



OFFICE OF PUBLIC AND INDIAN HOUSING

November 25, 2016

MI064  
ANN ARBOR HOUSING COMMISSION  
727 MILLER AVENUE  
ANN ARBOR, MI 48103

Dear Executive Director:

**Subject: Housing Choice Voucher Programs (HCVP) CY 2016 Renewal Funding Set-Aside Request**  
**Category 1: Shortfall Funds**

The Department has received your request for funding from the calendar year (CY) 2016 renewal funding Set-aside, as outlined in PIH Notice 2016-04. Your public housing agency (PHA) submitted a request under Category 1 Shortfall Funds, which provides adjustment funding to prevent terminations of participating families of the HCVP due to insufficient funding.

Based on the criteria established in the Notice 2016-04, your PHA has been determined to be eligible for funding under Category 1, Shortfall Funds, and the Department will obligate and disburse funds in the amount of \$86,017 on your PHA's behalf.

The amount being provided is shown in cell P10 - the "Projected 12/31 Total HAP Reserves" for 2016 in the attached enclosure (Two-Year Forecasting Tool). Please note that these Shortfall Funds will be automatically disbursed to your agency.

The projected shortfall includes the most recent Voucher Management System (VMS) data and the PHA-provided available leasing and expense data. If the projected shortfall is less than the actual shortfall based on validated VMS data, your agency will be provided the additional shortfall funds to support the actual HAP needs, subject to the availability of funds.

As stated in PIH Notice 2016-04, HUD determined the shortfall amount using the Two Year Forecasting Tool. The Shortfall Prevention Team (SPT), using this tool, has calculated your projected shortfall for CY 2016 and a copy of the tool is enclosed for your records. HUD's Two-Year Forecasting Tool and Step-by-Step Guide can be found at Office of Housing Choice Vouchers Website:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/hcv](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/hcv)

PHAs are reminded of the need to continue to comply with the reasonable cost-savings measures as certified on Attachment A of the application for funds under Category 1 as identified below for the duration of the CY 2016:

- (1) The PHA continues to work with the SPT to aggressively monitor the status of the shortfall through the end of the CY 2016.
- (2) The PHA has ceased to absorb portable vouchers.
- (3) The PHA has ceased issuing vouchers to applicants. (Please note this does not apply to families that are participants and were issued a voucher to move to a different unit. This restriction is also not applicable to vouchers issued to program applicants under special-purpose voucher increments awarded in CY 2015 or CY 2016. These special-purpose vouchers include VASH, Family Unification Program (FUP), Non-Elderly Disabled (NED), and Tenant Protection vouchers initially awarded in 2015 and/or 2016. Vouchers issued to applicants moving into Project-Based Voucher (PBV) units in order to allow the PHA to meet its contractual obligation to fill PBV AHAP units being placed under HAP for the first time, and PBV units currently under HAP that are vacated by program participants. However, tenant-based vouchers are not to be issued to participants living in PBV units who are requesting a voluntary move with a tenant-based voucher after the date of your agency's confirmed shortfall. (However, if a unit becomes vacant, the PBV unit shall be filled with a family from the waiting list)
- (4) The PHA has rescinded any vouchers remaining on the street that were issued to applicant families and has stopped leasing those rescinded vouchers. Note: This does not apply to vouchers issued under the three exceptions noted in paragraph (3) above.
- (5) Failure to adhere to the terms of the certification will result in a reduction or cancellation of the funds provided under this category and may result in administrative sanctions, including a reduction in administrative fees. The SPT will continue to work with your agency throughout the year in order to monitor the shortfall. HUD may reduce the reserved funds if it is determined that funds reserved will exceed the amount necessary to meet the PHA's actual costs.

If you have any questions concerning this letter, please contact your assigned SPT member. Thank you for your continued participation in the Housing Choice Voucher Program to serve the needs of your community.

Sincerely,

Miguel A. Fontáñez

Digitally signed by Miguel A. Fontáñez  
DN: CN = Miguel A. Fontáñez, C = US, O = Housing  
Voucher Financial Management Division, OU = Director  
Reason: I am approving this document

Miguel A. Fontanez  
Director  
Housing Voucher Financial  
Management Division

Enclosure