



**U.S. Department of Housing and Urban Development
Office of Public and Indian Housing**

SPECIAL ATTENTION OF:	Notice PIH 2010 – 6 (HA)
Public Housing Agencies	Issued: March 8, 2010
Public Housing Hub Office Directors	
Public Housing Program Center Coordinators	Expires: March 31, 2011
Regional Directors	
Field Office Directors	
Special Applications Center Director	Cross Reference:
Resident Management Corporations	Notice PIH 2006-36 (HA)

Subject: Changes to Unit Reporting in Public Housing Information Center (PIC)

1. Purpose

The May 2008, October 2008, and September 2009 PIC releases made several changes affecting unit status reporting. The May 2008 PIC release made the following three changes: (1) it modified the vacant unit status sub-categories in the Development Sub-module of PIC; (2) it introduced some processing and definitional changes; and (3) it introduced the automatic default of units to *Vacant* status once a PHA submitted an *End of Participation* for a particular household. The October 2008 release refined the non-dwelling exception unit status sub-categories. The September 2009 release changed the status of any units that still were listed as *Not Reported* to *Vacant*, and eliminated *Not Reported* as a unit tenant status. The September release also moved any units that still were in the temporary *Conversion Unit* sub-category established in 2005 into an *Other Uses-Unauthorized* category. This notice explains these changes.

2. Background

PHAs are responsible for reporting the status of all units in PIC. When a PHA submits a form HUD-50058, PIC identifies the unit as occupied by an assisted tenant. Previously, when a PHA submitted an *End of Participation* record, the PHA would then need to identify the status of the unit. Beginning with the May 2008 release, PIC automatically changed the unit status to *Vacant* once an *End of Participation* was received. The PHA was then responsible for updating the status of the unit, until such time as a new form HUD-50058 record was received. To better track the status of units, the May 2008, October 2008, and September 2009 releases also changed various unit status sub-categories.

3. New Unit Status Categories

Attachment A includes a revised list of unit status categories and sub-categories, with associated definitions.

4. Approved Vacancies

Section 990.145 of the Public Housing Operating Fund Program rule requires PHAs to receive prior approval by the Department for the following categories of approved vacancies: *Vacant Undergoing Modernization*, *Special Use Units*, *Vacant as a Result of Court Litigation*, *Vacant due to Natural Disaster*, and *Vacant due to Casualty Loss*. PHAs should request this approval through their HUD field offices. For purposes of the PIC Development Sub-module, a PHA must have received the required Departmental approval prior to entering these units in the applicable sub-category. See 24 CFR 990.145 for more information on approved vacancies and the approval requirements.

5. Action Required for Units Which Had Been “Conversion Units”

The temporary *Conversion Unit* sub-category was put in place in fiscal year (FY) 2005 as a transition for units that were previously classified by PHAs as *Non-dwelling* in PIC, with an instruction in Notice 2006-36 for these units to be updated with a proper unit classification. On September 30, 2009, units still classified as *Conversion Units* were changed to the *Other Uses-Unauthorized* exception sub-category. PHAs should reclassify units that are now in the *Other Uses-Unauthorized* exception sub-category if the units legitimately belong in other non-dwelling or vacant sub-categories. Any changes in status out of the *Other Uses-Unauthorized* exception sub-category of units that also have an inventory removal status will be handled on a batch basis by PIC Operations.

6. Form HUD-50058 Reporting Rates

Reporting rates will be redefined in 2010 as the sum of unit months occupied, unit months for 3 percent allowable vacancies, and unit months for approved vacancies divided by required unit months available. Additional information and detail will be provided on the PIC webpage for the form HUD-50058 Monthly Report at:

<http://www.hud.gov/offices/pih/systems/pic/50058/guides.cfm>.

HUD will continue to monitor reporting rates and annual recertifications.

7. Further Information

This notice provides interim information on the revised unit statuses. Additional changes to PIC are forthcoming to streamline reporting and improve the efficiency and functionality of PIC related to unit tenant statuses.

For further information about this notice, contact the nearest HUD Office of Public Housing within your state. Locations of these offices are available on HUD’s website at <http://www.hud.gov>.

/s/
Sandra B. Henriquez, Assistant Secretary for
Public and Indian Housing

Attachment A – Unit Status Categories

The following lists the unit status categories within the PIC Development Sub-module that were effective with the May 2008, October 2008, and September 2009 PIC releases. There are three categories: *Exception*, *Occupied by Assisted Tenant*, and *Vacant or Otherwise Occupied*. Each category and sub-category is defined below:

A. **Exception.** Exception units are non-dwelling units and merged units; there are seven of these non-dwelling categories:

- (1) **Non-Dwelling Unit used for Anti-Drug Activities.** A unit the PHA uses for anti-drug activities.*
- (2) **Non-Dwelling Unit used for Economic Self-Sufficiency Services.** A unit the PHA uses for self-sufficiency services.*
- (3) **Non-Dwelling Unit used for Neighborhood Services in Moving-to-Work (MTW) PHAs.** This status covers services provided by agencies with MTW agreements to populations that are not primarily public housing residents.
- (4) **Non-Dwelling Unit used for Other Resident-Related Activities.** Includes units used for resident organization offices and resident activities other than self-sufficiency services.*
- (5) **Non-Dwelling Unit used for PHA Public Housing Administrative Purposes.** Examples of administrative uses are office space, maintenance facilities and storage.
- (6) **Non-Dwelling Unit used for Resident Amenities.** Covers units used for building common areas, such as laundry rooms and lounges.
- (7) **Other Uses-Unauthorized.** In general, public housing units that are taken for purposes that are not devoted to public housing residents, or to the operation and administration of public housing. *Conversion Unit* was a temporary unit classification that HUD established in FY 2005 to identify dwelling units that were previously designated in the Development Sub-module as *Non-dwelling*. Under Notice 2006-36, no units should be classified in this sub-category. The *Conversion Unit* sub-category was eliminated from PIC in September 2009. Units under this sub-category were changed to the *Other Uses-Unauthorized* category. Where appropriate, PHAs may reclassify units in the *Other Uses-Unauthorized* category to one of the non-dwelling exception categories listed above or one of the vacant categories listed below. A PIC Job Aid will be available to facilitate this process for PHA with 20 or more units at:

<http://www.hud.gov/offices/pih/systems/pic/ts/>.

