
SOLICITATION TYPE:	Request for Proposals (RFP)
DESCRIPTION:	Housing Choice Voucher Program (HCVP)– Project-Based Vouchers
RFP NUMBER:	RFP# 18-R002
ISSUE DATE:	August 22, 2018
PRE-PROPOSAL CONFERENCE CALL DETAILS:	September 7, 2018 at 10:00 am ET Access Number: (800) 778-8002 Participant Code: 9950119#
PROPOSAL DUE DATE & TIME:	Wednesday, September 19, 2018 at 3:00 PM ET
PROPOSAL DELIVERY LOCATION:	Attn: Sherry Tobin Manager of Procurement & Contracts See RFP for delivery instructions
DIRECT INQUIRIES TO:	Michelle Holloman Vice President of Housing Choice Voucher Programs mholloman@lucasmha.org
SECTION 3 INQUIRIES:	Martice Bishop Section 3 Compliance Coordinator mbishop@lucasmha.org

Note: All inquiries must be received via e-mail, no later than 12:00 PM Eastern Standard Time, September 10, 2018. All Proposals are subject to the Conditions, Instructions, Requirements and the Specifications attached heretofore. These documents are available at web address: www.lucasmha.org.

All proposers shall be required to meet the Affirmative Action requirements and Equal Employment Opportunity requirements as described in Executive Order #11246. Each proposer must ensure that all employees and applicants for employment are not discriminated against because of their race, color, religion, sex, military status, national origin, disability, pregnancy, genetic information, age, ancestry, religious creed, handicap or sexual orientation.

The responsibility for submitting a response to this RFP to Lucas Metropolitan Housing Authority on or before the stated time and date will be solely and strictly the responsibility of the respondent.

RFP
REQUEST FOR PROPOSALS
18-R002

**Housing Choice Voucher Program (HCVP) –
Project-Based Vouchers**



Prepared by: Lucas Metropolitan Housing Authority
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Demetria M. Simpson
President and Chief Executive Officer

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GENERAL INFORMATION

Introduction

Lucas Metropolitan Housing Authority is a metropolitan housing authority organized and existing under the Ohio Revised Code Section 3735.27, et seq., and is governed by the U.S. Housing Act of 1937, as amended, and subject to regulation under Title 24 of the Code of Federal Regulation.

LMHA is governed by a five (5) person Board of Commissioners, appointed pursuant to the above - cited statute. The President and Chief Executive Officer controls the daily operations.

The mission of LMHA is that “Housing is vital to our past, present and future! We create quality housing opportunities and build communities through collaborative partnerships. While stimulating economic growth, we empower individuals and develop the neighborhoods of tomorrow for the people of today.”

LMHA owns and manages approximately 2,760 public housing units and administers 4,391 federal Housing Choice rental assistance vouchers. The Housing Choice Voucher Program has achieved high performer status.

LMHA is committed to a goal of thirty-five percent of all contract funds being awarded to Minority Business Enterprises (MBE). The firms submitting proposals are encouraged to include MBE participation to the maximum extent possible.

The Evaluation Process or Award without Discussion(s) will be used to select the contract award, beginning with the highest ranked firm. LMHA reserves the right to select a contract(s) with the individual(s), firm(s), or organization(s) who provides the greatest benefit to LMHA, not necessarily the lowest price.

Scope of Work

Housing is vital to our past, present, and future. Creating quality housing opportunities and building communities through collaborative partnerships is Lucas Metropolitan Housing Authority’s (LMHA) mission. LMHA will achieve this mission while stimulating economic growth, empowering individuals and developing the neighborhoods of tomorrow for the people of today. In order to realize this task LMHA is redefining its strategy to reflect the existing needs of current and future households by partnering with the community to provide an array of housing opportunities to a greater portion of Toledo and Lucas County.

LMHA has identified Supportive Housing as one of the existing needs of the community. **Supportive housing**, by definition, is a combination of housing and services intended as a cost-effective way to help people live more stable and productive lives. Within this identified area is the need to provide housing for the Reentry population to assist in lowering recidivism rates. “Re-entry”, as defined by the National Crime Prevention Council, is *“a broad term used to refer to issues related to the transition of offenders from prison to community supervision”*ⁱ. The Council of State Governments (CSG) Justice Center suggests the following: *Securing housing is one of the most immediate challenges individuals leaving prison face upon their release. Research has shown that the types of living arrangements and neighborhoods to which exiting prisoners return are often related to the likelihood that they will*

recidivate and return to prison. Obtaining housing is complicated by a host of factors, including the scarcity of affordable and available housing, legal barriers and regulations, landlords' prejudices against formerly incarcerated individuals, and strict eligibility requirements for federally subsidized housing.

LMHA invites property owners/developers to submit a written proposal demonstrating their project eligibility, qualifications, and interest in securing Project-Based Vouchers (PBV) which will serve the Re-entry population in the jurisdiction of Lucas County, Ohio. PBV assistance provides rental subsidies paid on behalf of eligible families who live in units that are contracted under the program. The solicitation for vouchers under this Request for Proposals (RFP) is strictly for applicants that will be submitting an application in 2018 for new construction, existing, and/or rehabilitated housing. Projects may request up to a fifteen (15) year Housing Assistance Payments (HAP) PBV Contract with LMHA. Up to sixty (60) vouchers are available through this RFP process. LMHA will require the use of the supportive housing model.

The PBV Program regulations are set forth in the Code of Federal Regulations, Title 24, Part 983. A copy of these regulations is available via the following website at www.ecfr.gov. Additionally, please see Appendix A for detailed references to HUD requirements and LMHA's policies per the Housing Choice Voucher Administrative Plan.

Descriptions of households assisted under this RFP are, as follows:

Supportive Housing - A combination of housing and wrap-around services, provided directly by the proposer or through acquired services providers, aimed at providing supportive services for individuals or families without housing alternatives due to substance abuse, mental illness, physical limitations prohibiting functional independence, homelessness non-veterans, and homeless veterans. Supportive housing can be coupled with social services such as, but not limited to (at LMHA's discretion), as job training, life skills training, alcohol and drug abuse programs, community support services (e.g., child care, educational programs, etc.), and case management to the populations in need of assistance. Supportive services, for the purpose of this proposal are for re-entry programs for those previously incarcerated, if the applicant has successfully completed a thorough LMHA-approved re-entry curriculum and meets LMHA's qualifications per the Housing Choice Voucher Program (HCVP) Administrative Plan.

PBV assistance cannot be provided for units on the grounds of a penal, reformatory, medical, mental, or similar public or private institution; shared housing; manufactured home space rental, or the homeownership option. For a complete listing of all ineligible units, refer to the Code of Federal Regulations (CFR), §24, Part 983.53 and 983.54.

Existing, Rehabilitation, or New Construction Properties

- Existing housing is defined as housing immediately ready for occupancy and in compliance, at the time the response to the RFP is submitted, per Housing Quality Standards (HQS). Please see Code of Federal Regulations, §24, Part 982.401 for HQS standards.

Rehabilitated housing is defined as existing housing having been designated for renovation

and modification at the time the response to the RFP is submitted. Rehabilitation cannot commence prior to execution of the *Agreement to Enter into Housing Assistance Payment (HAP) Contract*. Rehabilitation begins with the physical commencement of rehabilitation activity.

- New construction housing is defined as site preparation for, construction of, or completion of entirely new structures and/or significant extensions to existing structures whether or not the site was previously occupied. New construction cannot commence prior to execution of the *Agreement to enter into Housing Assistance Payment (HAP) Contract*. Construction begins when excavation or site preparation occurs (including clearing of the land).
- Proposals selected with units classified as new or rehabilitated must be completed within eighteen (18) months of the execution of the HAP contract.
- The project/site may be subject to an environmental review under 24 CFR Part 50 and 58, as referenced in 24 CR 983.53. The owner must cooperate fully with the environmental review, if such review is deemed necessary by the responsible entity. The owner shall supply LMHA, the responsible entity, and/or HUD (if applicable) all necessary and relevant information to complete the review. Further, the owner is required to carry out any mitigating measures required by the responsible entity or HUD (if applicable) as a result of the environmental review. LMHA will not enter into a HAP contract unless HUD approves a release of funds (when submission is required).
- The project/site may be subject to the subsidy layering requirement detailed in 24 CFR 983.55 for housing selected for rehabilitation or new construction.

The site must:

1. Be adequate in size, exposure, and contour to accommodate the number of type of units proposed, and adequate utilities and streets must be available to service the site. (The existence of a private disposal system and private sanitary water supply for the site, approved in accordance with law, may be considered adequate utilities.)
2. Promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
3. Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.
4. Be located so that travel time and cost via public transportation or private automobile from the neighborhood resources are not excessive.

By federal regulations, PBV are available for up to 25% of the total units in the development; however, those units occupied by elderly or disabled families or families who have signed supportive services agreements will not be counted toward the 25% unit cap.

PBVs may not be attached to any unit with a family that is either ineligible for the program or chooses not to participate in the program. Households interested in renting a project-based unit are referred to LMHA's waiting list and qualification processing. LMHA will then refer the eligible applicant to the owner for screening. LMHA will maintain the list of eligible applicants for the project-based units; however, the owner is responsible for screening qualified applicants using his or her own admission standards, bearing in mind that the eligible applicants may have poor credit history or no credit history. These admission standards must meet Fair Housing requirements and the owner must comply with all Fair Housing and Equal Opportunity requirements.

LMHA reserves the right to fund some, all or none of the respondents.

LMHA may award multiple contracts/agreements resulting from this solicitation to the owners whose proposals are most consistent with this RFP.

Contract

LMHA may enter into a HAP Contract with an owner of a proposed project qualifying as existing, rehabilitation, or new construction. The Contract must specify:

- a. Number of contract units by number of bedrooms
- b. Identification of the site and the building where the contract units are located, including: the project's name, street address, city or county, state and zip code, block and lot number and any other information necessary to clearly identify the site and the building
- c. Identification of each specific contract unit including; total number of contract units, location of contract unit (by identifying number/letter, the area of each contract unit, the number of bedrooms and bathrooms in each contract unit, and any units meeting UFAS requirements);
- d. Services, maintenance, and equipment to be supplied by the owner without additional charges to the renter
- e. Utilities available to the units, specifying utility services to be paid by the owner and utility services to be paid by the tenant
- f. Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8
- g. Maximum term for HAP Contract is 15 years. The initial term may be extended up to an additional 15 years, subject to HUD regulations.
- h. The number of units in any building exceeding the 25 percent per building cap (as described in 24 CFR 983.56), which will be set-aside for occupancy of qualifying families (elderly or disabled families and families receiving supportive services).

- i. The initial rent to owner (for the first 12 months of the HAP contract).
- j. **The HAP Contract must be executed on HUD forms. Copies will be made available upon request or can be found at:**

<http://portal.hud.gov/hudportal/documents/huddoc?id=52530b-1.pdf>
<http://portal.hud.gov/hudportal/documents/huddoc?id=52530b-2.pdf>
<http://portal.hud.gov/hudportal/documents/huddoc?id=52530a-1.pdf>
<http://portal.hud.gov/hudportal/documents/huddoc?id=52530a-2.pdf>

- k. **LMHA’s Administrative Plan Project-Based Vouchers Policy:**
<https://www.dropbox.com/s/c19pwu00mojlwvt/PBV%20RFP%20-%20Appendix%20A%20Chapter%2017-Project%20Based%20Vouchers.pdf?dl=0>

Preferences for Special Needs

Proposals will be reviewed and selected based on the following preference categories:

- Households receiving supportive services
- Inclusion of affordable units for the disabled or homeless
- Inclusion of affordable units for families consistent with the needs indicated by LMHA’s Housing Choice Voucher Program waiting list and/or other documented needs
- Properties that meet a special housing need (i.e. accessible units, units with a number of bedrooms that are generally hard to find)

FY 2018 Payment					
Bedroom Size	0	1	2	3	4
Payment Standards	511	612	798	1093	1,202

LMHA’s Utility Allowances can be found at:

<https://www.lucasmha.org/DocumentCenter/View/739/2018-Utility-Allowances-Toledo?bidId=>

Delivery of Proposals

An electronic PDF file is to be submitted to the attention of “Sherry Tobin, Manager, Procurement & Contracts”. The file must be labeled with the Respondent’s Name, RFP Title, RFP Number, and Due Date.

Go to our website – www.lucasmha.org , select “Business Partners” at the top, then Procurement under *Doing Business with LMHA*. Under Open Solicitations & Bids, click on ‘Submit a Proposal’, and fill out the cover sheet. Attach your PDF proposal to the cover sheet.

Upload required documents to complete timely submission for this RFP. Items requested must be

received via this method. Failure to submit said documents by the stated deadline will make the Contractor ineligible for award.

The completed submission package must be received by the time and date listed on the cover of this RFP. Proposals received after the deadline will not be considered. Submissions delivered by any other method (to include U.S. Mail, courier or fax) will not be accepted.

All vendors must carefully review their final proposals. Once opened, proposals cannot be changed; however LMHA may request information or respond to inquiries for clarification purpose only.

All vendors submitting a proposal must agree to honor the terms and conditions contained herein for the life of the contract.

Proposal Details

The detailed proposal must include information as follows:

1. Submission Contents

The proposal shall be divided into sections, as follows;

Tab A – Letter of Transmittal

Tab B – Organization

Tab C – Statement of Qualifications and Experience

Tab D – Funding Commitment for Rehabilitation or New Construction

(Not applicable for Existing Housing) Other Information applicable to all housing types

Tab E – Project Information

Tab F – Other Supporting Material

Tab G – Minority Business Enterprise/Women Business Enterprise Participation

Tab H – References

Acceptance and Rejection of Proposals

LMHA reserves the right to accept or reject any or all proposals, to take exception to the RFP specifications, or to waive any formality. Firms may be excluded from further consideration for failure to comply with the specifications of this RFP. The recommendation of LMHA staff, LMHA President and LMHA's Board of Housing Commissioners shall be final.

Withdrawal of Proposal

Proposals may be withdrawn by written request dispatched by the Respondent in time for delivery in the normal course of business prior to the proposal due date and time. Negligence on the part of the Respondent in preparing the required documents confers no right of withdrawal or modification of proposal data after such documents are opened.

Evaluation and Award of Contract

The Evaluation Process will be used to select the agreement award, beginning with the highest ranked firm. LMHA reserves the right to enter into an agreement with individual (s), firm (s), or

organization (s) that provides the greatest benefit to LMHA. Firms in the competitive range may be required to be interviewed by the evaluation panel.

LMHA will select the responses most advantageous to LMHA needs based upon the evaluation criteria stated herein.

LMHA reserves the right to waive any minor irregularity or technicalities in the proposals received, as long as there is no unfair advantage in doing so. LMHA reserves the right to award without discussion (s) and may make an award to multiple proposers. The Request for Proposals selective process will involve the ranking of proposers by the appointed LMHA evaluation committee. Once the proposals have been evaluated, LMHA will notify the Respondent (s) who fall within the competitive range.

Preliminary Proposal Review

The review process will be conducted in two parts. The preliminary review will consist of a review to be sure the proposal meets the minimum requirements (and mandatory conditions) specified in the RFP. If they do not, they will be rejected.

Proposals in response to the RFP must meet the following requirements:

- **The proposal must be received at the website indicated in the RFP no later than the time and date listed on the cover of this proposal.** Proposals not received at the designated address by the specified date will be rejected.
- Proposal signed by authorized representative.
- Proposals that pass this initial review will be considered a valid proposal and will move on to the final review. Proposals without the aforementioned information may be rejected.

Final Review

- All valid proposals will be reviewed, evaluated, and rated by the Review Committee. The Review Committee will be composed of LMHA staff.
- The Review Committee will evaluate each proposal against the criteria in the RFP. During the review, the Committee may request additional information from the proposer. Such information requests and proposer's responses must always be in writing.
- All qualified proposals shall be reviewed by the Review Committee using the included evaluation criteria sheet. The number of evaluation points for each section varies according to the value assigned for that particular aspect of the program.

The Review Committee members may request information from sources other than the written proposal to evaluate proposer's programs. Other sources of information may include oral presentations by proposers, written responses to clarify questions posed by the Review Committee, and proposer's history/experience in providing similar services.

Review Committee members rating sheets will be used to focus discussion. The final composite Evaluation Rating Sheet that includes the prioritized proposer's rankings will be maintained on file by LMHA. The end result of the review process is a prioritized list from best to least.

Written notification will be made to all proposers who submitted a proposal. In awarding the contract, LMHA's evaluation will include, but will not be limited to:

- Criteria for the Stage 1 review
- Strength and stability of the proposer to provide the requested services
- Ability to meet the project/program time lines
- Overall responsiveness and completeness of the proposal as well as the likelihood in LMHA's opinion and at LMHA's discretion, the proposal best meets or exceeds LMHA's specifications and Scope of Service being proposed
- Customer references
- Any other factors considered relevant by LMHA and demonstrated by the proposal investigation by LMHA
- Experience with a similar project/program of comparable size and scope

Responsive proposers will be notified of their non-selection after the preferred proposer(s) notification. The period of time for completion of said project will be identified in the award letter.

