

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-5000

GENERAL DEPUTY ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING

October 17, 2018

Dear Executive Director,

I am writing to give you an update about the Annual Contributions Contract. As you know, on May 1, 2018, the U.S. Department of Housing and Urban Development took steps to implement a new version of the public housing Annual Contributions Contract ("New ACC") (HUD-53012). The public housing ACC was amended to merge the current HUD-53012-A and HUD-53012-B forms into one document, adding requirements applicable to mixed-finance public housing development and making updates to the agreement, based on current applicable statutes and regulations.

Since then I have met with the public housing industry groups and received letters from several of you. I heard concerns that public housing stakeholders had not received advance notice, did not have an opportunity to comment on the changes made to the ACC through the Paperwork Reduction Act (PRA) process and had not been adequately informed concerning the content and intent of the changes.

After consultation with the Office of General Counsel, the Department has determined that it will initiate another PRA process for the revision of the ACC to ensure that you, other stakeholders and the general public have additional time to comment on the proposed revisions.

The Department is nullifying the New ACC retroactive to when it came into effect on May 29, 2018. In its place, the Department is reinstating the previous version of the ACC that was in effect for your PHA prior to May 29, 2018. Accordingly, all 2018 funding already drawn down will be governed by your PHA's previous ACC.

Please note that the Department's Electronic Line of Credit Control System (eLOCCS) has language on the payment voucher page to state that the PHA confirms that drawing down funds constitutes an electronic signature for the FY 2018 Capital Fund grant and subjects the PHA to the requirements of their previous ACC and Capital Fund ACC Amendment documents posted on the Office of Public and Indian Housing's (PIH's) Annual Contributions Contract Web Page

(https://www.hud.gov/program offices/public indian housing/programs/ph/capfund/2018pi/acc). The Web Page indicates that if your PHA is not authorized under state law to provide an electronic signature, you will need to submit to your local HUD Field Office of Public Housing a signed copy of the Capital Fund ACC Amendment before drawing down FY 2018 Capital Funds. PIH has updated the Web Page to make it clear that the New ACC is no longer in effect. The Web Page now reflects that each PHA's previous version of the ACC is in effect for all public housing purposes including any public housing financing programs (Mixed-Finance, Capital Fund Financing and Operating Fund Financing).

Should you have any questions on reinstituting the previous ACC or the upcoming PRA process, please send your inquiry to PIHOCI@HUD.GOV. Thank you for your continued commitment to providing housing to those most in need.

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