

TO: State Directors  
Rural Development

ATTENTION: Multi-Family Program Managers/Coordinators, AMAS  
Coordinators, and Rural Development Managers

FROM: Arthur A. Garcia     *(Signed by Arthur A. Garcia)*  
Administrator  
Rural Housing Service

SUBJECT: Allocation of Rental Assistance (RA) for Renewal  
Needs for Multi-Family Housing (MFH) Projects  
for Fiscal Year (FY) 2004

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) allocates RA for renewals for all types of existing MFH projects.

COMPARISON WITH PREVIOUS AN:

This AN replaces RD AN No. 3699 dated January 28, 2002, which expired September 30, 2002.

IMPLEMENTATION RESPONSIBILITIES:

A. Exhibits A, B, and C list the number of RA renewal units allocated to each state for Fiscal Year 2004. The exhibits were developed from summarized data obtained from Servicing and State Office surveys.

B. Allocation for Renewal Needs - Fiscal Year 2004, Exhibits A, B, and C. RA for renewals for January 1, 2004, through March 31, 2004, is already loaded on the Automated Multi-Housing Accounting System (AMAS) and ready for obligation. The remaining quarter will be loaded as follows:

EXPIRATION DATE: September 30, 2004

FILING INSTRUCTIONS:  
Preceding RD  
Instruction 1940-L

RA Units Expiring during:	RA Units will be loaded into AMAS:
April – June 2004	March 29, 2004
July – September 2004	June 14, 2004
October – December 2004	August 9, 2004

The AMAS Coordinator should regularly monitor the AMAS system to ensure that RA units are immediately obligated to targeted properties in order to alleviate an accumulation of unobligated RA units on the system. If any deviation from the allocation is necessary, a “Request for Renewal Rental Assistance (RA) Allocation Change,” Exhibit D, must be submitted to the National Office for approval. Examples of necessary deviations may be quarter changes due to accelerated RA usage or mistakes in rental coding such as elderly, family or labor housing. All renewal units must be obligated by August 27, 2004.

Due to limited funds, the borrowers listed as expiring in December 2004 have been removed from the allocation at this time. After August 27, 2004, the National Office will prioritize the list based on availability of funds.

C. The AMAS Coordinator should regularly monitor the AMAS System during the allocation period to determine the number and type of RA units available to your state(s) at any given time, and to ensure that all allocated renewal RA units have been properly obligated. **ALL OBLIGATIONS SHOULD OCCUR WHEN UNITS APPEAR ON THE AMAS SYSTEM FOR YOUR STATE FOR THE INTENDED PURPOSE OF THE UNITS. PLEASE DO NOT ALLOW RENEWAL UNITS TO ACCUMULATE ON THE SYSTEM OR BE USED FOR OTHER PURPOSES.**

D. Obligation of RA. To obligate RA for a project, there must be a Project Rental Code (FA or EL) in the project record. “Mixed” projects, for the purpose of RA are coded as “Family.” “Congregate” and “Group Homes” are coded as “Elderly.” The Alpha Code for the RA must validate against the Project Rental Code before the obligation will process. The AMAS transaction M5S, “Record Project/Rental Code/Units” should be used to establish the project rental code. **THE TOTAL NUMBER OF RA UNITS OBLIGATED BY A STATE IN ANY CATEGORY MUST NOT EXCEED THE CUMULATIVE NUMBER OF RA UNITS SHOWN ALLOCATED BY QUARTER.** The allotment key for FY 2004 is 21042 2141437 \_\_\_\_ to access AMAS inquiries. The last four digits will be the appropriate O&E Code from the FMI for Form RD 1944-51. As a reminder, the six digit number for the Rental Assistance Agreement Number is to be assigned as follows: First 2 digits - fiscal year of obligation (04); Second 2 digits - number(s) in sequential order for each fiscal year starting with 01 (Example 04-01, 04-02); third 2 digits - always use 00.

The National Office will be regularly monitoring AMAS to determine the obligation activity of each state. Do not wait until the end of the quarter to obligate the renewal units.

