

# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## Office of the Assistant Secretary for Public and Indian Housing

[Docket No. FR-3849-N-04]

### Notice of Fund Availability (NOFA) for Fiscal Year 1995 For the Section 8 Rental Voucher Program and Rental Certificate Program

**AGENCY:** Office of the Assistant Secretary for Public and Indian Housing, HUD.

**ACTION:** Revision to the notice of fund availability (NOFA) for fiscal year (FY) 1995 for the rental voucher program and rental certificate program.

**SUMMARY:** The Department published the FY 1995 Notice of Fund Availability (NOFA) in the Federal Register on March 3, 1995 (60 FR 12036) for the Section 8 rental voucher program and rental certificate program. Corrections to that NOFA were published on April 17, 1995 (60 FR 19278) and on July 27, 1995 (60 FR 38567). This Notice cancels parts of the FY 1995 NOFA to comply with the provisions of the Emergency Supplemental Appropriations Act of 1995 (Pub. L. 104-19, 109 Stat. 194, dated July 27, 1995) (the Act), which rescinded most of the FY 1995 appropriations for incremental funding under the Section 8 rental voucher and rental certificate programs.

**FOR FURTHER INFORMATION CONTACT:** Gerald J. Benoit, Director, Operations Division, Office of Rental Assistance, Office of Public and Indian Housing, Room 4220, Department of Housing and Urban Development, 451 Seventh Street, S.W., Washington, D.C. 20410-8000, telephone (202) 708-0477. Hearing-impaired or speech-impaired individuals may call HUD's TDD number (202) 708-4594. (These telephone numbers are not toll-free.)

#### SUPPLEMENTARY INFORMATION:

##### I. Background

The original 1995 NOFA provided for funding in the following categories: (1) Fair Share Allocations; (2) Mainstream Housing; (3) Homeless Families (non-competitive process); (4) Persons with AIDS (non-competitive process); (5) Section 8 Counseling; (6) Family Self-Sufficiency ("FSS") Service Coordinators; (7) Family Unification; (8) Relocation, Demolition and Disposition, and Replacement Housing; (9) Rental Voucher and Rental Certificate Renewals; (10) Section 23 Conversions; (11) Section 8 Amendments; (12) Housing Agency Portability Fees; (13)

Natural disasters, Other Housing Emergencies, Litigation, and Desegregation of Public Housing; (14) FY 1994 funding for Homeless Persons With Disabilities; (15) FY 1994 funding for Homeless Veterans; (16) FY 1994 funding for Family Unification; and (17) FY 1994 funding for FSS Service Coordinators.

On July 25, 1995, the Act rescinded funding for incremental allocations that had not yet been obligated. The Act allows HUD to use any remaining appropriations, after rescission, for new incremental rental assistance to fund Section 8 applications only for the following specific purposes: (a) For residents to be relocated from existing federally subsidized or assisted housing, (b) for replacement housing for units demolished or disposed of (including units disposed of pursuant to homeownership programs under section 5(h) or title III (HOPE 1 and HOPE 2) of the U.S. Housing Act of 1937), (c) for funds related to litigation settlements or court orders, (d) for amendments to contracts to permit continued assistance to participating families, and (e) to enable public housing authorities to implement "mixed population plans" for developments housing primarily elderly residents.

##### II. Departmental Action

HUD is canceling the previous FY 1995 NOFA with respect to funding under several of the subprograms to which the Rescission Act applies. Under the FY 1995 NOFA, HUD intends to award incremental funding for applications submitted for only the following components of the program: the family unification subprogram (category 7); the mainstream housing opportunities for persons with disabilities subprogram in connection with designated housing allocation plans (part of category 2 related to designated housing). Funding for the first of these programs remained after the rescission, and funding for the second category fits within the Rescission Act's category (e).

