

## U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

GENERAL DEPUTY ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING

Dear Executive Director,

The Department is providing additional information about the Department's contingency plan so that public housing agencies (PHAs) administering the Housing Choice Voucher (HCV) program may access their HUD-held Housing Assistance Payment Reserves (HHR) under certain circumstances due to the lapse in appropriations that began on December 22, 2018.

Housing Assistance Payments (HAP) renewal funds and Administrative Fees were paid to your agency for the month of January and are scheduled to be paid on time for February. These payments should cover your previously contracted HAP needs. However, HUD recognizes that it is possible that these funds might not cover your monthly HAP needs as a result of additional leasing or costs.

In accordance with HUD's contingency plan, the Office of Public and Indian Housing (PIH) will allow access to your HHR funds in situations where the failure to act "would result in an imminent threat to the safety of human life or the protection of property." PHAs may request their HAP reserves from HUD under the following circumstances:

- 1. To protect families that are at imminent risk of termination of assistance; and/or
- 2. PHAs that were eligible to receive a payment for January 2019 and did not receive it (e.g., first time RAD payments for a project) and need reserves to ensure that the property owner(s) receive(s) a HAP payment to continue assistance and protect the residents at the property.

Please note that these reserve funds may not be used for any other purpose than HAP funding.

In order to request an additional payment covered by the HHR, please contact Robert Boepple, Director of the Financial Management Center (FMC) at <u>Robert.H.Boepple@hud.gov</u>. The request should include the amount of additional payment, supporting monthly leasing projections, as well as a point of contact email and phone number. The PHA must also detail any cost savings measures that have been taken to date as outlined in PIH Notice 2011-28 to decrease the possibility of a shortfall.

PHAs should also review <u>PIH Notice 2013-28 Guidance on the Use of Outside Sources of Funds in the</u> <u>HCV Program</u>, to ensure proper adherence to the requirements of this Notice.

Please be assured that HUD will work with you to the greatest extent possible during this period to protect the health and safety of families.

Many thanks,

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