

**Disaster Housing Assistance Program
Frequently Asked Questions, Set 1
AUGUST 30, 2007**

	Topic	Question	Answer
1-1	Administrative Fees	<p>What are the administrative fees that the PHA will receive under the DHAP?</p>	<p>PHAs earn up to four different administrative fees under the DHAP.</p> <ul style="list-style-type: none"> • Pre-Transitional Activities Fee. This fee only applies if the PHA has been referred families that are part of the initial group making the transition to DHAP with rent subsidy payments expected to begin November 1, 2007. The PHA will receive a fee to cover pre-transitional case services provided to these families during the months of September and October 2007. • Administrative Services Fee. The PHA will receive a lump sum, up-front fee to cover the costs associated with administering the rental assistance portion of the DHAP. The initial administrative services fee provided to the PHA after the execution of the Grant Agreement is based on the number of families first referred to the PHA for DHAP assistance. This administrative services fee will be further supplemented as additional families are referred to the PHA for DHAP assistance. • One-time Placement Fee. The PHA earns this one-time fee when a family is initially placed under a Disaster Rent Subsidy (DRS) Contract. This fee is paid only for the family's initial lease-up under DHAP and does not apply to any subsequent leasing of a unit by the family. • Case Management Services Fee. The PHA will also receive funding for the on-going case management services that must be provided to DHAP participants over the duration of the program.

**Disaster Housing Assistance Program
Frequently Asked Questions, Set 1
AUGUST 30, 2007**

	Topic	Question	Answer
1-2	Administrative Fees –Pre-Transitional Activities Fee	How is the Pre-Transitional Activities Fee calculated and when is it provided to the PHA?	<p>The PHA will receive the Pre-Transitional Activities Fee shortly after signing the Grant Agreement. The total Pre-Transitional Activities Fee will be provided to the PHA prior to November 1, 2007.</p> <p>The Pre-Transitional Activities Fee is \$92 per month (September/October 2007) multiplied by the number of families referred to the PHA before November 1, 2007. In other words:</p> <p>Fee = \$92 x number of months (not to exceed 2) x number of families</p> <p>For example, if 100 families are referred to the PHA prior to October 1, 2007, the Pre-Transitional Activities Fee is \$18,400 (\$92 x 2 months x 100 families). If 11 more families were referred to the PHA during the month of October, the PHA would receive an additional \$1012 (\$92 x 1 month x 11 families) for a total Pre-Transitional Activities Fee of \$19,412 (\$18,400 + \$1012).</p>
1-3	Administrative Fees – Pre-Transitional Activities Fee	Does the PHA qualify for additional Pre-Transitional Activities Fees for families that are referred to the PHA after October 31, 2007?	<p>No. The Pre-Transitional Activities Fee is only provided to cover the initial implementation phase of the DHAP (September and October 2007) and the PHA does not receive a Pre-Transactional Activities Fee for any family that is referred to the PHA after October 31, 2007.</p>

**Disaster Housing Assistance Program
Frequently Asked Questions, Set 1
AUGUST 30, 2007**

	Topic	Question	Answer
1-4	Administrative Fees – Administrative Services Fee	Is the administrative services fee for the PHA based on the number of actual families leased under DHAP?	<p>No. The administrative services fee is a formula driven fee. It is calculated in accordance with the parameters and assumptions discussed in detail below. PHAs will receive the entire administrative services fee for the families initially referred to the PHA at the beginning of DHAP in one single lump-sum payment.</p> <p>The administrative services fee that the PHA receives at the beginning of DHAP is based on 15 percent of the estimated initial DHAP rent subsidy payment. This amount is multiplied by 16 months (the maximum term that the family could receive DHAP assistance) and then multiplied by the number of families initially referred to the PHA. In recognition that not every family initially referred to the PHA will lease under DHAP or remain on the DHAP for the full 16 months, the initial administrative services fee calculation assumes a monthly 2 percent attrition rate in the number of families assisted over the last 15 months.</p> <p>Note that the PHA administrative services fee is not impacted by the number of referred families that are actually placed under lease in the program. Furthermore, the fact that the number of families that leave the PHA's program before the expiration of the DHAP may differ from the assumed universal 2 percent monthly attrition rate does not affect the amount of the PHA's administrative services fee.</p> <p>For example, assume a PHA was initially referred five families for the DHAP. This PHA provides a local preference for its regular voucher program for families that were displaced by natural disasters. If all five families chose to immediately apply for voucher assistance,</p>