E. Prorating RA Agreements. If a borrower has multiple RA agreements running concurrently, the RA Agreements must be prorated in a manner for all the agreements to run out at the same time. The AMAS On-Line Cash Manual dated Spring 2001 explains how to process the agreements.

As a reminder, when processing payments, the “unliquidated balance” for each RA Agreement is displayed on the M2A “Project/Loan Payment.” RA Agreements should not be depleted prior to obligating renewal units.

The Multi-Family Housing Portfolio Management Division will continue to closely monitor RA activity on the AMAS system for each state. A final clean up of the AMAS system will be performed on August 27, 2004. Be sure to obligate any RA needed by your state for renewal purposes prior to this date so as to avoid the need to send a special emergency renewal RA request to the National Office.

F. Transferred RA Units. When transferring RA units from borrowers, review the list of renewal units to determine if the transferring RA units are scheduled to be renewed in this fiscal year. Depending on the situation, units may or may not need to be renewed and the necessary actions should be taken.

G. Special Language for FY 04 RA Obligations. This FY the appropriation language has established a set term of four years for FY 04 RA Obligations, only. Therefore, the following instructions should be used for completing Form RD 1944-27, "Rental Assistance Agreement" regarding **ALL** FY 04 RA obligations.

1. All FY 04 obligations will **ALWAYS** need to have a separate Form RD 1944-27, "Rental Assistance Agreement"
2. Changes to the form:
  - a. Above title: "Rental Assistance Agreement" add "FOUR YEAR"
  - b. Section 8 (a) - cross out "...individually and automatically upon total disbursement or credit to the borrower's account" and insert - "four (4) years from \_\_\_\_\_\*, unless the funds are fully expended prior to that time."

\*If agreement is for the original obligation, enter the date the agreement is prepared. If the agreement is for units transferred, enter the date of the agreement from the original Form RD 1944-27.

Attachment E is an example of how the Form RD 1944-27 should be modified.

For example, renewal obligation for Borrower A is obligated on April 6, 2004, and the Form RD 1944-27 is signed on April 10, 2004. The expiration of the obligation will be April 10, 2008. If one unit of RA (from the FY 04 obligation) is transferred to Borrower B on August 15, 2005, then the Form RD 1944-27 for Borrower B will have an expiration date of April 10, 2008, even though the borrower received the unit on August 15, 2005.

A servicing effort tracking item "FY 04 RA Obligations" has been established in MFIS to assist in the monitoring of FY 04 RA obligations. The National Office will be monitoring this tracking item to assure that funds are properly managed.

If you have any questions, please contact Janet Stouder, Multi-Family Housing Portfolio Management Division at (202) 720-9728.

