



December 22, 2021

EDITOR'S NOTE

The PIH Alert will be on hiatus for the holidays and will resume after the New Year on January 3, 2022. We wish you all the happiest of holidays!

PH PROGRAM NEWS

PIH Issues Notice on Asset Repositioning Fee

Yesterday HUD's Office of Public and Indian Housing ([PIH](#)) issued [Notice PIH 2021-37](#), titled "Guidance on Eligibility for Asset-Repositioning Fee (ARF)," which replaces HUD's previous guidance in [Notice PIH 2017-22](#). According to the notice, a PHA that transitions projects or entire buildings within a project out of its public housing inventory may be eligible for ARF, which is an add-on to operating subsidy eligibility. ARF supplements costs associated with administration of demolition and disposition, tenant relocation, and minimum protection and services associated with such efforts. It is not permitted for individual units within a multi-unit building. Specifically, yesterday's notice updates the following provisions:

- It includes ARF eligibility for projects (or entire buildings) a PHA demolishes in accordance with de minimis demolition authority requirements.
- It eliminates ARF eligibility for units sold or projects transitioned to homeownership under a homeownership plan.

In addition to describing which public housing units are eligible for an ARF and which are not, the notice explains:

- How to ensure PIC data accuracy and revise inaccurate PIC data
- Timelines for ARF eligibility
- How to correctly report units that have not been removed from inventory but are eligible for ARFs
- How the ARF is calculated
- The ARF funding period vs. operating subsidy funding year
- How a PHA can apply for a multiphase demolition/disposition with a different relocation date for each phase
- How to adjust the rolling base

The document also provides two examples, one illustrating the ARF timetable for non-homeownership actions and the other the ARF timetable for homeownership. Further details can be found in the [notice](#).

PIH Issues Notice on Public Housing Assessment System Scores

Yesterday HUD's PIH Office also issued [Notice PIH 2021-38](#), titled "COVID-19 Statutory and Regulatory Amendment to PIH Notice 2021-14 (HA), Providing for the Release of Public Housing Assessment System Scores for Federal Fiscal Year 2019." According to the notice, through this amendment, HUD is modifying the process in 24 CFR 500.400(l) to define the list of high performing PHAs for federal fiscal year (FFY) 2021 capital fund formula grant awards, based on FFY 2019 Public Housing Assessment System (PHAS) scores.

As part of the capital fund formula calculation for FFY 2021, to determine eligibility for the high performer bonus, HUD is using final PHAS scores for the fiscal year end (FYE): December 31, 2018, March 31, 2019, June 30, 2019, and September 30, 2019. PIH Notice 2021-14 Section 11(a) states, "For any PHAs with a fiscal year end on or before December 31, 2021, HUD will not issue a new PHAS score unless the PHA requests that a new PHAS score be issued." Due to this provision, the quarter end final scores may not have been available or were pending release.

If the above mentioned FYE final PHAS scores are not available to determine eligibility, HUD will use the most recent final PHAS score of record to determine eligibility as a high performer. If the PHA's most recent final score of record is not a high performer, and the PHA has a pending high performer designation for the above mentioned FYEs, HUD will release that pending PHAS score and designation, and the PHA will be included on the list for the high performer bonus. That high performer designation for December 31, 2018, March 31, 2019, June 30, 2019, or September 30, 2019, will become the PHA's score and designation of record and be available for all PHAS related purposes moving forward until the next PHAS score and designation are issued.

For further details, you can access Notice PIH 2021-14 [here](#) and yesterday's notice [here](#).



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