

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Consolidated Katrina Disaster Contributions Contract

KATRINA DISASTER HOUSING ASSISTANCE PROGRAM

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1. Definitions

Katrina Disaster Contributions Contract

(KDCC) The contract for each funding increment. HUD’s commitment to make payments for each funding increment (“project”) listed in the funding exhibit constitutes a separate KDCC.

Budget Authority The maximum amount of funds available for payment to the HA over the term of a funding increment. Budget authority is authorized and appropriated by the Congress.

Consolidated Katrina Disaster Contributions Contract (consolidated KDCC) This consolidated contract for the Katrina Disaster Housing Assistance Program. HUD’s commitment to make payments for each funding increment in a program constitutes a separate KDCC. However, commitments for all the funding increments are listed in this consolidated KDCC.

Contract Authority The maximum annual payment by HUD to the HA for a funding increment. The amount of contract authority for each funding increment in a program is listed in the funding exhibit for the program.

Funding Exhibit An exhibit to the consolidated KDCC. The funding exhibit states the amount and term of funding for a program.

Funding Increment (also called a “Project”). Each commitment of budget authority by HUD to the HA for a program under the consolidated KDCC. The funding increments for the program are listed on the program funding exhibit.

HUD Requirements Requirements for the Katrina Disaster Housing Assistance Program. HUD requirements are issued by HUD headquarters as regulations, contracts, Federal Register notices, or other binding program directives.

Housing Agency (HA) The agency that has entered this consolidated KDCC with HUD.

HUD U.S. Department of Housing and Urban Development.

Program The Katrina Disaster Housing Assistance Program

Expenditures Amounts which may be charged against program receipts in accordance with the consolidated KDCC and HUD requirements.

Program Receipts Amounts paid by HUD to the HA for the program, and any other amounts received by the HA in connection with the program.

Project A funding increment for the program.

2. Funding for HA Program

- a. The funding increments in the Katrina Disaster Housing Assistance Program are listed in the funding exhibit for the program.
- b. The amount of contract and budget authority for each funding increment in a program is stated in the program funding exhibit.
- c. By giving written notice to the HA, HUD may revise the funding exhibit for a program:
 - (1) To add a funding increment, or
 - (2) To remove a funding increment for which the KDCC term has expired.
- d. The HUD notice must include a revised funding exhibit, specifying the term, contract authority and budget authority for each

funding increment under the consolidated KDCC. The HUD notice of a revised funding exhibit for a program constitutes an amendment of the consolidated KDCC.

3. Term

- a. The funding exhibit states the first date and last date of the KDCC term for each funding increment.
- b. If the first or last date of the KDCC term for a funding increment is not entered before the consolidated KDCC is signed by the HA, HUD may enter the date subsequently, by giving written notice to the HA.

4. HUD Payments for Program

- a. HUD will make payments to the HA for the program in accordance with HUD requirements.
- b. For the program, HUD will pay the HA the amount approved by HUD to cover:
 - (1) Rent subsidy payments by the HA for a program.
 - (2) HA fees for administration of the program.
 - (3) Any other costs or fees that HUD determines necessary for the program administration, including placement assistance, security deposit assistance and assistance for utility deposits.
- c. The amount of the HUD payment may be reduced, as determined by HUD, in accordance with HUD requirements.

5. Maximum Payments for Program

- a. **Maximum Limit.** The HUD payments for a program must not be more than the sum of the budget authority amounts for the funding increments in the program.
- b. **Limit on Payments for Funding Increment.** The total amount of payments for any funding increment over the increment term must not exceed budget authority for the funding increment.

6. Reduction of Amount Payable by HUD

- a. If HUD determines that the HA has failed to comply with any obligations under the consolidated KDCC, HUD may reduce to an amount determined by HUD:
 - (1) The amount of the HUD payment for any funding increment.
 - (2) The contract authority or budget authority for any funding increment.

- b. HUD must give the HA written notice of the reduction.
- c. The HUD notice must include a revised funding exhibit specifying the term, contract authority, and budget authority for each funding increment under the consolidated KDCC. The HUD notice of revisions to the funding exhibit for the program constitutes an amendment of the consolidated KDCC.

7. Separate KDCC for Funding Increment

HUD's commitment to make payments for each funding increment ("project") listed in the funding exhibit constitutes a separate KDCC.