Type of Contract

The evaluation of proposals submitted in response to this RFP may result in the issuance of a fixed fee contract. The contract will incorporate the requirements of the RFP, the vendor's proposal, and all other agreements that may be reached.

The proposer shall be responsible for the execution of the project/program and contract requirements.

If subcontracting shall be involved in this contract the proposer shall clearly describe the responsibilities of each party and the assurances of the performance you offer. The successful vendor's proposal, this RFP, and other applicable addenda will become part of the final contract and will merge into the contract.

Confidentiality & Security

Any vendor that has access to confidential information will be required to keep that information confidential.

Disclosures

Proposer must provide disclosure of any pending or threatened court actions and/or claims against the proposer. This information may not cause rejection of the proposal; but withholding the information may be cause to reject the proposal.

Conflict of Interest

No proposer will promise, or give to any LMHA employee anything of value that could influence

that employee in their decision on awarding contracts. No proposer will try to influence an employee of LMHA to violate any procurement policies of the agency, the Ohio Revised code, or Federal Procurement Regulations.

Examination of the RFP

Proposers are expected to be familiar with the entire Request For Proposal (RFP). The proposer is expected to respond to the RFP in a manner clearly indicating it understands what is requested and have responded to all sections of the RFP are understood.

If a proposer discovers any mistakes or omissions it must notify LMHA's Contact Person in writing. Clarifications and corrections will be sent to all proposers who have registered with the agency for the RFP.

Changes to RFP

LMHA may make changes to this RFP by addendum which shall be posted on LMHA's eProcurement website located at ha.economicengine.com

Availability of Funds

This RFP and all agency contracts are contingent on the availability of funds. If, during the RFP process, funds are not available for the proposed services, the RFP will be cancelled. The proposer will be notified at the earliest possible time. LMHA is not required to compensate the proposer for any expenses incurred throughout the response period.

Non-Appropriation Clause

The proposed services will be subject to termination in the subsequent fiscal years if the sufficient funds are not appropriated and budgeted or are not otherwise available to continue making payments for the equipment of other services performing similar functions and services.

Termination

LMHA reserves the right to terminate an agreement without prior notification for reasons it deems in the best interest of LMHA. If terminated, LMHA will notify the contractor of the termination via electronic mail and shall pay contractor for services rendered prior to contractor's receipt of the Notice of the Agreement Termination.

Holidays

LMHA recognizes the following holidays as vacation days for its employees:

New Year's Day	Columbus Day Dr.
Martin Luther King, Jr.'s Birthday	Veteran's Day
President's Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Eve
Labor Day	Christmas Day
	New Year's Eve

Green Procurement

LMHA is committed to purchasing products and services that meet the local, state, and national environmental goals. Purchasing preference (whenever feasible) will be given to products that:

- Decrease greenhouse gas emissions or are made with renewable energy;
- Decrease the use of toxins detrimental to human health and to the environment;
- Contain the highest possible percentage of post-consumer recycled content (a finished material that would normally be thrown away as solid waste at the end of its life cycle, and does not include manufacturing or converting wastes);
- Limit air, land, and/or water pollution;
- Reduce the amount of waste they produce;
- Are reusable or contain reusable parts (rechargeable batteries, refillable pens, etc.); or
- Are multifunctional (i.e., scanner/copier/printers, multipurpose cleaners) and serve to decrease the total number of products purchased.

If feasible, preference will also be given to suppliers who offer environmentally preferable products, who work to exceed their environmental performance expectations, and who can show documentation of their supply-chain impacts.

LMHA hopes to engage producers and suppliers of products and services it uses to utilize business practices that reduce negative environmental impact.

OSHA Hazard Communication Standard

The Occupational Safety & Health Administration (OSHA) Hazard Communication Standard (29CFR1910.1200) states that contractors/suppliers must be informed of the hazardous chemicals their employees may be exposed to while performing their work and any appropriate protective measures. In order to comply with this requirement, Lucas Metropolitan Housing Authority has developed a list of all the hazardous chemicals known to be present in our facility. A Safety Data Sheet (SDS) is also on file for each of the chemicals and / or hazardous substances. This information is available to you and to your employees upon request.

In order to protect the safety and health of our own employees, contractors/supplies must provide (upon request) a SDS on any hazardous chemical (s) or material (s) which they bring into the facility. Failure to provide this information in a timely manner will result in the removal of the contractor/supplier from the premises.

Each employer is also responsible for notifying any subcontractor they employ regarding the requirement of OSHA Hazard Communication Standard and other provisions described in this notice.

Each contractor is responsible for identifying conditions where Personal Protection Equipment (PPE) is required, and they are to furnish the necessary filtering face pieces, gloves, masks, eye protection, coveralls, steel toed shoes, fall protection, lifting devices or any other type of gear that will keep their employees safe from a hazardous condition.

TERMS & CONDITIONS

The RFP and the commitments made in the selected proposal will be contractual obligations, if a contract ensues. Failure to accept these obligations may result in cancellation of the award.

Type of Contract

The evaluation of proposals submitted in response to this RFP may result in the issuance of a contract. The contract will incorporate the requirements of the RFP, the proposer's proposal, and all other agreements that may be reached.

The proposer shall be responsible for the execution of the project/program and contract requirements.

If subcontracting shall be involved in this contract the proposer shall clearly describe the responsibilities of each party and the assurances of the performance you offer. The successful proposer's proposal, this RFP, and other applicable addenda will become part of the final contract and will merge into the contract.

SUBMITTING PROPOSALS

Preparation of Proposal

All proposals become the property of LMHA to use. All proposals will be considered public information and will be open for inspection.

All potential Proposers will be evaluated on a point system for technical factors.

The Proposer is solely responsible for submitting all documentation to substantiate all information shown within the respondent's proposal. Failure to submit adequate documentation may result in a lower score or no points awarded for that item. Proposers are encouraged to expand on the information required.

False or Misleading Statements

Proposals containing false or misleading statements may be rejected.

Representative's Signature

An officer of the Respondent, who is legally authorized to enter into a contractual relationship on behalf of the Respondent, must sign the submission package, and Respondent(s) must affix the organization's corporate seal to these documents. In the absence of a corporate seal, a Notary Public must notarize the submission package signature. The signature must indicate the title or position the individual holds in the proposer's organization.

Evaluation and Award of Contract

The Evaluation Process will be used to select the agreement award, beginning with the highest

ranked firm. LMHA reserves the right to enter into an agreement with individual (s), firm (s), or organization (s) that provides the greatest benefit to LMHA. Firms in the competitive range may be required to be interviewed by the evaluation panel.

LMHA will select the responses most advantageous to LMHA needs based upon the evaluation criteria stated herein.

All qualified proposals shall be reviewed by the Review Committee using the included evaluation criteria sheet. The number of evaluation points for each section varies according to the value assigned for that particular aspect of the program.

The Review Committee members may request information from sources other than the written proposal to evaluate proposer's programs. Other sources of information may include oral presentations by proposers, written responses to clarify questions posed by the Review Committee, and proposer's history/experience in providing similar services.

Review Committee members rating sheets will be used to focus discussion. The final composite Evaluation Rating Sheet that includes the prioritized proposer's rankings will be maintained on file by LMHA. The end result of the review process is a prioritized list from best to least.

Written notification will be made to all proposers who submitted a proposal. In awarding the contract, LMHA's evaluation will include, but will not be limited to:

- Criteria for the Stage 1 review
- Strength and stability of the proposer to provide the requested services
- Ability to meet the project/program time lines
- Overall responsiveness and completeness of the proposal as well as the likelihood in LMHA's opinion and at LMHA's discretion, the proposal best meets or exceed LMHA's specifications , Scope of Service being proposed
- Customer references
- Any other factors considered relevant by LMHA and demonstrated by the proposal or investigation by LMHA
- Experience with a similar project/program of comparable size and scope

Responsive proposers will be notified of their non-selection after the preferred proposer(s) notification. The period of time for completion of said project will be identified in the award letter.

LMHA Reservation of Rights

LMHA reserves the right to:

- Reject any or all proposals, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed by the Agency to be in its best interests.

- Not to award a contract pursuant to this RFP.
- Terminate a contract awarded pursuant to this RFP, at any time for its convenience upon 10 days written notice to the successful bidder(s).
- Retain all proposals submitted and not permit withdrawal for a period of 90 days subsequent to the deadline for receiving proposals without the written consent of LMHA.
- Negotiate the fees proposed by the bidder entity.
- Reject and not consider any proposal that does not meet the requirements of this RFP, including but not necessarily limited to incomplete proposals and/or proposals offering alternate or non-requested services.
- Have no obligation to compensate any bidder for any costs incurred in responding to this RFP.
- Make an award to multiple proposers (including joint ventures).
- Select a proposer(s) for specific purposes or for any combination of specific purposes
- To defer the selection and award of any proposer(s) to a time of the LMHA's choosing.
- At any time during the RFP or contract process to prohibit any further participation by a proposer or reject any proposal submitted that does not conform to any of the requirements detailed herein. By accessing the ha.economicengine.com Internet System (hereinafter, the "noted Internet System" or the "System") and by downloading this document or by reviewing the RFP received via email, each prospective proposer is thereby agreeing to abide by all terms and conditions listed within this document and within the noted Internet System, and further agrees that he/she will inform LMHA in writing within 5 days of the discovery of any item listed herein or of any item that is issued thereafter by LMHA that he/she feels needs to be addressed. Failure to abide by this time frame shall relieve LMHA, but not the prospective proposer, of any responsibility pertaining to such issue.
- Cancellation of the ensuing contract may be done at any time for unsatisfactory work, untimely service, or any other reason deemed necessary by the LMHA.

EVALUATION CRITERIA

The selective process will involve the ranking of proposals by the appointed LMHA evaluation committee. Evaluation criteria to be used in reviewing proposals and their respective weights are as follows:

General Evaluation Criteria Point Value (Total: 100 Points Maximum)

Max Value	FACTOR DESCRIPTION
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35	<p>No. 1: Substantial Experience Developing and Managing Federally Assisted Rental Property:</p> <p>A. (Maximum 15 points)</p> <ul style="list-style-type: none"> • Evidence that the owner/partner has experience developing and managing subsidized housing for elderly, disabled, or permanent supportive housing for homeless families in the last 10 years : (10 points) • Evidence that the owner has experience organizing housing for elderly, disabled, or supportive housing: (5 points) <p>B. (Maximum 15 points)</p> <ul style="list-style-type: none"> • Evidence that the property management staff is qualified and has in the last 10 years managed housing for the elderly, disabled, or supportive housing; <p>C. (Maximum 5 points)</p> <ul style="list-style-type: none"> • Management plan is acceptable <p>D. (0 points) No evidence of experience developing/managing subsidized housing for elderly, disabled, or supportive housing</p>
35	<p>No. 2: Supportive Services:</p> <p>A. Case management (Maximum 20 points)</p> <ul style="list-style-type: none"> • On-site resident case management (15 points) • Off-site resident case management: (5 points) <p>B. Supportive service plan (Maximum 15 points)</p> <ul style="list-style-type: none"> • Supportive services plan includes MOUs or letters of commitment for a combination of on and off-site services including but not limited to
	<p>health care, substance abuse treatment, mental health treatment, employment counseling, and connections with mainstream benefits; and evidence of funding (10 points)</p> <ul style="list-style-type: none"> • Supportive services plan includes MOUs or letters of commitment for off-site services limited to health care, substance abuse treatment, mental health treatment, employment counseling, and connections with mainstream benefits; and evidence of funding (5 points) <p>C. No evidence of case management or MOUs or letters of commitment for supportive services or funding (0 points)</p>
15	<p>No. 3: Neighborhood Amenities: Evidence of health care facilities, shopping and recreational facilities within 1 mile</p> <ul style="list-style-type: none"> • All of the above plus access to public transportation within ¼ mile of development (10 points) • 2 of the above plus access to public transportation within ½ mile of the development (5 points) • No amenities within 1 mile (0 points)

10	<p>No. 4: Accessibility:</p> <ul style="list-style-type: none"> • Documentation of elements of Universal Design incorporated into project: 5 points • Documentation of Section 504, Fair Housing Act, and Americans with Disabilities Act compliance, including plan to ensure that any off-site services will be accessible to all residents: 5 points • No documentation of accessibility provided: 0 points
5	<p>No. 5: Sustainability</p> <ul style="list-style-type: none"> • Documentation of sustainable construction and operations: 5 points • No documentation of sustainable construction and operations: 0 points
Max Value 100	Total Points (Other than Section 3 Business Preference of Compliance Points)

Section 3 Requirements

Section 3 requirements apply to all projects and activities funded in whole or in part with covered funds. If any HUD funding is used for the project/activity, then the entire project budget is then subject to Section 3 requirements.

Section 3 requirements do not apply to any agreement or contract for the purchase of supplies and materials only.

It is LMHA's policy to achieve Section 3 goals by providing opportunities in one or more of the following areas:

A. Training and Employment Opportunities for Section 3 Residents

When the Section 3 regulation is triggered by the need for new hires, LMHA and its contractors and subcontractors will make every effort within their disposal to the greatest extent feasible to attempt to hire Section 3 residents amounting to at least 30% of the aggregate number of full-time new hires.

When hiring opportunities are offered and all requirements are met and remain equal, LMHA, contractors and subcontractors shall direct their efforts to hire Section 3 residents in the order of priority preference provided below:

1. Residents at the housing development where the work is being performed (Category 1 residents).
2. Residents of other LMHA public housing developments and holders of housing choice vouchers (Section 8 rent assistance) managed by LMHA (Category 2 residents).
3. Participants in Youthbuild programs being carried out in the metropolitan area in which Section 3 covered assistance is expended (Category 3 residents).
4. Other Section 3 area residents (Category 4 residents).

B. Contracting Opportunities for Section 3 Business Concerns

When the Section 3 regulation is triggered by the need for subcontracting a portion of the work to another business, LMHA and its contractors and subcontractors will make every effort within their disposal to the greatest extent feasible to attempt to subcontract:

1. **Building Trades:** At least 10% of the total dollar amount of all Section 3 covered contracts or purchase orders for building trades work, maintenance, repair, modernization, or development of public housing to Section 3 business concerns.
2. **Other contracts (Non-building trades):** For other Section 3 covered contracts or purchase orders that are not building trades work covered above, the goal is to subcontract at least 3% of the total dollar amount to Section 3 business concerns. This includes professional service contracts such as legal, architects, engineers, consultants, or any other contract or purchase order for services that are not building trades.

Self-Certification of Section 3 Residents and Section 3 Business Concerns

In order to receive preference as a Section 3 resident or Section 3 business concern, the resident or business must self-certify that they meet the eligibility requirements. (see attached Section 3 Form #4 and Section 3 Form #2, respectively).

Contractor Responsibilities in meeting Section 3 goals

All contractors are held to the same Section 3 compliance requirements of LMHA as stated in its Section 3 policy. The LMHA Section 3 policy states that when the Section 3 regulation is triggered by a need for new hires or by a need to subcontract a portion of the work, every effort within the contractor's disposal must be made to the greatest extent feasible to direct all available employments, training, and contracting opportunities to Section 3 residents.

Contractors must also proactively facilitate compliance with Section 3 subject to the definition of a Section 3 covered contract. Contractors will have fulfilled their responsibility when they can provide evidence that the following have occurred in the case of hiring, contracting, solicitation and recruitment effort:

1. Extra or greater efforts in notifying Section 3 residents of opportunities through posting job openings in the offices of procurement, in the local media and on the LMHA website;
2. Conveying that the hiring/contract work is a Section 3 Covered opportunity in any advertisement for bids / proposals by placing the following language in each advertisement/public notice and website "This job is covered under the requirements of Section 3 of the HUD Act of 1968".
3. Notifying subcontractors in each pre-bid meeting of the Section 3 requirements.
4. Providing "Section 3 Resident Self-Certification Forms" for employment at the contractor/subcontractor business offices.
5. Encouraging the training of Section 3 residents by the subcontractors.
6. Facilitating an opportunity or job fair for the contractor and subcontractor to meet interested Section 3 residents for possible employment.
7. Documenting actions taken to comply with Section 3 requirements including all results and impediments using the LMHA prescribed mechanism or form.
8. Posting all job sites funded by LMHA with a location or phone number of whom and how to apply for any opportunities for employment, training or contracting. The sign should be no smaller than a 24" x 24" and should specifically read "This project is covered under Section 3 of the HUD Act of 1968 which requires that any new opportunities be directed to low- and very low income persons in the community. Please contact ___ for employment or training opportunities".

9. Distributing or posting flyers advertising positions to be filled.
10. Notify the local workforce development board about open positions.

Other Economic Opportunities to achieve Contractor Compliance

A contractor may provide one or more of the following “other economic opportunities” under this section:

1. **Training and Employment:** A detailed plan for training should be described in a written narrative and provided for LMHA review. Contractors seeking to provide training may identify a qualified training firm that has the proper experience working with low-income and public housing residents in particular. The contractor will procure the training/firm individual at its expense to provide direct recruitment and solicitation to LMHA residents for employment related training. Verification of the agreement between the contractor and training firm/individual must be provided to LMHA’s Section 3 Compliance Coordinator.
2. **Other Results-Oriented Economic Opportunities:** Other Results -Oriented Economic Opportunities are programs designed to provide economic opportunities to Section 3 residents, including, but not limited to: Section 3 joint ventures, teaming agreements or combination of other economic opportunities. A contractor must submit to LMHA a plan detailing these “Other Results-Oriented Economic Opportunities” and receive an approval prior to implementation.

