Chapter 3
Voluntary Conversion

3-1 Overview

Section 22 of the U.S. Housing Act of 1937 Act, as amended by Section 533 of the Quality Housing and Work Responsibility Act (QHWRA), stipulates that at any time, a PHA may undertake an assessment to determine if units in its public housing inventory are eligible for a voluntary conversion. The PHA must compare the cost of continuing to operate those units as public housing to the cost of providing tenant-based assistance to the residents of those units. To properly identify units that may be eligible for voluntary conversion, the PHA must also take into consideration other factors, including the market value of the development, the rental market conditions in the community, the likely impact of the conversion on affordable housing in the community, and the planned implementation process of the conversion.

What are PHAs converting: Public Housing Developments or the residents of those developments?

In this context, conversion means the removal of public housing developments (or portions of developments) from a PHA’s public housing inventory and ACC. Conversion does not require that the PHA convert the development to any particular future use after conversion.

To receive HUD approval to convert a public housing development to tenant-based assistance, a PHA must comply with the following process:

- On August 2, 2001, HUD issued Notice PIH 2001-26 instructing PHAs to identify those developments that were potentially appropriate for a voluntary conversion. These non-binding preliminary evaluations were called Required Initial Assessments (RIAs). The PHA Certification of Compliance for Section 22 Voluntary Conversions, that must be included as part of the PHA’s formal submission of an Inventory Removal Application (form HUD-52860) to SAC, requires that the PHA certify that the PHA has conducted an RIA for the units covered in its voluntary conversion application.

- Complete a new and comprehensive conversion assessment, in accordance with 24 CFR §972.218-§972.224 and describe the assessment as part of its next PHA Plan (or MTW Plan).

- Prepare a voluntary conversion plan in accordance with 24 CFR §972.227-§972.233 and describe the conversion plan in its next PHA Plan submission (or as a significant amendment to that PHA Plan). The PHA’s voluntary conversion plan must be completed within one year after completing the conversion assessment. HUD Field Office approval of the PHA Plan does not constitute approval of the PHA’s voluntary conversion plan. The PHA must submit its voluntary conversion plan to the SAC via form HUD-52860-E through PIC, for official HUD approval of the conversion action. The PHA may not proceed with implementation of a voluntary conversion until it has received written approval from the HUD Office of Public Housing Investments (OPHI), via the SAC.

The PHA will only be able to proceed to convert the development if the SAC approves the conversion plan. An overview of the voluntary conversion process is provided in Appendix 4.
3-2 Identification of Properties

Required Initial Assessment

QHWRA required most PHAs to conduct a non-binding Required Initial Assessment (RIA) for each of their developments, (unless the development was exempt from the assessment process under 24 CFR §972.206). PHAs were asked to complete these RIAs in 2001. These assessments were intended to assist PHAs in identifying developments, or portions of developments, that may be appropriate for conversion. PHA need not submit these RIAs as part of the voluntary conversion assessment, plan, or application.

Conversion Assessment

In order to properly identify units that may currently be eligible for voluntary conversion under Section 22 of the Act, PHAs are required to first complete a more comprehensive and recent conversion assessment, than the previously developed RIAs, for all units they wish to convert to tenant-based assistance. Each component of this conversion assessment must be conducted with care and due diligence and must clearly demonstrate the PHA has satisfied the applicable statutory and regulatory requirements for each component. In performing the conversion assessment, PHAs should consider the intended future use of the development or portion of the development proposed for conversion.

The SAC will not approve an application for a voluntary conversion plan from a PHA unless the PHA has completed both a timely conversion assessment has included a description of this conversion assessment as part of its PHA Plan (or MTW Plan). HUD also strongly encourages PHAs to publish their conversion assessments on their websites and to encourage resident and public comments.

If the PHA's conversion assessment that is more than one year older than the voluntary conversion plan and application submitted to the SAC, the PHA must update its conversion assessment. To update a conversion assessment, the PHA must ensure that its analysis of rental market conditions is based on the most recent available data and must revise any data that has changed since the initial conversion assessment was completed.

The PHA must involve the residents of the development in preparing its final conversion assessment. In addition, residents and the public will also play an active role in developing the voluntary conversion plan. Information on the resident's role in that process can be found in Section 3-11 of this Guide. PHA's are reminded that the residents are the PHA's customers and should therefore play a significant role in contributing to the conversion assessment. To satisfy this consultation requirement, IN ADDITION to the public participation requirements in the PHA Plan, the PHA must do AT LEAST the following:

- In order to show the conversion will benefit the residents (a requirement for the SAC approval of the conversion), the PHA must show it held AT LEAST one public meeting with the residents of the affected site (including the duly elected Resident Council, if one exists). In most cases, PHAs should meet numerous times with the residents to ensure that they fully understand the reasons for the conversion, understand the PHAs anticipated approach to the conversion, and have a meaningful opportunity to discuss options and make suggestions to ensure that the residents will benefit as a result of the conversion;

- At these resident meeting(s), the PHA must: (i) explain the requirements of the voluntary conversion program (including Section 22 of the Act and 24 CFR Part 972),
particularly as they apply to the residents of the development; and (ii) provide draft copies of the conversion assessment and discuss the conclusions of this assessment to the residents.

- The PHA must also show it has provided a reasonable period for the residents to comment on the draft voluntary conversion assessment. The conversion assessment must contain a summary of resident comments on the conversion assessment and the PHA responses to any significant issues raised by the residents.

As part of the voluntary conversion plan and application that the PHA submits to the SAC, the PHA must certify that the conversion assessment demonstrates that the conversion:

1. Will not be more expensive than continuing to operate the development (or portion thereof) as public housing;
2. Will principally benefit the residents of the proposed public housing development (or portion thereof), the PHA, and the community; and
3. Will not adversely affect the availability of affordable housing in the community.

3-3 Components of a Voluntary Conversion Assessment

#1 Cost Analysis

An effective cost analysis will allow the PHA to look at operating, modernization and accrual cost. This will help the PHA in evaluating the viability of continuing to operate the development in question or converting the assistance to another form. In addition, when pursuing conversion, the PHA should take into consideration, “What is in the best interest of the resident”.