8. HA Request for Payment

- a. The HA must report to HUD such information as HUD may require to receive payments for the program. The report to HUD must be submitted at such time and in such form as HUD may require, and is subject to HUD approval and revision.
- b. HAs, at a minimum, must report the following information and certify that:
 - (1) Rent subsidy payments have been made in accordance with contracts in the form prescribed by HUD and in accordance with HUD requirements; and
 - (2) Units have been inspected by the HA in accordance with HUD and HA requirements.
- c. If HUD determines that payments by HUD to the HA exceed the amount of the payment approved by HUD, the excess must be applied as determined by HUD. Such applications determined by HUD may include, but are not limited to, application of the excess payment against the amount of the annual payment for a subsequent quarter.
- d. The HA must take any actions required by HUD respecting the excess payment, and must, upon demand by HUD, promptly remit the excess payment to HUD.

9. HUD Requirements

- a. The HA must comply, and must require owners to comply with the requirements of the Katrina Disaster Housing Assistance Program and all other applicable HUD requirements, including any amendments or changes in the law or requirements.
- b. The HA must use the program forms required by HUD.
- c. The HA must proceed expeditiously with the program under this consolidated KDCC.

10. Use of Program Receipts

- a. The HA must use program receipts to provide decent, safe, and sanitary housing for eligible families in compliance with the Katrina Disaster Housing Assistance Program and all HUD requirements. Program receipts may only be used to pay program expenditures.
- b. The HA must not make any program expenditures, except in accordance with the reporting and other HUD requirements.
- c. If required by HUD, program receipts in excess of current needs must be promptly remitted to HUD or must be invested in accordance with HUD requirements.

11. Depository

- a. Unless otherwise required or permitted by HUD, all program receipts must be promptly deposited with a financial institution selected as depository by the HA in accordance with HUD requirements.
- b. The HA must enter an agreement with the depository institution in the form required by HUD.
- c. The HA may only withdraw deposited program receipts for use in connection with the program in accordance with HUD requirements.
- d. The agreement with the depository institution must provide that if required under a written notice from HUD to the depository:
 - (1) The depository must not permit any withdrawal of deposited funds by the HA unless withdrawals by the HA are expressly authorized by written notice from HUD to the depository.
 - (2) The depository must permit withdrawals of deposited funds by HUD.
- e. If approved by HUD, the HA may deposit under the depository agreement monies received or held by the HA in connection with any contract between the HA and HUD.
- f. Interest on the investment of the program receipts constitutes program receipts.

12. Program Records

- a. The HA must maintain complete and accurate books of account and records for a program. The books and records must be in accordance with HUD requirements, and must permit a speedy and effective audit.
 - b. The HA must furnish HUD such financial and program reports, records, statements, and documents at such times,

in such form, and accompanied by such supporting data as required by HUD.

- c. HUD and the Comptroller General of the United States, or their duly authorized representatives, must have full and free access to all HA offices and facilities, and to all the books, documents and records of the HA relevant to administration of the program, including the right to audit and to make copies.
- d. The HA must engage and pay an independent public accountant to conduct audits that are required by HUD.

13. Default by HA

- a. Upon written notice to the HA, HUD may take possession of rights or interests in connection with this program, including funds held by a depository, program receipts, and rights or interests under a Katrina Disaster Rent Subsidy Contract with an owner, if HUD determines that:
 - (1) The HA has failed to comply with any obligations under this consolidated KDCC; or
 - (2) The HA has failed to comply with obligations under a Katrina Disaster Rent Subsidy Contract with an owner; or
 - (3) The HA has failed to take appropriate action, to HUD's satisfaction or as directed by HUD, for enforcement of the HA's rights under a Katrina Disaster Rent Subsidy Contract; or
 - (4) The HA has made any misrepresentation to HUD of any material fact.
- b. HUD's exercise or non-exercise of any right or remedy under the consolidated KDCC is not a waiver of HUD's right to exercise that or any other right or remedy at any time.

14. Fidelity Bond Coverage

The HA must carry adequate fidelity bond coverage, as required by HUD, of its officers, agents, or employees handling cash or authorized to sign checks or certify vouchers.

15. Exclusion of Third Party Rights

- a. A family that is eligible for housing assistance under this consolidated KDCC is not a party to or third party beneficiary of the consolidated KDCC.
- b. Nothing in the consolidated KDCC shall be construed as creating any right of any third party to enforce any provision of this consolidated KDCC, or to assert any claim against HUD or the HA.

16. Consolidated KDCC

- a. The consolidated KDCC is a contract between HUD and the HA.
- b. This KDCC shall not be amended or modified without prior written approval from HUD.

United States of America
Secretary of Housing and Urban Development
Signature of Authorized Representative

X _____ Date Signed _____

Name and Official Title (Print or Type) _____

Housing agency

Name of Agency _____

Signature of Authorized Representative

X _____ Date Signed _____

Name and Official Title (Print or Type) _____