Attachments

FAMILY ALLOCATION - FISCAL YEAR 2004  
O & E CODE: 21042 21414370021

		FAMILY VALUES	RENEWALS Expiring Jan. - Mar.	RENEWALS Expiring Apr. - June	RENEWALS Expiring July - Sept.	RENEWALS Expiring Oct. - Dec.	TOTAL UNITS	TOTAL DOLLARS NEEDED
1	ALABAMA	12,901	237	227	262	61	787	10,153,087
60	ALASKA	14,615	35	38	39	79	191	2,791,465
2	ARIZONA	14,615	97	0	115	86	298	4,355,270
3	ARKANSAS	13,759	178	188	242	61	669	9,204,771
4	CALIFORNIA	14,615	625	343	414	233	1,615	23,603,225
5	COLORADO	14,615	111	57	14	45	227	3,317,605
6	CONNECTICUT	14,615	5	37	0	21	63	920,745
7	DELAWARE	14,615	23	0	119	46	188	2,747,620
9	FLORIDA	11,313	396	170	212	35	813	9,197,469
10/11	GEORGIA	10,921	214	126	55	9	404	4,412,084
61	HAWAII	14,615	0	0	29	0	29	423,835
12	IDAHO	13,821	92	12	80	27	211	2,916,231
13/14	ILLINOIS	11,997	293	169	96	121	679	8,145,963
15	INDIANA	12,043	217	97	70	171	555	6,683,865
16	IOWA	12,708	165	82	24	74	345	4,384,260
18/19	KANSAS	11,888	193	104	61	14	372	4,422,336
20/21	KENTUCKY	11,288	181	172	255	80	688	7,766,144
22	LOUISIANA	14,615	257	205	216	97	775	11,326,625
23	MAINE	14,615	200	16	79	90	385	5,626,775
24	MARYLAND	14,615	66	136	96	32	330	4,822,950
25	MASSACHUSETTS	11,931	0	7	0	0	7	83,517
26	MICHIGAN	12,761	663	159	269	87	1,178	15,032,458
27	MINNESOTA	10,719	225	243	137	132	737	7,899,903
28	MISSISSIPPI	14,615	546	271	422	38	1,277	18,663,355
29/30	MISSOURI	9,536	260	157	199	92	708	6,751,488
31	MONTANA	13,452	118	63	79	17	277	3,726,204
32	NEBRASKA	11,472	70	51	84	45	250	2,868,000
33	NEVADA	14,615	41	112	61	6	220	3,215,300
34	NEW HAMPSHIRE	14,615	35	55	71	67	228	3,332,220
35	NEW JERSEY	14,615	0	0	36	68	104	1,519,960
36	NEW MEXICO	14,553	200	154	63	29	446	6,490,638
37	NEW YORK	14,432	167	59	59	43	328	4,733,696
38/39	NORTH CAROLINA	14,615	713	330	529	17	1,589	23,223,235
40	NORTH DAKOTA	9,149	101	78	35	24	238	2,177,462
41	OHIO	10,360	331	217	203	61	812	8,412,320
42	OKLAHOMA	12,060	243	293	89	84	709	8,550,540
43	OREGON	12,380	100	88	33	101	322	3,986,360
44	PENNSYLVANIA	13,405	0	122	239	92	453	6,072,465
63	PUERTO RICO	14,615	216	88	40	24	368	5,378,320
45	RHODE ISLAND	14,615	12	0	0	0	12	175,380
46	SOUTH CAROLINA	14,615	176	246	189	13	624	9,119,760
47	SOUTH DAKOTA	12,673	140	119	161	147	567	7,185,591
48	TENNESSEE	11,988	387	215	191	81	874	10,477,512
49/51	TEXAS	12,463	713	300	241	345	1,599	19,928,337
52	UTAH	14,615	82	104	0	21	207	3,025,305
53	VERMONT	14,615	77	20	33	0	130	1,899,950
64	VIRGIN ISLAND	14,615	92	34	12	0	138	2,016,870
54/55	VIRGINIA	12,839	231	104	244	61	640	8,216,960
56	WASHINGTON	14,352	73	143	95	67	378	5,425,056
57	WEST VIRGINIA	11,337	78	50	230	54	412	4,670,844
58	WISCONSIN	11,563	115	109	39	99	362	4,185,806
59	WYOMING	12,221	0	80	0	0	80	977,680
	NATIONAL TOTAL		9,790	6,250	6,561	3,297	25,898	336,644,817