Voluntary conversions are permitted only if they are cost-effective. The PHA must submit a Cost Analysis comparing the cost of continuing to operate the development as public housing for the remainder of its useful life to the cost of providing tenant-based assistance to the residents of the development. The Cost Analysis will enable the PHA to compute information on the development’s operating, modernization, and accrual costs, as well as information on tenant-based assistance. PHAs must use the methodology set forth in the Calculation Rule and the Voluntary Conversion Appraisal Notice (PIH Notice 2008-35: Cost-Test and Market Analyses Guidelines for the Voluntary Conversion of Public Housing Units Pursuant to 24 CFR Part 972, as amended) to conduct the Cost Analysis, and should show cost figures and percentages, as applicable.
In order to assist PHAs in completing the Cost Analysis, a downloadable spreadsheet calculator is available on the HUD website at: [http://www.hud.gov/offices/pih/centers/sac/docs/costcomparison.xls](http://www.hud.gov/offices/pih/centers/sac/docs/costcomparison.xls) (see Appendix 7). PHAs must use this spreadsheet calculator to compute the PHAs information on the development’s operating, modernization, and accrual costs, as well as information on tenant-based assistance.

The PHA must identify additional financial, contractual or legal obligations that may affect the conversion of the development. These may include Energy Performance Contracts with third parties, Capital Fund leveraging agreements, etc. These factors are not included in the SAC spreadsheet calculator, but must be factored into and addressed in the PHA’s cost analysis.

When comparing the cost of tenant-based assistance versus public housing, PHAs must determine if the length of the remaining useful life of the public housing development should be calculated for a 20, 30, or 40-year period. Typically, a 40-year period is used when rehabilitation is performed equal to new construction. A 30-year period is used when a PHA can pursue a modernization effort that addresses all backlog needs and any redesign that is necessary to ensure long-term viability. A 20-year period is used when light or moderate rehabilitation (that does not address all accumulated backlog) is undertaken, but it is compliant with the International Existing Building Codes (ICC) or Public Housing Modernization Standards in the absence of a local rehabilitation code. Additional information on determining the remaining useful life of a public housing development are set forth in the Appendix to 24 CFR Part 972 (I.B. Modernization).

Note that the cost methodology for a voluntary conversion is different from that for a required conversion.

PHAs must have an independent appraisal performed on the Market Value of the public housing property before and after the conversion to complete the required Cost Analysis.

The Cost Analysis will assist the PHA in determining the viability of continuing to operate the development or portion of the development as public housing for its projected useful life. For a PHA to evidence this viability to the SAC, the development must meet the following criteria:

- The investment to be made in the development is reasonable: Costs necessary to revitalize the development must not exceed, and under normal circumstances would be far less than 90 percent of HUD's total development costs (TDC) limit for the units proposed to be revitalized (100 percent of the total development cost limit for any “infill” new construction). The revitalization cost estimate used in the PHA’s most recent PHA Plan shall be used for this purpose, unless the PHA demonstrates, or the SAC determines, that another cost estimate is more realistic to ensure viability and to sustain the operation of the units. The overall projected cost to revitalize the identified units in the development should not exceed the cost estimate previously provided in the PHA’s most recent PHA Plan, even if the new projected cost of revitalization is a lower percentage of the TDC than the limits stated above. If the previous cost estimate was lower, the PHA must provide a
compelling explanation of why the revitalization cost projections have now increased. HUD will only accept such an increase, if the SAC determines, at its sole discretion, that the increase is justified. The source of funding for such a revitalization program must be identified and available. In addition to other resources already available to the PHA, it may be assumed that future formula funds provided through the Capital Fund over five years are available for this purpose;

- **Appropriate density is achieved**: The resulting revitalized development must have a density, which is comparable to that which prevails in or is appropriate for assisted rental housing or for other similar types of housing in the community; and

- **A greater income mix can be achieved**: Measures will generally be required to broaden the range of resident incomes over time to include a significant mix of households with at least one full-time worker. Appropriate evidence would include Census or other recent statistical evidence demonstrating a broad range of incomes of households located in the same Census tract or neighborhood, or unique advantages of the public housing site.

### #2: Analysis of Market Value

Pursuant to the Voluntary Appraisal Notice, (PIH Notice 2008-35: Cost-Test and Market Analyses Guidelines for the Voluntary Conversion of Public Housing Units Pursuant to 24 CFR Part 972, as amended), PHAs must complete an independent appraisal (market analysis) of each development proposed for conversion before and after rehabilitation, based on the use of the development as public housing, with the market value of the development after conversion (depending on the PHA’s intended future use of the development). The appraisal must also determine the “highest and best use” or “market value” of the development. This value must be inserted at Section 5(c) of the spreadsheet calculator and is necessary to complete the Cost Analysis element of the conversion assessment.

The market analyses required by the appraisal will assist PHAs in considering recapitalization decisions and how the how the PHA’s proposed future use of the development may affect its value. The market analyses will assist the SAC in evaluating the market value of the development before and after conversion, and in assessing the market feasibility of voluntary conversion applications.

The PHA’s intended future use of the development after conversion is essential for completing the market analysis. The PHA must have a realistic and achievable plan for how the development will be used after conversion, including the means and timetable for accomplishing any planned demolition, disposition, or redevelopment (See component #5 “Conversion Implementation” of the conversion assessment and component #1 “Future Use of Development” of the voluntary conversion plan). This market analysis is necessary to complete the Cost Analysis described above. In addition, the following matrix must be completed and submitted to the SAC, via HUD Form 52860-E, as part of the PHA’s voluntary conversion plan to the SAC.
### Market Valuation

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<tr>
<th>Value</th>
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<tr>
<td><strong>1. Current Value &quot;As Is&quot; Public Housing</strong></td>
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<td><strong>2. Future Value &quot;Post-Rehab&quot; Public Housing</strong></td>
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<td><strong>3. Current Value &quot;As Is&quot; (depends on proposed future use)</strong></td>
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<td>Select One:</td>
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<td><strong>5. &quot;Highest and Best Use&quot; Value or &quot;Market Value&quot;</strong></td>
<td>( )Income</td>
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<tr>
<td>(*Insert this value at Section 5(c) of the Cost Analysis Excel Spreadsheet as the “market value of property”. Also insert this value whenever the “market value” of the property is requested in the calculation.)</td>
<td>( )Comparable Sale</td>
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<td>( )Residual Land/Value</td>
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### #3: Analysis of Rental Market Conditions

#### Available Affordable Housing

It is essential that the PHA demonstrate the current rental market can absorb the tenants that will be displaced from the conversion, if the PHA is pursuing tenant protection public housing relocation vouchers. In reviewing the market, the PHA should closely examine the vacancy rates, location of affordable units that will pass Housing Quality Standards (HQS), and types of units that will be needed by the participating population.