Section 3 Forms

Form #1: Section 3 Clause Acknowledgement - This is a mandatory form that is completed and returned by all contractors answering a solicitation.

Form #2: Section 3 Business Self-Certification Form – This a form to be submitted by a Section 3 Business that is seeking preference.

Form #3: Contractor Section 3 Assurance of Compliance and Action Plan – This mandatory form (6 pages) is to be returned with an action plan, list of subcontractors, and an outreach plan. Part 3 of the form is to be used by business who do not anticipate triggering Section 3 regulations, and both boxes in Part 3 must be initialed.

Form #4 Section 3 Resident Self-Certification and Skills Data Form – this form can be returned if you are a Section 3 resident seeking preference, or it can be used during the interview and application process when hiring for a Section 3 Covered project.

Section 3 Business Concern Preference Point Value (Total: 5 Points Maximum)

Preference means, if at any time a contractor should bid or issue a response to a Request for Proposal (RFP) or Request for Qualifications (RFQ), and your price and qualifications or proposal are equal to any Non-Section 3 Business Concern, you will receive Preference in that contract award. Preference points shall be added to the total number of available rating points.

Preference Chart:

Max Value	SECTION 3 BUSINESS <u>PREFERENCE</u> PARTICIPATION FACTORS
5	Resident-Owned Business Concern Entity – A Business Concern that is 51% or more owned by Section 3 Resident(s). A Business claiming Section 3 status, because at least 30% of their permanent full-time employees are Section 3 residents; or within three years of the date of employment with the business concern were Section 3 residents.
3	Direct hiring of Section 3 residents. Supporting documentation required.
1	A Business Concern that provides evidence of a commitment to subcontract in excess of twenty-five (25%) of the total dollar award of all subcontracts to qualified business concerns.
Max Value	Section 3 Business Preference Participation <u>Bonus</u> Points
5	

Total Evaluation Criteria Point Value – General Evaluation Criteria AND Section 3 Bonus Points (Total: 105 Points Maximum).

Non-Section 3 Business Concerns Compliance Requirements

Non-Section 3 Business Concerns are required by LMHA to remain compliant with Section 3 for the life of the proposed contract. In compliance with 24 CFR 135 (Appendix, Section III., Item 3, iv), contract awards in competitive bidding processes such as a Request for Proposal (RFP), Request for Qualifications (RFQ), or Invitation for Bids (IFB) shall be made to the responsible firm whose proposal is most advantageous with respect to Section 3.

The following are contractor compliance points applied when evaluating bids/proposals received as the result of a RFP, RFQ or IFB selection. Compliance points shall be added to the total number of available rating points. Compliance chart below:

Max Value	SECTION 3 COMPLIANCE OPTION SELECTION FACTORS
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5	Direct hiring of Section 3 residents. Supporting documentation required. (Certified Payroll)
3	Joint venture with LMHA resident-owned business.
1	Contractor provides training opportunities. Supporting documentation required.
Max Value 5	Section 3 Compliance Option <u>Bonus</u> Points

PROPOSAL FORMAT

An electronic PDF file, properly indexed, complete with table of contents and clearly noted Sections; inclusive of an executive summary are to be submitted to the attention of “Sherry Tobin, Procurement Manager, Procurement & Contracts” via the instructions listed under “Delivery of Proposals” section of this RFP. The file must be labeled with the Respondent’s name, and RFP title, and RFP number.

To simplify the process for evaluating proposals, and to assure each proposal receives the same review, all proposals must be submitted in the following format. Proposals must contain all the items listed here.

Proposals must correspond to the following format and lettering:

TABLE OF CONTENTS

TAB (A) – LETTER OF TRANSMITTAL

A letter of transmittal (preferably on letterhead) bearing the signature of an authorized representative of the firm and the name(s) of the individual(s) authorized to discuss and enter into an agreement for services with LMHA. Authorized individual contact information, including phone number and e-mail address shall be included within this letter.

TAB (B) – ORGANIZATION

Information about the company: size, structure, history and any relevant certifications as a Minority-owned or Disadvantaged Business Enterprise

TAB (C) – STAFF QUALIFICATIONS AND EXPERIENCE

Describe your management team’s experience with managing affordable housing projects, providing rental assistance and supportive services to individuals and families experiencing homelessness. If you own other subsidized properties provide a list with the following information: Name of property, address, years owned, funding sources, total number of units, number of assisted units, unit bedroom size(s), and income served (2000 words or less)

TAB (D) – FUNDING COMMITMENT

Funding Commitments for Rehabilitation or New Construction (Not applicable for Existing Housing) Other Information applicable to all housing types

Describe capital funding commitments secured for this project:

Grant/Allocation	Type	Sourced	Amount	Date of Commitment
1.				
2.				
3.				
4.				
5.				

Provide the following information for each Grant/Allocation listed above:

Grant/Allocation	Principle	Amortization Rate	Amortization Term
1.			
2.			
3.			
4.			
5.			
6.			

Has this project received a pre-development Project Initiation Loan (PIL)?

If yes, describe the actions and /or items funded through the PIL (250 words or less):

Describe other funding either secured or under application for this project (250 words or less):

Existing Housing or Status of Construction Activity

Are units existing, substantially rehabilitated, or new construction? If rehabilitated or new construction, when is construction start date? Please state year built, when rehabilitated, current unit condition and if newly constructed, provide Certification of Occupancy (500 words or less):

Rehabilitation or New Construction - If this property is not yet constructed, LMHA will need to review the site and building plans and specifications. Issuance of Project Based Vouchers will be contingent upon LMHA monitoring and acceptance of the project for consistency with agreed upon building elements. Please include the plans with the submission of this application.

1. If occupied, please provide the current tenant roll, with current resident incomes and rents paid, including utilities if any.

2. Additional documentation required to support the request:
 - a. Itemized sources of funds
 - List each source separately with details:
 1. Principle
 2. Interest Rate
 3. Amortization Terms
 - b. Itemized uses of funds
 - Detailed breakdown of project costs, including hard and soft cost items
 - c. Stabilized Operating Pro forma
 - d. Commitment Letters from all Sources of Financing (*disclosing significant terms*)
 - e. Appraisal Report establishing "As is" value of the properties (*for each property establishing the "as is" value of the property before construction or rehabilitation and without consideration of any financial implications of tax credits or project-based assistance*)
 - f. HUD-2880 Standard Disclosure and Perjury Statement, Identify of Interest statement
 - g. Detailed breakdown of Project Costs (*including hard and soft cost items*)
 - g. State Tax Credit Commitment Letter (*must disclose the amount of credits reserved or IRS Form 8609*)
 - h. Any Historic Tax Credits (*as applicable, include amount of credit*)
 - i. Equity Investment Commitment Letter (*must disclose amount of investment and Equity contribution schedule amount and timing*)
 - j. Bridge Loan Details (*if applicable*)
 - k. Operating Pro forma (*showing projected project income, expenses and cash flow*)
 - l. Environmental Review (*if applicable*)
3. Show documentation that the current project rents are at or below the Fair Market Rents (FMR) for your area. Include number of units at or below FMR and number of units above FMR.
4. Provide a copy of the management plan for the project.
5. Furnish a copy of your tenant selection policy for the project.
6. Will this request for project based vouchers create displacement of residents permanently or for a short period of time? yes no. If yes, please include a copy of your relocation plan. The plan must meet HUD guidelines. Also, explain how relocation will be funded.

7. Identify all principal participants in your organization (i.e. Owner, Management Company, Service Provider). For each principal provide name, address, telephone number, fax, e-mail. Include a written certification that each principal participant (officers, members, shareholders, directors, board members investors or any person with substantial interest) is not on the U. S. General Services list of excluded parties.
8. Provide a copy of the Capital Replacement Plan or Life-cycle plan for replacements.

Existing Housing – Please provide the following:

The owner must provide documentation to demonstrate that the following minimum qualifications are met. Proposals not meeting the minimum qualifications will not be evaluated further for rating factors.

1. Documentation that the applicant has substantial experience managing housing for elderly, disabled, or permanent supportive housing. Proposals must include the following information:
 - ☐ Qualifications of key staff persons to be involved with all aspects of managing the project.
 - ☐ Qualifications of key staff people involved with overseeing the supportive services component of the property.
 - ☐ Management Plan and lease agreement, including:
 - Role and responsibility of the owner and/or delegation of authority
 - Plans for maintaining an effective maintenance and repair program to ensure continued compliance with Housing Quality Standards
 - Rent collection and lease compliance policies
 - Eviction procedures
2. Documentation of property ownership. This can be demonstrated by a property deed, county records, a purchase agreement or an option to purchase. For a land contract, acceptable documentation includes a copy of the contract that permits the property to be leased, and proof that the contract is recorded with the county recorder's office.
3. Status of state, local real estate taxes, fines, or assessments

TAB (E) – PROJECT INFORMATION

Applicable to Existing, Rehabilitation, and New Construction Housing. General Unit information should include:

- ☐ Address
- ☐ Assessor's Parcel Number (s)
- ☐ Location Census Tract
- ☐ Total Number of Units
- ☐ Number of Units for which LMHA Project Based Assistance is requested
- ☐ Percentage of Project Based Units in the project/building
- ☐ Date of proposed HAP Contract

How many units do you expect to be vacant on this date?

Do any other units in the project/building receive (Section 8) Housing Choice Voucher Rental Assistance?

If yes, how many units:

Does the project receive rental assistance of any kind through any other agency?

If yes, please describe type of assistance and number of units covered under the assistance: How many units are handicapped accessible units?

Of those how many are sensory impaired:

How many of the units in the project/building set aside for homeless individuals with disabilities:

1. Project Description:

Provide a narrative description of the project (include property name and location).

Provide a short description (limit to 1-3 sentences per bullet) of your project including EACH of the following items:

- o Total number of units
- o Types of units (ex. House, duplex, townhouse, apartment)
- o Bedroom distribution (by unit type bedroom size)
- o Portion (number of) and type of units receiving assistance, and compliance with partial assistance requirements
- o Supportive services offered
- o Amenities

Provide the following:

1. *Site*
2. *Building and neighborhood description* and include
3. Census tract
4. Street address
5. Age of property
6. Current unit condition
7. Description of topography
8. Description of neighborhood
9. Location of public transit
10. Location of employment opportunities
11. Type and size of units and project

Describe the accessibility and location of social, recreational, educational, commercial, and health

facilities. Describe any *physical design elements* included to directly benefit the population served. (1000 words or less)

De-concentrating Poverty

Project Basing may not be located in areas of minority concentrations or in neighborhoods in which substandard dwelling or other undesirable conditions predominate. Describe any recent changes in the project’s location in poverty percentage, new “market rate” development, economic revitalization etc. (750 words or less)

If this project requires a waiver of the de-concentration rule, that request must be approved prior to the final award of Project Based Vouchers. A copy of the formal waiver request to HUD must be submitted with this application.

2. Population Served:

Does this project serve special needs populations, homeless, elderly & disabled? If yes, describe (500 words or less):

Describe the services and supportive services provided (1000 words or less):

Describe the relationship between the project owner and the service provider (500 words or less):

3. Number of voucher requested:

Unit Size	Vouchers Requested	Requested Rent	Unit Type Breakdown (provide # of each different type of unit ex. Townhouses, high rise, etc.)
0 BR			
1 BR			
2 BR			
3 BR			
4 BR			
Total			

Utilities

Heating	<input type="checkbox"/> Forced-air Gas	<input type="checkbox"/> Forced-air Elec.	<input type="checkbox"/> Electric Baseboard	<input type="checkbox"/> Hydronic	<input type="checkbox"/> Other (specify)
Domestic Water	<input type="checkbox"/> City	<input type="checkbox"/> Well			
Sanitary Sewer	<input type="checkbox"/> City	<input type="checkbox"/> Septic			
Water Heater	<input type="checkbox"/> Individual Units	<input type="checkbox"/> Central System			
Main Heating Utility	Natural Gas	Electric	<input type="checkbox"/> Other (specify)		

<input type="checkbox"/> Owner-Provided Appliances	<input type="checkbox"/> Owner-Provided Amenities	<input type="checkbox"/> Owner-Paid Utilities	<input type="checkbox"/> Tenant-Paid Utilities
<input type="checkbox"/> Stove	<input type="checkbox"/> Air-conditioner	<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Water/Sewer

<input type="checkbox"/>	Refrigerator	<input type="checkbox"/>	Washer/Dryer	<input type="checkbox"/>	Gas	<input type="checkbox"/>	Gas
<input type="checkbox"/>	Dishwasher	<input type="checkbox"/>	Other (specify)	<input type="checkbox"/>	Electric	<input type="checkbox"/>	Electric
<input type="checkbox"/>	Garbage Disposal	<input type="checkbox"/>		<input type="checkbox"/>	Trash	<input type="checkbox"/>	Trash
	Other (specify)				Other (specify)		Other (specify)

4. PHA Jurisdiction

Is the project located in Lucas, Wood (except for the city of Bowling Green), and Fulton counties in Ohio, and Monroe County, Michigan?

If the proposed project falls within a municipality in which a local housing authority is located or within a municipality contiguous to a municipality in which a local housing authority is located, then a letter must be submitted to LMHA from the local housing authority operating in that location which states the local public housing authority cannot provide the vouchers and that LMHA is allowed to administer the project based program within the jurisdiction in accordance with LMHA administration plan. Upon signing of the HAP contract, a formal MOU with the local Housing Authority will be required.

5. Lease Plan:

Describe the plan to lease the units (500 words or less):

6. Occupancy Contingency Plan

If the project encounters difficulty serving the target population, describe what additional steps will be taken to insure this project serves the target population described in the LMHA Administrative plan (500 words or less):

7. Regulatory Compliance

Is the applicant barred from receiving LMHA or Federal Funds?

If so, describe:

Has the applicant received any LMHA or HUD findings with this or any other project?

If so, describe what actions were taken in regards to the findings (500 words or less):

TAB (F) – OTHER SUPPORTING MATERIAL

TAB (G) – MINORITY BUSINESS (MBE)/WOMEN’S BUSINESS ENTERPRISES (WBE) PARTICIPATION

The proposal should include percentage participation of MBE/WBE of the firms that comprise the proposer’s team. LMHA has established an administrative goal of 35% utilization of disadvantaged and historically underutilized businesses for performance of the work under this procurement.

TAB (H) – REFERENCES

Provide contact data for the project(s) listed in the “Statement of Experience and

Qualifications.” Data information should include a phone number and an e-mail address. Include at least three (3) organizations and contact information where you have provided similar services within the last 24 months.

TAB (I) – EXHIBITS

(Exhibit 1) Complete and return Level of Interest Form at earliest opportunity.

(Exhibits 2-8) All other required information is set forth by each of the following exhibits. Please tab and label each exhibit individually as noted below **and** notarize if required.

(Other) **Any remaining attachments are for your information only and NOT to be returned.**

Exhibit (1) – Level of Interest Form (*Complete and return promptly*)

Exhibit (2) – HUD Form 5369B Instructions to Offerors (Non-Construction)

Exhibit (3) – HUD Form 5369C-Certifications and Representations of Proposers
(Non-Construction Contract)

Exhibit (4) - HUD – 5370 C General Contract Conditions (Non-Construction)

Exhibit (5) – Non-Collusive Affidavit and Disclosure Statement

Exhibit (6) – Contractor/Vendor Qualifications Statement

Exhibit (7) – Contractor’s Certification Concerning Equal Employment Opportunities

Exhibit (8) – Section 3 forms

Attachment:

Appendix A – LMHA Administrative Plan – Chapter 17 Project-Based Vouchers



Lucas Metropolitan Housing Authority
435 Nebraska Avenue, PO Box 477
Toledo, Ohio 43697-0477
419-259-9400 Fax 419-254-3495
TDD 419-259-9529
www.lucasmha.org

LEVEL OF INTEREST
Housing Choice Voucher Program – Project Based Vouchers
RFP #18-R002

GAUGE LEVEL OF INTEREST: So we may gauge the level of interest in this Request for Proposal; if you have not previously done so, please advise us as to whether, or not, you anticipate delivering to us a submittal in response to this RFP. Please complete information below and **return via e-mail to stobin@lucasmha.org**.

Thank you for your interest in doing business with the LMHA and we look forward to receiving a submission from your company.

Sherry Tobin
Manager of Procurement and Contracts

ACKNOWLEDGEMENT:

- Will Submit
- No Submission At This Time Due To:
 - I cannot comply with Specifications
 - I cannot meet delivery requirements
- I do desire to be considered on future procurement contact lists. I have registered with your Vendor Registration List at the LMHA website (“Procurement”; then “Vendor Registration”)
- I do NOT desire to be considered on future procurement contact lists

Authorized Signature

Date

Company

Email address

Instructions to Offerors Non-Construction

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



- 03291 -

1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

- (2) Have a satisfactory performance record;
- (3) Have a satisfactory record of integrity and business ethics;
- (4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- (5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

7. Contract Award

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

8. Service of Protest

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protestor.

