

**Housing Authority of the City of Hartford**  
**Request for Proposals (“RFP”)**  
**Housing Choice Voucher Program**  
**Project Based Voucher Program**  
**EXISTING HOUSING UNIT PROPOSALS ONLY**

## I. GENERAL INFORMATION

### **OBJECTIVE**

The Housing Authority of the City of Hartford (“HACH”) is soliciting proposals from local landlords to participate in the Section 8 Project Based Voucher Programs.

Proposals will be accepted until 2:00 PM, June 15, 2023. Late proposals will not be considered.

HACH selects to participate in and administer the Housing Choice Voucher Project Based Voucher (PBV) program whereby the rental assistance is attached to the structure. HACH will enter into a HAP contract with the owner for the units of existing housing. During the term of the contract, HACH will make HAP payments to the owner for units leased and occupied by eligible families.

HACH may provide up to 20% of its budget authority as allocated by HUD for use in the Project Based Voucher program. The PBV program requires compliance with all equal opportunity requirements under federal law and regulations including the authorities cited at 24 CFR 5.105(a). HACH may not provide PBV assistance for housing types inclusive of, but not limited to the following

- Shared housing;
- Units on the grounds of a penal, reformatory, medical, mental, or similar public or private institution;
- Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care or intermediate care;
- Units that are owned or controlled by an educational institution or its affiliate and are designed for occupancy by students of the institution;
- Manufactured homes;
- Cooperative housing;
- Transitional housing;
- Owner occupied units;
- Hi-rise family units (without prior HUD approval); or
- For units occupied by families that are in-eligible for Project Based Assistance based upon local PHA admittance criteria.

Additionally, HACH may not provide PBV assistance to the following types of assisted units in accordance with 24 CFR 983.54:

- A public housing dwelling unit;
- A unit subsidized with any other form of Section 8 assistance (i.e., tenant based or project-based assistance);
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 / Section 521 / Section 202 / Section 811 / Section 101 rental assistance payments;
- A unit subsidized with any form of tenant-based rental assistance (i.e., HOME funded programs);
- A unit with any other duplicative federal, state, or local housing subsidy.

### **METHOD OF SOLICITATION**

For this solicitation, HACH utilizes a competitive proposal selection process. HACH will provide broad public notice of the solicitation.

For this request, HACH will select PBV proposals by the following method:

- Request for Proposals – This request for proposal does not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV on different sites.

This process involves HACH requesting and receiving technical proposals from interested parties. The technical proposals will be evaluated, scored and ranked separately by HACH in accordance with the Evaluation/Selection Process and Selection Criteria described in this solicitation. HACH will calculate the total score for each proposal in accordance with the procedures described in this solicitation. The proposals receiving the highest scores may be awarded contracts based on voucher funding availability.

### **CONTACT PERSON**

All communication regarding the Proposal should be made in writing to [bids@hartfordhousing.org](mailto:bids@hartfordhousing.org). All proposals must be submitted electronically only to [bids@hartfordhousing.org](mailto:bids@hartfordhousing.org).

### **ANTICIPATED SCHEDULE OF EVENTS**

The anticipated schedule of events for each proposal is as follows:

RFP Package Available	May 5, 2023
Public Advertisements	May 12, 19 and 26
Deadline for submission of Proposal	2:00 PM – June 15, 2023
Evaluation completed	June 29, 2023
Contract Award/Denied	Next Regularly Scheduled Board Meeting

### **AGENCY OPTIONS**

HACH may, at its sole and absolute discretion, reject any and all, or part of any and all submissions; postpone or cancel, at any time, the RFP process; or waive any minor, nonmaterial irregularities in the RFP or in proposals received as a result of the RFP. Also, the criteria and process whereby submissions are evaluated, the decision as to who shall receive a contract award, or whether or not an award shall ever be made as a result of the RFP, shall be at the sole and absolute discretion of HACH.

HACH will not allow proposals that do not meet the criteria of this RFP to be modified after submission. However, applicants will be given the opportunity to provide any missing information or additional information requested by HACH, including requests to adjust the number of units to receive PBV or rent levels in order to meet program requirements.

### **EXPENSE OF PREPARATION AND SUBMISSION OF PROPOSALS**

All expenses involved with the preparation and submission of the proposal shall be borne by the Respondent.

### **PROPOSALS OPEN TO PUBLIC**

Subsequent to award, all information submitted as part of, or in support of the Proposal will be available for public inspection in compliance with state and federal laws. Only financial information, if requested as part of the RFP to confirm a Respondent's financial soundness, will be kept confidential.

## II. PROGRAM DESCRIPTION

### **PROJECT BASED VOUCHER PROGRAM**

HACH selects to participate in and administer the PBV program. The rental assistance is attached to the structure. HACH will enter into a HAP contract with the owner for the units of existing housing. During the term of the contract, HACH will make HAP payments to the owner for the units leased and occupied by eligible families.

#### **Cap on Number of PBV Units per Assisted Building**

HACH may only select proposals and enter into HAP contract to provide PBV assistance for up to 25% of units in each building.

PBV units will not be counted against the 25% cap for the following types of assisted units:

1. The units are exclusively for elderly families.
2. The units are for households eligible for supportive services available to all families receiving PBV assistance in the project.
3. If the project is in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year estimates, the project cap is the greater of 25 units or forty percent (40%) (instead of 25 percent) of the units in the project [FR Notice 7/14/17].

#### **Site Selection Standards**

It is the PHA goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal, the PHA will limit approval of sites for PBV housing in census tracts that have poverty concentrations of twenty percent (20%) or less. However, the PHA will grant exceptions to the twenty percent (20%) standard where the PHA determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in any of the following:

- A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community
- A census tract where the concentration of assisted units will be or has decreased because of public housing demolition and HOPE VI redevelopment
- A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area

- A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area
- A census tract where there has been an overall decline in the poverty rate within the past five years
- A census tract where there are meaningful opportunities for educational and economic advancement

### Existing Housing Sites

A proposed site for existing must meet the following site and neighborhood standards. Also, to be considered existing housing, the units must substantially comply with HQS at the time of proposal selection. Attach a sketch of any proposed rehabilitation work and include an estimate of the total construction costs. If the total rehabilitation costs exceed \$5,000 per unit, the units shall not be considered existing and the proposal shall be rejected. Please note that any rehabilitation that is performed post HAP Contract execution is subject to Davis-Bacon rules for 18 months following the effective date of the HAP Contract.

The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- Have adequate utilities and streets available to service the site;
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

### Environmental Review

PBV selected sites are subject to HUD environmental regulations with 24 CFR parts 50 and 58. HACH may not enter into a PBV HAP contract with an owner until one of the following occurs:

- The responsible entity has completed the environmental review procedures required by 24 CFR part 58 and HUD has approved the environmental certification and request for release of funds;
- The responsible entity has determined that the project to be assisted is exempt under 24 CFR 58.34 or is categorically excluded and not subject to compliance with environmental laws under 24 CFR 58.35(b); or

- In the case of existing housing, the responsible entity that is responsible for the environmental review under 24 CFR part 58 must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.
- HUD has performed an environmental review under 24 CFR part 50 and has notified HACH in writing of environmental approval of the site.

Upon any environmental findings, as applicable, the owner is required to carry out mitigating measures required by the responsible entity in order to enter into a HAP contract with HACH. All costs related to Environmental Review will be solely the responsibility of the owner.

#### Uniform Relocation Act

Any persons displaced as a result of the award of PBV assistance must be provided relocation assistance at the levels described in and in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4201-4655) and implementing regulations at 49 CFR part 24. It is the responsibility of the owner to comply with these requirements and pay the cost of required relocation assistance.

#### Housing Quality Standards

Assisted units under the PBV program are subject to Housing Quality Standards as outlined in 24 CFR 982.401.

HACH will conduct HQS inspections of individual units prior to selection of the site and again at prior to execution of the HAP contract for each assisted unit. Additionally, for each assisted family in the units, annual inspections will be conducted as well as turnover inspections (move in and move out inspections when the unit becomes vacant and then again leased up). HACH reserves the right to inspect the unit at any time outside of the aforementioned times (i.e., quality control inspections, tenant compliant or landlord complaint inspections).

#### Lead Based Paint

The lead-based paint requirements under 982.401 do not apply to PBV programs, however, the Lead-Based Paint Poisoning Prevention Act and the Residential Lead Based Paint Hazard Reduction Act of 1992 and implementing regulations at 24 CFR part 35, subparts A, B, H and R apply to the PBV program.

#### Housing Accessibility

The proposed and selected housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8. HACH shall ensure that the percentage of accessible dwelling units complies with said requirements.

In addition, housing first occupied after March 13, 1991 must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205 as applicable.

#### Execution of HAP Contracts

HACH will enter into a HAP contract with the selected owner for an initial term of up to 15 years.

Within one (1) year of expiration, HACH may agree, at its sole discretion, to extend the term of the HAP contract up to an additional number of years equivalent to the original HAP term if HACH determines that an extension is appropriate to advance the best interests of HACH.