ELDERLY ALLOCATION - FISCAL YEAR 2004  
O & E CODE: 21042 21414370081

		ELDERLY VALUES	RENEWALS Expiring Jan. - Mar.	RENEWALS Expiring Apr. - June	RENEWALS Expiring July - Sept.	RENEWALS Expiring Oct. - Dec.	TOTAL UNITS	TOTAL DOLLARS NEEDED
1	ALABAMA	11,394	108	129	163	38	438	4,990,572
60	ALASKA	14,615	0	0	0	0	0	0
2	ARIZONA	10,690	26	220	113	18	377	4,030,130
3	ARKANSAS	9,496	37	119	113	50	319	3,029,224
4	CALIFORNIA	14,615	211	205	240	439	1,095	16,003,425
5	COLORADO	14,615	75	0	64	0	139	2,031,485
6	CONNECTICUT	11,482	15	109	0	46	170	1,951,940
7	DELAWARE	14,615	31	0	0	24	55	803,825
9	FLORIDA	9,906	122	113	195	268	698	6,914,388
10/11	GEORGIA	8,494	118	137	289	33	577	4,901,038
61	HAWAII	14,615	0	0	0	96	96	1,403,040
12	IDAHO	13,292	15	108	20	31	174	2,312,808
13/14	ILLINOIS	9,214	94	95	79	4	272	2,506,208
15	INDIANA	9,451	77	131	142	312	662	6,256,562
16	IOWA	8,096	146	232	80	53	511	4,137,056
18/19	KANSAS	8,551	153	82	31	0	266	2,274,566
20/21	KENTUCKY	8,478	309	140	94	106	649	5,502,222
22	LOUISIANA	12,093	268	189	0	31	488	5,901,384
23	MAINE	14,615	245	204	183	91	723	10,566,645
24	MARYLAND	14,164	54	136	0	77	267	3,781,788
25	MASSACHUSETTS	14,615	144	119	0	17	280	4,092,200
26	MICHIGAN	9,437	37	142	222	59	460	4,341,020
27	MINNESOTA	8,706	101	83	183	60	427	3,717,462
28	MISSISSIPPI	11,998	250	247	48	128	673	8,074,654
29/30	MISSOURI	5,706	155	244	135	138	672	3,834,432
31	MONTANA	9,614	56	32	45	5	138	1,326,732
32	NEBRASKA	10,403	18	0	76	12	106	1,102,718
33	NEVADA	14,615	26	95	71	28	220	3,215,300
34	NEW HAMPSHIRE	14,615	63	73	26	0	162	2,367,630
35	NEW JERSEY	13,481	54	62	110	36	262	3,532,022
36	NEW MEXICO	13,628	52	32	81	39	204	2,780,112
37	NEW YORK	13,149	145	10	91	46	292	3,839,508
38/39	NORTH CAROLINA	12,944	218	305	496	112	1,131	14,639,664
40	NORTH DAKOTA	10,775	9	29	24	0	62	668,050
41	OHIO	7,413	148	189	123	154	614	4,551,582
42	OKLAHOMA	10,909	55	61	72	39	227	2,476,343
43	OREGON	9,882	164	63	75	0	302	2,984,364
44	PENNSYLVANIA	12,001	274	182	299	173	928	11,136,928
63	PUERTO RICO	14,615	0	0	0	0	0	0
45	RHODE ISLAND	10,828	30	28	80	0	138	1,494,264
46	SOUTH CAROLINA	11,776	170	129	0	24	323	3,803,648
47	SOUTH DAKOTA	9,514	103	141	82	94	420	3,995,880
48	TENNESSEE	9,467	157	220	25	100	502	4,752,434
49/51	TEXAS	8,929	365	246	227	133	971	8,670,059
52	UTAH	12,825	30	0	66	18	114	1,462,050
53	VERMONT	14,615	31	16	97	0	144	2,104,560
64	VIRGIN ISLAND	14,615	20	0	0	0	20	292,300
54/55	VIRGINIA	10,924	212	210	56	120	598	6,532,552
56	WASHINGTON	14,615	306	150	210	27	693	10,128,195
57	WEST VIRGINIA	10,273	137	82	61	74	354	3,636,642
58	WISCONSIN	6,904	102	122	208	58	490	3,382,960
59	WYOMING	8,958	6	0	0	24	30	268,740
	NATIONAL TOTAL		5,742	5,661	5,095	3,435	19,933	218,503,311

