



**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 currently operating under a continuing resolution (CR) that provides funding through February 15, 2019. This letter provides information on the status of Housing Choice Voucher (HCV) program funding and the Public Housing Operating Fund.

HCV Funding

Based on the funding received under the CR, March and April HAP renewal funding disbursements and administrative fees will be made on time. HUD has sufficient funds to make funds available at a 99 percent proration of your PHA's estimated CY 2019 Housing Assistance Payment (HAP) renewal allocation for both months. (The estimated CY 2019 HAP renewal allocation pro-rated at 99 percent does not include PHA specific inflation factors, which could be significant for some PHAs in higher cost areas.)

PHAs with HUD-held reserves (HHR) will still be able to request additional funding from their available reserves if the HUD disbursement is insufficient to cover the PHA's HAP through April. (Some March and April disbursements may automatically include funding from the PHA's available HHR if needed to meet the PHA's estimated HAP needs.) In addition, the Department also has enough funding for administrative fee payments for March and April, which will be made to your agency on time.

HUD will also make HAP and administrative fee disbursements for the Mainstream program for both March and April at the regular scheduled time for both months.

The Department recently received several inquiries from PHAs regarding the use of outside sources of funds to support the HCV program. In situations where the availability of HCV and Mainstream funding could be at risk, HUD plans to provide additional guidance on the use of outside funds for HAP and administrative fees, including modifications to the approval process, in order to help prevent the termination of families and to facilitate the continuation of essential PHA administrative responsibilities.

Public Housing Operating Fund

Based on the funding received under the CR, the Department will be providing Operating Funds at an 88 percent proration for March, April, and May. HUD is continuing to provide Operating Funds based on a conservative estimate of funding needs. As we receive actual data from PHAs throughout the funding year, HUD will update funding eligibility, which could result in changes to individual project eligibility.

The Department understands that CRs create uncertainty for our partner PHAs, public housing residents, HCV families, and participating owners. Please be assured that we are committed to reducing adverse impacts in support of you and our programs.

Should you have any questions regarding the HCV portion of this letter, please contact the Office of Housing Voucher Programs Financial Management Division at PIH.Financial.Management.Division@hud.gov, or contact your Financial Analyst at the Financial Management Center. Questions concerning the Public Housing Operating Fund may be addressed to the Office of Public Housing in your local HUD field office.

Many thanks,

A handwritten signature in black ink, appearing to read "Dominique Blom".

Dominique Blom