The HAP contract will state that HACH's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or the HACH in accordance with HUD instructions. The owner may terminate the HAP contract, upon notice to HACH, if the amount of the rent to owner for any contract unit is reduced below the amount of the initial rent to owner at the beginning of the HAP contract term. In such cases, the assisted families residing in the contract units will be offered tenant-based voucher assistance.

#### Owner Responsibilities

The owner must maintain and operate the contract units and premises in accordance with the Housing Quality Standards including performance of ordinary and extraordinary maintenance. In addition, the owner certifies that at execution and during the term of the HAP contract, all the following:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS
- The owner is providing all services, maintenance, equipment, and utilities as agreed to under the HAP contract and the leases
- Each contract unit for which the owner is receiving HAP contract payment, is leased to an eligible family referred by the PHA, and the lease is in accordance with the HAP contract and HUD requirements
- To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP contract payments, and the unit is the family's only residence
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit
- The amount of the HAP contract payment the owner is receiving is correct under



the HAP contract

- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units
- Except for HAP contract payments and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit
- The family does not own or have any interest in the contract unit (does not apply to family's membership in a cooperative)
- Repair work on the project selected as an existing project that is performed after HAP contract execution within such post-execution period as specified by HUD may constitute development activity, and if determined to be development activity, the repair work undertaken is in compliance with Davis-Bacon wage requirements

### Tenant Selection

HACH will select families from a separately established wait list for project-based vouchers. Eligible in place families receiving vouchers will not impact the wait list or be impacted by the waitlist. Should an owner tenant selection plan allow for referrals and such referrals are eligible and permissible under the admin plan they will receive a preference to be housed. Not less than 75% of the families admitted to the tenant based and project-based voucher programs will be extremely low-income families.

HACH may only provide rental assistance to families determined eligible at the commencement of PBV assistance in accordance with the Administrative Plan, Chapter 3 Eligibility.

In selecting families to occupy PBV units with special accessibility features for persons with disabilities, HACH must first refer families who require such accessibility features to the owner.

Once a family has been determined eligible, the head of household will be invited to attend a briefing session as outlined in the Administrative Plan, Chapter 5 Briefings and Voucher Issuance.

Should the tenant be terminated by the owner for good cause, the tenant will not be eligible for a tenant-based voucher upon lease termination. Should the owner choose not to renew the lease without good cause, the tenant will be offered a tenant-based voucher.

The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to the PHA. If the family wishes to move with continued tenant-based assistance, the family must contact the PHA to request the rental assistance prior to providing notice to terminate

the lease. If the family terminates the lease in accordance with these requirements, the PHA is required to offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If voucher or other comparable tenant-based assistance is not immediately available upon termination of the family's lease in the PBV unit, the PHA must give the family priority to receive the next available opportunity for continued tenant-based assistance. If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

**In-Place Families [24 CFR 983.251(b)]** An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by the PHA is considered an "in-place family." These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on the PHA's Housing Authority waiting list. Once the family's continued eligibility is determined (the PHA may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute selection preference and the PHA must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements. This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

#### Rent to Owner

The amount of initial rent to owner is determined prior to execution of the HAP contract in accordance with the Administrative Plan, Chapter 17 – Project Based Vouchers. There is an exception of initial contract rents for certain tax credit units as follows:

- A contract unit that receives a low-income housing tax credit under the IRS Code of 1986; or
- The contract unit is not located within a qualified census tract; or
- In the same building, there are comparable tax credit units of the same unit bedroom size as the contract unit and the comparable tax credit units do not have any form of rental assistance other than the tax credit; or
- The tax credit rent exceeds one-hundred ten percent (110%) of the fair market rent or any approved exception payment standard.

In such excepted tax credit units, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance;
- An amount determined by the PHA, not to exceed one-hundred ten percent (110%) of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance;
- The reasonable rent; or

The rent requested by the owner.

The initial contract rent for any other tax credit unit, not included in the aforementioned list, will be determined in accordance with the Administrative Plan, Chapter 17 – Project Based Vouchers.

For units assisted under the HOME program, rents may not exceed the rent limits as required by the HOME program.

Payment to Owner

HACH will administer payments to owners as outlined in Administrative Plan, Chapter 17 – Project Based Vouchers.

Tenant Rent/Payment to Owner

HACH will administer payments to owners as outlined in Administrative Plan, Chapter 17 – Project Based Vouchers.

**III. PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS - OFFEROR'S UNDERSTANDING OF REQUIREMENTS**

Offerors are expected to examine and understand all components of this solicitation, the applicable regulations and the current HACH HCV Administrative Plan. Failure to do so will be at the Offeror's risk.

Submission

Each Proposal should be organized by the topics described within this Section titled "Content of the Technical Proposal" and submitted in the same order. Paper copies of proposals will not be accepted.

Questions from Prospective Offerors

Any prospective Offeror desiring an explanation or interpretation of the Request for Proposal must request it in writing. Oral explanations or instructions will not be binding. Any information given to a perspective Offeror concerning a Request for Proposal will be furnished promptly to all other prospective respondents as an addendum to the Request for Proposal, if that information is necessary in preparing and submitting the submission or if the lack of it would be prejudicial to any prospective respondents. All questions regarding this RFP should be directed in writing, to bids@hartfordhousing.org.

Addendum to the Request for Proposal

HACH may deem it necessary to make modifications, clarifications or changes to the Request for Proposal at any time. Those modifications will be made in the form of a written addendum issued by HACH. The issuance of an addendum modifies only those items specifically

discussed in the addendum and all other terms and conditions of the Request for Proposal will remain unchanged.

The Offeror must acknowledge receipt of any addenda to the Request for Proposal by signing and returning with the Proposal a copy of the attached Addendum Acknowledgement Form.

#### Modification or Withdrawal of the Proposal

In no event will HACH accept modifications to Proposals after the submission deadline, unless it specifically requests “Best & Final Offers” subsequent to the completion of the evaluation process and discussions with firms in the competitive range.

However, withdrawals of Proposals may be made in writing to bids@hartfordhousing.org. No Proposals may be withdrawn for a period of sixty (60) days from the submission deadline.

#### Content of the Technical Proposal

The Technical Proposal shall include all of the items listed below and should be organized by the topics and submitted in the same order.

1. Cover Page -The cover page should identify the Request for Proposal by its name. It should also bear the Respondent’s name, address, and telephone and fax numbers.
2. Table of Contents - The table of contents should clearly identify the location of each section of the package by section number or letter and page number. The sections should be identified by consecutive letters or numbers and the contents of each section shall be number separately with the section letter or number as a prefix to the page number (e.g., A-1, A-2, A-3).
3. Contents
  - a. Letter of Intent
  - b. Firm / Landlord Profiles - Provide a Firm / Landlord Profile of each of the owners participating in the project. The profile should include contact information, management company and owner information as applicable. Also include a brief overview of leasing history in the Hartford community and previous experience with the Section 8 program.
  - c. Site Description - Provide information relative to the proposed site for Project Based Voucher assistance including the total number of units in the development, the number of units requested to be included in the Project Based Voucher Program, bedroom sizes and / or any amenities located on the premises as well as within a five-mile radius (i.e., access to transportation, employment, grocery stores, schools, etc.).

- d. Number of Units Covered Under Project Based Voucher Program - Indicate the number of units requested to be assisted under the Project Based Voucher Program and the total number of units in the multi-family development. If the proposal requests funding for greater than 25% of the units in the multi-family development, provide a detailed description of the supportive services that will be provided to the families or elderly tenants residing in the development.
        - e. Site Standards – Address how the proposed project-based voucher program units meet the site standards described in this RFP.
        - f. Environmental Review - Include a statement on the applicant’s willingness to have an environmental review conducted on the proposed site for the project-based voucher program. If an environmental review has previously been conducted, please include results within the proposal as an attachment/exhibit.
        - g. Lead Based Paint - Include a statement relative to the applicant’s ability to comply with said regulations relative to Lead Based Paint.
        - h. Contract Term - Indicate the contract term sought by the applicant under this proposal.
        - i. PBV Placement Timing – Indicate how quickly the owner believes it can place PBVs and sign a HAP contract.
4. Past Performance - Provide information relative to the number and addresses of owned units that have participated under the Section 8 Program previously within either the tenant-based program or previous project-based programs.
5. References - Provide a list of not less than three (3) references that have recent knowledge of the applicant’s past performance as a landlord.
6. Approach and Methodology - Describe the applicant’s understanding of the Project Based Voucher program.
7. Small, Minority-Owned and Women-Owned Business Participation - HACH supports small, minority-owned and women-owned enterprises (MBE / WBE). Briefly describe the proposed participation of any small, minority-owned or women-owned businesses in this engagement, if any. The description should indicate whether the firm(s) is small, minority-owned or women-owned and

whether it is the prime, a joint venture partner, an associated firm or a consultant. It should include an estimation of the percentage of the contract that may be attributable to the firm.

8. Certifications and Affidavits - HUD regulation, federal or state statute or HACH policy requires certain certificates and affidavits. A principal, partner or officer of the firm who is legally authorized to enter into a contractual relationship in the name of the firm must sign the documents. Copies of the required certifications and affidavits are included in Appendix A.