LABOR HOUSING ALLOCATION - FISCAL YEAR 2004  
O & E CODE: 21042 21414370032

		FAMILY VALUES	RENEWALS Expiring Jan. - Mar.	RENEWALS Expiring Apr. - June	RENEWALS Expiring July - Sept.	RENEWALS Expiring Oct. - Dec.	TOTAL UNITS	TOTAL DOLLARS NEEDED
1	ALABAMA	12,901	0	0	0	0	0	0
60	ALASKA	14,615	0	0	0	0	0	0
2	ARIZONA	14,615	0	0	20	0	20	292,300
3	ARKANSAS	13,759	0	0	0	0	0	0
4	CALIFORNIA	14,615	0	27	54	61	142	2,075,330
5	COLORADO	14,615	0	0	0	0	0	0
6	CONNECTICUT	14,615	0	0	0	0	0	0
7	DELAWARE	14,615	0	0	0	0	0	0
9	FLORIDA	11,313	227	0	359	0	586	6,629,418
10/11	GEORGIA	10,921	0	0	26	0	26	283,946
61	HAWAII	14,615	0	0	0	0	0	0
12	IDAHO	13,821	37	0	0	0	37	511,377
13/14	ILLINOIS	11,997	0	0	0	0	0	0
15	INDIANA	12,043	0	0	0	0	0	0
16	IOWA	12,708	0	0	0	0	0	0
18/19	KANSAS	11,888	0	0	0	0	0	0
20/21	KENTUCKY	11,288	0	0	0	0	0	0
22	LOUISIANA	14,615	0	0	0	0	0	0
23	MAINE	14,615	0	0	0	0	0	0
24	MARYLAND	14,615	0	0	0	0	0	0
25	MASSACHUSETTS	11,931	0	0	0	0	0	0
26	MICHIGAN	12,761	20	0	0	0	20	255,220
27	MINNESOTA	10,719	18	0	0	0	18	192,942
28	MISSISSIPPI	14,615	0	0	0	0	0	0
29/30	MISSOURI	9,536	0	0	0	0	0	0
31	MONTANA	13,452	0	0	0	0	0	0
32	NEBRASKA	11,472	16	0	0	0	16	183,552
33	NEVADA	14,615	0	0	0	0	0	0
34	NEW HAMPSHIRE	14,615	0	0	0	0	0	0
35	NEW JERSEY	14,615	0	0	0	0	0	0
36	NEW MEXICO	14,553	24	0	0	0	24	349,272
37	NEW YORK	14,432	0	0	0	0	0	0
38/39	NORTH CAROLINA	14,615	0	0	0	0	0	0
40	NORTH DAKOTA	9,149	0	0	0	0	0	0
41	OHIO	10,360	0	0	0	0	0	0
42	OKLAHOMA	12,060	0	0	0	0	0	0
43	OREGON	12,380	0	0	0	35	35	433,300
44	PENNSYLVANIA	13,405	0	0	0	0	0	0
63	PUERTO RICO	14,615	0	0	0	0	0	0
45	RHODE ISLAND	14,615	0	0	0	0	0	0
46	SOUTH CAROLINA	14,615	0	0	0	0	0	0
47	SOUTH DAKOTA	12,673	0	0	0	0	0	0
48	TENNESSEE	11,988	0	0	0	0	0	0
49/51	TEXAS	12,463	0	16	58	20	94	1,171,522
52	UTAH	14,615	0	0	0	0	0	0
53	VERMONT	14,615	0	0	0	0	0	0
64	VIRGIN ISLAND	14,615	0	0	0	0	0	0
54/55	VIRGINIA	12,839	0	0	0	0	0	0
56	WASHINGTON	14,352	47	0	16	0	63	904,176
57	WEST VIRGINIA	11,337	0	0	0	0	0	0
58	WISCONSIN	11,563	0	0	0	0	0	0
59	WYOMING	12,221	0	0	0	0	0	0
	NATIONAL TOTAL		389	43	533	116	1,081	13,282,355

Date:

TO: Stephanie White.  
Director  
Multi-Family Housing Portfolio Management Division

ATTN: Janet Stouder  
Fax No. 202-720-0302

SUBJECT: Request for Renewal Rental Assistance (RA) Allocation Change

<u>Borrower's Name</u>	<u>Case &amp; Project No.</u>	<u>No. of RA Units</u>	<u>Units Type</u>
_____	_____	_____	_____

ACTION REQUESTED: (Check one)

1. \_\_\_ Need to transfer \_\_\_ units from \_\_\_ quarter allocation to \_\_\_ quarter allocation due to \_\_\_\_\_.
2. \_\_\_ Need to increase/decrease \_\_\_ units for the \_\_\_ quarter allocation due to \_\_\_\_\_.
3. \_\_\_ Need to transfer \_\_\_ units from O&E Code \_\_\_\_\_ to O&E Code \_\_\_\_\_.