In addition, the Department intends to renew the funding for the family self-sufficiency (FSS) service coordinators for housing agencies (HAs) awarded FY 1994 funding (category 17), as well as to fund rental voucher and rental certificate renewals (category 9), section 23 conversions (category 10), Section 8 amendments (category 11), and special portability fees (category 12). This funding is not incremental funding, and so not prohibited by the Rescission Act. Some subprograms also will be funded from carryover funds, to the extent they are available.

Accordingly, the Department is revising the March 3, 1995, NOFA (60 FR 12036) as follows:

1. Of the amounts appropriated for the family unification program, \$15 million was rescinded leaving approximately \$73 million in FY 1995 funding for applications submitted in response to the NOFA. Therefore, applications will be awarded in accordance with the lottery process described in the March 3, 1995, NOFA (60 FR 12045), as limited by the amount of funding now available.

2. Applications were submitted for approximately \$17.3 million in response to the NOFA for the mainstream housing for persons with disabilities subprogram for use in connection with designated housing allocation plans. HUD will approve the Section 8 applications for all HAs that submitted a designated housing allocation plan that is also approved by HUD.

3. The Department will not fund applications submitted in response to the NOFA for the following subprograms due to the rescission of appropriations:

- A. Fair Share;
- B. Mainstream Housing Opportunities (General Program only);
- C. Homeless Families; and
- D. Persons with HIV/AIDS.

4. Section IX(H), "FY 94 NOFA for Homeless Persons with Disabilities", of the March 3, 1995 NOFA (60 FR 12058) stated that HUD would issue funds to the HAs selected for funding in response to the February 1, 1994 NOFA (59 FR 4758). In September 1994, a portion of the funds available for the FY 1994 NOFA were reserved and subsequently annual contribution contracts were executed. All other funds available under the FY 1994 NOFA that were not committed under Annual Contributions Contracts with specific HAs in September of FY 1994 are no longer available.

5. The funds remaining for the family self-sufficiency service coordinator subprogram were reduced to approximately \$8.7 million for FY 1995. These funds will be awarded to those housing agencies awarded funding in response to the NOFA published on August 29, 1994 (59 FR 44550). As indicated in the March 3, 1995 NOFA, HUD will provide FY 1995 funding to all the HAs that received funding in response to the August 29, 1994 NOFA at 103 percent of the amount of FY 1994 funds awarded. New or revised applications from previously funded HAs or applications from new HAs will not be considered by HUD.

6. Of the funds available for the Section 8 counseling subprogram, \$70 million was rescinded, leaving \$101

million. Some of these funds already were reserved for use in connection with litigation, and the remaining funds are not sufficient to fund the applications submitted in response to the NOFA. As a result, HUD will publish a new NOFA for Section 8 counseling inviting public housing agencies to apply under the terms of the new NOFA.

7. HUD will continue to make funds available to fulfill relocation and replacement housing, voucher and certificate renewals, voucher and certificate needs in connection with litigation, Section 23 conversions, Section 8 amendments, and Section 8 counseling needs in connection with

litigation and relocation of families from public housing. HUD will notify the housing agencies that are selected to receive funding under these subprogram categories. HUD also will continue to fund HA requests for special portability fees; HA requests should continue to be submitted directly to the HUD State or Area Office.

8. HUD plans to destroy all applications submitted in response to the FY 1995 NOFA for all subprograms for which no funds will be made available. Any HAs interested in having their unfunded applications returned should contact the following: for all subprograms other than Section 8 counseling—the Office of Public

Housing or the Office of Native American Programs, as applicable, in the local HUD office; for Section 8 counseling—Mr. Laurence Pearl, Office of Program Standards and Evaluation, Fair Housing and Equal Opportunity (FHEO), Room 5226, 451 Seventh Street, SW, Washington, DC 20410, telephone (202) 708-0288, ext. 265. Hearing-impaired or speech-impaired individuals may call FHEO's TDD number (202) 708-4112.

Dated: September 21, 1995.

Joseph Shuldiner,  
*Assistant Secretary for Public and Indian Housing.*

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