The PHA must complete an analysis of the likely success of using tenant-based assistance for the residents of the public housing development. This analysis must address existing rental market conditions, including an assessment of rental unit availability located within the vicinity of the development. When describing the rental market conditions, the PHA must take into account:

- the overall use of its tenant-based assistance (vouchers) under lease,
- its current success rates of using tenant-based assistance in the community for the appropriate bedroom sizes,
its recent success rates for units rented at or below the established payment standard,

and any particular characteristics of the specific residents of the public housing that may affect their ability to be housed.

The PHA should demonstrate that the existing local rental market has sufficient housing availability to absorb the influx of residents into the community that would result from the voluntary conversion. The PHA should also provide an analysis of housing affordability in the vicinity of the development. This may include an examination of typical rent levels in the surrounding communities for families with similar household income levels as the residents that would be displaced as a result of the voluntary conversion.

The PHA should discuss its success in locating housing for “hard to house” residents (i.e., disabled, elderly, large households if such families are to be relocated), and demonstrate the likelihood of these residents finding tenant-based assistance housing in the local rental community. PHAs must utilize current census data, local consolidated plan information, and available housing figures when describing the rental market conditions.

Specific areas to be addressed in the rental market analysis should include:

- An overview of the rental housing market in the jurisdiction in which the development is located.
- Identification of the number and location of private rental housing units presently occupied by residents.
- Concentration of poverty in the surrounding community and its specific location(s) within the area around the development.
- An evaluation of the types of housing units and rental rates that are available for occupancy that could accommodate the housing needs of the displaced families (i.e., 3, 4, or 5 bedroom units and units that are available to accommodate persons with disabilities) within the community.
- Areas where residents would likely reside in the surrounding neighborhood, and an evaluation of housing affordability and availability in those areas.
- Location and availability of affordable units in any new housing developments that could accommodate the housing needs of the displaced families.

#4: Impact Analysis

The PHA must complete an analysis on the likely impact the voluntary conversion would have on the community in which the development is located. The PHA should provide a detailed discussion on how the voluntary conversion would impact (a) the availability of affordable housing in the community; b) the concentration of poverty in the community; and c) any other substantial characteristics of the community. The PHA should specifically address the projected impact of the voluntary conversion on market rental rates, the availability and diversity of housing in the community, and the demand for tenant-based assistance rental units in the community and how the occupancy patterns and rental rates of the housing market will be affected by the new demand for tenant-based assistance units. The PHA must demonstrate how it believes the voluntary conversion will impact fair housing choice in the community.
The PHA’s impact analysis should demonstrate how the voluntary conversion will:

- contribute to the diversification of available housing opportunities (types and prices) within the community;
- positively impact the affordability of housing for the displaced residents;
- enable the displaced residents to have easy access to public and private facilities and services, such as retail establishments, parks, public transportation, employment, and schools;
- positively impact the unique needs of special household groups; and
- decrease the concentration of poverty in the community in which the displaced residents will be relocating.

Future Use of the Public Housing Development after Conversion of the Units

The conversion programs do not require a PHA to do anything specific with the development(s) whose units it converts from public housing. However, the SAC will not approve a conversion plan unless the PHA describes in detail its planned future use of the property and HUD finds that proposed future use to be acceptable. Also, if the PHA intends to demolish or dispose of public housing property as part of a voluntary conversion, Section 18 requirements (including environmental requirements) apply.

HUD encourages PHAs to explore all options so that they can determine the optimal future use of the development(s) they are planning to convert. In proposing a future use to HUD, PHAs should consider the physical condition of the developments as well as the economic and social conditions facing the PHA, its residents, and the community.

PHAs may propose to do a variety of things with the development after conversion, including:

- demolish the development;
- sell the property to a third party to use the property as low-income housing;
- sell the property to a third party for another use; or
- retain the property to use as housing for low-income families (e.g. project-based housing)

It is essential the PHA demonstrate the current rental market can absorb the tenants that will be displaced from the conversion, if the PHA is pursing tenant protection public housing relocation vouchers. In reviewing the market, the PHA should closely examine the vacancy rates, location of affordable units that will pass Housing Quality Standards (HQS), and types of units that will be needed by the participating population.

#5: Conversion Implementation

The PHA must describe the actions it plans to take to convert the residents of the development to tenant-based assistance. The description must include information on the planned future uses of the development and the means
and timetable for accomplishing those uses. The PHA should provide information on its plans for the development after the voluntary conversion (e.g. whether the development will be demolished, disposed of, retained and utilized as assisted, unassisted, or market-rate housing). The PHA should also identify the resources that will be accessed and utilized to undertake the conversion, and how long will it take for the proposed voluntary conversion to be completed. As part of this element, the PHA must specifically:

- provide a realistic timeframe to undertake the voluntary conversion;
- indicate that adequate resources and financing are available for the implementation of the voluntary conversion, including demolition, disposition, or redevelopment;
- indicate the resources that will be utilized to ensure that residents are appropriately relocated, if such relocation is required; and
- provide creditable evidence that the PHA's and its partners, if applicable, have the capacity and capability to successfully achieve the proposed future use of the development.

3.4 Voluntary Conversion Plan

After the PHA prepares a conversion assessment that demonstrates the proposed units are eligible for conversion to tenant-based assistance, the PHA must prepare a voluntary conversion plan and submit it to the SAC via the Inventory Removals Application (HUD-52860 and HUD-52860-E) via PIC. If the PHA fails to submit a voluntary conversion plan and application to the SAC within one year after preparing its conversion assessment, it must prepare an amendment to its conversion assessment.

HUD also strongly encourages PHAs to publish the draft and final versions of their voluntary conversion plans on their websites and to encourage public and resident comments. The SAC will evaluate the voluntary conversion plan and application to determine if it is complete, includes all the information required by 24 CFR 972.230 and if it is consistent with the conversion assessment completed by the PHA.

The 8 required components of the voluntary conversion plan are provided in greater detail below:

#1: Future Use of the Development

The PHA must provide information on its plans for the development after the voluntary conversion (e.g. whether the development will be demolished, disposed of, retained and utilized as assisted, unassisted, or market-rate housing).

