**Attachment D**

**HUD/DHCD Process for Federalization Projects**

1. DHCD reviews and determines potential awardees. Review includes:
	1. Whether project involves i) converting current units to federal without redevelopment or ii) if it involves conversion through Faircloth > RAD process, with major mixed-finance redevelopment
	2. Desk Analysis of proposed scope, including review of application and capital inventory system (CPS)
	3. Site visit by Facility Management Specialist, and/or Architect, and/or Construction Advisor, to assess minimum scope required to meet DSS/GR standards
2. DHCD sends LHA and development information to assigned HUD Engineer for review
3. LHA submits development proposal to HUD per 24 CFR § 905.606 (or, for RAD Conversions, the applicable required proposal), including environmental review for adverse conditions as described in Section VI
4. HUD:
	1. Confirms existence of adequate Faircloth authority at LHA
	2. Reviews proposal submitted by LHA
	3. Performs site visit and/or other review to confirm or amend DHCD’s assessment of exact scope items needed for repair or replacement prior to transition into federal portfolio
5. Contingent on HUD approval in step 4, DHCD issues award letter
6. DHCD enters into Contract for Financial Assistance with LHA
7. LHA commences design and construction
8. Upon Certificate of Final Completion, property transitions to HUD oversight following physical inspection