plan requirements:

(add any relevant details, e.g. whether PHA is qualified PHA, public hearing info)

- To my knowledge, the PHA (and administrating voucher PHA, if applicable) is in compliance with all fair housing and civil rights requirements at 24 CFR 5.105(a) and may does not have an outstanding charge, cause determination, lawsuit or finding of non-compliance with such requirements that is not the subject of a voluntary compliance agreement, settlement agreement, consent order, or other remedial agreement to which the PHA is a party (or is not in breach of any remedial order or agreement). I have no knowledge contrary to the PHA's certification that its Voluntary Conversion Plan is consistent with its Voluntary Conversion Assessment.