**HUD’s interest in building and land after conversion of units**

Although the public housing units will be removed from a PHA’s Annual Contributions Contract (ACC) upon the conversion action, unless the conversion also includes a disposition under Section 18 of the Act, HUD will retain an interest in the buildings and underlying land of the development. If the PHA would like to remove the federal interest on the property, it should request that HUD release the Declaration of Trust (DOT) on the property under 24 CFR 85, or another means. HUD intends to provide additional guidance on this subject in the future.
#2: Impact Analysis

The PHA must provide an impact analysis of the voluntary conversion of the development on the community. This analysis may include the description that is required as part of the voluntary conversion assessment. The Impact Analysis should include the impacts the PHA believes the voluntary conversion will have on market rental rates and housing availability. PHAs should provide a complete analysis of how the occupancy patterns and rental rates of the market will be affected by an influx of displaced households utilizing tenant-based assistance.

Furthermore, PHAs will be expected to address how the proposed conversion will contribute (or not contribute) to the diversification of available housing opportunities (types, number of units, and prices) within the community; whether rents and housing prices will be affordable to the displaced families; whether the relocated residents will have easy access to public and private facilities and services, such as retail establishments, parks, public transportation, employment, and schools; whether the unique needs of special household groups will be considered and how; and whether there will be a concentration of poverty in the neighborhood(s) in which the residents will be relocating.

If the development is to be retained and used as low-income housing as part of the PHA's conversion plan, the PHA must convincingly demonstrate why retention is a viable option versus relocating residents into the community (i.e., lack of affordable housing, market can't absorb influx of residents, etc.).

Should the PHA decide that demolition/disposition of the development would best serve the interest of residents, the PHA, and surrounding community, the PHA must provide credible evidence to demonstrate that no negative community impact will occur resulting from the relocation of residents from the development (i.e., decrease in affordable housing, increase in concentration of poverty and distress within local neighborhood, significant impact on transportation, public services, etc.).

#3: Description of how the conversion plan is consistent with the findings of the conversion assessment

The PHA must demonstrate that the voluntary conversion plan accurately describes the findings of the conversion assessment. In addition, the voluntary conversion plan must address any deficiencies or problematic issues that were identified in the conversion assessment. Any differences between the information presented in the conversion assessment with the information provided in the conversion plan must be fully explained.

#4: Evidence the voluntary conversion plan was developed with significant participation from public housing residents

To satisfy this requirement, in addition to the public participation requirements for the PHA Plan and the resident consultation process utilized to develop the conversion assessment, the PHA must do AT LEAST the following:

- Hold AT LEAST one meeting with the residents of the development. This meeting must include the development’s duly elected Resident Council, if one exists. At this meeting, the PHA must explain the requirements of the voluntary conversion program (including Section 22 of the Act and 24 CFR 972), particularly as they apply to the residents of the development. The PHA must provide draft copies of the voluntary conversion plan to the meeting attendees. In most cases, PHAs should
meet numerous times with the residents to ensure that they fully understand the reasons for the conversion, understand the PHAs proposed approach to the conversion, and have a meaningful opportunity to discuss options and make suggestions to ensure that the residents will benefit as a result of the conversion;

✓ Provide a reasonable period for the residents to comment on the draft voluntary conversion plan; and

✓ Summarize the resident comments (as well as the PHA responses to the significant issues raised by the commenter’s), and include this summary as part of the final voluntary conversion plan. The PHA can demonstrate significant resident participation by providing documentation from its resident meeting(s). Such documentation may include sign in sheets, meeting agendas, resident comments, and the PHA’s responses to those comments, etc. indicating the extent of the input received on the proposed voluntary conversion. In addition to summarizing the resident comments to the draft voluntary conversion plan, the PHA must specifically describe any follow up actions taken by the PHA as a result of the resident comments received.

#5: Evidence the voluntary conversion plan was developed with local government consultation

To satisfy this requirement of consultation with public officials, the PHA may obtain a certification from the appropriate government official that the voluntary conversion plan is consistent with the applicable Consolidated Plan. This may be the same certification as is required for the PHA Plan that describes the voluntary conversion plan, so long as the certification specifically references the voluntary conversion.

#6: Confirmation that any proceeds received from the conversion are subject to the limitations under Section 18 applicable to proceeds resulting from demolition or disposition

Any proceeds a PHA receives from a conversion activity are subject to the limitations on the use of these net proceeds found in Section 18 of the Act. Under Section 18, PHAs are permitted to use proceeds to pay the reasonable costs of the disposition, including costs associated with relocation of displaced residents and remediation costs.

Unless waived by HUD, PHAs must use any remaining net proceeds to retire outstanding debt used to finance the original development. If any net proceeds remain after the disposition costs and debts (if applicable) have been paid, with written HUD-approval, the PHA may use these remaining net proceeds for any eligible purpose listed under Section 18(a)(5) of the Act, which provides that proceeds may be used for: (i) the provision of low-income housing or to benefit the residents of the PHA; or (ii) leveraging amounts for securing commercial enterprises, on-site, in public housing projects of the PHA, that are appropriate to serve the needs of the residents. The Act defines low-income housing as decent, safe, and sanitary dwellings assisted under the Act. Accordingly, the provision of low-income housing under Section 18(a)(5) of the Act is generally limited to public housing units under an ACC or housing assisted under Section 8 of the Act, including the housing choice voucher program.

PHAs anticipating net proceeds from conversion activity should include a narrative description of how they intend to use the net proceeds in their conversion plans and applications. The SAC will review the use specified by the PHA and, if it complies with the Act, approve the use. Once the SAC approves a disposition application
and the PHA’s stated intended use for net proceeds, the PHA cannot change its use of those proceeds without the prior written consent of HUD. PHAs are also advised that pursuant to 24 CFR § 970.35, they must report the use of net proceeds to their HUD Field Office by providing a financial statement showing how the funds were expended by item and dollar amount.