9. Offer Submission

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show **the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.**

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here:]

Certifications and Representations of Offerors

Non-Construction Contract

Public reporting burden for this collection of information is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

This form includes clauses required by OMB's common rule on bidding/offering procedures, implemented by HUD in 24 CFR 85.36, and those requirements set forth in Executive Order 11625 for small, minority, women-owned businesses, and certifications for independent price determination, and conflict of interest. The form is required for nonconstruction contracts awarded by Housing Agencies (HAs). The form is used by bidders/offers to certify to the HA's Contracting Officer for contract compliance. If the form were not used, HAs would be unable to enforce their contracts. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

1. Contingent Fee Representation and Agreement

(a) The bidder/offeror represents and certifies as part of its bid/offer that, except for full-time bona fide employees working solely for the bidder/offeror, the bidder/offeror:

- (1) has, has not employed or retained any person or company to solicit or obtain this contract; and
- (2) has, has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(b) If the answer to either (a)(1) or (a) (2) above is affirmative, the bidder/offeror shall make an immediate and full written disclosure to the PHA Contracting Officer.

(c) Any misrepresentation by the bidder/offeror shall give the PHA the right to (1) terminate the resultant contract; (2) at its discretion, to deduct from contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the contract.

2. Small, Minority, Women-Owned Business Concern Representation

The bidder/offeror represents and certifies as part of its bid/offer that it:

- (a) is, is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.
- (b) is, is not a women-owned small business concern. "Women-owned," as used in this provision, means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.
- (c) is, is not a minority enterprise which, pursuant to Executive Order 11625, is defined as a business which is at least 51 percent owned by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals.

For the purpose of this definition, minority group members are:

(Check the block applicable to you)

- | | |
|---|---|
| <input type="checkbox"/> Black Americans | <input type="checkbox"/> Asian Pacific Americans |
| <input type="checkbox"/> Hispanic Americans | <input type="checkbox"/> Asian Indian Americans |
| <input type="checkbox"/> Native Americans | <input type="checkbox"/> Hasidic Jewish Americans |

3. Certificate of Independent Price Determination

(a) The bidder/offeror certifies that—

- (1) The prices in this bid/offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder/offeror or competitor relating to (i) those prices, (ii) the intention to submit a bid/offer, or (iii) the methods or factors used to calculate the prices offered;
- (2) The prices in this bid/offer have not been and will not be knowingly disclosed by the bidder/offeror, directly or indirectly, to any other bidder/offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
- (3) No attempt has been made or will be made by the bidder/offeror to induce any other concern to submit or not to submit a bid/offer for the purpose of restricting competition.

(b) Each signature on the bid/offer is considered to be a certification by the signatory that the signatory:

- (1) Is the person in the bidder/offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or
- (2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above (insert full name of person(s) in the bidder/offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the bidder/offeror's organization);
(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the bidder/offeror deletes or modifies subparagraph (a)2 above, the bidder/offeror must furnish with its bid/offer a signed statement setting forth in detail the circumstances of the disclosure.

4. Organizational Conflicts of Interest Certification

(a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under a proposed contract and a prospective contractor's organizational, financial, contractual or other interest are such that:

(i) Award of the contract may result in an unfair competitive advantage;

(ii) The Contractor's objectivity in performing the contract work may be impaired; or

(iii) That the Contractor has disclosed all relevant information and requested the HA to make a determination with respect to this Contract.

(b) The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, he or she shall make an immediate and full disclosure in writing to the HA which shall include a description of the action which the Contractor has taken or intends to eliminate or neutralize the conflict. The HA may, however, terminate the Contract for the convenience of HA if it would be in the best interest of HA.

(c) In the event the Contractor was aware of an organizational conflict of interest before the award of this Contract and intentionally did not disclose the conflict to the HA, the HA may terminate the Contract for default.

(d) The Contractor shall require a disclosure or representation from subcontractors and consultants who may be in a position to influence the advice or assistance rendered to the HA and shall include any necessary provisions to eliminate or neutralize conflicts of interest in consultant agreements or subcontracts involving performance or work under this Contract.

5. Authorized Negotiators (RFPs only)

The offeror represents that the following persons are authorized to negotiate on its behalf with the PHA in connection with this request for proposals: (list names, titles, and telephone numbers of the authorized negotiators):

6. Conflict of Interest

In the absence of any actual or apparent conflict, the offeror, by submission of a proposal, hereby warrants that to the best of its knowledge and belief, no actual or apparent conflict of interest exists with regard to my possible performance of this procurement, as described in the clause in this solicitation titled "Organizational Conflict of Interest."

7. Offeror's Signature

The offeror hereby certifies that the information contained in these certifications and representations is accurate, complete, and current.

Signature & Date:

Typed or Printed Name:

Title:

General Conditions for Non-Construction Contracts

Section I – (With or without Maintenance Work)

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 3/31/2020)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours per response, including the 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 this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

Applicability. This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) **Non-construction contracts** (*without* maintenance) **greater than \$105,000 - use Section I;**
- 2) **Maintenance contracts** (including nonroutine maintenance as defined at 24 CFR 968.105) **greater than \$2,000 but not more than \$150,000 - use Section II;** and
- 3) **Maintenance contracts** (including nonroutine maintenance), **greater than \$150,000 – use Sections I and II.**

Section I - Clauses for All Non-Construction Contracts greater than \$150,000

1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban Development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a

- proposal submitted before final payment of the contract.
- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
 - (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

-
- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
- (i) appeals under the clause titled Disputes;
 - (ii) litigation or settlement of claims arising from the performance of this contract; or,
 - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach there of which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

11. Organizational Conflicts of Interest

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
 - (i) Award of the contract may result in an unfair competitive advantage; or
 - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

12. Inspection and Acceptance

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any

product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

13. Interest of Members of 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 contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

15. Limitation on Payments to Influence Certain Federal Transactions

(a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before 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 any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay 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 any of the following covered Federal actions: 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.

(ii) The prohibition does not apply as follows:

(1) Agency and legislative liaison by Own Employees.

(a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.

(b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.

(2) Professional and technical services.

(a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-

(i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(ii) Any reasonable payment to a person, other than an officer or employee of a

person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.

(iii) Selling activities by independent sales representatives.

(c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:

(i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and

(ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

(e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the

Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

19. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

20. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of

apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

22. Procurement of Recovered Materials

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

NON-COLLUSIVE

AFFIDAVIT

State of _____)
)
County of _____)

_____, being
first duly sworn, deposes and says:

That he/she is the party making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham; that said bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any bidder or person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price or affiant, or of that of any other bidder, or to secure any advantage against the Lucas Metropolitan Housing Authority or any person interested in the proposed contract; and that all statements in said proposal or bid are true.

Subscribed and sworn to before me this _____ day of _____,
20__.

Notary Public

My Commission expires_____.

**Contractor/Vendor Qualification Statement
(Page 1 of 2)**

(1) Prime ____ Sub-contractor ____ (This form must be completed by and for each).

(2) Name of Firm: _____ Telephone: _____ Fax: _____

(3) Street Address, City, State, Zip: _____

(4) Please attached a brief biography/resume of the company, including the following information:
 (a) Year Firm Established; (b) Year Firm Established in [JURISDICTION]; (c) Former Name and Year Established (if applicable); (d) Name of Parent Company and Date Acquired (if applicable).

(5) Identify Principals/Partners in Firm (submit a brief professional resume for each):

NAME	TITLE	% OF OWNERSHIP

(6) Identify the individual(s) that will act as project manager and any other supervisory personnel that will work on project. (Do not duplicate any resumes required above):

NAME	TITLE

(7) Proposer Diversity Statement: You must circle all of the following that apply to the ownership of this firm and enter where provided the correct percentage (%) of ownership of each:

Caucasian American (Male) _____%
 Public-Held Corporation _____%
 Government Agency _____%
 Non-Profit Organization _____%

Resident- (RBE), Minority- (MBE), or Woman-Owned (WBE) Business Enterprise (Qualifies by virtue of 51% or more ownership and active management by one or more of the following:

Resident-Owned* _____%
 African American _____%
 **Native American _____%
 Hispanic American _____%
 Asian/Pacific American _____%
 Hasidic Jew _____%
 Asian/Indian American _____%

Woman-Owned (MBE) _____%
 Woman-Owned (Caucasian) _____%
 Disabled Veteran _____%
 Other (Specify): _____%

WMBE Certified _____ Certification by _____ Number: (Agency): _____
 (NOTE: A CERTIFICATION/NUMBER NOT REQUIRED TO PROPOSE - ENTER IF AVAILABLE)

Signature Date Printed Name Company

Contractor/Vendor Qualification Statement
(Page 2 of 2)

- (8) Federal Tax ID No.: _____
- (9) [APPROPRIATE JURISDICTION] Business License No.: _____
- (10) State of _____ License Type and No.: _____
- (11) Worker's Compensation Insurance Carrier: _____
Policy No.: _____ Expiration Date: _____
- (12) General Liability Insurance Carrier: _____
Policy No. _____ Expiration Date: _____
- (13) Professional Liability Insurance Carrier: _____
Policy No. _____ Expiration Date: _____
- (14) Debarred Statement: Has this firm, or any principal(s) ever been debarred from providing any services by the Federal Government, any state government, the State of _____, or any local government agency within or without the State of _____? Yes No
If "Yes," please attach a full detailed explanation, including dates, circumstances and current status.
- (15) Disclosure Statement: Does this firm or any principals thereof have any current, past personal or professional relationship with any Commissioner or Officer of the HA? Yes No
If "Yes," please attach a full detailed explanation, including dates, circumstances and current status.
- (16) Non-Collusive Affidavit: The undersigned party submitting this proposal hereby certifies that such proposal is genuine and not collusive and that said proposer entity has not colluded, conspired, connived or agreed, directly or indirectly, with any proposer or person, to put in a sham proposal or to refrain from proposing, and has not in any manner, directly or indirectly sought by agreement or collusion, or communication or conference, with any person, to fix the proposal price of affiant or of any other proposer, to fix overhead, profit or cost element of said proposal price, or that of any other proposer or to secure any advantage against the HA or any person interested in the proposed contract; and that all statements in said proposal are true.
- (17) Verification Statement: The undersigned proposer hereby states that by completing and submitting this form he/she is verifying that all information provided herein is, to the best of his/her knowledge, true and accurate, and agrees that if the HA discovers that any information entered herein is false, that shall entitle the HA to not consider nor make award or to cancel any award with the undersigned party.

Signature

Date

Printed Name

Company

LUCAS METROPOLITAN HOUSING AUTHORITY

I attest that the above information is true and correct.

Print Name

Title

Date

Signature

(STATE OF OHIO

_____ COUNTY)

I, the undersigned authority, A Notary Public in and for said County in said State, hereby certify that, _____, whose name as _____ of _____ is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day, that being informed of the contents of the foregoing conveyance, he/she in his/her capacity as _____, and with full authority, executed the same voluntarily for and as the act of said Business entity.

Given under my hand and official seal, this ____ day of _____, 20 ____.

Notary Public

My commission Expires

Section 3 Requirements

Section 3 requirements apply to all projects and activities funded in whole or in part with covered funds. If any HUD funding is used for the project/activity, then the entire project budget is then subject to Section 3 requirements.

Section 3 requirements do not apply to any agreement or contract for the purchase of supplies and materials only.

It is LMHA's policy to achieve Section 3 goals by providing opportunities in one or more of the following areas:

A. **Training and Employment Opportunities for Section 3 Residents**

When the Section 3 regulation is triggered by the need for new hires, LMHA and its contractors and subcontractors will make every effort within their disposal to the greatest extent feasible to attempt to hire Section 3 residents amounting to at least 30% of the aggregate number of full-time new hires.

When hiring opportunities are offered and all requirements are met and remain equal, LMHA, contractors and subcontractors shall direct their efforts to hire Section 3 residents in the order of priority preference provided below:

1. Residents at the housing development where the work is being performed (Category 1 residents).
2. Residents of other LMHA public housing developments and holders of housing choice vouchers (Section 8 rent assistance) managed by LMHA (Category 2 residents).
3. Participants in Youthbuild programs being carried out in the metropolitan area in which Section 3 covered assistance is expended (Category 3 residents).
4. Other Section 3 area residents (Category 4 residents).

B. **Contracting Opportunities for Section 3 Business Concerns**

When the Section 3 regulation is triggered by the need for subcontracting a portion of the work to another business, LMHA and its contractors and subcontractors will make every effort within their disposal to the greatest extent feasible to attempt to subcontract:

1. **Building Trades:** At least 10% of the total dollar amount of all Section 3 covered contracts or purchase orders for building trades work, maintenance, repair, modernization, or development of public housing to Section 3 business concerns.
2. **Other contracts (Non-building trades):** For other Section 3 covered contracts or purchase orders that are not building trades work covered above, the goal is to subcontract at least 3% of the total dollar amount to Section 3 business concerns. This includes professional service contracts such as legal, architects, engineers, consultants, or any other contract or purchase order for services that are not building trades.

Self-Certification of Section 3 Residents and Section 3 Business Concerns

In order to receive preference as a Section 3 resident or Section 3 business concern, the resident or business must self-certify that they meet the eligibility requirements. (see Section 3 Form #4 and Section 3 Form #2, respectively).

Contractor Responsibilities in meeting Section 3 goals

All contractors are held to the same Section 3 compliance requirements of LMHA as stated in its Section 3 policy. The LMHA Section 3 policy states that when the Section 3 regulation is triggered by a need for new hires or by a need to subcontract a portion of the work, every effort within the contractor's disposal must be made to the greatest extent feasible to direct all available employments, training, and contracting opportunities to Section 3 residents.

Contractors must also proactively facilitate compliance with Section 3 subject to the definition of a Section 3 covered contract. Contractors will have fulfilled their responsibility when they can provide evidence that the following have occurred in the case of hiring, contracting, solicitation and recruitment effort:

1. Extra or greater efforts in notifying Section 3 residents of opportunities through posting job openings in the offices of procurement, in the local media and on the LMHA website;
2. Conveying that the hiring/contract work is a Section 3 Covered opportunity in any advertisement for bids / proposals by placing the following language in each advertisement/public notice and website "This job is covered under the requirements of Section 3 of the HUD Act of 1968".
3. Notifying subcontractors in each pre-bid meeting of the Section 3 requirements.
4. Providing "Section 3 Resident Self-Certification Forms" for employment at the contractor/subcontractor business offices.
5. Encouraging the training of Section 3 residents by the subcontractors.
6. Facilitating an opportunity or job fair for the contractor and subcontractor to meet interested Section 3 residents for possible employment.
7. Documenting actions taken to comply with Section 3 requirements including all results and impediments using the LMHA prescribed mechanism or form.
8. Posting all job sites funded by LMHA with a location or phone number of whom and how to apply for any opportunities for employment, training or contracting. The sign should be no smaller than a 24" x 24" and should specifically read "This project is covered under Section 3 of the HUD Act of 1968 which requires that any new opportunities be directed to low- and very low income persons in the community. Please contact _____ at _____ for information on any Employments, Contracting and Subcontracting opportunities.
9. Distributing or posting flyers advertising positions to be filled.
10. Notify the local workforce development board about open positions.

Other Economic Opportunities to achieve Contractor Compliance

A contractor may provide one or more of the following “other economic opportunities” under this section:

1. **Training and Employment:** A detailed plan for training should be described in a written narrative and provided for LMHA review. Contractors seeking to provide training may identify a qualified training firm that has the proper experience working with low-income and public housing residents in particular. The contractor will procure the training/firm individual at its expense to provide direct recruitment and solicitation to LMHA residents for employment related training. Verification of the agreement between the contractor and training firm/individual must be provided to LMHA’s Section 3 Compliance Coordinator.
2. **Other Results-Oriented Economic Opportunities:** Other Results -Oriented Economic Opportunities are programs designed to provide economic opportunities to Section 3 residents, including, but not limited to: Section 3 joint ventures, teaming agreements or combination of other economic opportunities. A contractor must submit to LMHA a plan detailing these “Other Results-Oriented Economic Opportunities” and receive an approval prior to implementation.

Section 3 Forms

Form #1: Section 3 Clause Acknowledgement - This is a mandatory form that is completed and returned by all contractors answering a solicitation.

Form #2: Section 3 Business Self-Certification Form – This a form to be submitted by a Section 3 Business that is seeking preference.

Form #3: Contractor Section 3 Assurance of Compliance and Action Plan – This mandatory form (6 pages) is to be returned with an action plan, list of subcontractors, and an outreach plan. Part 3 of the form is to be used by business who do not anticipate triggering Section 3 regulations, and both boxes in Part 3 must be initialed.

Form #4 Section 3 Resident Self-Certification and Skills Data Form – this form can be returned if you are a Section 3 resident seeking preference, or it can be used during the interview and application process when hiring for a Section 3 Covered project.