**Disaster Housing Assistance Program
Frequently Asked Questions, Set 1
AUGUST 30, 2007**

	Topic	Question	Answer
			were determined eligible and admitted to the regular voucher program, the DHAP grant would be closed out at such time but the PHA would retain the entire administrative services fee.
1-5	Administrative Fees – Administrative Services Fee	How is the administrative services fee for the PHA calculated?	<p>At the beginning of DHAP, the initial administrative services fee for the PHA is calculated in the following manner:</p> <ol style="list-style-type: none"> (1) Take 15 percent of the average initial estimated DHAP rent subsidy payment for the referred families. (2) Multiply by 16 months (the maximum time a family can receive DHAP assistance). (3) Multiply by the number of families initially referred to the PHA. (4) Apply an assumed 2 percent monthly attrition rate in the number of referred families over the last 15 months of DHAP. <p>The PHA shall receive additional administrative services fees if new families are subsequently referred to the PHA. The additional fee is calculated in the following manner:</p> <ol style="list-style-type: none"> (1) Take 15 percent of the average initial estimated DHAP rent subsidy payment for the families. (2) Multiply by the number of months remaining in the term of DHAP (e.g., if additional families are referred to the PHA in February 2008, the number of months used in the calculation is 12 (February 2008 – February 2009)). (3) Multiply by the number of additional families referred to the PHA.

***Revised response**

**Disaster Housing Assistance Program
Frequently Asked Questions, Set 1
AUGUST 30, 2007**

	Topic	Question	Answer
			(4) Apply an assumed 2 percent monthly attrition rate in the number of referred families over the remaining months of the DHAP.
1-6	Administrative Fees – Administrative Services Fee	What is the average initial estimated DHAP rent subsidy payment used to calculate the administrative services fee? 	HUD uses the average FEMA rental assistance payment currently provided for the referred families to establish this initial estimate. If more families are subsequently referred to the PHA, HUD will use the average FEMA rental assistance payment paid on behalf of those families or the rent at the FEMA identified property to establish the estimated rent subsidy payment used to calculate the additional fee. If such information is not available or applicable, HUD will use the same estimate that it used to calculate the initial administrative services fee for the PHA.
1-7	Administrative Fees – Administrative Services Fee	When does the PHA receive the administrative services fee?	HUD will obligate the initial administrative services fee in a single lump-sum payment shortly after the PHA signs the Grant Agreement. Additional administrative services fees will be provided to the PHA shortly after new families are referred to the PHA.
1-8	Administrative Fees – One-Time Placement Fee	How much is the one-time placement fee? 	The one-time placement fee is \$1,000 for a family that initially leases under the DHAP in the same unit in which the family received FEMA rental assistance. The fee is also \$1,000 if a family is vacating a FEMA provided temporary housing unit and initially leases under DHAP in the unit that FEMA has identified for the family. In all other cases when a family first leases a unit under DHAP, the one-time placement fee is \$1,500. The higher placement fee reflects the added responsibilities of the PHA to assist the family in leasing a unit under the program.

**Disaster Housing Assistance Program
Frequently Asked Questions, Set 1
AUGUST 30, 2007**

	Topic	Question	Answer
1-9	Administrative Fees – One-Time Placement Fee	Assume a family that is under lease and receiving DHAP assistance terminates the tenancy and moves to another PHA jurisdiction. The family then leases under DHAP in the new jurisdiction. Does the receiving PHA receive a one-time placement fee?	No. The One-Time Placement Fee is only earned when a family initially leases a unit under DHAP. No subsequent leasing of a unit under DHAP by the family is covered by the Placement Fee, regardless of whether the family moves to a new jurisdiction and is assisted by another PHA.
1-10	Administrative Fees – Case Management Services Fee	How is the case management services fee calculated?	<p>For the first 4 months that regular case management services are provided (November 2007 – February 2008), the case management services fee shall be calculated as follows:</p> <p style="text-align: center;">$\\$92 \times \text{number of families initially referred to the PHA} \times 4 \text{ months}$</p> <p>For the following three month period (March 2008 – May 2008) and each three month period thereafter, the case management services fee is based on the number of families under DHAP lease as reported by the PHA in the Disaster Information System (DIS). The case management services fee shall equal \$92 multiplied by the number of families under DHAP lease multiplied by three months. HUD uses the family data recorded in DIS as of the middle of the month preceding the three month funding period to calculate the case management services fee.</p>