### **III. EVALUATION / SELECTION PROCESS AND SELECTION CRITERIA**

#### *Evaluation and Selection Method*

Submissions received will be initially screened for completeness and responsiveness. To be determined responsive, the submission must include a Technical Proposal packaged and identified in accordance with the instruction in Section III.

Submissions lacking these items will be deemed non-responsive and will not be considered further.

The maximum score possible for a Technical Proposal is 85 points.

Once the Proposal Evaluation Scores have been calculated, the Evaluation/Selection Committee may commence discussions with all offerors determined to be within the competitive range of number of units requested to be assisted and proposed contract rents for said units. An interview may be scheduled with each of those landlords/entities to discuss their proposed scope of work, approach, methodology and price and to clarify concerns identified during the evaluation of their proposals.

Multiple firms / landlords receiving acceptable scores may be recommended for award of the contract. Once a selection has been made, the Evaluation/Selection Committee will present its contract award recommendation to the Executive Director and/or the Board of Commissioners.

#### *Evaluation Criteria and Rating System*

Each Proposal will be evaluated and rated using the following criteria and rating system.

#### **TECHNICAL PROPOSAL**

1. Capacity to Enter into Project Based Voucher Program HAP Contract (Maximum Rating: 25 Points)

Evidence of the offeror's ability to perform the services, as indicated by:

- The number of units requested to be assisted under the PBV Program.

- The extent to which units are currently occupied by families eligible to participate in the PBV program.
  - The scope of supportive services provided to tenants if the total request of units exceeds 25% of the total units within the development.
  - The respondent's ability to provide the required services based on the respondent's workload during the proposed HACH contract.
2. Past Performance (Maximum Rating: 25 Points)
- Past performance as indicated by:
- Its experience in providing decent, safe, sanitary housing to low and moderately low-income families.
  - The landlord / entity's knowledge of Section 8 programs as well as history as a responsive landlord participating in the Housing Choice Voucher Program.
3. Approach and Methodology (Maximum Rating: 30 Points)
- The offeror understands of the overall program management tasks as indicated by his/her willingness to cooperate with:
- Housing Quality Standards / Civil Rights / Disabilities / Lead Based Paint / Environmental Review Requirements;
  - Deconcentration of low and moderately low-income families in rental units within the City of Hartford.
4. Small, Minority-Owned and Women-Owned Business Participation (Maximum Rating: 5 Points) Evidence that the firm is a minority-owned business and/or that the firm has included small businesses, minority enterprises and/or women-owned enterprises on the project team.

*HACH-scored: Background Check (Deduct up to 30 Points)*

Points deducted in this category are deducted in the sole judgment of HACH's Evaluation Team.

Attach information on the following to your application:

- Lawsuits: disclose all lawsuits against the proposer and its principals over the last five years. Disclose knowledge of any pending or current litigation.
- Code Compliance: in all jurisdictions disclose any non-compliance notices or noise complaints issued by the City Building or Fire Departments over the last five years against any properties owned by the proposer or its principals
- Crime: provide copies of all Police Reports issued for incidents that have occurred on the proposer's properties over the last five years.

HACH may request references, obtain credit ratings, Better Business Bureau records, interview tenants, and take other steps it deems necessary to evaluate the management capabilities of the proposer.

In order to promote partially assisted projects, projects where less than 25 percent of the units will be assisted will be rated higher than projects where 25 percent or more of the units assisted. In the case of projects for occupancy by the elderly, persons with disabilities, or families needing other services, HACH will rate partially assisted projects on the percentage of units assisted. Projects with the lowest percentage of assisted units will receive the highest score.

#### **IV. CONTRACT TERMS AND CONDITIONS**

HACH will require the selected firm or firms to enter into a Housing Assistance Payment Contract that will further specify all terms and conditions of the agreement between the firm and HACH. A copy of the form of Housing Assistance Payment Contract is included in Appendix A

This RFP does not commit HACH to award a contract or to procure or contract for services. HACH reserves the right to issue addendums should it become necessary to revise any part of this RFP, provide additional information necessary to adequately interpret provisions and requirements of this RFP, or respond to written inquiries concerning the RFP. Respondents should not undertake any activities or actions to promote or advertise the submittal of their proposals, other than through discussions with HACH as described in this RFP. HACH will select the respondents that it determines are the most responsive and responsible in meeting HACH's goal to preserve affordable housing. As a result of this request for proposals, it is HACH's intent to enter into Housing Assistance Payment Contracts clearly defining the rights and obligations of HACH and selected respondents, in the HUD prescribed format. Any agreements resulting from this RFP must comply with all applicable statutes, rules and regulations of the federal government and State of Connecticut.

HACH is not liable for any costs incurred by the respondents in proposal preparation. Any proposals received after the RFP deadline will not be accepted nor reviewed. No respondent shall have any legal, equitable, or contractual rights of any kind arising out of its submission of a proposal.

To the fullest extent permitted under applicable law, HACH reserves the right to:

- A. Extend the submission deadline by a reasonable time.
- B. In its sole discretion recommend the award of project-based vouchers related to this RFP based upon the written proposals received by HACH, without prior discussion or negotiation with respect to those proposals.
- C. At its sole discretion accept or reject any and all proposals received as a result of this RFP.



- D. Conduct discussions with all responsible respondents, in any manner necessary, to serve the best interest of HACH.
- E. Request additional information from any or all prospective respondents, if necessary, to clarify information that is contained in the proposals.
- F. Request one or more presentations of the respondents on their proposals at HACH's offices. The presentations are at the respondent's sole cost and expense.
- G. HACH reserves the right to cancel this RFP and to waive minor irregularities or informalities of respondents if it is deemed in HACH's interest.
- H. Award project-based vouchers to multiple respondents based on separate.

HACH shall permanently debar any respondent or contractor for a conviction under Federal or state practices involving the administration or award of a contract with HACH or permanent debarment of the respondent or contractor by another governmental agency.

The respondent or contractor shall be provided notice and an opportunity to present evidence and show cause before HACH, why such ineligibility shall not be declared after a factual basis for debarment has been established.

## **APPENDIX A**

### Certifications / Affidavits / Offer Forms

1. HUD Form SF-LLL (Attached)
2. HUD Form 50071 (Attached)
3. Sample HAP Contract (Attached)
4. Current Financial Statement - Attach your most recent financial statements in a separate envelope. This information will not be included with any information that is made public unless it is already part of a document that has been distributed to the public.
5. Equal Opportunity Certification (Attached)
6. Proposers Disclosure (Attached)
7. Acknowledgement of Addenda (Attached)

**Equal Opportunity Certification**

I certify that I, \_\_\_\_\_ , as the authorized owner for the project named \_\_\_\_\_ shall comply with the Title VI of the Civil Rights Act of 1996, Title VIII of the Civil Rights Act of 1968, E.O. 11063, E.O. 11246, Section 3 of the Housing and Urban Development Act of 1968 (Equal Opportunity requirements) and all applicable Federal requirements listed in 24 CFR 983.11 including, but not limited to, the payment, if applicable, of not less than the prevailing wages in the locality pursuant to the Davis-Bacon Act to all laborers and mechanics employed in the construction of the project.

Signature \_\_\_\_\_

Print Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**Proposer's Disclosure**

Disclose:

1. Material information relating to any legal or regulatory proceeding or investigation in which the proposer/project sponsor is or has been a party and that might have a material impact on the financial viability of the project or the proposer/project sponsor. Such disclosures should include any parent, subsidiary, or affiliate of the proposer/project sponsor that is involved in the management, operation, or development of the project; and

2. Any civil, criminal, or regulatory action in which the proposer/project sponsor, or any current board members, partners, limited liability corporation members, senior officers, or senior management personnel has been named a defendant in such action in the past 10 years involving fraud or corruption, or matters involving health and safety where there are allegations of serious harm to employees, the public, or the environment.

Disclosures should include civil or criminal cases filed in state or federal court; civil or criminal investigations by local, state, or federal law enforcement authorities; and enforcement proceedings or investigations by local, state or federal regulatory agencies. The information provided must include relevant dates, the relationship to the proposer, the nature of the allegation(s), complaint or filing, and the outcome. For a publicly-traded company, the relevant sections of the company's 10K, 8K, and 10Q most recently filed with the Securities and Exchange Commission may be attached in response to question #1. With respect to a response for question #2, previous 10K, 8K, and 10Q filings of the company may be attached if applicable.

OR

Nothing to Disclose (check if applicable)

Signature (Proposer/Project Sponsor) \_\_\_\_\_

Printed Name of Signatory \_\_\_\_\_

Printed Title of Signatory \_\_\_\_\_

Date \_\_\_\_\_

HOUSING AUTHORITY OF THE CITY OF HARTFORD

ACKNOWLEDGEMENT OF ADDENDA FORM

Proposer has received the following Addenda, the receipt of which is hereby acknowledged:

Addendum Number \_\_\_\_\_ Date Received: \_\_\_\_\_

Addendum Number \_\_\_\_\_ Date Received: \_\_\_\_\_

Addendum Number \_\_\_\_\_ Date Received: \_\_\_\_\_

Addendum Number \_\_\_\_\_ Date Received: \_\_\_\_\_

Addendum Number \_\_\_\_\_ Date Received: \_\_\_\_\_

(Company Name) \_\_\_\_\_

(Signature) \_\_\_\_\_

# DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

Approved by OMB

0348-0046

(See reverse for public burden disclosure.)