Section 3 Form #1: SECTION 3 CLAUSE ACKNOWLEDGEMENT

Economic Opportunities for Low- and Very Low-Income Persons (Section 3, HUD Act of 1968; 24 CFR 135)

(a) The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

(b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

(c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of Section 3 apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

(d) The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

(e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.

(f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

I have read and understand these requirements of this Section 3 funded project:

Business Name: _____

Business Address: _____

Print Name: _____

Signature

Date

Section 3 Form #2: SECTION 3 BUSINESS SELF-CERTIFICATION FORM



<p>Please return this form to the following address:</p> <p><i>Martice Bishop Lucas Metropolitan Housing Authority 201 Belmont Avenue Toledo, OH 43604-0477</i></p>	<p>LMHA's Section 3 Self Certification</p> <p>For assistance completing the certification form, please email: <i>Martice Bishop at MBishop@lucasmha.org</i></p>
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Section 3 Business Criteria: Your business is eligible for Section 3 Business Certification if it meets any one of the following criteria. Please note that the definition of Section 3 qualified person is on Section 3 Form #3, "Section 3 Resident Self-Certification Form."

- 1. Fifty-one percent or more of your business is owned by a Section 3 resident or residents.
- 2. Thirty percent or more of your permanent, full-time employees are Section 3 residents.
- 3. You can provide evidence of a commitment to subcontract in excess of 25% of the amount of all subcontracts to Section 3 businesses: (a) that are fifty-one percent or more owned by public housing residents or (b) that has thirty percent or more of their permanent, full-time employees as public housing residents.

Section 3 Business Certification Statement: I hereby certify to the U.S. Department of Housing and Urban Development (HUD) and to Lucas Metropolitan Housing Authority that all of the information on this form is true and correct. I understand that it is my responsibility to conduct any due diligence necessary to make this certification and to maintain documentation establishing my Section 3 Business concern status. I also understand that failure to complete this form completely and accurately may result in debarment or other administrative remedies available to HUD, and criminal or civil penalties under federal, state, and local laws.

- My business is a Section 3 business in accordance with the standard checked above under Section 3 Business Criteria.
- My business is not a Section 3 business.

Signature:		Date Signed:
Name:	Title:	
Company Name		
Address		
Telephone Number		
Type of Business: (Check One): <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other		



Section 3 Form #3: CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (p. 1 of 6)

PART I-- Purpose: To ensure that regulations promulgated under 24 CFR Part 135 “Economic Opportunities for Low- and Very Low-Income Persons” is met, LMHA has developed and approved a Section 3 Policy for LMHA. Information on specific compliance with Section 3 is found in LMHA’s Section 3 Policy, or in the regulations at 24 CFR Part 135.

This form, along with all related required documents included shall serve as the ‘assurance of compliance’ certification and action plan as required in the bid documents, supplemental general conditions, and required forms for the contract for any HUD work funded by LMHA.

Name of Business: _____

Business Address: _____

Contract Name/Solicitation #: _____

Total amount of Bid: _____

PART II: PRIOR COMPLIANCE CERTIFICATION

I am certifying that my business has complied with the HUD Section 3 regulations in its past HUD contracts/purchase orders.

Signature/Title

Print Name

Date

PART III: IS SECTION 3 TRIGGERED BY THIS CONTRACT?

IF CONTRACTOR DOES NOT ANTICIPATE TRIGGERING THE SECTION 3 REGULATIONS, YOU MUST INITIAL BOTH BOXES BELOW:

I do not anticipate hiring any new permanent, temporary, or seasonal employees on this contract.

I do not anticipate subcontracting any portion of the work on this contract.

If you checked both boxes, do NOT check any other boxes or select any other options on this form! Review all other pages and execute the attestation and notarized signature on page 23 Form #3.

IMPORTANT: IF THIS CHANGES AT ANY POINT DURING YOUR CONTRACT, YOU MUST IMMEDIATELY CONTACT YOUR LMHA CONTRACT CONTACT AS WELL AS LMHA SECTION 3 Compliance Coordinator, Martice Bishop: MBishop@lucasmha.org

Section 3 Form #3: CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (p. 2 of 6)

PART IV: CONTRACTING/SUBCONTRACTING NEEDS:

If you plan to subcontract, please list the proposed subcontractors and amounts below. Attach a Section 3 Business Concern Self-Certification form for each Section 3 Business identified.

Subcontractor Name	Work to be performed (Building trade or other type of work)	Are they Section 3 Business? Yes/No	Contract Amount	% of Total Contract

Use an additional sheet if required

Total amount to be sub-contracted to Section 3 Business Concerns: \$_____

Percentage of total \$ value of bid/contract: _____

IMPORTANT: Should the scope of work or needs of the contractor change, the contractor shall, to the greatest extent feasible, assure that subcontracts be awarded to Section 3 business concerns and shall immediately contact your LMHA contract contact as well as LMHA Section 3 Coordinator.

Section 3 Form #3: CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (p. 3 of 6)

PART V: WORKFORCE NEEDS AND HIRING PLAN

Preliminary Statement for Workforce Needs: LMHA intends to meet Section 3 compliance at the highest level and it is our intent to identify any short-term and long-term employment or contracting opportunities for qualified Section 3 persons and business concerns during the course of your contract funded by LMHA via its contractors. Please list the status of all planned employment position and opportunities for this contract. **Preference for all opportunities must be given to low- and very low-income residents if they qualify. If awarded a contract, you are required to provide a list of your aggregate workforce on this project. Any changes to that workforce during the project will constitute new hires. You are hereby notified that you must notify LMHA or contractor (respectively) overseeing your contract of any new hire opportunities that arise during the life of your contract. Anticipated workforce list may be provided on a separate sheet or in a different format.**

1. List Job Title/Trade	2. Total # of Employees Needed to complete Scope of Work by Job Title	3. Total # from Current Staff	4. Of the total # in column (3), how many are Section 3 Hires within the past 3 years?	Total # of New Hires Needed (Column 2 – Column 3)	Total # of New Hires expected to be Section 3 Residents
TOTALS					

Use an additional sheet if required

Section 3 Form #3: CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (p. 4 of 6)

PART VI. OTHER REQUIREMENTS

Outreach Plan:

Check all methods you will employ to hire Section 3 residents. Posting the position in community sources that are generally available to low-income residents and the general public is a standard requirement.

Check at least three (3) other methods you will employ:

- The local community newspaper(s)
- The most widely distributed newspaper
- LMHA website
- LMHA properties management offices in a conspicuous location
- Homeless service agencies
- Local HUD-supported housing communities
- Local Workforce Board
- Other locations as approved by LMHA
- Email blast residents on LMHA Section 3 Resident List
- Post notices on social media controlled by LMHA

Doc u m e n t a t i o n o f “T o t h e G r e a t e s t E x t e n t F e a s i b l e” :

The contractor will work with LMHA Section 3 Coordinator and other designated staff to notify residents of any opportunities afforded under the contract. The contractor will collaborate with LMHA by giving preference of any employment opportunities to the Section 3 persons or business concerns.

The contractor and subcontractor(s) shall recruit or attempt to recruit from LMHA’s Section 3 area, based on the priority order in LMHA’s Section 3 Plan, the necessary number of low-income and very low-income residents through documentation of their efforts and of any impediments to comply. LMHA’s contractors and subcontractors shall:

1. Maintain a list of all low-income area residents who have applied, either on their own or from referral from any source, and employ such person if otherwise qualified and if a vacancy exists.
2. Review and consider the Section 3 Resident List provided by LMHA prior to making new hires. If those hired are not Section 3 residents, or are in a lower preference category, the Contractor must explain in writing the qualifications that those on Section 3 Resident List lacked, or other reason for non-hire (e.g., job offer declined).
3. Provide evidence that the contractor has not filled vacant employment positions in its workforce immediately prior to undertaking work in an attempt to circumvent Section 3 regulations.

Review and determine if low-income and very low-income residents meet minimum hiring qualifications. Applicants meeting such minimum qualifications, but not hired due to lack of job openings or for other operations reasons, will be placed on a priority-hiring list and offered positions upon the occurrence of the first available appropriate job opening.

Recordkeeping:

The contractor shall maintain on file all records related to employment and job training of low-income and very low-income residents or other such records, advertisements, legal notices, brochures, flyers, publications, assurances of compliance from subcontractors, etc., in connection with this contract. If there is a report that is needed as part of the submission, you agree to provide it timely. The contractor shall, upon request, provide such records or copies of records to LMHA, its staff, or agents.

Reports:

The contractor shall provide reports as required in connection with the contractor specifications. All certified and regular payrolls shall clearly detail which employees qualify under Section 3.

Certification:

The contractor will certify that any vacant employment positions, including training positions, that filled...

- (1) after the contractor is selected but before the contract is executed; and
- (2) with persons other than Section 3 residents

...were not filled to circumvent the subcontractor's obligations under 24 CFR Part 135.

Other Economic Opportunities:

If a contractor has demonstrated that it has no need or plans to subcontract or hire and can demonstrate that it has attempted, to the greatest extent feasible, to hire/contract Section 3 residents and/or contractors, it has fully complied and may move forward and secure non-Section 3 persons or firms.

If a contractor does not trigger the requirements of Section 3 but chooses to offer other economic opportunities such as training, mentoring, or business development for Section 3 residents of LMHA, it may offer to do so in a thorough written plan to the Section 3 Coordinator. These opportunities must be described in a written plan on how the contractor will offer other economic opportunities expressing the outreach, number of persons to be affected, and outcomes.

A contractor that has a need to hire or sub-contract may not use other economic opportunities as a substitute to attempt to meet hiring or contracting goals; the contractor must still demonstrate how it attempted to the greatest extent feasible, to meet the goals.

Grievance and Compliance:

The contractor or sub-contractor hereby acknowledges that they understand that any low-income and very low-income resident of the project area, for him/her or as representatives of persons similarly situated, seeking employment or job training opportunities in the project area, or any eligible business concerns seeking contract opportunities may file a grievance if efforts to the greatest extent feasible were not executed. The grievance must be filed with HUD not later than one hundred eighty (180) calendar days from the date of the action (or omission) upon which the grievance is based.

SECTION 3 CONTRACT COMPLIANCE CURE AND TERMINATION PROCESSES

This language is a component of contract compliance with the work contractors and sub-contractors including developers respond to in LMHA solicitations. The full requirements are provided in the Section 3 Clause found elsewhere in this package or in the HUD forms 5370-C or 5370 C1 as may be applicable.

All contractors claiming a Preference in contracting by meeting any of the three Preference requirements including a Resident Owned Business, Hiring 30% of New Hires and/or Sub-contracting at least 25% of total award to a Section 3 Concern shall maintain that status throughout the life of the contract. Failure to meet this requirement will result in penalties up to and including contract termination. Any contractor triggering the regulation by doing any hiring or contracting once they are awarded the contract through contract execution must comply with the Section 3 requirements by executing the efforts on their Certification and Action Plan in accordance with LMHA Section 3 Action Plan.

LMHA shall execute these remedies to achieve compliance in this order:

- A. Based on the first observation or report of non-compliance with Section 3, the contractor will be sent an e-mail from LMHA notifying them of their non-compliance issue. The contractor will have until the next payroll or 14 calendar days, whichever is lesser to bring the contract into compliance.
- B. If at any time a contractor fails to bring the contract into compliance, LMHA must withhold all future payments until the contract is in compliance.
- C. The contractor shall have up to 15 business days from the most recent notice of non-compliance to meet compliance as a final cure period or justify in writing to LMHA why it cannot meet compliance. LMHA must render a response to the contractor within 10 business days of receipt of its letter of reason for non-compliance. If LMHA deems the cause to be unacceptable, at its option, LMHA can extend the cause period one time for up to 5 days to allow the contractor to identify and secure other compliance options, or
- D. If the contractor fails to take any corrective action to bring the contract into compliance within seven (7) business days from the most recent notice of non-compliance, or LMHA does not accept any of the contractor's corrective plans or justifications for non-compliance, LMHA must terminate the contract immediately. **All funds due to the contractor shall be held** and a financial workout of the agreement shall proceed within 24 hours of termination. The workout is to include a contract deduct equal to the total Section 3 contract violation of opportunities provided to non-Section 3 residents or business because they were not offered according to the contract and regulation award. All remaining funds can be paid out based on work satisfactorily completed per the agreement.

Any contractor claiming to meet Section 3 compliance by committing to hire residents, fund training itself **shall meet compliance within seven (7) calendar days of contract start** or LMHA shall halt all payments to the contractor and its sub-contractors related to the agreement and the actions listed in steps A-D in this Section shall apply.

Section 3 Form #3: CONTRACTOR SECTION 3 ASSURANCE OF COMPLIANCE AND ACTION PLAN (p. 6 of 6)

ATTESTATION:

I attest that the above information is true and correct and that by signing below, the Contractor hereby agrees to comply with Section 3 requirements.

Name of Prime Contractor: _____

Name of Authorized Officer: _____

Title of Authorized Officer: _____

Signature

Date

NOTARY REQUIRED

STATE:

COUNTY:

I, the undersigned a Notary Public in and for said authority and in said State, hereby certify that, _____, whose _____ named _____ as (Title) of _____ (Company) is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day, that, being informed of the contents of the foregoing conveyance, he/she, in his/her capability as _____ (Officer Title), and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal, this the _____ day of _____, 20__.

Notary Public My Commission Expires: _____ {SEAL}



Section 3 Form #4-- SECTION 3 RESIDENT SELF-CERTIFICATION AND SKILLS DATA FORM (Page 1 of 2)

The purpose of this form is to comply with HUD Section 3 administration and certification regulations.

Printed Name of Individual: _____

My home address is (must be a street address and NOT a P.O. Box number):

Street Address _____ Apt Number _____ City _____ State _____ Zip _____

Phone #: _____ **Email Address:** _____

I certify that I am a legal resident of the United States and meet the income eligibility and federal guidelines for a Section 3 Resident below:

To qualify as a Section 3 Resident, you must meet one of the following standards:

1. Be a public housing resident or a Housing Choice Voucher program participant (Section 8 rent assistance voucher) managed by LMHA; OR
2. Be a low income or very low income person who resides in the service area where Lucas Metropolitan Housing Authority serves including the total service area in Lucas County Ohio, Monroe County Michigan, Fulton County Ohio and Wood County Ohio with the exception of the city of Bowling Green is located and whose total household income does not exceed the following amounts:

Table of Adjusted Median Income for Lucas Metropolitan Housing Authority

Family Size	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Household Income	34,450	39,400	44,300	49,200	53,150	57,100	61,050	64,950

(Check all that apply):

- I am a public housing resident (Name of housing development: _____)
- I am a Section 8 rent assistance participant with LMHA (have a Housing Choice Voucher)
- I live in the service area of the Housing Commission (Lucas Metropolitan Housing Authority)

My total annual household income is \$_____ and there are a total of _____ people living in my household.

Section 3 Form #4-- **SECTION 3 RESIDENT SELF-CERTIFICATION AND SKILLS DATA FORM (Page 2 of 2)**

- Graduated High School or GED Yes No
- Read & Speak English Fluently Yes No
- Graduated College, Trade, or Technical School Yes No

Please list degree or certifications: _____

Check the Skills, Trades, and/or Professions you have been employed in or contracted to do for others:

- | | | | | |
|---|--|--|---|--|
| <input type="checkbox"/> Drywall Hanging | <input type="checkbox"/> Drywall Finishing | <input type="checkbox"/> Interior Painting | <input type="checkbox"/> Framing | <input type="checkbox"/> Welding |
| <input type="checkbox"/> HVAC | <input type="checkbox"/> Electrical | <input type="checkbox"/> Interior Plumbing | <input type="checkbox"/> Siding | <input type="checkbox"/> Metal/Steel Work |
| <input type="checkbox"/> Cabinet Hanging | <input type="checkbox"/> Door Replacement | <input type="checkbox"/> Trim/Carpentry | <input type="checkbox"/> Heavy Equipment Operator | |
| <input type="checkbox"/> Exterior Plumbing | <input type="checkbox"/> Exterior Framing | <input type="checkbox"/> Stucco | <input type="checkbox"/> Construction Cleaning | |
| <input type="checkbox"/> Concrete/Asphalt Work | <input type="checkbox"/> Roofing | <input type="checkbox"/> Landscaping | <input type="checkbox"/> Fencing | <input type="checkbox"/> Window/Door Repl. |
| <input type="checkbox"/> Telephone Customer Service | <input type="checkbox"/> Personal Care Aide | <input type="checkbox"/> Receptionist | <input type="checkbox"/> Teaching/Training | |
| <input type="checkbox"/> Sales | <input type="checkbox"/> Data Entry | <input type="checkbox"/> Cleaning | <input type="checkbox"/> Administrative/Clerical | |
| <input type="checkbox"/> Driver's License | <input type="checkbox"/> Commercial Driver's License (CDL) | | | |
| <input type="checkbox"/> Other _____ | <input type="checkbox"/> Other _____ | | | |
| <input type="checkbox"/> Other _____ | <input type="checkbox"/> Other _____ | | | |

I am interested in: **Training opportunities** **Employment Opportunities** **Both**

I hereby certify to the U.S. Department of Housing and Urban Development (HUD) and to Lucas Metropolitan Housing Authority that all of the information on this form is true and correct. I attest under penalty of perjury that my total household income and household size is as shown above, and that proof of this information may be requested in the future. If found to be inaccurate, I understand that I may be disqualified as an applicant and/or a certified Section 3 individual which may be grounds for termination of training, employment, or contracts that resulted from this certification. I also understand that failure to complete this form completely and accurately may result in other administrative remedies available to HUD. Finally, I authorize Lucas Metropolitan Housing Authority to include my name on a list of Section 3 Residents seeking employment and to include my contact information so that contractors may contact me.

