



## NATIONAL LOW INCOME HOUSING COALITION

### **HUD Issues Notice on Use of Tenant Participation Funds**

August 2013

HUD issued Notice PIH 2013-21 to clarify previous guidance on the use of tenant participation funds in public housing. The public housing operating fund formula provides each public housing agency (PHA) \$25 per occupied public housing unit for tenant participation activities. Previous guidance was through 2001 interim instructions in Notice PIH 2001-3, now superseded by Notice PIH 2013-21.

HUD states that the tenant participation regulations at 24 CFR part 964 allow for a more active resident role in determining tenant participation funding and a broader range of eligible activities than Notice PIH 2001-3. In particular, the new Notice emphasizes that self-sufficiency activities are eligible uses of the funds.

The Notice repeats PIH 2001-3's list of allowable uses of the tenant participation funds and adds stipends for resident council officers who serve as volunteers in their public housing developments.

A key addition is a list of self-sufficiency and capacity building activities, including some that are in a section of part 964 pertaining to a program that no longer exists, the Tenant Opportunities Program (TOP). In an email NLIHC received from HUD, staff of the Office of Public and Indian Housing (PIH) explain that their lawyers concluded that the activities listed in the section of part 964 pertaining to TOP could be referenced as eligible uses of the tenant participation funds.

Eligible self-sufficiency activities include:

- Coordination of support services
- Training related to child care, early childhood development, parent involvement, before and after school programs, senior programs, health, and nutrition
- Child abuse and neglect prevention
- Tutorial services
- Youth education and sports programs
- Drug use and violence prevention programs
- Financial literacy

Notice PIH 2013-21 states that PHAs must collaborate with resident councils on how funds are to be distributed, and that resident councils play an active role in determining how the tenant participation funds will be used. Each resident council has the ability to decide which activities they will pursue with tenant participation funds. If residents have not established a resident council, the PHA should fund allowable activities for residents and may use tenant participation funds to improve resident capacity in establishing and operating a resident council. Public housing residents in mixed-income communities may use tenant participation funds.

The new notice cites the regulations for guidance regarding disputes between resident councils and a PHA regarding the use of tenant participation funds.