<b>1. Type of Federal Action:</b> <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	<b>2. Status of Federal Action:</b> <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	<b>3. Report Type:</b> <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change <b>For Material Change Only:</b> year _____ quarter _____ date of last report _____
<b>4. Name and Address of Reporting Entity:</b> <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, <i>if known</i> :  <b>Congressional District, if known:</b>	<b>5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:</b>   <b>Congressional District, if known:</b>	
<b>6. Federal Department/Agency:</b>	<b>7. Federal Program Name/Description:</b>  CFDA Number, <i>if applicable</i> : _____	
<b>8. Federal Action Number, if known:</b>	<b>9. Award Amount, if known:</b> \$ _____	
<b>10. a. Name and Address of Lobbying Registrant</b> <i>(if individual, last name, first name, MI):</i>	<b>b. Individuals Performing Services</b> <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i>	
<b>11.</b> Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____	
<b>Federal Use Only:</b>		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

## INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.  
  
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

# Certification of Payments to Influence Federal Transactions

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (Exp. 01/31/2017)

Applicant Name

Program/Activity Receiving Federal Grant Funding

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Title

Signature

Date (mm/dd/yyyy)



**U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing**

**SECTION 8 PROJECT-BASED VOUCHER PROGRAM  
HOUSING ASSISTANCE PAYMENTS CONTRACT**

**NEW CONSTRUCTION OR REHABILITATION**

**PART 1 OF HAP CONTRACT**

Public reporting burden for this collection of information is estimated to average 2 hours. This includes the time for collecting, reviewing and reporting the data. The information is being collected as required by 24 CFR 983.202, which requires the PHA to enter into a HAP contract with the owner to provide housing assistance payments for eligible families. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number. Assurances of confidentiality are not provided under this collection.

Privacy Act Statement. HUD is committed to protecting the privacy of individuals' information stored electronically or in paper form, in accordance with federal privacy laws, guidance, and best practices. HUD expects its third-party business partners, including Public Housing Authorities, who collect, use maintain, or disseminate HUD information to protect the privacy of that information in Accordance with applicable law.

**1. CONTRACT INFORMATION**

**a. Parties**

This housing assistance payments (HAP) contract is entered into between:

\_\_\_\_\_ ( PHA) and  
\_\_\_\_\_ (owner).

**b. Contents of contract**

The HAP contract consists of Part 1, Part 2, and the contract exhibits listed in paragraph c.

**c. Contract exhibits**

The HAP contract includes the following exhibits:

EXHIBIT A: TOTAL NUMBER OF UNITS IN PROJECT COVERED BY

THIS HAP CONTRACT; INITIAL RENT TO OWNER; AND DESCRIPTION OF THE CONTRACT UNITS. (See 24 CFR 983.203 for required items.) If this is a multi-stage project, this exhibit must include a description of the units in each completed phase.

EXHIBIT B: SERVICES, MAINTENANCE AND EQUIPMENT TO BE PROVIDED BY THE OWNER WITHOUT CHARGES IN ADDITION TO RENT TO OWNER

EXHIBIT C: UTILITIES AVAILABLE IN THE CONTRACT UNITS, INCLUDING A LISTING OF UTILITY SERVICES TO BE PAID BY THE OWNER (WITHOUT CHARGES IN ADDITION TO RENT TO OWNER) AND UTILITIES TO BE PAID BY THE TENANTS

EXHIBIT D: FEATURES PROVIDED TO COMPLY WITH PROGRAM ACCESSIBILITY FEATURES OF SECTION 504 OF THE REHABILITATION ACT OF 1973

#### ADDITIONAL EXHIBITS

**d. Single-Stage and Multi-Stage Contracts (place a check mark in front of the applicable project description).**

**Single-Stage Project**

This is a single-stage project. For all contract units, the effective date of the HAP contract is: \_\_\_\_\_ .

**Multi-Stage Project**

This is a multi-stage project. The units in each completed stage are designated in Exhibit A.

The PHA enters the effective date for each stage after completion and PHA acceptance of all units in that stage. The PHA enters the effective date for each stage in the "Execution of HAP contract for contract units completed and accepted in stages" (starting on page 10).

The annual anniversary date of the HAP contract for all contract units in this multi-stage project is the anniversary of the effective date of the HAP

contract for the contract units included in the first stage. The expiration date of the HAP contract for all of the contract units completed in stages must be concurrent with the end of the HAP contract term for the units included in the first stage (see 24 CFR 983.206(c)).

**e. Term of the HAP contract**

**1. Beginning of term**

The PHA may not enter into a HAP contract for any contract unit until the PHA (or an independent entity, as applicable) has determined that the unit meets PBV inspection requirements. The term of the HAP contract for any unit begins on the effective date of the HAP contract.

**2. Length of initial term**

- a. Subject to paragraph 2.b, the initial term of the HAP contract for any contract units is: \_\_\_\_\_.
- b. The initial term of the HAP contract for any unit may not be less than one year, nor more than twenty years.

**3. Extension of term**

The PHA and owner may agree to enter into an extension of the HAP contract at the time of initial HAP contract execution, or any time prior to expiration of the contract. Any extension, including the term of such extension, must be in accordance with HUD requirements. A PHA must determine that any extension is appropriate to achieve long-term affordability of the housing or expand housing opportunities.

**4. Requirement for sufficient appropriated funding**

- a. The length of the initial term and any extension term shall be subject to availability, as determined by HUD, or by the PHA in accordance with HUD requirements, of sufficient appropriated funding (budget authority), as provided in appropriations acts and in the PHA's annual contributions contract (ACC) with HUD, to make full payment of housing assistance payments due to the owner for any contract year in accordance with the HAP contract.

- b. The availability of sufficient funding must be determined by HUD or by the PHA in accordance with HUD requirements. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the PHA has the right to terminate the HAP contract by notice to the owner for all or any of the contract units. Such action by the PHA shall be implemented in accordance with HUD requirements.

**f. Occupancy and payment**

**1. Payment for occupied unit**

During the term of the HAP contract, the PHA shall make housing assistance payments to the owner for the months during which a contract unit is leased to and occupied by an eligible family. If an assisted family moves out of a contract unit, the owner may keep the housing assistance payment for the calendar month when the family moves out (“move-out month”). However, the owner may not keep the payment if the PHA determines that the vacancy is the owner’s fault.

**2. Vacancy payment**

THE PHA HAS DISCRETION WHETHER TO INCLUDE THE VACANCY PAYMENT PROVISION (PARAGRAPH e.2), OR TO STRIKE THIS PROVISION FROM THE HAP CONTRACT FORM.

- a. If an assisted family moves out of a contract unit, the PHA may provide vacancy payments to the owner for a PHA-determined vacancy period extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month.
- b. The vacancy payment to the owner for each month of the maximum two-month period will be determined by the PHA, and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant’s security deposit). Any vacancy payment may cover only the period the unit remains vacant.

- c. The PHA may make vacancy payments to the owner only if:
  - 1. The owner gives the PHA prompt, written notice certifying that the family has vacated the unit and the date when the family moved out (to the best of the owner's knowledge and belief);
  - 2. The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;
  - 3. The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
  - 4. The owner provides any additional information required and requested by the PHA to verify that the owner is entitled to the vacancy payment.
- d. The PHA must take every reasonable action to minimize the likelihood and length of vacancy.
- e. The owner may refer families to the PHA and recommend selection of such families from the PHA waiting list for occupancy of vacant units.
- f. The owner must submit a request for vacancy payments in the form and manner required by the PHA and must provide any information or substantiation required by the PHA to determine the amount of any vacancy payments.

**3. PHA is not responsible for family damage or debt to owner**

Except as provided in this paragraph e (Occupancy and Payment), the PHA will not make any other payment to the owner under the HAP contract. The PHA will not make any payment to the owner for any damages to the unit, or for any other amounts owed by a family under the family's lease.

**g. Income-mixing requirement**

- 1. Except as provided in paragraphs f.2 through f.5 below, the PHA will not

make housing assistance payments under the HAP contract for more than the greater of 25 units or 25 percent of the total number of dwelling units (assisted or unassisted) in any project. The term “project” means a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land assisted under this HAP contract.