Signature

Date

INTRODUCTION

This chapter describes HUD regulations and LMHA policies related to the project-based voucher (PBV) program in nine parts:

Part I: General Requirements. This part describes general provisions of the PBV program including maximum budget authority requirements, relocation requirements, and equal opportunity requirements.

Part II: PBV Owner Proposals. This part includes policies related to the submission and selection of owner proposals for PBV assistance. It describes the factors the LMHA will consider when selecting proposals, the type of housing that is eligible to receive PBV assistance, the cap on assistance at projects receiving PBV assistance, subsidy layering requirements, site selection standards, and environmental review requirements.

Part III: Dwelling Units. This part describes requirements related to housing quality standards, the type and frequency of inspections, and housing accessibility for persons with disabilities.

Part IV: Rehabilitated and Newly Constructed Units. This part describes requirements and policies related to the development and completion of rehabilitated and newly constructed housing units that will be receiving PBV assistance.

Part V: Housing Assistance Payments Contract. This part discusses HAP contract requirements and policies including the execution, term, and termination of the HAP contract. In addition, it describes how the HAP contract may be amended and identifies provisions that may be added to the HAP contract at the LMHA's discretion.

Part VI: Selection of PBV Program Participants. This part describes the requirements and policies governing how the LMHA and the owner will select a family to receive PBV assistance.

Part VII: Occupancy. This part discusses occupancy requirements related to the lease, and describes under what conditions families are allowed or required to move. In addition, exceptions to the occupancy cap (which limits PBV assistance to 25 percent of the units in any project) are also discussed.

Part VIII: Determining Rent to Owner. This part describes how the initial rent to owner is determined, and how rent will be re-determined throughout the life of the HAP contract. Rent reasonableness requirements are also discussed.

Part IX: Payments to Owner. This part describes the types of payments owners may receive under this program.

PART I: GENERAL REQUIREMENTS**17-I.A. OVERVIEW [24 CFR 983.5]**

The project-based voucher (PBV) program allows PHAs that already administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD to take up to 20 percent of its voucher program budget authority and attach the funding to specific units rather than using it for tenant-based assistance [24 CFR 983.6]. PHAs may only operate a PBV program if doing so is consistent with the LMHA's Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities [42 U.S.C. 1437f(o)(13)].

LMHA Policy

The LMHA will operate a project-based voucher program using up to 20 percent of its budget authority for project-based assistance.

PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing [24 CFR 983.52]. If PBV units are already selected for project-based assistance either under an agreement to enter into HAP Contract (Agreement) or a HAP contract, the LMHA is not required to reduce the number of these units if the amount of budget authority is subsequently reduced. However, the LMHA is responsible for determining the amount of budget authority that is available for project-based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available under the ACC [24 CFR 983.6].

**17-I.B. TENANT-BASED VS. PROJECT-BASED VOUCHER ASSISTANCE
[24 CFR 983.2]**

Much of the tenant-based voucher program regulations also apply to the PBV program. Consequently, many of the LMHA policies related to tenant-based assistance also apply to PBV assistance. The provisions of the tenant-based voucher regulations that do not apply to the PBV program are listed at 24 CFR 983.2.

LMHA Policy

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the LMHA policies for the tenant-based voucher program contained in this administrative plan also apply to the PBV program and its participants.

17-I.C. RELOCATION REQUIREMENTS [24 CFR 983.7]

Any persons displaced as a result of implementation of the PBV program must be provided relocation assistance 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.

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. PHAs may not use voucher program funds to cover relocation costs, except that PHAs may use their administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes must also be consistent with other legal and regulatory requirements, including the requirement in 24 CFR 982.155 and other official HUD issuances.

The acquisition of real property for a PBV project is subject to the URA and 49 CFR part 24, subpart B. It is the responsibility of the LMHA to ensure the owner complies with these requirements.

17-I.D. EQUAL OPPORTUNITY REQUIREMENTS [24 CFR 983.8]

The LMHA must comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a). In addition, the LMHA must comply with the LMHA Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

PART II: PBV OWNER PROPOSALS**17-II.A. OVERVIEW**

The LMHA must describe the procedures for owner submission of PBV proposals and for LMHA selection of PBV proposals [24 CFR 983.51]. Before selecting a PBV proposal, the LMHA must determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing [24 CFR 983.53 and 983.54], complies with the cap on the number of PBV units per project [24 CFR 983.56, FR Notice 11/24/08], and meets the site selection standards [24 CFR 983.57]. The LMHA may not commit PBVs until or unless it has followed the proposal selection requirements defined in 24 CFR 983.51 [Notice PIH 2011-54].

17-II.B. OWNER PROPOSAL SELECTION PROCEDURES [24 CFR 983.51(b)]

The LMHA must select PBV proposals in accordance with the selection procedures in the LMHA administrative plan. The LMHA must select PBV proposals by either of the following two methods.

- LMHA request for PBV Proposals. The LMHA may solicit proposals by using a request for proposals to select proposals on a competitive basis in response to the LMHA request. The LMHA may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.
- The LMHA may select proposal that were previously selected based on a competition. This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

Solicitation and Selection of PBV Proposals [24 CFR 983.51(c)]

LMHA procedures for selecting PBV proposals must be designed and actually operated to provide broad public notice of the opportunity to offer PBV proposals for consideration by the LMHA. The public notice procedures may include publication of the public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice. The public notice of the LMHA request for PBV proposals must specify the submission deadline. Detailed application and selection information must be provided at the request of interested parties.

LMHA PolicyLMHA Request for Proposals for Rehabilitated and Newly Constructed Units

The LMHA will advertise its request for proposals (RFP) for rehabilitated and newly constructed housing in the following newspapers and trade journals.

- Local papers of general circulation
- Minority papers of general circulation

In addition, the LMHA will post the RFP and proposal submission and rating and ranking procedures on its electronic web site.

The LMHA will publish its advertisement in the newspapers and trade journals mentioned above for at least one day per week for three consecutive weeks. The advertisement will specify the number of units the LMHA estimates that it will be able to assist under the funding the LMHA is making available. Proposals will be due in the LMHA office by the date specified in the published deadline.

In order for the proposal to be considered, the owner must submit the proposal to the LMHA by the published deadline date, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed.

The LMHA will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:

- The housing must promote one of LMHA's priorities for its PBV program.
- The proposal must comply with all HUD program regulations and requirements.
- The property must be eligible housing as determined under 24 CFR 983.52 – 983.54.
- The proposal must comply with the applicable HUD limitations on the number of PBV units per building; [The housing site must meet the site selection standards detailed at 24 CFR 983.57].
- Proposals for all housing must demonstrate capacity, experience, and successful outcomes in property management, particularly management of housing targeted to low- income persons and families.
- Proposals must provide evidence of sufficient financing commitments (for construction, operations, and supportive services if applicable) to demonstrate the project's long-term viability.
- Proposals for supportive housing must demonstrate the capacity, experience, and successful outcomes of the supportive services provider that indicate its ability to effectively provide sufficient supportive services; and
- Capacity, experience, and successful outcomes in prior projects that indicate their ability to complete the construction work effectively and within the proposed time schedule for project completion.

LMHA Requests for Proposals for Existing Housing Units

The LMHA will advertise its request for proposals (RFP) for existing housing in the following newspapers and trade journals.

- Local papers of general circulation
- Minority papers of general circulation

In addition, the LMHA will post the notice inviting such proposal submission and the rating and ranking procedures on its electronic web site.

The LMHA will periodically publish its advertisement in the newspapers and trade journals mentioned above for at least one day per week for three consecutive weeks. The advertisement will specify the number of units the LMHA estimates that it will be able to assist under the funding the

LMHA is making available. Owner proposals will be accepted on a first-come first-served basis and will be evaluated using the following criteria:

- The housing must promote one of LMHA's priorities for its PBV program.
- The proposal must comply with all HUD program regulations and requirements.
- The property must be eligible housing as determined under 24 CFR 983.52 – 983.54.
- The proposal must comply with the applicable HUD limitations on the number of PBV units per building; [The housing site must meet the site selection standards detailed at 24 CFR 983.57].
- Proposals for all housing must demonstrate capacity, experience, and successful outcomes in property management, particularly management of housing targeted to low-income persons and families.
- Proposals must provide evidence of sufficient financing commitments (for construction, operations, and supportive services if applicable) to demonstrate the project's long-term viability.
- Proposals for supportive housing must demonstrate the capacity, experience, and successful outcomes of the supportive services provider that indicate its ability to effectively provide sufficient supportive services.

LMHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program

The LMHA will accept proposals for PBV assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis.

The LMHA may periodically advertise that it is accepting proposals, in the following newspapers and trade journals:

- Local papers of general circulation
- Minority papers of general circulation

In addition to, or in place of advertising, the LMHA may also directly contact specific owners that have already been selected for Federal, state, or local housing assistance based on a previously held competition, to inform them of available PBV assistance.

Proposals will be reviewed on a first-come first-served basis. The LMHA will evaluate each proposal on its merits using the following factors:

Extent to which the project furthers the LMHA goal of deconcentrating poverty and expanding housing and economic opportunities; and

Extent to which the proposal complements other local activities such as the redevelopment of a public housing site under the HOPE VI program, the HOME program, CDBG activities, other development activities in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community.

PHA-owned Units [24 CFR 983.51(e) and 983.59]

A LMHA-owned unit may be assisted under the PBV program only if the HUD field office or HUD- approved independent entity reviews the selection process and determines that the LMHA-owned units were appropriately selected based on the selection procedures specified in the LMHA administrative plan. If the LMHA selects a proposal for housing that is owned or controlled by the LMHA, the LMHA must identify the entity that will review the LMHA proposal selection process and perform specific functions with respect to rent determinations and inspections.

In the case of LMHA-owned units, the initial contract rent must be approved by an independent entity based on an appraisal by a licensed, state-certified appraiser. In addition, housing quality standards inspections must be conducted by an independent entity.

The independent entity that performs these program services may be the unit of general local government for the LMHA jurisdiction (unless the LMHA is itself the unit of general local government or an agency of such government) or another HUD-approved public or private independent entity.

LMHA Policy

The LMHA may submit a proposal for project-based housing that is owned or controlled by the LMHA. If the proposal for LMHA-owned housing is selected, the LMHA will use an independent entity to review the LMHA selection and to administer the PBV program. The LMHA will obtain HUD approval of the independent entity prior to selecting the proposal for LMHA-owned housing.

The LMHA may only compensate the independent entity and appraiser from LMHA ongoing administrative fee income (including amounts credited to the administrative fee reserve). The LMHA may not use other program receipts to compensate the independent entity and appraiser for their services. The LMHA, independent entity, and appraiser may not charge the family any fee for the appraisal or the services provided by the independent entity.

PHA Notice of Owner Selection [24 CFR 983.51(d)]

The LMHA must give prompt written notice to the party that submitted a selected proposal and must also give prompt public notice of such selection. Public notice procedures may include publication of public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice.

LMHA Policy

Within 30 calendar days of the LMHA making the selection, the LMHA will notify the selected owner in writing of the owner's selection for the PBV program. The LMHA will also notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

In addition, the LMHA will publish its notice for selection of PBV proposals for two consecutive days in the same newspapers and trade journals the LMHA used to solicit the proposals. The announcement will include the name of the owner that was selected for the PBV program. The LMHA will also post the notice of owner selection on its electronic web site.

The LMHA will make available to any interested party its rating and ranking sheets and documents that identify the LMHA basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of

owner selection. The LMHA will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner.

The LMHA will make these documents available for review at the LMHA during normal business hours. The cost for reproduction of allowable documents will be \$.25 per page.

17-II.C. HOUSING TYPE [24 CFR 983.52]

The LMHA may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a housing assistance payments contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of LMHA selection, the units substantially comply with HQS. Units for which new construction or rehabilitation was started in accordance with PBV program requirements do not qualify as existing housing.

The LMHA must decide what housing type, new construction, rehabilitation, or existing housing, will be used to develop project-based housing. The LMHA choice of housing type must be reflected in its solicitation for proposals.

17-II.D. PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS**Ineligible Housing Types [24 CFR 983.53]**

The LMHA may not attach or pay PBV assistance to shared housing units; 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 (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes; and transitional housing. In addition, the LMHA may not attach or pay PBV assistance for a unit occupied by an owner and the LMHA may not select or enter into an agreement to enter into a HAP contract or HAP contract for a unit occupied by a family ineligible for participation in the PBV program.

Subsidized Housing [24 CFR 983.54]

A LMHA may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing unit;
- A unit subsidized with any other form of Section 8 assistance;
- A unit subsidized with any governmental rent subsidy;
- 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 rental assistance payments (except that a LMHA may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- A Section 202 project for non-elderly with disabilities;
- Section 811 project-based supportive housing for persons with disabilities;
- Section 202 supportive housing for the elderly;

- A Section 101 rent supplement project;
- A unit subsidized with any form of tenant-based rental assistance;
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or the LMHA in accordance with HUD requirements.

17-II.E. SUBSIDY LAYERING REQUIREMENTS [24 CFR 983.55, FR Notice 11/24/08, and FR Notice 7/9/10]

The LMHA may provide PBV assistance only in accordance with HUD subsidy layering regulations [24 CFR 4.13] and other requirements.

The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

The LMHA must submit the necessary documentation to HUD for a subsidy layering review. Except in cases of HAP contracts for existing structures, or if such reviews have been conducted by the applicable state and local agencies (defined by HUD as qualified housing credit agencies, or HCAs), the LMHA may not enter into an agreement to enter into a HAP contract or a HAP contract until HUD, or an independent entity approved by HUD, has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements. However, in order to satisfy applicable requirements, HCAs must conduct subsidy layering reviews in compliance with the guidelines set forth in the *Federal Register* notice published July 9, 2010.

The HAP contract must contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements.

17-II.F. CAP ON NUMBER OF PBV UNITS IN EACH PROJECT**25 Percent per Project Cap [24 CFR 983.56(a), FR Notice 11/24/08]**

In general, the LMHA may not select a proposal to provide PBV assistance for units in a project or enter into an agreement to enter into a HAP or a HAP contract to provide PBV assistance for units in a project, if the total number of dwelling units in the project that will receive PBV assistance during the term of the PBV HAP contract is more than 25 percent of the number of dwelling units (assisted or unassisted) in the project.

Exceptions to 25 Percent per Project Cap [24 CFR 983.56(b), FR Notice 11/24/08]

Exceptions are allowed and PBV units are not counted against the 25 percent per project cap if:

- The units are in a single-family building (one to four units);
- The units are *excepted units* in a multifamily building because they are specifically made available for elderly or disabled families or families receiving supportive services (also known as *qualifying families*).

PHAs must include in the LMHA administrative plan the type of services offered to families for a project to qualify for the exception and the extent to which such services will be provided. It is not necessary that the services be provided at or by the project, if they are approved services. To qualify, a family must have

at least one member receiving at least one qualifying supportive service. A LMHA may not require participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers as a condition of living in an excepted unit, although such services may be offered.

If a family at the time of initial tenancy is receiving, and while the resident of an excepted unit has received, FSS supportive services or any other supportive services as defined in the LMHA administrative plan, and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

The LMHA must monitor the excepted family's continued receipt of supportive services and take appropriate action regarding those families that fail without good cause to complete their supportive services requirement. The LMHA administrative plan must state the form and frequency of such monitoring.

LMHA Policy

The LMHA may provide PBV assistance for excepted units.

Promoting Partially-Assisted Buildings [24 CFR 983.56(c)]

A LMHA may establish local requirements designed to promote PBV assistance in partially assisted buildings. A *partially assisted building* is a building in which there are fewer units covered by a HAP contract than residential units [24 CFR 983.3].

A LMHA may establish a per-building cap on the number of units that will receive PBV assistance or other project-based assistance in a multifamily building containing excepted units or in a single-family building. A LMHA may also determine not to provide PBV assistance for excepted units, or the LMHA may establish a per-building cap of less than 25 percent.

17-II.G. SITE SELECTION STANDARDS

Compliance with PBV Goals, Civil Rights Requirements, and HQS Site Standards [24 CFR 983.57(b)]

The LMHA may not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an agreement to enter into a HAP contract or HAP contract for units on the site, unless the LMHA has determined that PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding housing and economic opportunities must be consistent with the LMHA Plan under 24 CFR 903 and the LMHA administrative plan.

In addition, prior to selecting a proposal, the LMHA must determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders, and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401(l).