#7: Relocation Plan

The PHA must complete a detailed Relocation Plan in accordance with 24 CFR § 972.230(b) as part of its voluntary conversion plan. All Relocation Plans must include the following 4 components:

- The number of households to be relocated, by bedroom size, and by the number of accessible units;
- A description of relocation resources that will be needed, including any necessary funding requests, as well as, a description of actual or potential public or other assisted housing vacancies that can be used as relocation housing and a budget for carrying out relocation activities;
- A schedule for relocation and removal of units from the public housing inventory (including the schedule for providing actual and reasonable relocation expenses, as determined by the PHA, for families displaced due to conversion);
- Proof that residents of the affected development were provided with timely written Notice of the voluntary conversion pursuant to the timing requirements set forth at 24 CFR 972.230(b);
  - If the voluntary conversion is not subject to the URA, the PHA must provide families with copies of the Notice at least 90 days before displacement; and
  - If the voluntary conversion is subject to the URA, the PHA must provide families with copies of the required General Information Notice (GIN) no later than the date the conversion plan is submitted to the SAC.

Are PHAs required to convert the residents to tenant-based or project-based assistance?

This is usually the case. A PHA is required to offer “comparable housing” to the residents of the units it is converting. PHAs will usually offer tenant-based or project-based assistance as the form of comparable housing to the residents of the units to-be-converted. This makes sense since the PHA has shown (as part of the conversion application process) that the costs of providing residents with tenant-based assistance is less than the costs of providing residents with public housing in their units. However, PHAs are not automatically required to offer the residents of the units tenant or project-based assistance and may offer residents ACC units (in other developments in its inventory) as comparable housing.

Can PHAs rely on HUD issuing tenant protection relocation vouchers as the form of comparable housing?

If a PHA is relying on HUD issuing it tenant protection public housing relocation vouchers as the form of comparable housing that it will offer to the residents in the units proposed for conversion, it must clearly indicate this in the conversion plan. Such vouchers will be issued in accordance with an applicable HUD Notice. Thus, if a PHA is relying on the future issuance of these vouchers, OPHI will not approve the conversion plan until it verifies that the vouchers are available to the PHA in accordance with the Notice.
The following section provides details on the Notice to Residents from the 24 CFR Part 972.

**Contents of Notice to Residents:** Pursuant to 24 CFR § 972.240(g)(4)(ii), the written Notice to Residents about the voluntary conversion must contain the following information:

- The development will no longer be used as public housing. Therefore, the family may be displaced as a result of the conversion;
- Each family displaced as a result of the conversion will be offered comparable housing that may include: (a) relocation into tenant-based housing, (b) relocation into housing with project-based assistance, or (c) relocation into housing to another PHA-owned or operated property. (If tenant-based housing is used, the comparable housing requirement is fulfilled only upon relocation of the family into such housing. These units must meet HUD’s applicable housing quality standards and should be located in an area that is generally not less desirable than the unit that is being vacated);
- Actual and reasonable moving costs will be paid, and any necessary counseling, including any appropriate mobility counseling, will be provided by the PHA. (The PHA may finance mobility counseling provisions using Operating Fund, Capital Fund, or administrative fee funding);
- Each family will be relocated to other decent, safe, sanitary and affordable housing that is, to the maximum extent possible, the housing of their choice;
- If the PHA retains the development to use as housing after the required conversion, each family displaced by such action will be given a choice to remain in the housing, using tenant-based assistance towards rent; and
- If tenant-based assistance is being used for relocation, each family will be provided with assistance (e.g. vouchers) at least 90 days before displacement.

If the voluntary conversion is subject to the URA (See Section 3-6) the Notice must also contain the following:

- No family will be required to move without at least a 90-day advance written notice of the earliest date by which the family is required to move, and that the family will not be required to move permanently until the family is offered comparable housing, as provided in 24 CFR § 972.230(g)(4)(ii)(B)
- Persons who are aliens not lawfully present in the United States are ineligible for relocation payments or assistance under the URA, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child, as provided in the URA regulations at 49 CFR § 24.208;
- A family has a right to appeal the PHA's determination as to the family's application for relocation assistance for which the family may be eligible under voluntary conversion and the URA;
Families residing in the development will be provided with the URA Notice of Relocation Eligibility or Notice of Non-displacement (as applicable) as of the date the SAC approves the voluntary conversion plan. (Note: The date of SAC approval of the voluntary conversion plan shall be the “date of initiation of negotiations” as termed and used in the URA and implementing regulations at 49 CFR Part 24); and

Any family moving into the development after the PHA submits the voluntary conversion plan to the SAC will be eligible for relocation assistance, unless the PHA issues a written move-in notice to the family prior to leasing and occupancy of the unit advising the family of the development’s possible conversion, the impact of the conversion on the family, and that the family will not be eligible for relocation assistance.

#8: A summary of how the conversion assessment supports the three conditions necessary for HUD to approve a voluntary conversion pursuant to 24 CFR § 972.224

Pursuant to 24 CFR § 972.224, as part of its voluntary conversion plan, the PHA must demonstrate to HUD that the voluntary conversion of the development:

- will not be more expensive than continuing to operate the development (or a portion thereof) as public housing;
- will principally benefit the residents of the development, the PHA, and the community; and
- will not adversely affect the availability of affordable housing in the community.

To demonstrate the voluntary conversion will not be more expensive to convert the development than to continue to operate it as public housing, the PHA should summarize the results of the appraisal and the Cost Analysis conducted pursuant to 24 CFR Part 972 for the development.

To demonstrate the voluntary conversion will principally benefit the residents of the development, the PHA, and the community, the PHA should summarize the feedback from the residents it received when developing the conversion assessment and conversion plan, the rental market analysis, the analysis of the impact on the neighborhood, and the proposed future use of the development.

The PHA should review whether or not there is adequate availability of landlords providing tenant-based assistance to absorb the displaced residents, and that relocated families will have access to schools, jobs and transportation resources. A PHA must also indicate whether the proposed conversion conflicts with any litigation settlement.

3-5  Relationship Between a Voluntary Conversion and Section 18 of the Act

Section 18 of the Act applies to all dispositions of developments done in connection with a voluntary conversion. Therefore to dispose of any units that a PHA proposes for voluntary conversion, the PHA must meet all of the requirements of Section 18 of the Act and 24 CFR Part 970, including the environmental requirements found at 24 C.F.R § 970.13. However, the SAC will not require the PHA to submit a separate disposition application so
long as the PHA evidences its compliance with all applicable Section 18 and 24 CFR Part 970 requirements as part of its voluntary conversion plan.

