

The following questions were asked in the Q and A feature of a Zoom webinar on 9-21-2023 in a webinar about the possible impacts of a shutdown on HUD funding. **(Updated – 9-25-2023)**

What about CDBG and HOME? For grantees and state recipients.

The Office of Community Planning and Development (CPD) will continue to make previously obligated funds available for draw down by CPD grantees (CDBG, HOME, HOPWA, Homeless Assistance Grants and other grant funds). If there is no action or review needed by HUD employees for funds to be drawn down from the system, then grantees will be able to draw funds normally. If it is required, CPD will only recall employees to review disbursement requests in certain cases where there is believed to be an imminent threat to the safety of human life or property.

How do we access hhr if HUD staff are not available?

There are HUD staff that are exempt that will review requests.

Are set aside funding going to be available? or are we going to have to wait?

Set aside funding will likely only be available if it prevents imminent threat of loss of life or property. If the set aside funding is needed for HAP or to prevent termination of assistance to a family, it will likely be available.

Will current RAD projects continue that are under construction? Will we be able to draw down funds?

An email has been sent to HUD on this question and we are awaiting a response.

Is the draw down for only operating funds?

You will also be able to draw down previously obligated cap. funds. You will not have access to next year's cap. fund allocation, which will require a passed budget.

Has anything been said about extending HOTMA implementation for Multifamily?

This is not related to the topic of today's webinar, but to our knowledge it has not been delayed. We may have additional knowledge when the joint PIH and multifamily guidance on sections 102 and 104 arrives.

Will CPD be processing the FY Grant Agreements prior to shut down?

An email has been sent to HUD on this question and we are awaiting a response.

Capital Funds that are in LOCS will still be available, or no?

Funds that have already been obligated and in the system and which can be drawn down without further action or review by HUD employees should be available.

What about ROSS Grants and FSS participant escrow payments?

The PHA should have access to the escrow accounts, so the shutdown should not impact this.

Can you please restate what was mentioned regarding operating funds. Will we be able to draw down. I did hear CFP is only available once the budget is passed.

HUD will obligate operating funds for Oct. and Nov. and they're thinking about whether they can do Dec. so PHAs should be able to access these.

How can we access this recording?

The recording can be accessed here: https://nahro-org.zoom.us/rec/share/jD5P9troQNGuLznllgqm5sEPTpxAfpw3a-R9rKhKzFC2OF_3mEZw45nsLgJkuQ.ogwtDRAPIA-BhBli

Passcode: ^99@tPSJ

So new projects can't be started? Can agencies buy property?

Housing agencies should make decisions based on the funds available to them and their assessment of how long the shutdown may last.

I assume a shut down would effect HAP Payments?

If the shutdown ends before the end of the calendar year, it should not impact HAP payments. No prior shutdown has lasted 3 months.

If I understood correctly HCV funds will be available until December only. So, if the shutdown lasts past that date will funds not be available?

If the shutdown lasts until January, it is possible that HAP payments will be impacted. No prior shutdown has lasted 3 months.

Can you draw down HCV FSS Funding in LOCCS? (Updated – 9-25-2023)

HUD has responded with the following information about the FSS program:

“In the case of a shut-down, the FSS team would be furloughed.

Grants that have been made will continue to be available via LOCCS, as usual. However, as you know, draws for more than 10% of the grant funds are required to be approved and if we are shut down, we will not be able to approve them.

All scheduled TA will be cancelled (e.g. office hours or other webinars). The FSS mailbox will not be monitored.

I cannot say what the impact will be on the FY23 competition/award processing will be, other than to say that we will not be able to work on it during a shut-down.”

~~You will still have access to LOCCS so you should be able to access funds that do not require HUD employee interaction. To be certain, I have sent this question to HUD and am awaiting a reply.~~

If we have a shut down, how long do you expect it to run?

It is unclear how long a shutdown will last. The longest past shutdown has lasted 35 days.

Did you say MTWs won't be able to access their non-HAP funds?

According to HUD, “staff will not process funding assignments for non-HAP, MTW-eligible activities during the shutdown, except where there is an imminent threat to lives or property. MTW PHAs, like all PHAs, would only be able to schedule payments that are already obligated in the system. In addition, exempt staff would not be able to respond to questions by phone or email, so technical assistance during a shutdown may also be affected.”

Is it possible to send a summary of what will happen if and or when there is a government shutdown?

HUD’s shutdown contingency document can be found here:

<https://www.hud.gov/sites/documents/HUDCONTINGENCYPLANFINAL.PDF>.

You indicated actions that require approval by a HUD staff won't take place, unless it's an emergency, correct?

Yes, most HUD staff will not be working. Only a small number of them will be doing anything for emergency situations.

Any idea if this will impact SS/SSI payments?

This question is beyond the scope of this webinar, which is focused on HUD, but my understanding is that the payments would not stop, as they are mandatory spending (outside the appropriations process), but customer service or anything requiring review by staff will be impacted.

How will answers be shared?

We are sharing this document via an email sent to people who registered for the Update from Washington webinar.