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This document Provides answers to frequently asked questions regarding the use of Public Housing Funds for repositioning. Please contact your local PIH Field Office or email Repositioning@hud.gov if you have questions.

(1) Question: Can a PHA with non-Moving to Work (MTW) status closeout through [PIH Notice 2014-24](#) by transferring its Public Housing program, including all remaining Public Housing Assets and Funds, including Reserves, to an MTW PHA (Receiving PHA)?

Answer: Yes, provided the MTW PHA has a Public Housing program. That is, the MTW PHA needs to have public housing units in its portfolio that are covered by an Annual Contributions Contract (ACC).

The MTW Statute, Section 204(b) of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, provides PHA(s) with MTW status the ability to use funds appropriated under Section 9 flexibly in accordance with their MTW Agreements and Plan. Additional guidance is provided below about MTW PHAs' ability to use Funds flexibly if it is an Initial MTW PHA or an Expansion PHA.

Initial PHAs (one of the 39 PHA(s) designated as MTW before 12/15/2015):

- An Initial MTW PHA (defined above) can use all Funds (including reserves) flexibly for MTW activities that are permitted under its approved MTW Agreement and approved in an Annual MTW Plan
- Once the voluntary transfer is complete under [PIH Notice 2014-24](#), the MTW PHA may use the public housing assets (all Funds, including reserves) received from the Divesting non-MTW PHA in accordance with all of its MTW funding flexibilities.
- Expansion PHA(s) (designated pursuant to the 2016 Appropriations Act):
- Congress has provided temporary express authorization for flexible use of previously appropriated reserve funds in recent Appropriations Acts. An MTW Expansion Agency may check the status of this authorization by clicking [here](#).
- Once the voluntary transfer is complete under [PIH Notice 2014-24](#), Expansion PHA(s) may use funds flexibly for activities that are approved under the MTW Supplement to the PHA Plan and may use reserves flexibly if Congress permits MTW Expansion Agencies to continue to use previously appropriated funds flexibly (reserves).

Additionally, the Divesting non-MTW PHA that is transferring the funds to the MTW PHA may not place requirements on how the Funds (including reserves) can be expended by the MTW PHA. Finally, a non-MTW PHA that is in this situation should contact their local Field Office for additional guidance and steps prior to initiating a voluntary transfer of its Public Housing program to an MTW PHA under [PIH Notice 2014-24](#).



2. **Question:** If a PHA (Divesting PHA) closes out through [PIH Notice 2014-24](#), and transfers its Public Housing program, including its Faircloth authority to another PHA (Receiving PHA), can the two PHAs form a partnership to develop new public housing units, including units that would immediately be converted to RAD?

Answer: Yes, if allowed under local laws. The Divesting PHA could serve as the developer/owner of the mixed-finance public housing (RAD) development. The Receiving PHA would provide the Faircloth authority. The mixed-finance units could be immediately converted to RAD, subject to all applicable requirements. The units could be developed in the jurisdiction of either the Divesting or Receiving PHA, subject to other federal requirements and local laws.

3. **Question:** If a PHA is submitting a removal application to HUD that removes the last of its public housing units, and the PHA has other non-dwelling public housing property (contiguous land or separate suite)¹, can the PHA include that non-dwelling property in the unit removal application?

Answer: It depends on the type of removal application:

RAD. The PHA can only include the non-dwelling property if the property supports the RAD project and will be owned by the same entity as the RAD units and included in the RAD use agreement.

Section 18. The PHA can only include the non-dwelling property if the property will be disposed of (transferred) (not retained by the PHA). The disposition may be to the same or to a different entity than the entity that will receive the property with the units. The PHA must meet all applicable requirement for the disposition of the non-dwelling property (including environmental review, PHA Plan, consultations, board approval, justification criteria of 24 CFR 970.17(d)).

Section 22. The PHA can include the non-dwelling property as part its SVC application. The PHA may propose to retain (outside of public housing restrictions) or dispose of (transfer) the property (to the same or different entity than the entity that will receive the property with the units). The PHA must meet all requirements of future use that apply to the property with the units (including environmental review,)

If the PHA does not include the non-dwelling property in its removal application for the units, prior to closing out its public housing program, the PHA must do one of the following:

- Section 18. Submit a separate disposition application for the non-dwelling property;
- Retention (Part 200). Submit a separate retention application for the non-dwelling property (see [PIH Notice 2016-20](#)); or
- Transfer the Non-Dwelling Property to the Receiving PHA. If the PHA is closing out its public housing program through a Voluntary Transfer under [PIH Notice 2014-24](#)

¹ Public housing property is any real property acquired, developed, modernized, operated or maintained with public housing funds even if it's not under a current DOT or recorded as a property in IMS/PIC



4. **Question:** If a PHA is submitting a removal application (RAD, Section 18, Section 22 SVC) to HUD that removes the last of its public housing units, can it include personal property (e.g., equipment, supplies, computer centers, furniture, and vehicles) of the PHA in that application?

Answer: Yes, if the personal property exclusively or primarily supports the real property being removed. Central office personal property (acquired with 1937 Act funds) cannot be included in the removal application and must be addressed later under the “Disposition of Personal Property” section of **PIH Notice 2019-13** or transferred to another PHA under **PIH Notice 2014-24**. Note that for Section 18 and Section 22 applications, there is no specific field on the form HUD-52860 about personal property but PHA may attach a list/description and request that it be included as part of the approval from the Specials Application Center (SAC).

5. **Question:** My PHA has zero public housing units and wants to closeout its public housing program by transferring its Public Housing program (including Faircloth authority) to a PHA in another state. The Receiving PHA would develop the new public housing units (based on the transfer of the Divesting PHA’s Faircloth authority) in its state/jurisdiction. Is this permitted?

Answer: Yes, if the voluntary transfer otherwise complies with the requirements of **PIH Notice 2014-24** and the Federal and state law regarding development of the public housing units.