3-6 Environmental Requirements

Because the requirements of Section 18 of the Act apply to both demolitions or dispositions done as part of a voluntary conversion, pursuant to 24 CFR § 972.212(b), a PHA may not demolish or dispose of units or property as part of a voluntary conversion until the completion of the required environmental review under 24 CFR Part 58 or 24 CFR Part 50. The SAC will not approve a conversion plan until the completion of the required environmental review. However, the SAC may approve the targeted units for removal from the PHA’s inventory and may authorize the PHA to undertake other activities proposed in the conversion plan that do not require environmental review as long as the buildings in question are adequately secured and maintained.

3-7 Applicability of the Uniform Relocation Act (URA)

Pursuant to 24 CFR 972.215, the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC 4601) (URA) apply to voluntary conversions to the extent that residents are displaced as a direct result of the demolition, acquisition, or rehabilitation of a federally-assisted converted property. Additional guidance on the relocation requirements under the URA can be found in HUD Handbook 1378 and on the following HUD web-pages: www.hud.gov/relocation and www.hud.gov/sac.

Dispositions that a PHA may undertake in connection with a voluntary conversion are subject to Section 18 of the Act (e.g. HUD will not approve a disposition proposed as part of a voluntary conversion plan without verifying that the PHA has complied with all requirements of Section 18 of the Act and 24 CFR Part 970). PHAs implementing voluntary conversions that include a disposition are therefore entitled to the exemptions from the URA that are included in Section 18. To the extent that the requirements of the URA apply to disabled residents occupying accessible units and for the purposes of satisfying the implementing regulations at 49 C.F.R. Part 24, a functionally equivalent comparable replacement dwelling unit is one that includes adequate accessibility features or modifications.

3-8 Voluntary Conversion Submission Requirements

A PHA cannot proceed to implement a voluntary conversion plan without prior written approval from HUD’s Office of Pubic Housing Investments (OPHI), which will come through the SAC. This approval will be separate from the approval the PHA obtains from its HUD Field Office for its PHA Plan or from HUD Headquarters for its MTW Plan. In order to receive OPHI approval of a voluntary conversion plan, the PHA must take the following actions:

#1 PHA Plan or MTW Plan

The PHA must describe its conversion assessment and its voluntary conversion plans as part of an Annual or 5-Year PHA plan (or Significant Amendment to that Plan) or MTW Plan that is submitted to the HUD Field Office (or to HUD Headquarters from MTW Plans). The conversion assessment and conversion plan can be described in the same PHA or MTW Plan or in subsequent PHA Plans. Also, if a PHA is required to update its conversion assessment (because it was prepared more than one year before the conversion plan was submitted...
to the SAC), then it must describe any amendments to that conversion assessment in its PHA or MTW Plan. However, note that HUD Field Office approval of a PHA’s Annual or 5-Year Plan (or MTW Plan) does not constitute HUD approval of a PHA’s conversion program and under no circumstances shall a PHA commence to convert units proposed for voluntary conversion until it receives approval from OPHI (through the SAC) in writing.

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**Describing Voluntary Conversion Assessments & Plans in the PHA Plan & MTW Plan**

PHAs must describe their voluntary conversion assessment and voluntary conversion plans in their next PHA Plans (or MTW Plans) submitted to their HUD Field Office*. The HUD PHA Plan template (HUD-50075) (2008) provides that the following information must be provided about a proposed voluntary conversion: (1) a description of any building(s) (including project numbers and units count) the PHA proposes to convert to tenant-based assistance; (2) an analysis of the projects or buildings required to be converted; and (3) a statement of the amount of assistance received under this chapter to be used for rental assistance in connection with such conversion. PHAs may use the table provided in this Guide to fulfill the requirements at Part 7(C) of the PHA Plan template.

*A PHA must describe its conversion assessment and voluntary conversion plans in its PHA Plan submitted to the HUD Field Office. This may be the PHA Annual Plan, the 5-Year PHA Plan, or as a Significant Amendment to its 5-year PHA Plan (depending on if the PHA is a qualified or non-qualified PHA under the Housing and Economic Recovery Act of 2008 or HERA, Public Law 110-289). The conversion assessment and conversion plan can be described in the same PHA Plan or in subsequent PHA Plans (or Significant Amendments to PHA Plans). Also, If a PHA fails to submit a voluntary conversion plan to the SAC within one year after preparing its conversion assessment, it must prepare an amendment to its conversion assessment and describe the amendment (if any) in its PHA Plans. For more information about PHA Plan requirements, see the applicable HUD Notice on PHA Plan Requirements for PHAs identified as Qualified PHAs under HERA.

To help ensure PHAs provide sufficient information in their PHA Plans to inform stakeholders and their HUD Field Office that a voluntary conversion assessment has been completed and a voluntary conversion has been completed (or is contemplated), template tables have been developed. These tables are presented below. Use of these tables is not required, but it is recommended. PHAs can insert these tables in Part 7(c) of the PHA Plan template (HUD-50075). For MTW PHAs, this table should be inserted into an appropriate place in the MTW Plan. The PHA must also provide, as an attachment to the PHA Plan or MTW Plan, the required certification that Public Officials were consulted and that the conversion plan is in compliance with the applicable Consolidated Plan.
HUD Approval of a PHA Plan is NOT HUD Approval of a Conversion Plan

The approval of a PHA Plan or MTW Plan from a HUD Field Office (or HUD Headquarters for a MTW Plan) does not constitute HUD approval of the conversion action. A PHA must obtain a separate approval from OPHI, through the SAC, prior to implementing a conversion plan.

Voluntary Conversion Assessment Description for a PHA Plan or MTW Plan

The following conversion assessment has been completed to evaluate the suitability of the PHA voluntarily converting developments or portions of developments per 24 CFR § 972.218, 24 CFR § 972.221 and 24 CFR § 972.224.

