

May 15, 2020

HCV PROGRAM NEWS

Requests and Applications Deadline for Certain Admin Fee Categories Extended

In a letter to Executive Directors on Wednesday, the Financial Management Division (FMD) extended the deadline date for requests and applications related to specific categories of additional administrative fee funding to no later than 5 p.m. Eastern time, Wednesday, July 15, 2020. The extension applies to the following:

- Blended administrative fee rate requests
- Higher administrative fee rate requests
- Special fees needed for administration of the Section 8 Tenant-Based Rental Assistance (TBRA) program, including <u>HUD-VASH</u> special fees, Family Unification Program (<u>FUP</u>) special fees, disaster-related special fees, and application for other special fees under the Secretary's discretion

The letter states to refer to Notice <u>PIH 2020-04</u> for details on the information and documentation required for eligibility consideration under each category, and reminds PHAs that they are required to submit applications electronically.

PH PROGRAM NEWS

PIH Issues Letter to EDs on CARES Act Drawdowns

In a letter to Executive Directors yesterday, the FMD stated that some PHAs may have mistakenly drawn down CARES Act funding inconsistent with the guidance provided in Notice <u>PIH 2020-07</u>. As the letter points out, the notice states that PHAs will be able to draw down the supplemental amounts as needed to fund eligible immediate needs. Unlike regular operating funds, which can be drawn down all at once, CARES Act supplemental operating funds may only be drawn down to pay for immediate needs and cannot be held as reserves. That is, when an expense is due and payable, the PHA may draw down the CARES Act funds, and once drawn down, those funds must be immediately used to pay the expense. The letter goes on:

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LOCCS disbursement reports seem to indicate that some PHAs have drawn down all, or in some cases precisely 50 percent of their CARES Act supplemental operating funds and may not be in compliance with the 'immediate needs' requirement as articulated above...**Any funds that have been drawn down other than to pay for immediate needs must be returned to HUD.** Returned funds will be reapplied to the funds available under the award number/project number. PHAs that have drawn down funds in excess of their immediate needs should contact their FOs for instructions on how to return of those funds to LOCCS. Such returned funds will be reapplied to the funds available under the award number/project number.

PIH Posts List of RAD Transfers

HUD has posted the <u>list</u> of 2020 Rental Assistance Demonstration (<u>RAD</u>) transfers to the CY <u>2020</u> <u>operating fund grant processing page</u>. The document lists the obligation and RAD transfer amounts for January through April, and May and June, by PHA code. The document also lists the physical development, application number, removal action date, number of RAD units removed, standing ACC units as of January 1, 2020, and the cumulative percent. You'll find a <u>link</u> to the document and other operating fund grant processing resources on <u>this page</u> at the <u>Operating Fund website</u>.

RAD PROGRAM NEWS

Second Component Closed Transactions and Potential Mod Rehab Lists Updated

Yesterday on the main Rental Assistance Demonstration (<u>RAD</u>) webpage, the Department of Housing and Urban Development (<u>HUD</u>) announced that it has posted updated versions of the <u>Closed</u>

<u>Transactions under the 2nd Component</u> and <u>Potential RAD Mod Rehab Projects</u> lists. Both lists are dated May 14, 2020. According to the announcement, more information can be found on the <u>RAD2</u> <u>webpage</u>.



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