HOUSING MANAGEMENT BUREAU MEMORANDUM # 2004-B-10

To: Owners of State Financed Federally Assisted Housing Developments with Rent Supplement or Rental Assistance Payments Contracts

From: Jane I. Berrie, Director

Date: July 27, 2004

Subject: Revision of Procedure for Funding Rent Supplement and Rental Assistance Payments Contracts

This memo advises you of a change in the Department of Housing and Urban Development’s (HUD) procedures for providing additional funding to your Rent Supplement (RS) or Rental Assistance Payments (RAP) subsidy contracts. **HUD will no longer require the project owner’s signature to increase the annual contract maximum for eligible RS and RAP contracts.** Instead, HUD will increase contract funding as necessary for the payment of monthly subsidy vouchers and send the owners, through the Division of Housing and Community Renewal, written notification of an increase. This change is intended to streamline and expedite necessary funding increases.

Attached are: (1) a copy of a memorandum from HUD to the Owners; and (2) two copies of “Amendment to Rent Supplement Contract” or “Amendment to Rental Assistant Contract.

Please read the enclosed memo and Amendment contract carefully. **Two (2) original Amendments must be signed by the owner or an authorized representative and returned within five (5) business days.** Fax a copy to HUD headquarters and mail two (2) signed originals to DHCR, as follows:

1) **Fax a copy of the signed Amendment to:**
   
   Financial Operations Division, HUD  
   Fax # 202-708-3177 or 202-708-1300

2) **Mail two (2) signed original Amendments to DHCR at:**
   
   Division of Housing and Community Renewal  
   Att: Linda Kedzierski, Federal Coordinator  
   25 Beaver Street, Room 633  
   New York, NY 10004
It is critical that you meet the above timetable, as DHCR must send the original Amendments, along with our certification, to HUD within the prescribed time frames.

**Your contract will not receive additional funding this fiscal year, if required, unless and until a signed copy of the enclosed Amendment contract is on file at HUD.** Availability of budget resources necessary to process RS and RAP contract increases for fiscal year 2004 cannot be guaranteed if contract Amendments are not returned to HUD and DHCR according to the directions above.

If you have any questions, please call Linda Kedzierski at (212) 480-2021 or e-mail her at Lkedzierski@dhcr.state.ny.us

cc: Managing Agent  w/out attachment  
    Site Manager    w/out attachment

Jane I. Berrie  
Director
DATE: July 15, 2004

ADDRESSEES: Selected Owners and Managers of Properties with State Agency Financed Rent Supplement or Rental Assistance Payments Contract

FROM: Lanier M. Hylton, Director
Office of Housing Assistance and Contract Administration Oversight

SUBJECT: Revision of Procedure for Funding Rent Supplement and Rental Assistance Contracts on State-Agency Financed Properties

This memorandum advises you of a change in Department of Housing and Urban Development (HUD) procedures for providing additional funding to your Rent Supplement (RS) or Rental Assistance Payments (RAP) subsidy contract. HUD will no longer require the project owner’s signature to increase the annual contract maximum for eligible RS and RAP contracts. Instead, HUD will increase contract funding as necessary for payment of monthly subsidy vouchers and send a written notification of the increase through your state agency. This change will streamline and expedite funding increases, where appropriate, for housing assistance payments under your contract.

To begin the new procedure, you must immediately sign and return the enclosed “Amendment to Rent Supplement Contract” or “Amendment to Rental Assistance Contract.” **Your contract will not receive additional funding this fiscal year, if required, unless and until a signed copy of the enclosed amendment contract is on file at HUD.** Availability of budget resources necessary to process RS and RAP contract increases for Fiscal Year 2004 cannot be guaranteed if the contract amendment is not returned to HUD and the state agency according to the directions below.

Read the enclosed amendment contract carefully. Two copies must be signed by the owner or an authorized representative and returned within five (5) working days. Fax a copy to HUD Headquarters and mail the original to your state housing agency as follows:

1. Fax a copy of the signed amendment to: Financial Operations Division, HUD
   Fax #: 202-708-3177 or 202-708-1300

2. Mail two (2) signed originals to your state housing agency for forwarding to HUD.

This revised funding procedure does not change the terms of the Rent Supplement or Rental Assistance Payment contract except to permit HUD to amend the annual maximum payable under the contract. If you have any questions, please contact Ms. Janie McCants at 202-708-0614, extension 2617 or Ms. Deborah Gordon at 202-708-0614, extension 6794.

Enclosures

Amendment to Rental Assistance Contract
(for use only with non-insured projects)

HUD Project Number:

Project Name and Address:

Section 236(f)(4) (12 U.S.C. § 1715z-1) of the National Housing Act requires in part that the Secretary of Housing and Urban Development take such actions as are necessary to ensure that payments under the Rental Assistance Payments program, including payments that reflect necessary rent increases and changes in the incomes of tenants, are made on a timely basis.

To satisfy this statutory requirement and to facilitate the timely payment of increases in maximum annual contract amounts authorized and appropriated by Congress, and pursuant to the authority in Section 15, “Renegotiation – Modification”, of Rental Assistance Contract Number 014-027-NI (“Contract”) dated 7/1/1980 between the “Housing Owner” and its successors, and the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner (“Commissioner”), both of the undersigned parties consent to modification of Section 15 in the Contract to read as follows:

Section 15. Renegotiation – Modification --

If, at any future time, the Commissioner determines that it would be in the best interest of the Rental Assistance Payments Program, the Commissioner may unilaterally increase the maximum annual contract amount through written notice to the Housing Owner. The maximum annual contract amount may be decreased, or any other provision of the Contract may be modified or amended, or the entire contract may be terminated, upon written agreement of both parties.

Housing Owner: ___________________________, by
Authorized Representative of Housing Owner:

Name: ___________________________ (print)
Title: ___________________________

by: ___________________________ (signature)
date: ___________________________

Attest: ___________________________

Secretary of Housing and Urban Development –
Federal Housing Commissioner

by: ___________________________ (signature)
date: ___________________________
Attest: ___________________________
Attest: ___________________________

NEW YORK