2. The limitation in paragraph f.1 does not apply to single-family buildings.
3. In referring eligible families to the owner for admission to the number of contract units in any project exceeding the 25 unit or 25 percent limitation under paragraph f.1, the PHA shall give preference to elderly families or to families eligible for supportive services, for the number of contract units designated for occupancy by such families. The owner shall rent the designated number of contract units to such families referred by the PHA from the PHA waiting list.
4. Up to the greater of 25 units or 40 percent of units (instead of the greater of 25 units or 25 percent of units) in a project may be project-based if the project is located in a census tract with a poverty rate of 20 percent or less.
5. Units that were previously subject to certain federal rent restrictions or receiving another type of long-term housing subsidy provided by HUD do not count toward the income-mixing requirement if, in the five years prior to issuance of the Request for Proposal or notice of owner selection (for projects selected based on a prior competition or without competition), the unit received one of the forms of HUD assistance or was under a federal rent restriction as described in f.6 and f.7, below.
6. The following specifies the number of contract units (if any) that received one of the following forms of HUD assistance (enter the number of contract units in front of the applicable form of assistance):
  - \_\_\_ Public Housing or Operating Funds;
  - \_\_\_ Project-Based Rental Assistance (including Mod Rehab and Mod Rehab Single-Room Occupancy);
  - \_\_\_ Housing for the Elderly (Section 202 or the Housing Act of 1959);
  - \_\_\_ Housing for Persons with Disabilities (Section 811 of the Cranston-Gonzalez Affordable Housing Act);

- Rent Supplement Program;
- Rental Assistance Program;
- Flexible Subsidy Program.

The following total number of contract units received a form of HUD assistance listed above: \_\_\_\_\_. If all of the units in the project received such assistance, you may skip sections g.7 and g.8, below.

7. The following specifies the number of contract units (if any) that were under any of the following federal rent restrictions (enter the number of contract units in front of the applicable type of federal rent restriction):

- Section 236;
- Section 221(d)(3) or (d)(4) BMIR (below-market interest rate);
- Housing for the Elderly (Section 202 or the Housing Act of 1959);
- Housing for Persons with Disabilities (Section 811 of the Cranston-Gonzalez Affordable Housing Act);
- Flexible Subsidy Program.

The following total number of contract units were subject to a federal rent restriction listed above: \_\_\_\_\_. If all of the units in the project were subject to a federal rent restriction, you may skip section g.8, below.

8. The following specifies the number of contract units (if any) designated for occupancy by elderly families or by families eligible for supportive services:

- a. Place a check mark here  if any contract units are designated for occupancy by elderly families; The following number of contract units shall be rented to elderly families:

\_\_\_\_\_.

- b. Place a check mark here  if any contract units are designated for occupancy by families eligible for supportive services. The

following number of contract units shall be rented to families  
eligible for supportive services:

\_\_\_\_\_.

9. The PHA and owner must comply with all HUD requirements regarding income mixing.



**EXECUTION OF HAP CONTRACT FOR SINGLE-STAGE PROJECT**

<b>PUBLIC HOUSING AGENCY (PHA)</b> <b>Name of PHA (Print)</b>
<b>By:</b> Signature of authorized representative
Name and official title (Print)
Date
<b>OWNER</b> <b>Name of Owner (Print)</b>
<b>By:</b> Signature of authorized representative
Name and official title (Print)
Date

**EXECUTION OF HAP CONTRACT FOR CONTRACT UNITS COMPLETED AND ACCEPTED IN STAGES**

(For multi-stage projects, at acceptance of each stage, the PHA and the owner sign the HAP contract execution for the completed stage.)

<b>STAGE NO. 1:</b> The Contract is hereby executed for the contract units in this stage. <b>STAGE EFFECTIVE DATE:</b> The effective date of the Contract for this stage is:
Date
<b>PUBLIC HOUSING AGENCY (PHA)</b> <b>Name of PHA (Print)</b>
By: Signature of authorized representative
Name and official title (Print)
Date
<b>OWNER</b> <b>Name of Owner (Print)</b>
By: Signature of authorized representative
Name and official title (Print)
Date

**STAGE NO. 2:** The Contract is hereby executed for the contract units in this stage.

**STAGE EFFECTIVE DATE:** The effective date of the Contract for this stage is:

Date

**PUBLIC HOUSING AGENCY (PHA)**

**Name of PHA (Print)**

By:

Signature of authorized representative

Name and official title (Print)

Date

**OWNER**

**Name of Owner (Print)**

By:

Signature of authorized representative

Name and official title (Print)

Date

<b>STAGE NO. 3:</b> The Contract is hereby executed for the contract units in this stage.
<b>STAGE EFFECTIVE DATE:</b> The effective date of the Contract for this stage is:
Date
<b>PUBLIC HOUSING AGENCY (PHA)</b>
<b>Name of PHA (Print)</b>
By:
Signature of authorized representative
Name and official title (Print)
Date
<b>OWNER</b>
<b>Name of Owner (Print)</b>
By:
Signature of authorized representative
Name and official title (Print)
Date

**STAGE NO. \_\_:** The Contract is hereby executed for the contract units in this stage.

**STAGE EFFECTIVE DATE:** The effective date of the Contract for this stage is:

Date

**PUBLIC HOUSING AGENCY (PHA)**

**Name of PHA (Print)**

By:

Signature of authorized representative

Name and official title (Print)

Date

**OWNER**

**Name of Owner (Print)**

By:

Signature of authorized representative

Name and official title (Print)

Date

**U.S. Department of Housing and Urban Development**  
Office of Public and Indian Housing

**MOVING TO WORK (MTW) RIDER TO THE HOUSING ASSISTANCE PAYMENT (HAP)  
CONTRACT FOR THE SECTION 8 TENANT-BASED ASSISTANCE HOUSING CHOICE VOUCHER  
PROGRAM (HCV) AND/OR THE SECTION 8 PROJECT-BASED VOUCHER (PBV) PROGRAM**

Pursuant to the Public Housing Agency's (PHA) participation in the MTW demonstration, the PHA may establish Section 8 HCV or PBV policies or requirements that differ from statutory requirements for both programs contained in the U.S. Housing Act of 1937, the relevant regulatory requirements, and applicable Public and Indian Housing Notices. Where any particular provisions of this HAP Contract differ from or conflict with the MTW activities included in the PHA's approved MTW Supplement to its PHA Plan, the provisions of the MTW Operations Notice and the approved MTW Supplement to the PHA Plan shall supersede any conflicting or differing HAP Contract language. Further, the MTW Activity authorized by the MTW Operations Notice shall govern the PHA's administration of the program notwithstanding a conflicting or differing provision of the HAP Contract. This rider shall be in effect for the term of the HAP Contract or the term of the PHA's participation in the MTW demonstration, whichever ends sooner.

**U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing**

**SECTION 8 PROJECT-BASED VOUCHER PROGRAM**

**HOUSING ASSISTANCE PAYMENTS CONTRACT  
NEW CONSTRUCTION OR REHABILITATION**

**PART 2 OF HAP CONTRACT**

Public reporting burden for this collection of information is estimated to average 2 hours. This includes the time for collecting, reviewing and reporting the data. The information is being collected as required by 24 CFR 983.202, which requires the PHA to enter into a HAP contract with the owner to provide housing assistance payments for eligible families. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number. Assurances of confidentiality are not provided under this collection.

Privacy Act Statement. HUD is committed to protecting the privacy of individuals' information stored electronically or in paper form, in accordance with federal privacy laws, guidance, and best practices. HUD expects its third-party business partners, including Public Housing Authorities, who collect, use maintain, or disseminate HUD information to protect the privacy of that information in Accordance with applicable law.

## **2. DEFINITIONS**

**Agreement.** Agreement to enter into HAP Contract between the owner and the PHA. The HAP contract was entered into following new construction or rehabilitation of the contract units by the owner pursuant to an Agreement.

**Contract units.** The housing units covered by this HAP contract. The contract units are described in Exhibit A.

**Controlling interest.** In the context of PHA-owned units (see definition below), controlling interest means:

- (a) Holding more than 50 percent of the stock of any corporation; or
- (b) Having the power to appoint more than 50 percent of the members of the board of directors of a non-stock corporation (such as a non-profit corporation); or
- (c) Where more than 50 percent of the members of the board of directors of any corporation also serve as directors, officers, or employees of the PHA; or
- (d) Holding more than 50 percent of all managing member interests in an LLC; or

(e) Holding more than 50 percent of all general partner interests in a partnership;  
or

(f) Having equivalent levels of control in other ownership structures.

**Family.** The persons approved by the PHA to reside in a contract unit with assistance under the program.

**HAP contract.** This housing assistance payments contract between the PHA and the owner. The contract consists of Part 1, Part 2, and the contract exhibits (listed in section 1.c of the HAP contract).

**Household.** The family and any PHA-approved live-in aide.

**Housing assistance payment.** The monthly assistance payment by the PHA for a contract unit, which includes: (1) a payment to the owner for rent to the owner under the family's lease minus the tenant rent; and (2) an additional payment to or on behalf of the family if the utility allowance exceeds total tenant payment.

**Housing quality standards (HQS).** The HUD minimum quality standards for dwelling units occupied by families receiving project-based voucher program assistance.

**HUD.** U.S. Department of Housing and Urban Development.

**HUD requirements.** HUD requirements which apply to the project-based voucher program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives.

**Newly constructed housing.** Housing units that do not exist on the proposal selection date and are developed after the date of selection pursuant to an Agreement between the PHA and owner for use under the project-based voucher program.

