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**Whereas**, Public Housing Authority (as identified in the attached Addendum) (herein called the “PHA”) and the United States of America, Secretary of Housing and Urban Development (herein called “HUD”) have entered into Annual Contributions Contract(s) (ACC(s)) (HUD-53012), this CFP Amendment to the ACC(s) and the attached Addendum (collectively the Consolidated Annual Contributions Contract).

**Whereas**, HUD has agreed to provide CFP assistance, to the PHA in the amount specified in the attached Addendum for the purpose of assisting the PHA in carrying out development, capital and management activities at existing public housing projects in order to ensure that such projects continue to be available to serve low-income families. HUD reserves the right to provide additional CFP assistance in this FY to the PHA. HUD will provide a revised CFP Amendment with Addendum authorizing such additional amounts.

**Now Therefore**, this CFP Amendment with the attached Addendum amends the ACC(s) as follows:

1. This CFP Amendment with Addendum is a part of the ACC(s).

2. The PHA must carry out all development, capital and management activities in accordance with the United States Housing Act of 1937 (the Act), 24 CFR Part 905 (the Capital Fund Final rule) as well as other applicable HUD requirements, except that the limitation in section 9(g)(1) of the Act is increased such that of the amount of CFP assistance provided for under this CFP amendment only, the PHA may use no more than 25 percent for activities that are eligible under section 9(e) of the Act only if the PHA’s HUD-approved Five Year Action Plan provides for such use; however, if the PHA owns or operates less than 250 public housing dwelling units, such PHA may continue to use the full flexibility in section 9(g)(2) of the Act.

3. The PHA has a HUD-approved Capital Fund Five Year Action Plan and has complied with the requirements for reporting on open grants through the Performance and Evaluation Report. The PHA must comply with 24 CFR 905.300 of the Capital Fund Final rule regarding amendment of the Five-Year Action Plan where the PHA proposes a Significant Amendment to the Capital Fund Five Year Action Plan.

4. For cases where HUD has approved a Capital Fund Financing Amendment to the ACC, HUD will deduct the payment for amortization scheduled payments from the grant immediately on the effective date of this CFP Amendment. The payment of CFP funds due per the amortization

scheduled will be made directly to a designated trustee within 3 days of the due date.

5. Unless otherwise provided, the 24-month time period in which the PHA must obligate this CFP assistance pursuant to section 9(j)(1) of the Act and 48-month time period in which the PHA must expend this CFP assistance pursuant to section 9(j)(5) of the Act starts with the effective date of this CFP amendment (the date on which CFP assistance becomes available to the PHA for obligation). Any additional CFP assistance this FY will start with the same effective date.

6. Subject to the provisions of the ACC(s) and paragraph 3, and to assist in development, capital and management activities, HUD agrees to disburse to the PHA or the designated trustee from time to time as needed up to the amount of the funding assistance specified herein.

7. The PHA shall continue to operate each public housing project as low-income housing in compliance with the ACC (s), as amended, the Act and all HUD regulations for a period of twenty years after the last disbursement of CFP assistance for modernization activities for each public housing project or portion thereof and for a period of forty years after the last distribution of CFP assistance for development activities for each public housing project and for a period of ten years following the last payment of assistance from the Operating Fund to each public housing project. However, the ACC shall remain in effect for so long as HUD determines there is any outstanding indebtedness of the PHA to HUD which arose in connection with any public housing project(s) under the ACC (s), and provided further that, no disposition of any project covered by this amendment shall occur unless approved by HUD.

8. The PHA has accepted all CFP assistance provided for this FY. If the PHA does not comply with any of its obligations under this CFP Amendment and does not have its Annual PHA Plan approved within the period specified by HUD, HUD shall impose such penalties or take such remedial action as provided by law. HUD may direct the PHA to terminate all work described in the Capital Fund Annual Statement. In such case, the PHA shall only incur additional costs with HUD approval.

9. Implementation or use of funding assistance provided under this CFP Amendment is subject to any corrective action order(s) in effect.

10. The PHA is required to report in the format and frequency established by HUD on all open Capital Fund grants awarded, including information on the installation of energy conservation measures.

11. If CFP assistance is provided for activities authorized pursuant to agreements between HUD and the PHA under the Rental Assistance Demonstration Program, the PHA shall

follow such applicable statutory authorities and all applicable HUD regulations and requirements. For *total conversion* of public housing projects, the provisions of the ACC shall remain in effect for so long as HUD determines there is any outstanding indebtedness of the PHA to HUD which arose in connection with any public housing projects(s) under the ACC(s), and provided further that, no disposition or conversion of any public housing project covered by these terms and conditions shall occur unless approved by HUD. For *partial conversion*, the PHA shall continue to operate each non-converted public housing project as low-income housing in accordance with paragraph 7.

12. CFP assistance provided as an Emergency grant or a Safety and Security grant shall be subject to a 12-month obligation and 24-month expenditure time period. CFP assistance provided as a Natural Disaster grant shall be subject to a 24-month obligation and 48-month expenditure time period. The start date shall be the date on which such funding becomes available to the PHA for obligation. The PHA must record the Declaration(s) of Trust within 60 days of the effective date or HUD will recapture the funds.

