

## Extended Deadline for Submission of HAP Set-Aside Funding Requests

PIH Notice 2009-13 implemented the provisions of the 2009 Appropriations relative to the Housing Choice Voucher Program, including the procedures for public housing agencies (PHA) to use to request additional renewal funds from the \$100 million set-aside of Housing Assistance Payments funds. The deadline for submission of these requests was set at May 22, 2009.

In recent days, the Department has received requests from PHAs and industry groups to consider an extension of the deadline particularly because PHAs are requiring more time to complete their requests and justifications for funding under the “unforeseen circumstances” category.

**The Department understands these concerns and the importance of these requests to many PHAs and has decided to grant a limited extension, until 5:00 P.M. on Thursday, June 4, 2009. The submission requirements remain as set forth in the Notice – requests must be received in hard copy at the Financial Management Division, HUD Headquarters, by the deadline time and date. No exceptions will be made to these requirements. PHAs must understand that this extension to the deadline date will also extend the point at which PHAs will learn of their additional funding and will receive the disbursement.**

A review of PHA requests as of May 15, 2009 revealed that some PHAs were not providing satisfactory information or documentation for their requests for funding under the unforeseen circumstances category. As a result, a message to all PHAs on that day provided further clarification on the requirements, as well as examples of acceptable and unacceptable documentation for various cases. It is not possible to provide an all-inclusive list of documentation requirements, as these will vary according to the circumstance that supports the request. In general, PHAs should provide evidence that the unforeseen circumstance occurred and documentation of its effect on PHA HAP costs.

Many PHA requests are citing decreased participant income as the basis for their need. That in and of itself is not an unforeseen circumstance, as participant incomes at a PHA are always changing. However, if there was a significant decrease due to occurrences in the community that could not be foreseen, then the data on the decreases would be documentation. For example, if a major employer ceased operations, and PHA program participants lost their jobs with that employer, the PHA should document the loss of jobs and the date, identify the number of affected participants and provide the before and after HAP costs. On that basis, the Department would be able to determine the increased costs the PHA will incur throughout CY 2009 as a result of that circumstance.

PHAs have also asked if the unforeseen circumstance must have occurred within the rebenchmark period for 2009 funding, that is, within federal fiscal year 2008. The purpose of providing additional renewal funding is to support the PHA's needs in CY 2009. On that basis, an unforeseen circumstance that occurred after the rebenchmark period but is causing 2009 costs to exceed the amount provided by the rebenchmarking would qualify for funding. The event does not need to have occurred in FFY 2008, but its impact must be felt in CY 2009.

PHAs are calculating their eligibility for additional funding under the additional leasing category, in order to decide if they should submit a funding request. To assist PHAs in this effort, the Department has calculated potential eligibility for each PHA. The list of apparently eligible PHAs will be posted on the web on Friday, May 22. PHAs that think they may be eligible should still submit an application for review, even if their PHA is not on the list to be posted. The list was developed by comparing the higher

of the leasing for December 2008 or the average leasing of October through December 2008 to 103% of the number of units funded monthly for 2009. A PHA is deemed eligible if the actual leasing exceeds 103% of the funded unit months. Funding will be provided to the extent that the need cannot be met by use of all available NRA (NRA that has not been offset) that exceeds a two week balance as of March 31, 2009, based on the CY 2009 pro-rated eligibility. PHAs are advised that, even if they are on the list of apparent eligible agencies, they must submit a request in order to be funded. Again, PHAs will not be considered for an adjustment simply because they appear on the list; they must submit a request.

If a PHA has already submitted its request for funding under the set-aside provisions, the PHA may submit a revised request by the new deadline.

The information in this message responds to the most common questions received to date on the set-aside processing. If you have further questions, please contact your assigned Financial Analyst at the Financial Management Center or send an e-mail to [PIH.Financial.Management.Division@hud.gov](mailto:PIH.Financial.Management.Division@hud.gov).