

To: Public Housing Agencies

Cc: HUD Field Offices

Re: Operating Fund FFY 2007 WAPEL and HUD 52723 Processing

Attached is the Weighted Average Project Expense Level (WAPEL) calculation report for your housing authority. The WAPEL was calculated using the new AMP groupings and other information contained in Public and Indian Housing Information Center (PIC). The WAPEL included in this report has been inflated to FFY 2006 and should be used in completing the HUD-52723 *Calculation of Operating Subsidy* form for FFY 2007. On the HUD-52723 form, the WAPEL will be inflated to FFY 2007 by using the local inflation factors for FFY 2007.

If you are experiencing any difficulty receiving the WAPEL report via e-mail, please contact your local HUD Field Office for a copy.

The Operating Fund program will be processing the HUD-52723 using an electronic form referred to as the PHA-Specific Excel Tool. We expect to distribute the Tool via e-mail in the week of August 14th. PHAs that experience difficulty receiving their electronic form by e-mail should contact their HUD Field Offices. While not required, HUD strongly encourages PHAs to complete their HUD-52723 submission in the Excel Tool and print a hardcopy of the HUD-52723 from the electronic form. Additionally, PHAs are encouraged to submit the HUD-52723 to their respective Field Office electronically along with a hardcopy form printed from the Tool. The electronic HUD-52723 form will contain a number of pre-populated and auto-calculated data fields such as the WAPEL, inflation factors, and other data elements that will assist the PHA and HUD in determining eligibility.

Instructions for completing HUD-52723 electronic form (Excel Tool) will be posted on the Operating Fund website which can be accessed using the following address:

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

Note: The Operating Fund Final Rule funds mixed finance projects that have either closed prior to November 18, 2005, or for which the PHA has filed documents in accordance with 24 CFR 941.606 (as amended prior to such date), based on the higher of the PEL or the former allowable expense level (AEL). However, the Department has calculated the WAPEL for every housing authority based on the PEL. Please send an e-mail to Ph_OpFund2007@hud.gov (with a CC to your Field Office) by August 31, 2006, if your housing authority has a mixed finance project that may be eligible for this amount, where applicable.