**Owner.** Any person or entity who has the legal right to lease or sublease a unit to a participant.

**PHA.** Public Housing Agency. The agency that has entered into the HAP contract with the owner. The agency is a public housing agency as defined in the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(6)).

**PHA-owned units.** A unit is "owned by a PHA" if the unit is in a project that is:

(a) Owned by the PHA (which includes a PHA having a "controlling interest" in the entity that owns the unit; see definition above);



(b) Owned by an entity wholly controlled by the PHA; or

(c) Owned by a limited liability company (LLC) or limited partnership in which the PHA (or an entity wholly controlled by the PHA) holds a controlling interest in the managing member or general partner.

**Premises.** The building or complex in which a contract unit is located, including common areas or grounds.

**Principal or interested party.** This term includes a management agent and other persons or entities participating in project management, and the officers and principal members, shareholders, investors, and other parties having a substantial interest in the HAP contract, or in any proceeds or benefits arising from the HAP contract.

**Program.** The project-based voucher program (see authorization for project-based assistance at 42 U.S.C. 1437f(o)(13)).

**Proposal selection date.** The date the PHA gives written notice of proposal selection to the owner whose proposal is selected in accordance with the criteria established in the PHA's administrative plan.

**Rehabilitated housing.** Housing units that exist on the proposal selection date but do not substantially comply with the HQS on that date and are developed pursuant to an Agreement between the PHA and owner for use under the project-based voucher program.

**Rent to owner.** The total monthly rent payable to the owner under the lease for a contract unit. Rent to owner includes payment for any housing services, maintenance and utilities to be provided by the owner in accordance with the lease.

**Tenant.** The person or persons (other than a live-in aide) who executes the lease as a lessee of the dwelling unit.

**Tenant rent.** The portion of the rent to owner payable by the family, as determined by the PHA in accordance with HUD requirements. The PHA is not responsible for paying any part of the tenant rent.

### **3. PURPOSE**

- a. This is a HAP contract between the PHA and the owner.
  - b. The purpose of the HAP contract is to provide housing assistance payments for eligible families who lease contract units that comply with
-

the HUD HQS from the owner.

- c. The PHA must make housing assistance payments to the owner in accordance with the HAP contract for contract units leased and occupied by eligible families during the HAP contract term. HUD provides funds to the PHA to make housing assistance payments to owners for eligible families.

#### **4. RENT TO OWNER; HOUSING ASSISTANCE PAYMENTS**

##### **a. Amount of initial rent to owner**

The initial rent to owner for each contract unit is stated in Exhibit A, which is attached to and made a part of the HAP contract. At the beginning of the HAP contract term, and until rent to owner is adjusted in accordance with section 5 of the HAP contract, the rent to owner for each bedroom size (number of bedrooms) shall be the initial rent to owner amount listed in Exhibit A.

Place a check mark here \_\_\_ if the PHA has elected not to reduce rents below the initial rent to owner.

##### **b. HUD rent requirements**

Notwithstanding any other provision of the HAP contract, the rent to owner may in no event exceed the amount authorized in accordance with HUD requirements. The PHA has the right to reduce the rent to owner, at any time, to correct any errors in establishing or adjusting the rent to owner in accordance with HUD requirements. The PHA may recover any overpayment from the owner.

##### **c. PHA payment to owner**

1. Each month the PHA must make a housing assistance payment to the owner for a unit under lease to and occupied by an eligible family in accordance with the HAP contract.
  2. The monthly housing assistance payment to the owner for a contract unit is equal to the amount by which the rent to owner exceeds the tenant rent.
  3. Payment of the tenant rent is the responsibility of the family. The PHA is not responsible for paying any part of the tenant rent, or for paying any other claim by the owner against a family. The PHA is responsible only for making housing assistance payments to the
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owner on behalf of a family in accordance with the HAP contract.

4. The owner will be paid the housing assistance payment under the HAP contract on or about the first day of the month for which payment is due, unless the owner and the PHA agree on a later date.
5. To receive housing assistance payments in accordance with the HAP contract, the owner must comply with all the provisions of the HAP contract. Unless the owner complies with all the provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.
6. If the PHA determines that the owner is not entitled to the payment or any part of it, the PHA, in addition to other remedies, may deduct the amount of the overpayment from any amounts due the owner, including amounts due under any other housing assistance payments contract.
7. The owner will notify the PHA promptly of any change of circumstances that would affect the amount of the monthly housing assistance payment, and will return any payment that does not conform to the changed circumstances.

**d. Termination of assistance for family**

The PHA may terminate housing assistance for a family under the HAP contract in accordance with HUD requirements. The PHA must notify the owner in writing of its decision to terminate housing assistance for the family in such case.

**5. ADJUSTMENT OF RENT TO OWNER**

**a. PHA determination of adjusted rent**

1. At each annual anniversary during the term of the HAP contract, the PHA shall adjust the amount of rent to owner, upon request to the PHA by the owner, in accordance with law and HUD requirements. In addition, the PHA shall adjust the rent to owner when there is a ten percent decrease in the published, applicable Fair Market Rent in accordance with 24 CFR 983.302. However, if the PHA has elected within the HAP contract not to reduce rents below the initial rent to owner, the rent to owner shall not be reduced below the initial rent to owner except in those cases

described in 24 CFR 983.302(c)(2).

2. The adjustment of rent to owner shall always be determined in accordance with all HUD requirements. The amount of the rent to owner may be adjusted up or down, in the amount defined by the PHA in accordance with HUD requirements.

**b. Reasonable rent**

The rent to owner for each contract unit, as adjusted by the PHA in accordance with 24 CFR 983.303, may at no time exceed the reasonable rent charged for comparable units in the private unassisted market, except in cases where the PHA has elected within the HAP contract not to reduce rents below the initial rent to owner. The reasonable rent shall be determined by the PHA in accordance with HUD requirements.

**c. No special adjustments**

The PHA will not make any special adjustments of the rent to owner.

**d. Owner compliance with HAP contract**

The PHA shall not approve, and the owner shall not receive, any increase of rent to owner unless all contract units are in accordance with the HQS, and the owner has complied with the terms of the assisted leases and the HAP contract.

**e. Notice of rent adjustment**

Rent to owner shall be adjusted by written notice by the PHA to the owner in accordance with this section. Such notice constitutes an amendment of the rents specified in Exhibit A.

**6. OWNER RESPONSIBILITY**

The owner is responsible for:

- a. Performing all management and rental functions for the contract units.
- b. Maintaining the units in accordance with HQS.
- c. Complying with equal opportunity requirements.
- d. Enforcing tenant obligations under the lease.

- e. Paying for utilities and housing services (unless paid by the family under the lease).
- f. Collecting from the tenant:
  - 1. Any security deposit;
  - 2. The tenant rent; and
  - 3. Any charge for unit damage by the family.

**7. OWNER CERTIFICATION**

The owner certifies that at all times during the term of the HAP contract:

- a. All contract units are in good and tenantable condition. The owner is maintaining the premises and all contract units in accordance with the HQS.
- b. The owner is providing all the services, maintenance and utilities as agreed to under the HAP contract and the leases with assisted families.
- c. Each contract unit for which the owner is receiving housing assistance payments is leased to an eligible family referred by the PHA, and the lease is in accordance with the HAP contract and HUD requirements.
- d. To the best of the owner's knowledge, the members of the family reside in each contract unit for which the owner is receiving housing assistance payments, and the unit is the family's only residence.
- e. The owner (including a principal or other interested party) is not the parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit unless the PHA has determined that approving leasing of the unit would provide a reasonable accommodation for a family member who is a person with disabilities.
- f. The amount of the housing assistance payment is the correct amount due under the HAP contract.
- g. The rent to owner for each contract unit does not exceed rents charged by the owner for other comparable unassisted units.
- h. Except for the housing assistance payment and the tenant rent as provided under the HAP contract, the owner has not received and will not receive any payments or other consideration (from the family, the PHA, HUD, or

any other public or private source) for rental of the contract unit.

- i. The family does not own, or have any interest in the contract unit. If the owner is a cooperative, the family may be a member of the cooperative.

## **8. CONDITION OF UNITS**

### **a. Owner maintenance and operation**

The owner must maintain and operate the contract units and premises to provide decent, safe and sanitary housing in accordance with the HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance and utilities set forth in Exhibits B and C, and in the lease with each assisted family.

### **b. PHA inspections**

1. The PHA must inspect each contract unit before execution of the HAP contract. The PHA may not enter into a HAP contract covering a unit until the unit fully complies with the HQS.
2. Before providing assistance to a new family in a contract unit, the PHA must inspect the unit. The PHA may not provide assistance on behalf of the family until the unit fully complies with the HQS.
3. At least biennially during the term of the HAP contract, the PHA must inspect a random sample, consisting of at least 20 percent of the contract units in each building, to determine if the contract units and the premises are maintained in accordance with the HQS. Turnover inspections pursuant to paragraph 2 of this section are not counted toward meeting this biennial inspection requirement.
4. If more than 20 percent of the sample of inspected contract units in a building fail the initial inspection, the PHA must reinspect 100 percent of the contract units in the building.
5. The PHA must inspect contract units whenever needed to determine that the contract units comply with the HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The PHA must take into account complaints and any other information that comes to its attention in scheduling inspections.