<table>
<thead>
<tr>
<th>Voluntary Conversion Assessment Activity Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a. Development(s) name(s):</td>
</tr>
<tr>
<td>1b. Development(s) (project) number(s):</td>
</tr>
<tr>
<td>1c. Asset Management Project (AMP) Number(s):</td>
</tr>
<tr>
<td>1d. The specific public housing units that are (or may be) involved in the voluntary conversion if only a portion of a development listed above is to be converted.</td>
</tr>
<tr>
<td>2. Has the PHA completed the Cost Analysis comparing the costs of continuing to operate the units as public housing to the cost of providing tenant-based assistance? □ Yes □ No</td>
</tr>
<tr>
<td>3. Has the PHA completed an independent appraisal (market analysis) of the development before and after conversion? □ Yes □ No</td>
</tr>
<tr>
<td>4. Has The PHA completed a rental market analysis of existing conditions to determine the likely success of using tenant-based assistance for the residents of the public housing development? □ Yes □ No</td>
</tr>
<tr>
<td>5. Has the PHA completed an analysis of the likely impacts of the voluntary conversion on the community in which the development is located? □ Yes □ No</td>
</tr>
<tr>
<td>6. Has the PHA described its conversion implementation plans, including the actions it plans to take to convert the development and to transition the residents to tenant-based assistance? □ Yes □ No</td>
</tr>
<tr>
<td>7. Has the PHA consulted with the residents in the development to review the conversion assessment? □ Yes □ No □ Does not apply because the site is vacant</td>
</tr>
<tr>
<td>Does the PHA have documentation to support the consultation? □ Yes □ No</td>
</tr>
</tbody>
</table>
Voluntary Conversion Plan Description for a PHA Plan or MTW Plan

The following developments or portions of developments have been identified by the PHA for a voluntary conversion per 24CFR 972.227, 24 CFR 972.230 and 24 CFR 972.233.

<table>
<thead>
<tr>
<th>Voluntary Conversion Plan Activity Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a. Development(s) name(s):</td>
</tr>
<tr>
<td>1b. Development(s) (project) number(s):</td>
</tr>
<tr>
<td>1c. Asset Management Project (AMP) Number(s):</td>
</tr>
<tr>
<td>1d. The specific public housing units that are (or may be) involved in the voluntary conversion if only a portion of a development listed above is to be converted.</td>
</tr>
<tr>
<td>2. Has the PHA provided information on its plans for the development after the voluntary conversion? □ Yes □ No</td>
</tr>
<tr>
<td>3. Has the PHA provided an impact analysis of the voluntary conversion of the development on the community? □ Yes □ No</td>
</tr>
<tr>
<td>4. Has the PHA demonstrated that the voluntary conversion plan accurately describes the findings of the conversion assessment? □ Yes □ No</td>
</tr>
<tr>
<td>5. Has the PHA consulted with the residents in the development to review the conversion plan? □ Yes □ No □ Does not apply because the site is vacant. Does the PHA have documentation to support the consultation? □ Yes □ No</td>
</tr>
<tr>
<td>6. Has the PHA consulted with appropriate public officials in developing the voluntary conversion plan? □ Yes □ No</td>
</tr>
<tr>
<td>Has the PHA obtained the required certification? □ Yes □ No</td>
</tr>
<tr>
<td>7. Has the PHA confirmed that any proceeds received from a conversion activity will be subject to the limitations on the use of these net proceeds found in Section 18 of the 1937 Housing Act? □ Yes □ No</td>
</tr>
<tr>
<td>8. Has the PHA completed a detailed Relocation Plan in accordance with 24 CFR 972.230(b) as part of its voluntary conversion plan? □ Yes □ No</td>
</tr>
<tr>
<td>9. Has the PHA summarized how the conversion of these public housing units supports the three conditions necessary for HUD to approve a voluntary conversion pursuant to 24 CFR 972.224? □ Yes □ No</td>
</tr>
</tbody>
</table>
#2: Voluntary Conversion Plan and Application to the SAC

The PHA must submit a conversion application and conversion plan to the SAC through the form HUD-52860 Inventory Removals Application and HUD-52860-E Addendum, via PIC. The SAC will review the voluntary conversion plan and application. The SAC may also conduct a site visit or request additional information from a HUD Field Office or PHA before making a determination to recommend that OPHI approve or disapprove a conversion plan. The SAC anticipates its review of the PHA’s voluntary conversion application will occur within 90 days following submission of the application. If a longer review process is required, the SAC will provide the PHA with a preliminary response within 90 days following the submission of the voluntary conversion plan. HUD-approval or disapproval of the voluntary conversion plan will come from OPHI, through the SAC.

3-9 OPHI Approval of a Conversion Plan

OPHI, through the SAC, will approve a PHA’s voluntary conversion application and plan if the PHA demonstrates that the conversion:

- Will not be more expensive than continuing to operate the development (or portion thereof) as public housing. PHAs must demonstrate cost comparisons between the continued operation of the proposed development as public housing to the cost of converting to tenant based assistance by using the cost calculation methodology included in the Appendix to 24 CFR 972;

- Will principally benefit the residents of the proposed public housing development (or portion thereof) the PHA, and the community. PHAs must demonstrate the conversion’s benefit to residents, the PHA, and the community through the rental market analysis, the analysis of the impact on the neighborhood, the market value analysis, and the proposed future use of the development. The conversion plan must address the availability of landlords providing tenant-based assistance, as well as access to schools, jobs and transportation resources for those families that may be relocated. Significant to HUD’s approval process of the proposed voluntary conversion is resident acknowledgement and consultation of the conversion activity; and

- Will not adversely affect the availability of affordable housing in the community. In supporting the continued availability of affordable housing, the PHAs must demonstrate the impact on affordable housing in the rental market analysis and the analysis of the impact of conversion on the neighborhood. PHAs must demonstrate proof of consultation with residents by submitting documentation appended to their conversion assessment to the SAC (i.e., sign in sheets, meeting agenda, resident comments, PHA response, etc.) that shows resident participation in providing input into the proposed conversion activity.

Clear and Convincing Evidence

A PHA’s conversion plan must clearly and convincingly evidence that the conversion meets the three criteria necessary for OPHI, through the SAC, to approve the conversion.

Upon HUD’s written approval, the PHA can commence conversion of the selected development(s) and/or units covered under the conversion plan.
The PHA must retain a complete conversion assessment and conversion plan, including all supporting documentation, on file in the central office of the PHA and this material must be made available for resident, public and HUD review.

3-10 Reasons Why OPHI May Disapprove a Voluntary Conversion Plan

In accordance with 24 CFR § 972.224, OPHI, through the SAC, will not approve a voluntary conversion unless the PHA demonstrates how impacted households would be relocated and that the availability of affordable housing will not be reduced significantly due to the conversion. If the PHA cannot demonstrate how displaced families will be relocated or that the PHA has an adequate number of alternative public or assisted housing units or tenant-based or project-based vouchers available for the relocation, the PHA will be challenged with demonstrating to the SAC that the proposed voluntary conversion will primarily benefit residents and not have an adverse impact on the availability of affordable housing in the community.

