

	<b>DDTF</b> Demolition and Disposition Transitional Funding	<b>ARF</b> Asset Repositioning Fee
<b>What is it?</b>	<p>Demolition and Disposition Transitional Funding: Add-on of new capital dollars after ACC, Capital Fund-eligible units are demolished or disposed. DDTF is included in the regular Capital Fund formula grant, rather than being provided as a separate grant (as Replacement Housing Factor funds were in the past.) <b>See 24 CFR 905.400.</b> PHAs that have a reduction in units attributable to demolition or disposition are automatically eligible to receive Demolition and Disposition Transitional Funding. The DDTF will be included in their annual Capital Fund grant for a 5-year period to offset the reduction in funding a PHA would receive from removing units from inventory. DDTF can be used for any eligible Capital Fund purpose. <b>See 24 CFR 905.400.</b></p> <p><b>For more information, see the <a href="#">Capital Fund Guidebook</a>.</b></p>	<p>Asset Repositioning Fee: Add-on of Operation Subsidy that progressively decreases over a period of two (disposition) to three (demolition) years. <b>See 24 CFR 990.190(h)(1).</b></p> <p><b>For more information, see the <a href="#">ARF Notice (PIH 2017-22)</a>.</b></p>
<b>Eligibility (Triggering Actions)</b>	<p><b>Eligible Units:</b> Most Public Housing units removed from Public Housing through Section 18 demolition or disposition.</p> <p><b>Ineligible Units:</b> Public Housing Units removed from Public Housing through RAD, Section 24 demolition (Choice Neighborhoods, HOPE VI), Eminent Domain, Homeownership, Section 22 Voluntary or Section 33 Required Conversion, or removed to be rehabbed and brought back into the Public Housing inventory under a new development number (mixed-finance modernizations).</p>	<p><b>Eligible Units:</b> Public Housing units removed from Public Housing through Section 18 demolition or disposition, Section 24 demolition (Choice Neighborhoods, HOPE VI), or Section 32 Homeownership.</p> <p><b>Ineligible Units:</b> Public Housing Units removed through RAD, Eminent Domain, Section 22 Voluntary or Section 33 Required Conversion or removed to be rehabbed and brought back into the Public Housing inventory under a new development number (mixed-finance modernization).</p>
<b>Starts</b>	<p>After units are in Removed from Inventory (RMI) status in PIC. Capital Funds, including DDTF, are based on the status of units as of the “reporting date” (generally June 30<sup>th</sup>.) For example, units removed from inventory through demolition or disposition with removal dates on or before 6/30/2019 would be potentially eligible to receive DDTF beginning with FY20.</p>	<p>ARF is triggered by the first vacancy after the relocation start date. The relocation start date is a product of the Demo/Dispo approval date and the “days to relocation” field in SAC DDA application in IMS/PIC. For the full calculation please see the <a href="#">ARF Notice (PIH 2017-22)</a>.</p>

<p><b>Automatic?</b> <b>Or does PHA need to request?</b></p>	<p>Automatic, unless the PHA is inactive or requests not to receive the funds.</p>	<p>Automatic, if PHA receives HUD approval of a SAC DDA application in PIC that is eligible for ARF. PHA required to make appropriate entries to the HUD-52723 form to ensure funding is accurate.</p> <p>However, if the HA has no Public Housing units at the start of the next Operating Subsidy funding cycle, then it won't receive any Operating Subsidy Funds (including ARF) unless it notifies HUD of its intent to develop new public housing units.</p>
<p><b>Stops</b></p>	<p>Subject to the availability of appropriations and continued eligibility, DDTF continues for 5 years, unless the PHA terminates its ACC, becomes inactive, or rejects the funding.</p>	<p>24 months for disposition and 36 months for demolition, provided the PHA has some public housing units under ACC.</p> <p>If PHA removes all public housing units in PIC, all Operating Subsidy Funds, including ARF, will terminate as of the start of next funding period (January 1) after PHA has zero ACC units--unless the PHA informs its Field Office that it plans to develop more public housing units under its Faircloth limit, in which case the PHA can continue to get ARF.</p>
<p><b>Eligible Uses</b></p>	<p>Any eligible use of Capital Funds (24 CFR part 905) including, with HUD approval, as part of a RAD Budget or to boost RAD rents.</p> <p>The PHA may also transfer DDTF Funding to another PHA as part of a complete PHA Transfer according to <a href="#">PIH Notice 2014-24</a> or as part of a PHA Partnership according to <a href="#">RAD Notice Rev 4</a>.</p>	<p>Any Operating Subsidy Fund Use (24 CFR part 990).</p> <p>The PHA may also transfer ARF Funding to another PHA as part of a complete PHA Transfer according to <a href="#">PIH Notice 2014-24</a> or as part of a PHA Partnership according to <a href="#">RAD Notice Rev 4</a>.</p>
<p><b>Amount of Funding</b></p>	<p>Determined based on the overall Capital Fund formula calculation and Congressional Appropriation. Generally, the funding is consistent with what the PHA would have received had the units not been removed for 5 years.</p>	<p>Eligibility is equal to 75% of the Project Expense Level calculation in the first 12 months, 50% in the second, and, for demo, 25% in the third. Amount of funding depends upon proration rate and Congressional Appropriation.</p>