**c. Violation of the housing quality standards**

1. If the PHA determines a contract unit is not in accordance with the HQS, the PHA may exercise any of its remedies under the HAP contract for all or any contract units. Such remedies include termination, suspension or reduction of housing assistance payments, and termination of the HAP contract.
2. The PHA may exercise any such contractual remedy respecting a contract unit even if the family continues to occupy the unit.
3. The PHA shall not make any housing assistance for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the PHA and the PHA verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects, the owner must correct the defect within no more than 30 calendar days (or any PHA-approved extension).

**d. Maintenance and replacement—owner’s standard practice**

Maintenance and replacement (including redecoration) must be in accordance with the standard practice for the building concerned as established by the owner.

**9. LEASING CONTRACT UNITS**

**a. Selection of tenants**

1. During the term of the HAP contract, the owner must lease all contract units to eligible families selected and referred by the PHA from the PHA waiting list. (See 24 CFR 983.251.)
2. The owner is responsible for adopting written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant’s ability to perform the lease obligations.
3. Consistent with HUD requirements, and Federal civil rights and fair housing requirements, the owner may apply its own nondiscriminatory admission procedures in determining whether to admit a family referred by the PHA for occupancy of a contract unit. The owner may refer families to the PHA, and recommend

selection of such families from the PHA waiting list for occupancy of vacant units.

4. The owner must promptly notify in writing any rejected applicant of the grounds for rejection.
5. The PHA must determine family eligibility in accordance with HUD requirements.
6. The contract unit leased to each family must be appropriate for the size of the family under the PHA's subsidy standards.
7. If a contract unit was occupied by an eligible family at the time the unit was selected by the PHA, or is so occupied on the effective date of the HAP contract, the owner must offer the family the opportunity to lease the same or another appropriately-sized contract unit with assistance under the HAP contract.
8. The owner is responsible for screening and selecting tenants from the families referred by the PHA from its waiting list.

**b. Vacancies**

1. The owner must promptly notify the PHA of any vacancy in a contract unit. After receiving the owner notice, the PHA shall make every reasonable effort to refer a sufficient number of families for owner to fill the vacancy.
2. The owner must rent vacant contract units to eligible families on the PHA waiting list referred by the PHA.
3. The PHA and the owner must make reasonable, good faith efforts to minimize the likelihood and length of any vacancy.
4. If any contract units have been vacant for a period of 120 or more days since owner notice of vacancy (and notwithstanding the reasonable good faith efforts of the PHA to fill such vacancies), the PHA may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (by number of bedrooms) that have been vacant for such period.



## 10. TENANCY

### a. Lease

The lease between the owner and each assisted family must be in accordance with HUD requirements. In all cases, the lease must include the HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

### b. Termination of tenancy

1. The owner may terminate a tenancy only in accordance with the lease and HUD requirements.
2. The owner must give the PHA a copy of any owner eviction notice to the tenant at the same time that the owner gives notice to the tenant. Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used to commence an eviction action under State or local law.

### c. Family payment

1. The portion of the monthly rent to owner payable by the family (“tenant rent”) will be determined by the PHA in accordance with HUD requirements. The amount of the tenant rent is subject to change during the term of the HAP contract. Any changes in the amount of the tenant rent will be effective on the date stated in a notice by the PHA to the family and the owner.
2. The amount of the tenant rent as determined by the PHA is the maximum amount the owner may charge the family for rent of a contract unit, including all housing services, maintenance and utilities to be provided by the owner in accordance with the HAP contract and the lease.
3. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the PHA. The owner must immediately return any excess rent payment to the tenant.
4. The family is not responsible for payment of the portion of the contract rent covered by the housing assistance payment under the HAP contract. The owner may not terminate the tenancy of an assisted family for nonpayment of the PHA housing assistance

payment.

5. The PHA is responsible only for making the housing assistance payments to the owner on behalf of the family in accordance with the HAP contract. The PHA is not responsible for paying the tenant rent, or any other claim by the owner.

**d. Other owner charges**

1. Except as provided in paragraph 2, the owner may not require the tenant or family members to pay charges for meals or supportive services. Nonpayment of such charges is not grounds for termination of tenancy.
2. In assisted living developments receiving project-based voucher assistance, owners may charge tenants, family members, or both for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of reasonable rent. Non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.
3. The owner may not charge the tenant or family members extra amounts for items customarily included in rent in the locality or provided at no additional cost to the unsubsidized tenant in the premises.

**e. Security deposit**

1. The owner may collect a security deposit from the family.
2. The owner must comply with HUD and PHA requirements, which may change from time to time, regarding security deposits from a tenant.
3. The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted families.
4. When the family moves out of the contract unit, the owner, subject to State and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit or other amounts which the family owes under the lease. The owner

must give the family a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used as reimbursement to the owner, the owner must promptly refund the full amount of the balance to the family.

5. If the security deposit is not sufficient to cover amounts the family owes under the lease, the owner may seek to collect the balance from the family. However, the PHA has no liability or responsibility for payment of any amount owed by the family to the owner.

## **11. FAMILY RIGHT TO MOVE**

- a. The family may terminate its lease at any time after the first year of occupancy. The family must give the owner advance written notice of intent to vacate (with a copy to the PHA) in accordance with the lease. If the family has elected to terminate the lease in this manner, the PHA must offer the family the opportunity for tenant-based rental assistance in accordance with HUD requirements.
- b. Before providing notice to terminate the lease under paragraph a, the family must first contact the PHA to request tenant-based rental assistance if the family wishes to move with continued assistance. If tenant-based rental assistance is not immediately available upon lease termination, the PHA shall give the family priority to receive the next available opportunity for tenant-based rental assistance.

## **12. OVERCROWDED, UNDER-OCCUPIED, AND ACCESSIBLE UNITS**

The PHA subsidy standards determine the appropriate unit size for the family size and composition. The PHA and owner must comply with the requirements in 24 CFR 983.260. If the PHA determines that a family is occupying a wrong-size unit, or a unit with accessibility features that the family does not require, and the unit is needed by a family that requires the accessibility features, the PHA must promptly notify the family and the owner of this determination, and of the PHA's offer of continued assistance in another unit. 24 CFR 983.260(a).

## **13. PROHIBITION OF DISCRIMINATION**

- a. The owner may not refuse to lease contract units to, or otherwise discriminate against any person or family in leasing of a contract unit, because of race, color, religion, sex, national origin, disability, age or familial status.

- b. The owner must comply with the following requirements: The Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR part 100 *et seq.*; Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959-1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107; title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1; the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) and implementing regulations at 24 CFR part 146; section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at part 8 of this title; title II of the Americans with Disabilities Act, 42 U.S.C. 12101 *et seq.*; 24 CFR part 8; Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086, and 12107 (3 CFR, 1964-1965 Comp., p. 339; 3 CFR, 1966-1970 Comp., p. 684; 3 CFR, 1966-1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60; Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971-1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise).
- c. The owner must comply with HUD's Equal Access to HUD-assisted or -insured housing rule (24 CFR 5.105(a)(2)).
- d. The owner must comply with the Violence Against Women Act, as amended, and HUD's implementing regulation at 24 CFR part 5, Subpart L, and program regulations.
- e. The PHA and the owner must cooperate with HUD in the conducting of compliance reviews and complaint investigations pursuant to all applicable civil rights statutes, Executive Orders, and all related rules and regulations.

#### **14. PHA DEFAULT AND HUD REMEDIES**

If HUD determines that the PHA has failed to comply with the HAP contract, or has failed to take appropriate action to HUD's satisfaction or as directed by HUD, for enforcement of the PHA's rights under the HAP contract, HUD may assume the PHA's rights and obligations under the HAP contract, and may perform the obligations and enforce the rights of the PHA under the HAP contract.

## 15. **OWNER DEFAULT AND PHA REMEDIES**

### a. **Owner default**

Any of the following is a default by the owner under the HAP contract:

1. The owner has failed to comply with any obligation under the HAP contract, including the owner's obligations to maintain all contract units in accordance with the housing quality standards.
2. The owner has violated any obligation under any other housing assistance payments contract under Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).
3. The owner has committed any fraud or made any false statement to the PHA or HUD in connection with the HAP contract.
4. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any Federal housing assistance program.
5. If the property where the contract units are located is subject to a lien or security interest securing a HUD loan or a mortgage insured by HUD and:
  - i. The owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement; or
  - ii. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with the HUD loan or HUD-insured mortgage.
6. The owner has engaged in any drug-related criminal activity or any violent criminal activity.

### b. **PHA remedies**

1. If the PHA determines that a breach has occurred, the PHA may exercise any of its rights or remedies under the HAP contract.
2. The PHA must notify the owner in writing of such determination. The notice by the PHA to the owner may require the owner to take corrective action (as verified by the PHA) by a time prescribed in

the notice.

3. The PHA's rights and remedies under the HAP contract include recovery of overpayments, termination or reduction of housing assistance payments, and termination of the HAP contract.