State Director  
State Office - \_\_\_\_\_

-----  
[ ] APPROVED use of these funds authorized solely for the above-named borrower and may not be used for any other borrower.

[ ] DISAPPROVED due to the following reasons: \_\_\_\_\_

Please feel free to contact Janet Stouder at (202) 720-9728 should you have any questions.

\_\_\_\_\_  
Stephanie White  
Director  
Multi-Family Housing Portfolio  
Management Division

\_\_\_\_\_  
DATE

EXAMPLE OF CHANGES NEED TO FORM RD 1944-27, "RENTAL ASSISTANCE AGREEMENT"

http://rdinit.usda.gov/regs/forms/1944-27.pdf - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Form RD 1944-27 (Rev. 8-98)

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT  
COMMUNITY DEVELOPMENT SERVICE

FORM APPROVED  
OAH NO. 6578-0033

**RENTAL ASSISTANCE AGREEMENT**

CASE NO. \_\_\_\_\_  
PROJECT NO. \_\_\_\_\_

Insert above "Rental Assistance Agreement" - 'FOUR YEAR'

This Agreement is between the 1st day of \_\_\_\_\_, 20\_\_\_\_, between \_\_\_\_\_ and \_\_\_\_\_ (herein called "the borrower") and its successors and the United States of America acting through the Rural Community Service and its successors pursuant to sections 52 and 293A of title V of the Housing Act of 1949 (herein called "the Government") Witnesseth:

In consideration of the Mutual Covenant hereinafter set forth, the parties hereto agree as follows:

**Section 1** The Government agrees to provide rental assistance in accordance with its governing rules and regulations for the number of units of housing provided according to the attached Form RD 1944-51 (Other Use: "Multiple Dwelling Obligation-Paid Analysis" or RD 1944-55, "Multiple Family Housing Transfer of Rental Assistance") for the project located \_\_\_\_\_ and known as \_\_\_\_\_ consisting of \_\_\_\_\_ units. The Government will pay the difference between the Government approved Shelter Cost for the project and the quarterly rent contribution as calculated and certified by each tenant household on Form RD 1944-58 or Form RD 1944-51, "Cost Certification". Additional attachments of Form 1944-51 (Part II), or Form RD 1944-55 may be made on this Agreement when provided identification consisting of \_\_\_\_\_, project number, dated, and days executed.

Done

http://rdinit.usda.gov/regs/forms/1944-27.pdf - Microsoft Internet Explorer

File Edit View Favorites Tools Help

**Section 2 Renegotiation, Modification, Transfer, Termination**

(a) Rent assistance under the terms of this Agreement (the Parties) and that it would be null and void if the interest in the rental assistance or security, the project or the agreement may be modified, amended, or the whole agreement terminated upon written agreement of the Parties.

(b) If the Government should determine that the borrower has defaulted under this agreement, it may, at its discretion, terminate or suspend the rental assistance or security and suspend or terminate the rental assistance or security until such time as the borrower has satisfied all obligations to the Government. If the Government terminates or suspends the rental assistance or security, it shall specify the date following the default.

(c) If the Government should determine that units are being used after normal operating hours, it may, at its discretion, suspend the rental assistance or security until such time as the borrower has satisfied all obligations to the Government.

**Section 8 Term of Agreement and Condition for Termination**

(a) This Agreement shall remain in effect for a period of \_\_\_\_\_ years from the date of execution of this Agreement, unless terminated or suspended in accordance with the provisions of this Agreement.

Insert - "four (4) years from \_\_\_\_\_\*, unless the funds are fully expended prior to that time."

**Section 9** \_\_\_\_\_  
RD 1944-55, \_\_\_\_\_  
Printed in \_\_\_\_\_

\*If agreement is for the original obligation, enter the effective date from the front of the agreement.  
If agreement is for units transferred, enter the effective date of the agreement from the original Form RD 1944-27, "Rental Assistance Agreement."

Done