**Disaster Housing Assistance Program
Frequently Asked Questions, Set 1
AUGUST 30, 2007**

	Topic	Question	Answer
1-11	Administrative Fees – Case Management Services Fee	What if additional families are placed under DHAP lease and reported in DIS during one of the subsequent three month funding periods? Will HUD provide additional case management services fees?	Yes. HUD shall provide supplemental case management services fee funding in such cases. The supplemental fee shall cover the additional families that are placed under lease and reported in DIS during the time period in question for that month and any other months remaining in that quarter.
1-12	Administrative Fees – Case Management Services Fee	Assume a number of families leave the DHAP during the three month funding period. Will HUD reduce or recapture part of the case management services fee for that three month period to reflect the reduction in the number of families under lease in DHAP?	No. The case management services fee funding provided for that three month period is never reduced, regardless of whether the number of families decreases during that time period. Any reduction in the number of families assisted would be reflected in the case management services fee provided for the following three month period.
1-13	Disaster Information System	What actions must a PHA take in order to access the Disaster Information System (DIS)?	The Disaster Information System is a sub-module in PIC. PIC can be accessed through HUD’s Web Access Security Sub-System at http://www.hud.gov/systems/housing.cfm . PHAs may access the DIS using the PHA’s current PIC user ID and password. Once signed on, click on the “DVP” tab.

**Disaster Housing Assistance Program
Frequently Asked Questions, Set 1
AUGUST 30, 2007**

	Topic	Question	Answer
1-14	Disaster Information System	How does the PHA get access to DIS and password/login information?	PHAs should contact the local HUD field office PIC Coach.
1-15	Families living in FEMA trailers	Can a family receive DHAP assistance if it lives in a FEMA trailer?	Yes, but not until FEMA has located a suitable unit for the family in the private rental market and has made all the necessary arrangements for the family's move. Once such arrangements have been made the PHA will enter into a contract with the landlord and rental assistance will begin.
1-16	Family Eligibility	If families have questions about their eligibility for DHAP, who do they contact?	Families may call the FEMA Helpline at 1-800-362-FEMA.
1-17	Family Eligibility	Can HUD/FEMA tell PHAs how many of the current participants will lease in place verses those requiring search assistance?	No. HUD can identify the unit where the family is currently receiving FEMA assistance, but cannot identify which families will require search assistance.
1-18	Family Eligibility	The operating requirements Notice states that FEMA, not the PHA, will be responsible for determining family eligibility for the DHAP. How does a family not currently receiving rental	A family not currently receiving rental assistance from FEMA should contact FEMA by phone 1-800-362-FEMA to request an eligibility decision.

**Disaster Housing Assistance Program
Frequently Asked Questions, Set 1
AUGUST 30, 2007**

	Topic	Question	Answer
		assistance from FEMA request such an eligibility decision?	
1-19	Family Eligibility	There is no mention of PHAs obtaining Social Security number documentation from families that are determined to be eligible for DHAP. Is this required for all family members 6 years of age and over, or is it not required at all?	FEMA is solely responsible for determining whether a family is eligible to receive DHAP assistance, not the PHA. A PHA may require the family to submit documentation for identification purposes, not for eligibility purposes. PHAs may require social security numbers to verify the family's eligibility status in the DIS.
1-20	Incremental Rent Transition Forms	DHAP families must sign a certification that the family will promptly report any future increase in income when the PHA freezes the incremental rent transition due to a financial hardship. Will HUD create the certification form or will each PHA create their own?	No. PHAs are expected to create their own certification form.
1-21	Forms	Can a PHA use the regular Housing Choice Voucher program forms?	No. However, a PHA may use the voucher forms as models to develop their own forms for DHAP.

**Disaster Housing Assistance Program
Frequently Asked Questions, Set 1
AUGUST 30, 2007**

	Topic	Question	Answer
1-22	Housing Quality Standards	The DHAP Operating Requirements states that a PHA must conduct a limited inspection either on or in a reasonable time (as determined by the PHA) after the effective date of the Disaster Rent Subsidy Contract (DRSC) to ensure the unit's current condition does not contain any life-threatening deficiencies (as also determined by the PHA). Can this inspection be conducted prior to the contract's effective date?	No.
1-23	Housing Quality Standards	If the owner chooses to execute a new lease in the same unit, are the inspection standards to be used the HQS or the limited inspection standards?	In the situation where a family is already under lease and wishes to remain in-place to receive DHAP assistance, the owner and family may choose to enter into a new lease that commences at the same time as the effective date of the DRSC between the owner and the PHA. In this case, the PHA must conduct a limited inspection to ensure the unit's current condition does not contain any life-threatening deficiencies (as determined by the PHA).