LMHA Policy

It is the LMHA goal to select sites for PBV housing that provide for de-concentrating poverty and expanding housing and economic opportunities. In complying with this goal the LMHA will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less.

However, the LMHA will grant exceptions to the 20 percent standard where the LMHA determines that the PBV assistance will complement other local redevelopment activities designed to de-concentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

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 as a result 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; or

A census tract where there are meaningful opportunities for educational and economic advancement.

Existing and Rehabilitated Housing Site and Neighborhood Standards [24 CFR 983.57(d)]

The LMHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract for existing or rehabilitated housing until it has determined that the site complies with the HUD required site and neighborhood standards. 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 of similar market rents; 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, except for elderly designated housing.

New Construction Site and Neighborhood Standards [24 CFR 983.57(e)]

In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- The site must have adequate utilities and streets available to service the site;
- The site must not be located in an area of minority concentration unless the LMHA determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be

served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;

- The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;
- The housing must 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
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

17-II.H. ENVIRONMENTAL REVIEW [24 CFR 983.58]

The LMHA activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The *responsible entity* is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The LMHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

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.

The LMHA may not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and the LMHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.

The LMHA must supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. The LMHA must require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

PART III: DWELLING UNITS**17-III.A. OVERVIEW**

This part identifies the special housing quality standards that apply to the PBV program, housing accessibility for persons with disabilities, and special procedures for conducting housing quality standards inspections.

17-III.B. HOUSING QUALITY STANDARDS [24 CFR 983.101]

The housing quality standards (HQS) for the tenant-based program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.

The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.

Lead-based Paint [24 CFR 983.101(c)]

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program.

17-III.C. HOUSING ACCESSIBILITY FOR PERSONS WITH DISABILITIES

The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. The LMHA must ensure that the percentage of accessible dwelling units complies with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

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. (24 CFR 983.102)

17-III.D. INSPECTING UNITS**Pre-selection Inspection [24 CFR 983.103(a)]**

The LMHA must examine the proposed site before the proposal selection date. If the units to be assisted already exist, the LMHA must inspect all the units before the proposal selection date, and must determine whether the units substantially comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, the LMHA may not execute the HAP contract until the units fully comply with HQS.

Pre-HAP Contract Inspections [24 CFR 983.103(b)]

The LMHA must inspect each contract unit before execution of the HAP contract. The LMHA may not enter into a HAP contract covering a unit until the unit fully complies with HQS.

Turnover Inspections [24 CFR 983.103(c)]

Before providing assistance to a new family in a contract unit, the LMHA must inspect the unit. The LMHA may not provide assistance on behalf of the family until the unit fully complies with HQS.

Annual Inspections [24 CFR 983.103(d)]

At least annually during the term of the HAP contract, the LMHA 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 HQS. Turnover inspections are not counted toward meeting this annual inspection requirement.

If more than 20 percent of the annual sample of inspected contract units in a building fails the initial inspection, the LMHA must re-inspect 100 percent of the contract units in the building.

Other Inspections [24 CFR 983.103(e)]

The LMHA must inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The LMHA must take into account complaints and any other information coming to its attention in scheduling inspections.

The LMHA must conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and must conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

In conducting LMHA supervisory quality control HQS inspections, the LMHA should include a representative sample of both tenant-based and project-based units.

Inspecting LMHA-owned Units [24 CFR 983.103(f)]

In the case of LMHA-owned units, the inspections must be performed by an independent agency designated by the LMHA and approved by HUD. The independent entity must furnish a copy of each inspection report to the LMHA and to the HUD field office where the project is located. The LMHA must take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by the LMHA-owner.

PART IV: REHABILITATED AND NEWLY CONSTRUCTED UNITS**17-IV.A. OVERVIEW [24 CFR 983.151]**

There are specific requirements that apply to PBV assistance for newly constructed or rehabilitated housing that do not apply to PBV assistance in existing housing. This part describes the requirements unique to this type of assistance.

Housing selected for this type of assistance may not at a later date be selected for PBV assistance as existing housing.

17-IV.B. AGREEMENT TO ENTER INTO HAP CONTRACT

In order to offer PBV assistance in rehabilitated or newly constructed units, the LMHA must enter into an agreement to enter into HAP contract (Agreement) with the owner of the property. The Agreement must be in the form required by HUD [24 CFR 983.152(a)].

In the Agreement the owner agrees to develop the PBV contract units to comply with HQS, and the LMHA agrees that upon timely completion of such development in accordance with the terms of the Agreement, the LMHA will enter into a HAP contract with the owner for the contract units [24 CFR 983.152(b)].

Content of the Agreement [24 CFR 983.152(c)]

At a minimum, the Agreement must describe the following features of the housing to be developed and assisted under the PBV program:

- Site and the location of the contract units;
- Number of contract units by area (size) and number of bedrooms and bathrooms;
- Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner and utility services to be paid by the tenant;
- An indication of whether or not the design and construction requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973 apply to units under the Agreement. If applicable, any required work item resulting from these requirements must be included in the description of work to be performed under the Agreement;
- Estimated initial rents to owner for the contract units;
- Description of the work to be performed under the Agreement. For rehabilitated units, the description must include the rehabilitation work write up and, where determined necessary by the LMHA, specifications and plans. For new construction units, the description must include the working drawings and specifications.
- Any additional requirements for quality, architecture, or design over and above HQS.

Execution of the Agreement [24 CFR 983.153, FR Notice 11/24/08]

The Agreement must be executed promptly after LMHA notice of proposal selection to the selected owner. Generally, the LMHA may not enter into the Agreement with the owner until the subsidy layering review is completed. Likewise, the LMHA may not enter into the Agreement until the environmental review is completed and the LMHA has received environmental approval. However, the LMHA does not need to conduct a subsidy layering review in the case of a HAP contract for an existing structure or if the applicable state or local agency has conducted such a review. Similarly, environmental reviews are not required for existing structures unless otherwise required by law or regulation.

LMHA Policy

The LMHA will enter into the Agreement with the owner within 30 calendar days of receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.

17-IV.C. CONDUCT OF DEVELOPMENT WORK

Labor Standards [24 CFR 983.154(b)]

If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. The LMHA must monitor compliance with labor standards.

Equal Opportunity [24 CFR 983.154(c)]

The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135. The owner must also comply with federal equal employment opportunity requirements.

Owner Disclosure [24 CFR 983.154(d) and (e)]

The Agreement and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

17-IV.D. COMPLETION OF HOUSING

The Agreement must specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The Agreement must also specify the deadline for submission by the owner of the required evidence of completion.

Evidence of Completion [24 CFR 983.155(b)]

At a minimum, the owner must submit the following evidence of completion to the LMHA in the form and manner required by the LMHA:

- Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and
- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At the LMHA's discretion, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion.

LMHA Policy

The LMHA will determine the need for the owner to submit additional documentation as evidence of housing completion on a case-by-case basis depending on the nature of the PBV project. The LMHA will specify any additional documentation requirements in the Agreement to enter into HAP contract.

PHA Acceptance of Completed Units [24 CFR 983.156]

Upon notice from the owner that the housing is completed, the LMHA must inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with HQS and any additional requirements imposed under the Agreement. The LMHA must also determine if the owner has submitted all required evidence of completion.

If the work has not been completed in accordance with the Agreement, the LMHA must not enter into the HAP contract.

If the LMHA determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, the LMHA must submit the HAP contract for execution by the owner and must then execute the HAP contract.

PART V: HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP)**17-V.A. OVERVIEW**

The LMHA must enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. The HAP contract must be in the form required by HUD [24 CFR 983.202].

17-V.B. HAP CONTRACT REQUIREMENTS**Contract Information [24 CFR 983.203]**

The HAP contract must specify the following information:

- The total number of contract units by number of bedrooms;
- The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
- The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;
- Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
- The HAP contract term;
- The number of units in any project that will exceed the 25 percent per project cap, which will be set-aside for occupancy by qualifying families; and
- The initial rent to owner for the first 12 months of the HAP contract term.

Execution of the HAP Contract [24 CFR 983.204]

The LMHA may not enter into a HAP contract until each contract unit has been inspected and the LMHA has determined that the unit complies with the Housing Quality Standards (HQS). For existing housing, the HAP contract must be executed promptly after the LMHA selects the owner proposal and inspects the housing units. For newly constructed or rehabilitated housing the HAP contract must be executed after the LMHA has inspected the completed units and has determined that the units have been completed in accordance with the agreement to enter into HAP, and the owner furnishes all required evidence of completion.

LMHA Policy

For existing housing, the HAP contract will be executed within 30 business days of the LMHA determining that all units pass HQS.

For rehabilitated or newly constructed housing, the HAP contract will be executed within 30 business days of the LMHA determining that the units have been completed in accordance with the

agreement to enter into HAP, all units meet HQS, and the owner has submitted all required evidence of completion.

Term of HAP Contract [FR Notice 11/24/08]

The LMHA may enter into a HAP contract with an owner for an initial term of no less than one year and no more than 15 years.

LMHA Policy

The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis.

At any time before expiration of the HAP contract, the LMHA may extend the term of the contract for an additional term of up to 15 years if the LMHA determines an extension is appropriate to continue providing affordable housing for low-income families or to expand housing opportunities. Subsequent extensions are subject to the same limitations. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension.

LMHA Policy

When determining whether or not to extend an expiring PBV contract, the LMHA will consider several factors including, but not limited to:

The cost of extending the contract and the amount of available budget authority;

The condition of the contract units;

The owner's record of compliance with obligations under the HAP contract and lease(s);

Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and

Whether the funding could be used more appropriately for tenant-based assistance.

Termination by LMHA [24 CFR 983.205(c)]

The HAP contract must provide that the term of the LMHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by the LMHA in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

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 LMHA may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

Termination by Owner [24 CFR 983.205(d)]

If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to the LMHA. In this case, families living in the contract units must be offered tenant-based assistance.

Remedies for HQS Violations [24 CFR 983.207(b)]

The LMHA may not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If the LMHA determines that a contract does not comply with HQS, the LMHA may exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

LMHA Policy

The LMHA will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program. These policies are contained in Section 8-II.G., Enforcing Owner Compliance.

17-V.C. AMENDMENTS TO THE HAP CONTRACT

Substitution of Contract Units [24 CFR 983.206(a)]

At the LMHA's discretion and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract unit. Before any such substitution can take place, the LMHA must inspect the proposed unit and determine the reasonable rent for the unit.

Addition of Contract Units [24 CFR 983.206(b)]

At the LMHA's discretion and subject to the restrictions on the number of dwelling units that can receive PBV assistance per building and on the overall size of the LMHA's PBV program, a HAP contract may be amended during the three-year period following the execution date of the HAP contract to add additional PBV units in the same building. This type of amendment is subject to all PBV program requirements except that a new PBV proposal is not required.

LMHA Policy

The LMHA will consider adding contract units to the HAP contract when the LMHA determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:

The local housing inventory is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families); and

Voucher holders are having difficulty finding units that meet program requirements.

17-V.D. HAP CONTRACT YEAR, ANNIVERSARY AND EXPIRATION DATES [24 CFR 983.206(c) and 983.302(e)]

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

17-V.E. OWNER RESPONSIBILITIES UNDER THE HAP [24 CFR 983.209]

When the owner executes the HAP contract s/he certifies that at such execution and at all times during the term of the HAP contract:

- 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, is leased to an eligible family referred by the LMHA, 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, 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 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 and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit (from the family, the LMHA, HUD, or any other public or private sources); and
- The family does not own or have any interest in the contract unit.

17-V.F. ADDITIONAL HAP REQUIREMENTS**Housing Quality and Design Requirements [24 CFR 983.101(e) and 983.207(a)]**

The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with the LMHA and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

The LMHA may elect to establish additional requirements for quality, architecture, or design of PBV housing. Any such additional requirements must be specified in the Agreement to enter into a HAP contract and the HAP contract. These requirements must be in addition to, not in place of, compliance with HQS.

LMHA Policy

The LMHA will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. The LMHA will specify any special design standards or additional requirements in the invitation for PBV proposals, the agreement to enter into HAP contract, and the HAP contract.

Vacancy Payments [24 CFR 983.352(b)]

At the discretion of the LMHA, the HAP contract may provide for vacancy payments to the owner for a LMHA-determined period of vacancy 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. The amount of the vacancy payment will be determined by the LMHA 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).

LMHA Policy

The LMHA will decide on a case-by-case basis if the LMHA will provide vacancy payments to the owner. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments.

PART VI: SELECTION OF PBV PROGRAM PARTICIPANTS**17-VI.A. OVERVIEW**

Many of the provisions of the tenant-based voucher regulations [24 CFR 982] also apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

17-VI.B. ELIGIBILITY FOR PBV ASSISTANCE [24 CFR 983.251(a) and (b)]

The LMHA may select families for the PBV program from those who are participants in the LMHA's tenant-based voucher program and from those who have applied for admission to the voucher program. For voucher participants, eligibility was determined at original admission to the voucher program and does not need to be re-determined at the commencement of PBV assistance. For all others, eligibility for admission must be determined at the commencement of PBV assistance.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. Applicants must qualify as a family as defined by HUD and the LMHA, have income at or below HUD-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members [24 CFR 982.201(a) and 24 CFR 983.2(a)]. In addition, an applicant family must provide social security information for family members [24 CFR 5.216 and 5.218] and consent to the LMHA's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. An applicant family must also meet HUD requirements related to current or past criminal activity.

LMHA Policy

The LMHA will determine an applicant family's eligibility for the PBV program in accordance with the policies in Chapter 3.

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 LMHA 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 LMHA's waiting list. Once the family's continued eligibility is determined (the LMHA 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 LMHA 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.

17-VI.C. ORGANIZATION OF THE WAITING LIST [24 CFR 983.251(c)]

The LMHA may establish a separate waiting list for PBV units or it may use the same waiting list for both tenant-based and PBV assistance. The LMHA may also merge the PBV waiting list with a waiting list for other assisted housing programs offered by the LMHA. If the LMHA chooses to offer a separate waiting list for PBV assistance, the LMHA must offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance.

If a LMHA decides to establish a separate PBV waiting list, the LMHA may use a single waiting list for the LMHA's whole PBV program, or it may establish separate waiting lists for PBV units in particular projects or buildings or for sets of such units.

LMHA Policy

The LMHA will establish and manage separate waiting lists for individual projects or buildings that are receiving PBV assistance.

17-VI.D. SELECTION FROM THE WAITING LIST [24 CFR 983.251(c)]

Applicants who will occupy units with PBV assistance must be selected from the LMHA's waiting list. The LMHA may establish selection criteria or preferences for occupancy of particular PBV units. The LMHA may place families referred by the PBV owner on its PBV waiting list.

Income Targeting [24 CFR 983.251(c)(6)]

At least 75 percent of the families admitted to the LMHA's tenant-based and project-based voucher programs during the LMHA fiscal year from the waiting list must be extremely-low income families. The income targeting requirement applies to the total of admissions to both programs.

Units with Accessibility Features [24 CFR 983.251(c)(7)]

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the LMHA must first refer families who require such features to the owner.

Preferences [24 CFR 983.251(d), FR Notice 11/24/08]

The LMHA may use the same selection preferences that are used for the tenant-based voucher program, establish selection criteria or preferences for the PBV program as a whole, or for occupancy of particular PBV developments or units. The LMHA must provide an absolute selection preference for eligible in-place families as described in Section 17-VI.B. above.

Although the LMHA is prohibited from granting preferences to persons with a specific disability, the LMHA may give preference to disabled families who need services offered at a particular project or site if the preference is limited to families (including individuals):

- With disabilities that significantly interfere with their ability to obtain and maintain themselves in housing;
- Who, without appropriate supportive services, will not be able to obtain or maintain themselves in housing; and
- For whom such services cannot be provided in a non-segregated setting.

In advertising such a project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible disabled persons who may benefit

from services provided in the project. In these projects, disabled residents may not be required to accept the particular services offered as a condition of occupancy.

If the LMHA has projects with more than 25 percent of the units receiving project-based assistance because those projects include “excepted units” (units specifically made available for elderly or disabled families, or families receiving supportive services), the LMHA must give preference to such families when referring families to these units [24 CFR 983.261(b)].

LMHA Policy

The LMHA will provide a selection preference when required by the regulation (e.g., eligible in-place families, qualifying families for “excepted units,” mobility impaired persons for accessible units). The LMHA will not offer any additional preferences for the PBV program or for particular PBV projects or units.

17-VI.E. OFFER OF PBV ASSISTANCE

Refusal of Offer [24 CFR 983.251(e)(3)]

The LMHA is prohibited from taking any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:

- Refuse to list the applicant on the waiting list for tenant-based voucher assistance;
- Deny any admission preference for which the applicant qualifies;
- Change the applicant’s place on the waiting list based on preference, date, and time of application, or other factors affecting selection under the LMHA’s selection policy;
- Remove the applicant from the tenant-based voucher waiting list.

Disapproval by Landlord [24 CFR 983.251(e)(2)]

If a PBV owner rejects a family for admission to the owner’s units, such rejection may not affect the family’s position on the tenant-based voucher waiting list.