**c. PHA remedy is not waived**

The PHA's exercise or non-exercise of any remedy for owner breach of the HAP contract is not a waiver of the right to exercise that remedy or any other right or remedy at any time.

**16. OWNER DUTY TO PROVIDE INFORMATION AND ACCESS REQUIRED BY HUD OR PHA**

**a. Required information**

The owner must prepare and furnish any information pertinent to the HAP contract as may reasonably be required from time to time by the PHA or HUD. The owner shall furnish such information in the form and manner required by the PHA or HUD.

**b. PHA and HUD access to premises**

The owner must permit the PHA or HUD or any of their authorized representatives to have access to the premises during normal business hours and, for the purpose of audit and examination, to have access to any books, documents, papers and records of the owner to the extent necessary to determine compliance with the HAP contract, including the verification of information pertinent to the housing assistance payments or the HAP contract.

**17. PHA AND OWNER RELATION TO THIRD PARTIES**

**a. Injury because of owner action or failure to act**

The PHA has no responsibility for or liability to any person injured as a result of the owner's action or failure to act in connection with the implementation of the HAP contract, or as a result of any other action or failure to act by the owner.

**b. Legal relationship**

The owner is not the agent of the PHA. The HAP contract does not create or affect any relationship between the PHA and any lender to the owner or any suppliers, employees, contractors or subcontractors used by the owner in connection with the implementation of the HAP contract.

**c. Exclusion of third-party claims**

Nothing in the HAP contract shall be construed as creating any right of a family or other third party (other than HUD) to enforce any provision of the HAP contract, or to assert any claim against HUD, the PHA or the owner under the HAP contract.

**d. Exclusion of owner claims against HUD**

Nothing in the HAP contract shall be construed as creating any right of the owner to assert any claim against HUD.

**18. PHA-OWNED UNITS**

Notwithstanding Section 17 of this HAP contract, a PHA may own units assisted under the project-based voucher program, subject to the special requirements in 24 CFR 983.59 regarding PHA-owned units.

**19. CONFLICT OF INTEREST**

**a. Interest of members, officers, or employees of PHA, members of local governing body, or other public officials**

1. No present or former member or officer of the PHA (except tenant-commissioners), no employee of the PHA who formulates policy or influences decisions with respect to the housing choice voucher program or project-based voucher program, and no public official or member of a governing body or State or local legislator who exercises functions or responsibilities with respect to these programs, shall have any direct or indirect interest, during his or her tenure or for one year thereafter, in the HAP contract.
2. HUD may waive this provision for good cause.

**b. Disclosure**

The owner has disclosed to the PHA any interest that would be a violation of the HAP contract. The owner must fully and promptly update such disclosures.

**c. Interest of member of or delegate to Congress**

No member of or delegate to the Congress of the United States of America or resident-commissioner shall be admitted to any share or part of this HAP Contract or to any benefits arising from the contract.

**20. EXCLUSION FROM FEDERAL PROGRAMS**

**a. Federal requirements**

The owner must comply with and is subject to requirements of 2 CFR part 2424.

**b. Disclosure**

The owner certifies that:

1. The owner has disclosed to the PHA the identity of the owner and any principal or interested party.
2. Neither the owner nor any principal or interested party is listed on the U.S. General Services Administration list of parties excluded from Federal procurement and nonprocurement programs; and none of such parties are debarred, suspended, subject to a limited denial of participation or otherwise excluded under 2 CFR part 2424.

**21. TRANSFER OF THE CONTRACT OR PROPERTY**

**a. When consent is required**

1. The owner agrees that neither the HAP contract nor the property may be transferred without the advance written consent of the PHA in accordance with HUD requirements.
2. "Transfer" includes:
  - a. Any sale or assignment or other transfer of ownership, in any form, of the HAP contract or the property;
  - b. The transfer of any right to receive housing assistance payments that may be payable pursuant to the HAP contract;
  - c. The creation of a security interest in the HAP contract or



the property;

- d. Foreclosure or other execution on a security interest; or
  - e. A creditor's lien, or transfer in bankruptcy.
3. If the owner is a corporation, partnership, trust or joint venture, the owner is not required to obtain advance consent of the PHA pursuant to paragraph a for transfer of a passive and non-controlling interest in the ownership entity (such as a stock transfer or transfer of the interest of a limited partner), if any interests so transferred cumulatively represent less than half the beneficial interest in the HAP contract or the property. The owner must obtain advance consent pursuant to paragraph a for transfer of any interest of a general partner.

**b. Transferee assumption of HAP contract**

No transferee (including the holder of a security interest, the security holder's transferee or successor in interest, or the transferee upon exercise of a security interest) shall have any right to receive any payment of housing assistance payments pursuant to the HAP contract, or to exercise any rights or remedies under the HAP contract, unless the PHA has consented in advance, in writing to such transfer, and the transferee has agreed in writing, in a form acceptable to the PHA in accordance with HUD requirements, to assume the obligations of the owner under the HAP contract, and to comply with all the terms of the HAP contract.

**c. Effect of consent to transfer**

1. The creation or transfer of any security interest in the HAP contract is limited to amounts payable under the HAP contract in accordance with the terms of the HAP contract.
2. The PHA's consent to transfer of the HAP contract or the property does not to change the terms of the HAP contract in any way, and does not change the rights or obligations of the PHA or the owner under the HAP contract.
3. The PHA's consent to transfer of the HAP contract or the property to any transferee does not constitute consent to any further transfers of the HAP contract or the property, including further transfers to any successors or assigns of an approved transferee.

**d. When transfer is prohibited**

The PHA will not consent to the transfer if any transferee, or any principal or interested party is debarred, suspended subject to a limited denial of participation, or otherwise excluded under 2 CFR part 2424, or is listed on the U.S. General Services Administration list of parties excluded from Federal procurement or nonprocurement programs.

**22. SUBSIDY LAYERING**

**a. Owner disclosure**

The owner must disclose to the PHA, in accordance with HUD requirements, information regarding any related assistance from the Federal Government, a State, or a unit of general local government, or any agency or instrumentality thereof, that is made available or is expected to be made available with respect to the contract units. Such related assistance includes, but is not limited to, any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance.

**b. Limit of payments**

Housing assistance payments under the HAP contract must be no more than is necessary, as determined in accordance with HUD requirements, to provide affordable housing after taking account of such related assistance. The PHA will adjust in accordance with HUD requirements the amount of the housing assistance payments to the owner to compensate in whole or in part for such related assistance.

**23. OWNER LOBBYING CERTIFICATIONS**

**a. The owner certifies, to the best of owner's knowledge and belief, that:**

1. No Federally appropriated funds have been paid or will be paid, by or on behalf of the owner, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of the HAP contract, or the extension, continuation, renewal, amendment, or modification of the HAP contract.
2. If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to

influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the HAP contract, the owner must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

- b. This certification by the owner is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352.

**24. TERMINATION OF HAP CONTRACT FOR WRONGFUL SELECTION OF CONTRACT UNITS**

The HAP contract may be terminated upon at least 30 days notice to the owner by the PHA or HUD if the PHA or HUD determines that the contract units were not eligible for selection in conformity with HUD requirements.

**25. NOTICES AND OWNER CERTIFICATIONS**

- a. Where the owner is required to give any notice to the PHA pursuant to the HAP contract or any other provision of law, such notice must be in writing and must be given in the form and manner required by the PHA.
- b. Any certification or warranty by the owner pursuant to the HAP contract shall be deemed a material representation of fact upon which reliance was placed when this transaction was made or entered into.

**26. NOTICE OF TERMINATION OR EXPIRATION WITHOUT EXTENSION**

- a. An owner must provide notice to the PHA, and to the affected tenants, not less than 1 year prior to the termination or expiration without extension of a HAP contract.
- b. An owner who fails to provide such notice must permit tenants to remain in their units for the required notice period with no increase in the tenant portion of the rent. During this time period, an owner may not evict a tenant as a result of the owner's inability to collect an increased tenant portion of rent. With PHA agreement, an owner may extend the terminating contract for a period of time sufficient to give tenants 1 years' advance notice.

**27. FAMILY'S RIGHT TO REMAIN**

Upon termination or expiration of the contract without extension, each family assisted under the contract may elect to use its assistance to remain in the project

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if the family's unit complies with the inspection requirements under section 8(o)(8) (42 U.S.C. 1437f(o)(8) of the U.S. Housing Act of 1937 ("the 1937 Act")), the rent for the unit is reasonable as required by section 8(o)(10)(A) of the 1937 Act, and the family pays its required share of the rent and the amount, if any, by which the unit rent (including the amount allowed for tenant-paid utilities) exceeds the applicable payment standard.

**28. ENTIRE AGREEMENT; INTERPRETATION**

- a. The HAP contract, including the exhibits, is the entire agreement between the PHA and the owner.
- b. The HAP contract must be interpreted and implemented in accordance with all statutory requirements, and with all HUD requirements, including amendments or changes in HUD requirements during the term of the HAP contract. The owner agrees to comply with all such laws and HUD requirements. Any regulatory citation specifically included in this HAP contract is subject to any subsequent revision of such citation.