**Disaster Housing Assistance Program
Frequently Asked Questions, Set 1
AUGUST 30, 2007**

	Topic	Question	Answer
1-24	Incremental Rent Transition	A family may request that the PHA grant an exception to the incremental rent transition policy on the basis of economic hardship. In order to be eligible for this exception, a family must, among other things, demonstrate that the applicable incremental rent transition amount will exceed 30 percent of the family's <u>gross</u> monthly income. For the 30 percent threshold, do PHAs use the Annual Income definition in 24 CFR Part 5, with income inclusions and exclusions?	No. PHAs should not use the Annual Income definition in 24 CFR Part 5 for the Housing Choice Voucher Program. Gross monthly income means all sources of income that go to or on behalf of all family members.
1-25	Incremental Rent Transition	If a family requests a hardship exception because the incremental rent transition amount will exceed 30 percent of the family's gross monthly income, does the PHA have to verify income? Could the PHA accept a certification instead of verification of income?	A PHA must establish policies that describe what information will be considered in making a determination of whether to grant a hardship exception. PHAs may accept a certification from the family stating that the incremental rent transition amount exceeds 30 percent of its gross monthly income. However, if a family is approved for a hardship exception, the family must sign a certification that states that the family will promptly report any future increase in income to the PHA and that the family understands failure to report an increase in income is grounds for termination from the DHAP.
1-26	Legal Documents	When will the DRSC and DHAP lease addendum be available?	These contracts will be posted on HUD's PIH homepage (www.hud.gov/pih) in early September 2007.

**Disaster Housing Assistance Program
Frequently Asked Questions, Set 1
AUGUST 30, 2007**

	Topic	Question	Answer
1-27	Legal Documents	Does the lease addendum reset the term of the lease?	No. In the case where a family is already under lease and wishes to remain in-place to receive DHAP assistance, the owner and the family may remain under the existing lease. The family and the owner may also choose to enter into a new lease that commences at the same time as the effective date of the DRSC and the lease addendum.
1-28	Legal Documents	May the term of the lease and the term of the DRSC be different?	Yes. The term of the lease is dependent upon state and local practices. The term of the DRSC cannot extend beyond March 1, 2009. The DRSC may be terminated by the PHA prior to that date for violations of the contract, termination of the family from the DHAP, or where the subsidy payment equals zero.
1-29	Legal Documents	What is the initial lease term under DHAP?	There is no initial term of the lease under DHAP.
1-30	Legal Documents	If a family leases in place under DHAP, but the owner and family sign a new lease at the commencement of DHAP assistance, will the rent subsidy that the owner receives under DHAP be the same as what the owner was receiving through CLC?	Yes. The monthly rent subsidy for the unit would equal the lesser of the monthly rent specified in the lease, or the greater of the applicable FMR published for the area where the unit is located, the applicable payment standard for the PHA's HCV program or the amount of monthly assistance the family received under the FEMA rental assistance program for the unit prior to the transition to DHAP.

***Revised response**

**Disaster Housing Assistance Program
Frequently Asked Questions, Set 1
AUGUST 30, 2007**

	Topic	Question	Answer
1-31	PHA Participation	If a PHA agrees to administer DHAP in their jurisdiction, will that PHA be forced to administer DHAP in any other jurisdiction?	No. PHAs opting to administer the DHAP may only do so in the jurisdictions in which they have legal authority to operate.
1-32	Program Information	Where can eligible families and PHAs get additional information about the transition to the DHAP?	HUD has established a referral call center with a toll-free number for eligible families and PHAs seeking additional information about the transition to DHAP. FEMA families currently receiving rent assistance who have been notified by FEMA that they will be transitioned to the DHAP may contact the referral call center at 1-866-373-9509. Operators are available Monday through Friday from 9 a.m. to 7 p.m. eastern and 9 a.m. to 1 p.m. eastern on Saturday and Sunday.
1-33	Rent Reasonableness	For a family transitioning in-place, if the owner wants to offer a new lease at the commencement of DHAP assistance, will these units be subject to rent reasonableness?	No. Rent reasonableness does not apply in this case. The family may choose to continue to reside in the unit and pay the difference between the subsidy amount and any increase in the lease rent.
1-34	Rent Reasonableness	After the PHA and owner have executed the DRSC for a family receiving assistance in-place, if the owner wishes to increase the rent, would rent reasonableness apply?	Yes. Rent reasonableness does apply in this case because the owner is increasing the rent after execution of the DRSC.

**Disaster Housing Assistance Program
Frequently Asked Questions, Set 1
AUGUST 30, 2007**

	Topic	Question	Answer
1-35	Rent Subsidy	When FEMA pays a family directly, who does the PHA pay?	PHAs may only make DHAP rent subsidy payments to landlords on behalf of eligible families.
1-36	Rent Subsidy	If FEMA pays a family directly, does the PHA pay the family until such time as a DRSC is executed?	Under DHAP, PHAs may only make rent subsidy payments to owners on behalf of eligible families under an executed DRSC. PHAs cannot make rent subsidy payments directly to families.