OPHI may disapprove conversion plans that are not complete in accordance with conditions outlined in regulatory provisions at 24 CFR §§ 972.224, 972.230, 972.236 and 972.239. In accordance with 24 CFR § 972.239, OPHI, through the SAC, will disapprove a conversion plan only if it determines that:

- The voluntary conversion plan is inconsistent with the conversion assessment;
- There is reliable information available to HUD that contradicts the conversion assessment; or
- The voluntary conversion plan is incomplete and fails to meet requirements the requirements of 24 CFR 972.230.

Investigating Allegedly Inconsistent Information

If the SAC receives any information from the public, from residents, or from a HUD Field Office that is alleged to be inconsistent with a PHA’s voluntary conversion assessment or plan, or the certifications made by a PHA to HUD as part of the conversion plan, the SAC will thoroughly investigate all matters and will not approve a conversion application until it determines the validity of the challenge or conflict.

3-11 Effect of a Voluntary Conversion on Operating Subsidy

For purposes of determining operating subsidy eligibility, HUD will consider a PHA’s submission of a voluntary conversion plan and application to be the equivalent of a formal request to remove dwelling units from the PHA’s inventory and ACC. Pursuant to 24 CFR § 990.190, a PHA that transitions projects or entire buildings out of its inventory may be eligible for an asset-repositioning fee. PHAs should contact their HUD financial analyst at their local Field or Regional Office for more information on the asset-repositioning fee. HUD intends issuing additional guidance on this subject in the future.

3-12 Tenant-Based Assistance Funding for Units Approved for Voluntary Conversion

OPHI’s approval of a PHA’s voluntary conversion plan does not automatically guarantee a PHA will receive tenant-based assistance funding to provide relocation and/or replacement housing for the residents living in the units.
approved for conversion. However, if a PHA plans to offer residents in the units proposed for conversion with housing-choice assistance vouchers as comparable housing and is relying on HUD’s issuance of tenant-protection public housing relocation vouchers (rather than turn-over) to do this, it must clearly indicate this in its conversion plan.

Notwithstanding HUD’s approval of a conversion plan that includes replacement tenant protection public housing relocation vouchers as the form of comparable housing that the PHA will offer to residents, PHAs must submit a separate and distinct application to HUD for these vouchers. Such a request for vouchers must be in accordance with PIH handbook notices or other instructions for such applications.

HUD will issue tenant protection public housing relocation vouchers to PHAs, at its discretion and subject to funding availability in accordance with an applicable HUD Notice inviting such applications. A PHA may submit an application for tenant protection public housing relocation vouchers as soon as the PHA receives written SAC approval of its voluntary conversion plan.

If HUD is unable to issue tenant protection public housing relocation vouchers that are necessary for a PHA to convert units that the SAC has approved for conversion, a PHA may not be able to pursue the conversion per its approved implementation schedule. In such cases, a PHA may submit a request to SAC to revise its implementation plan to reflect this situation.

3-13 Civil Rights Considerations Under Voluntary Conversion

Certain classes/groups of residents may be significantly adversely impacted by the application of required conversion. As always, PHAs should ensure compliance with all HUD civil rights requirements. Civil rights considerations are especially relevant when consulting with residents as part of the voluntary conversion plan, when providing required notices to residents as part of the relocation plan, and when providing needed mobility counseling to residents displaced because of the voluntary conversion.

Civil rights considerations are especially relevant to conducting a voluntary conversion assessment (See 3-3). PHAs should ensure that any voluntary conversion complies fully with Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, or national origin in programs and activities receiving federal financial assistance, the Fair Housing Act, which prohibits discrimination based on race, color, national origin, disability, religion, sex and familial status and requires recipients of HUD financial assistance to affirmatively further fair housing; and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination based on disability in programs or activities receiving federal financial assistance. As noted in Section 3-3, Analysis of Rental Market Conditions, PHAs must consider the “particular characteristics of the specific residents of the public housing that may affect their ability to be housed.” Additionally, in Section 33, Impact Analysis, PHAs must demonstrate how they believe voluntary conversion will “impact fair housing choice in the community” and “positively impact the unique needs of special household groups.” Residents with disabilities and other protected groups may be particularly impacted by conversion. PHAs should take into account the impact on and needs of the protected classes of residents noted above, and especially consider the impact of resident with disabilities and the availability of suitable accessible units in the rental market.

When consulting with residents as part of the voluntary conversion plan, PHAs should ensure compliance with Section 504 of the Rehabilitation Act of 1973 and Title VI of the Civil Rights Act of 1964. HUD’s regulations at 24 CFR Part 8 implement the nondiscrimination based on disability requirements of Section 504. PHAs should ensure that residents with disabilities have a full opportunity to participate in consultation and to provide comments in developing the voluntary conversion plan. PHAs should consider the need for meeting accessibility and effective communication and may consult 24 CFR Part 8 for assistance (e.g. 24 CFR § 8.6). In addition, Executive Order 13166 implements Title VI of the Civil Rights Act of 1954 and seeks to improve access to federally assisted programs and activities for individuals
who, as a result of national origin, are limited in their English proficiency (LEP). Recipients of HUD funding must take reasonable steps to ensure meaningful access to their programs and activities for LEP individuals. PHAs need to consider the need for language access in consulting with residents and soliciting comments in developing the voluntary conversion plan. For more guidance, PHAs may refer to the Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Person, 72 Fed. Reg. 2732 (January 22, 2007).

When providing the required notices to residents as part of the relocation plan, PHAs must comply with 24 CFR Part 8 (especially section 8.6) and Title VI of the Civil Rights Acts of 1964. In preparing, delivering, and publicizing such notices, PHAs must consider the need for effective communication for residents with disabilities and the need for meaningful access for LEP persons.

PHAs are required to provide appropriate mobility counseling and notify residents of availability of such services under 24 CFR § 230(g)(4)(ii)(C). Residents with disabilities who have mobility, visual, or hearing limitations may be particularly impacted by conversion and relocation, and their mobility counseling needs should be given appropriated consideration by PHAs to ensure compliance with the disability nondiscrimination requirements of 24 CFR Part 8. Throughout the conversion process, PHAs must address requests for reasonable accommodations by person with disabilities in accordance with their established reasonable accommodation procedures.