- (8) **Merged units are also Exception units.** A *Merged* unit results when the number of public housing units in a building is changed by structurally

combining two or more smaller units into a single larger unit. The *Merged* unit is the unit that ceases to exist as a separate unit.

- B. Occupied by Assisted Tenant.** The *Occupied by Assisted Tenant* category is for units that are occupied and under lease to an eligible family. This status is automatically populated by PIC upon successful submission to PIC of the form HUD-50058 or form HUD-50058-MTW.
- C. Vacant or Otherwise Occupied.** A *Vacant* unit is defined as a unit that is not leased to a family and not reported as a *Non-Dwelling*, *Merged*, or *Otherwise Occupied* unit. There are seven *Vacant* sub-categories. *Otherwise Occupied* represents units that are occupied but not under lease to an eligible family; there are four *Otherwise Occupied* sub-categories. All units that still had a *Not Reported* unit status as of September 2009 had their status changed by the PIC system to *Vacant*. Thereafter, *Not Reported* ceased to be a unit status. Reclassified units that were occupied must have a form HUD-50058 with tenant data submitted, which will change the unit status to *Occupied by Assisted Tenant*.

The *Vacant* sub-categories are as follows:

- (1) **Vacant.** Subsequent to the May 2008 release, when PHAs submitted *End of Participations* into the PIC System, units defaulted to this *Vacant* sub-category, instead of to the *Not Reported* category as had been the case previously. The scope of this new *Vacant* sub-category is all vacant public housing dwelling units not qualified for any of the approved vacancy sub-categories below.
- (2) **Vacant as a Result of Court Litigation.** A unit vacant due to litigation, such as a court order or a settlement agreement that is legally enforceable, including units vacant to meet regulatory or state requirements to avoid potential litigation (as covered in a Department-approved PHA Annual Plan), to satisfy voluntary compliance agreements with the Department or other voluntary compliance agreements acceptable to the Department (e.g., units held vacant as part of a court-ordered, Department-approved desegregation plan, or a voluntary compliance agreement requiring modifications to the unit to make them accessible pursuant to 24 CFR part 8).
- (3) **Vacant Demo-Dispo Pending.** A system-generated category that is automatically assigned to certain units in approved Inventory Removals applications, for which a form HUD-50058 or form HUD-50058-MTW End of Participation (action type 6) or Change of Unit (action type 7) is submitted for a unit that is *Occupied by Assisted Tenant*. This subcategory does not include units in homeownership applications. Units cannot be put into this category by PHAs or field offices. Units in this category are not eligible under 24 CFR 990.145.
- (4) **Vacant due to Casualty Loss.** A damaged unit that remains vacant due to delays in settling insurance claims. Once the claim is settled, the unit must be re-classified accordingly.

- (5) **Vacant due to Market Conditions.** A unit that is vacant due to a change in the area's market conditions. To be eligible to receive operating subsidy for units that are vacant due to changing market conditions, the PHA must meet the requirements under 24 CFR 990.245(d).
- (6) **Vacant due to Natural Disaster.** A unit vacant due to a federally declared, state declared or other declared disaster. Thus, while the subcategory title refers to natural disasters, this sub-category is applicable for all units that are vacant due to any type of declared disaster, including disasters that are not considered to be natural disasters.
- (7) **Vacant Undergoing Modernization.** A vacant unit under modernization (i.e., an approved vacancy under 24 CFR 990.145(a)(1) is a vacant unit that is: 1) under contract and the work is on schedule; or 2) in a PHA Plan Capital Fund Annual Statement for the current fiscal year. The PHA has two years after capital funds are approved to place the unit under construction. If the PHA subsequently removes the work item from the budget, the two-year timeframe can be suspended but does not start anew once the work item is reinstated.

The *Otherwise Occupied* sub-categories are as follows:

- (8) **Occupied by Non-Assisted Employee.** A unit occupied by a PHA employee who is otherwise not eligible to live in public housing and is required to live in public housing as a condition of his/her job. The occupancy of non-assisted employees is not subject to the normal resident selection process (24 CFR 901.5).
- (9) **Occupied by Non-Assisted Person Providing Tenant or Neighborhood-Oriented Services.** A unit occupied by a person providing tenant or neighborhood services (**not including police officers**) who otherwise is not eligible to live in public housing. The occupancy of the provider is not subject to the normal resident selection process.
- (10) **Occupied by Over-Income Family.** A unit occupied by a family whose annual income exceeds the limit for a low-income family at the time of initial occupancy. Rental of units to over-income families must be processed in accordance with the PHA Annual Plan. Conditions in 24 CFR 960.503 must be met to house an over-income family in the unit.
- (11) **Occupied by Police Officer.** A unit occupied by a police officer or other security personnel who would otherwise not be eligible for public housing. As required under 24 CFR 960.505, the PHA must include in their PHA Annual Plan the number and location of the units to be occupied by police officers or security personnel. In addition, the conditions in 24 CFR 960.505(a) and (b) must be met to house a non-income eligible police officer in the unit.