

**§ 972.200**

based assistance or appropriate site revitalization for the agency; and

(5) Any other action that HUD determines appropriate and has the authority to undertake.

**Subpart B—Voluntary Conversion of Public Housing Developments**

SOURCE: 68 FR 54619, Sept. 17, 2003, unless otherwise noted.

PURPOSE; DEFINITION OF CONVERSION

**§ 972.200 Purpose.**

This subpart implements section 22 of the United States Housing Act of 1937 (42 U.S.C. 1437t). The purposes of this subpart are to:

- (a) Require PHAs to perform an assessment which considers developments for which conversion of public housing may be appropriate; and
- (b) Provide a basis for a PHA to take action for conversion on a voluntary basis.

**§ 972.203 Definition of “conversion.”**

For purposes of this subpart, the term “conversion” means the removal of public housing units from the inventory of a Public Housing Agency (PHA), and the provision of tenant-based, or project-based assistance for the residents of the public housing that is being removed. The term “conversion,” as used in this subpart, does not necessarily mean the physical removal of the public housing development from the site.

REQUIRED INITIAL ASSESSMENTS

**§ 972.206 Required initial assessments.**

- (a) *General.* A PHA must conduct a required initial assessment (which consists of the certification described in paragraph (b) of this section), in accordance with this section, once for each of its developments, unless:
  - (1) The development is subject to required conversion under 24 CFR part 971;
  - (2) The development is the subject of an application for demolition or disposition that has not been disapproved by HUD;

(3) A HOPE VI revitalization grant has been awarded for the development; or

(4) The development is designated for occupancy by the elderly and/or persons with disabilities (*i.e.*, is not a general occupancy development).

(b) *Certification procedure.* For each development, the PHA shall certify that it has:

- (1) Reviewed the development’s operation as public housing;
- (2) Considered the implications of converting the public housing to tenant-based assistance; and
- (3) Concluded that conversion of the development may be:

- (i) Appropriate because removal of the development would meet the necessary conditions for voluntary conversion described in § 972.224; or
- (ii) Inappropriate because removal of the development would not meet the necessary conditions for voluntary conversion described § 972.224.

(c) *Documentation.* A PHA must maintain documentation of the reasoning with respect to each required initial assessment.

(d) *Timing of submission.* Consistent with statutory submission requirements, the results of each required initial assessment (consisting of the certification described in paragraph (b) of this section) must be submitted to HUD as part of the next PHA Annual Plan after its completion.

VOLUNTARY CONVERSION PROCEDURE

**§ 972.209 Procedure for voluntary conversion of public housing developments to tenant-based assistance.**

A PHA that wishes to convert a public housing development to tenant-based assistance must comply with the following process:

- (a) The PHA must perform a conversion assessment, in accordance with §§ 972.218–972.224 and submit it to HUD as part of the next PHA Annual Plan submission.
- (b) The PHA must prepare a conversion plan, in accordance with § 972.227–972.233, and submit it to HUD, as part of its PHA Annual Plan, within one year after submitting the conversion assessment. The PHA may submit the conversion plan in the same Annual Plan as the conversion assessment.