Acceptance of Offer [24 CFR 983.252]

Family Briefing

When a family accepts an offer for PBV assistance, the LMHA must give the family an oral briefing. The briefing must include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, the LMHA must provide a briefing packet that explains how the LMHA determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

Persons with Disabilities

If an applicant family’s head or spouse is disabled, the LMHA must assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing the written information packet. This may include making alternative formats available (see Chapter 2). In addition, the LMHA must have a mechanism for referring a family that includes a member with a mobility impairment to an appropriate accessible PBV unit.

Persons with Limited English Proficiency

The LMHA should take reasonable steps to assure meaningful access by persons with limited English proficiency in accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166 (see Chapter 2).

17-VI.F. OWNER SELECTION OF TENANTS

The owner is responsible for developing 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 fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection [24 CFR 983.253(a)(2) and (a)(3)].

Leasing [24 CFR 983.253(a)]

During the term of the HAP contract, the owner must lease contract units to eligible families that are selected and referred by the LMHA from the LMHA's waiting list. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on the LMHA's subsidy standards.

Filling Vacancies [24 CFR 983.254(a)]

The owner must promptly notify the LMHA of any vacancy or expected vacancy in a contract unit. After receiving such notice, the LMHA must make every reasonable effort to promptly refer a sufficient number of families for the owner to fill such vacancies. The LMHA and the owner must make reasonable efforts to minimize the likelihood and length of any vacancy.

LMHA Policy

The owner must notify the LMHA in writing (mail, fax, or e-mail) within 5 business days of learning about any vacancy or expected vacancy.

The LMHA will make every reasonable effort to refer families to the owner within 10 business days of receiving such notice from the owner.

Reduction in HAP Contract Units Due to Vacancies [24 CFR 983.254(b)]

If any contract units have been vacant for 120 or more days since owner notice of the vacancy, the LMHA may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (according to the bedroom size) that have been vacant for this period.

LMHA Policy

If any contract units have been vacant for 120 days, the LMHA will give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period. The LMHA will provide the notice to the owner within 10 business days of the 120th day of the vacancy. The amendment to the HAP contract will be effective the 1st day of the month following the date of the LMHA's notice.

17-VI.G. TENANT SCREENING [24 CFR 983.255]**LMHA Responsibility**

The LMHA is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy. However, the LMHA may opt to screen applicants for family behavior or suitability for tenancy and may deny applicants based on such screening.

LMHA Policy

The LMHA will not conduct screening to determine a PBV applicant family's suitability for tenancy.

The LMHA must provide the owner with an applicant family's current and prior address (as shown in LMHA records) and the name and address (if known by the LMHA) of the family's current landlord and any prior landlords.

In addition, the LMHA may offer the owner other information the LMHA may have about a family, including information about the tenancy history of family members or about drug trafficking and criminal activity by family members. The LMHA must provide applicant families a description of the LMHA policy on providing information to owners, and the LMHA must give the same types of information to all owners.

The LMHA may not disclose to the owner any confidential information provided in response to a request for documentation of domestic violence, dating violence, sexual assault or stalking except at the written request or with the written consent of the individual providing the documentation [24 CFR 5.2007(a)(4)].

LMHA Policy

The LMHA will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information, at the time of the turnover HQS inspection or before. The LMHA will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

Owner Responsibility

The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families the owner may consider a family's background with respect to the following factors:

- Payment of rent and utility bills;
- Caring for a unit and premises;
- Respecting the rights of other residents to the peaceful enjoyment of their housing;
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety, or property of others; and
- Compliance with other essential conditions of tenancy.

PART VII: OCCUPANCY**17-VII.A. OVERVIEW**

After an applicant has been selected from the waiting list, determined eligible by the LMHA, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

17-VII.B. LEASE [24 CFR 983.256]

The tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

Form of Lease [24 CFR 983.256(b)]

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a LMHA model lease.

The LMHA may review the owner's lease form to determine if the lease complies with state and local law. If the LMHA determines that the lease does not comply with state or local law, the LMHA may decline to approve the tenancy.

LMHA Policy

The LMHA will not review the owner's lease for compliance with state or local law.

Lease Requirements [24 CFR 983.256(c)]

The lease for a PBV unit must specify all of the following information:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- The term of the lease (initial term and any provision for renewal);
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
- A specification of the services, maintenance, equipment, and utilities that will be provide by the owner; and
- The amount of any charges for food, furniture, or supportive services.

Tenancy Addendum [24 CFR 983.256(d)]

The tenancy addendum in the lease must state:

- The program tenancy requirements;
- The composition of the household as approved by the LMHA (the names of family members and any LMHA-approved live-in aide);
- All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.

Initial Term and Lease Renewal [24 CFR 983.256(f) and 983.257(b)]

The initial lease term must be for at least one year. Upon expiration of the lease, an owner may renew the lease, refuse to renew the lease for “good cause,” or refuse to renew the lease without good cause. If the owner refuses to renew the lease without good cause, the LMHA must provide the family with a tenant-based voucher and remove the unit from the PBV HAP contract.

Changes in the Lease [24 CFR 983.256(e)]

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give the LMHA a copy of all changes.

The owner must notify the LMHA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by the LMHA and in accordance with the terms of the lease relating to its amendment. The LMHA must re-determine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The re-determined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

Owner Termination of Tenancy [24 CFR 983.257]

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program (see Section 12-III.B. and 24 CFR 982.310). In the PBV program, terminating tenancy for “good cause” does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

***Non-Compliance with Supportive Services Requirement [24 CFR 983.257(c),
FR Notice 11/24/08]***

If a family is living in a project-based unit that is excepted from the 25 percent per project cap on project-basing because of participation in a supportive services program (e.g., Family Self-Sufficiency), and the family fails to complete its supportive services requirement without good cause, such failure is grounds for lease termination by the owner.

Tenant Absence from the Unit [24 CFR 983.256(g) and 982.312(a)]

The owner may specify in the lease a maximum period of tenant absence from the unit that is shorter than the maximum period permitted by LMHA policy. According to program requirements, the family’s assistance must be terminated if they are absent from the unit for more than 180 consecutive days.

Security Deposits [24 CFR 983.258]

The owner may collect a security deposit from the tenant. The LMHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

LMHA Policy

The LMHA will allow the owner to collect a security deposit amount the owner determines is appropriate.

When the tenant moves out of a 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 owed by the tenant under the lease.

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

If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance from the tenant. The LMHA has no liability or responsibility for payment of any amount owed by the family to the owner.

17-VII.C. MOVES**Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.259]**

If the LMHA determines that a family is occupying a wrong size unit, based on the LMHA's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, the LMHA must promptly notify the family and the owner of this determination, and the LMHA must offer the family the opportunity to receive continued housing assistance in another unit.

LMHA Policy

The LMHA will notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit within 10 business days of the LMHA's determination. The LMHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

 PBV assistance in the same building or project;

 PBV assistance in another project; and

 Tenant-based voucher assistance.

If the LMHA offers the family a tenant-based voucher, the LMHA must terminate the housing assistance payments for a wrong-sized or accessible unit at expiration of the term of the family's voucher (including any extension granted by the LMHA).

If the LMHA offers the family another form of assistance that is not a tenant-based voucher, and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by the LMHA, or both, the LMHA must terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by the LMHA.

LMHA Policy

When the LMHA offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, the LMHA will terminate the housing assistance payments at the expiration of this 30-day period.

The LMHA may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

Family Right to Move [24 CFR 983.260]

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 LMHA. If the family wishes to move with continued tenant-based assistance, the family must contact the LMHA 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 LMHA 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 LMHA 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.

**17-VII.D. EXCEPTIONS TO THE OCCUPANCY CAP [24 CFR 983.261,
FR Notice 11/24/08]**

The LMHA may not pay housing assistance under a PBV HAP contract for more than 25 percent of the number of dwelling units in a project unless the units are [24 CFR 983.56]:

- In a single-family building;
- Specifically made available for elderly or disabled families; or
- Specifically made available for families receiving supportive services as defined by the LMHA. At least one member must be receiving at least one qualifying supportive service.

If a family at the time of initial tenancy is receiving and while the resident of an excepted unit has received Family Self-Sufficiency (FSS) supportive services or any other service as defined by the LMHA and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

A family (or remaining members of a family) residing in an excepted unit that no longer meets the criteria for a "qualifying family" in connection with the 25 percent per project cap exception (e.g., the family does not successfully complete supportive services requirements, or due to a change in family composition the family is no longer elderly or disabled), must vacate the unit within a reasonable period of time established by the LMHA, and the LMHA must cease paying housing assistance payments on behalf of the non-qualifying family.

If the family fails to vacate the unit within the established time, the unit must be removed from the HAP contract unless the project is partially assisted, and it is possible for the HAP contract to be amended to substitute a different unit in the building in accordance with program requirements; or the owner terminates

the lease and evicts the family. The housing assistance payments for a family residing in an excepted unit that is not in compliance with its family obligations to comply with supportive services requirements must be terminated by the LMHA.

LMHA Policy

The LMHA may provide PBV assistance for excepted units.

PART VIII: DETERMINING RENT TO OWNER**17-VIII.A. OVERVIEW**

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP Contract (Agreement) states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the term of the HAP contract, the rent to owner is re-determined at the owner's request in accordance with program requirements, and at such time that there is a five percent or greater decrease in the published FMR.

17-VIII.B. RENT LIMITS [24 CFR 983.301]

Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:

- An amount determined by the LMHA, not to exceed 110 percent 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.

Certain Tax Credit Units [24 CFR 983.301(c), FR Notice 11/24/08]

For certain tax credit units, the rent limits are determined differently than for other PBV units. These different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
- The contract unit is not located in a qualified census tract;
- There are comparable tax credit units of the same bedroom size as the contract unit in the same building, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
- The tax credit rent exceeds a LMHA-determined amount (not to exceed 110 percent of the fair market rent or any approved exception payment standard);

For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

However, PHAs are permitted to use the higher Section 8 rent for a tax credit unit if the tax credit rent is less than the amount that would be permitted under Section 8. In these cases, Section 8 rent reasonableness requirements must continue to be met.

Definitions

A *qualified census tract* is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.

Tax credit rent is the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

Use of FMRs, Exception Payment Standards, and Utility Allowances [24 CFR 983.301(f)]

When determining the initial rent to owner, the LMHA must use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When re-determining the rent to owner, the LMHA must use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. At its discretion, the LMHA may for initial rent, use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract, or for redeterminations of rent, the 30-day period immediately before the redetermination date.

Any HUD-approved exception payment standard amount under the tenant-based voucher program also applies to the project-based voucher program. HUD will not approve a different exception payment stand amount for use in the PBV program.

Likewise, the LMHA may not establish or apply different utility allowance amounts for the PBV program. The same utility allowance schedule applies to both the tenant-based and project-based voucher programs.

LMHA Policy

Upon written request by the owner, the LMHA will consider using the FMR or utility allowances in effect during the 60-day period before the start date of the HAP, or redetermination of rent. The owner must explain the need to use the previous FMRs or utility allowances and include documentation in support of the request. The LMHA will review and make a decision based on the circumstances and merit of each request.

In addition to considering a written request from an owner, the LMHA may decide to use the FMR or utility allowances in effect during the 60-day period before the start date of the HAP, or redetermination of rent, if the LMHA determines it is necessary due to LMHA budgetary constraints.

Redetermination of Rent [24 CFR 983.302]

The LMHA must re-determine the rent to owner upon the owner's request or when there is a five percent or greater decrease in the published FMR.

Rent Increase

If an owner wishes to request an increase in the rent to owner from the LMHA, it must be requested at the annual anniversary of the HAP contract (see Section 17-V.D.). The request must be in writing and in the form and manner required by the LMHA. The LMHA may only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBV program for special adjustments (e.g., adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).

LMHA Policy

An owner's request for a rent increase must be submitted to the LMHA 60 days prior to the anniversary date of the HAP contract, and must include the new rent amount the owner is proposing.

The LMHA may not approve and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.

Rent Decrease

If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment.

Notice of Rent Change

The rent to owner is re-determined by written notice by the LMHA to the owner specifying the amount of the re-determined rent. The LMHA notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract.

LMHA Policy

The LMHA will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

PHA-owned Units [24 CFR 983.301(g)]

For LMHA-owned PBV units, the initial rent to owner and the annual redetermination of rent at the anniversary of the HAP contract are determined by the independent entity approved by HUD. The LMHA must use the rent to owner established by the independent entity.

17-VIII.C. REASONABLE RENT [24 CFR 983.303]

At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by the LMHA.

When Rent Reasonable Determinations are Required

The LMHA must re-determine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

- There is a five percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;
- The LMHA approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- The HAP contract is amended to substitute a different contract unit in the same building; or
- There is any other change that may substantially affect the reasonable rent.

How to Determine Reasonable Rent

The reasonable rent of a unit receiving PBV assistance must be determined by comparison to rent for other comparable unassisted units. When making this determination, the LMHA must consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

Comparability Analysis

For each unit, the comparability analysis must use at least three comparable units in the private unassisted market. This may include units in the premises or project that is receiving project-based assistance. The analysis must show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and must be retained by the LMHA. The comparability analysis may be performed by LMHA staff or by another qualified person or entity. Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses may not have any direct or indirect interest in the property.

LMHA-owned Units

For LMHA-owned units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with PBV program requirements. The independent entity must provide a copy of the determination of reasonable rent for LMHA-owned units to the LMHA and to the HUD field office where the project is located.

Owner Certification of Reasonable Rent

By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, the LMHA may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

17-VIII.D. EFFECT OF OTHER SUBSIDY AND RENT CONTROL

In addition to the rent limits discussed in Section 17-VIII.B above, other restrictions may limit the amount of rent to owner in a PBV unit. In addition, certain types of subsidized housing are not even eligible to receive PBV assistance (see Section 17-II.D).

Other Subsidy [24 CFR 983.304]

At its discretion, a LMHA may reduce the initial rent to owner because of other governmental subsidies, including grants and other subsidized financing.

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

For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project;
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- A Section 221(d)(3) below market interest rate (BMIR) project;

- A Section 515 project of the Rural Housing Service;
- Any other type of federally subsidized project specified by HUD.

Combining Subsidy

Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.

Rent Control [24 CFR 983.305]

In addition to the rent limits set by PBV program regulations, the amount of rent to owner may also be subject to rent control or other limits under local, state, or federal law.

17-IX.A. HOUSING ASSISTANCE PAYMENTS [24 CFR 983.351]

During the term of the HAP contract, the LMHA must make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments must be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment must be paid to the owner on or about the first day of the month for which payment is due, unless the owner and the LMHA agree on a later date.

Except for discretionary vacancy payments, the LMHA may not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

The amount of the housing assistance payment by the LMHA is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

17-IX.B. VACANCY PAYMENTS [24 CFR 983.352]

If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. However, the owner may not keep the payment if the LMHA determines that the vacancy is the owner's fault.

LMHA Policy

If the LMHA determines that the owner is responsible for a vacancy and, as a result, is not entitled to the keep the housing assistance payment, the LMHA will notify the landlord of the amount of housing assistance payment that the owner must repay. The LMHA will require the owner to repay the amount owed in accordance with the policies in Section 16-IV.B.

At the discretion of the LMHA, the HAP contract may provide for vacancy payments to the owner. The LMHA may only make vacancy payments if:

- The owner gives the LMHA prompt, written notice certifying that the family has vacated the unit and identifies the date when the family moved out (to the best of the owner's knowledge);
- 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;
- The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
- The owner provides any additional information required and requested by the LMHA to verify that the owner is entitled to the vacancy payment.

The owner must submit a request for vacancy payments in the form and manner required by the LMHA and must provide any information or substantiation required by the LMHA to determine the amount of any vacancy payment.

LMHA Policy

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must have properly notified the LMHA of the vacancy in accordance with the policy in Section 17-VI.F. regarding filling vacancies.

In order for a vacancy payment request to be considered, it must be made within 10 business days of the end of the period for which the owner is requesting the vacancy payment. The request must include the required owner certifications and the LMHA may require the owner to provide documentation to support the request. If the owner does not provide the information requested by the LMHA within 10 business days of the LMHA's request, no vacancy payments will be made.

17-IX.C. TENANT RENT TO OWNER [24 CFR 983.353]

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by the LMHA in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in the LMHA notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by the LMHA is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the LMHA. The owner must immediately return any excess payment to the tenant.

Tenant and LMHA Responsibilities

The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by the LMHA.

Likewise, the LMHA is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. The LMHA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. The LMHA may not use housing assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

Utility Reimbursements

If the amount of the utility allowance exceeds the total tenant payment, the LMHA must pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner must be zero.

The LMHA may pay the utility reimbursement directly to the family or to the utility supplier on behalf of the family. If the LMHA chooses to pay the utility supplier directly, the LMHA must notify the family of the amount paid to the utility supplier.

LMHA Policy

The LMHA will make utility reimbursements to the family.

17-IX.D. OTHER FEES AND CHARGES [24 CFR 983.354]

Meals and Supportive Services

With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

In assisted living developments receiving PBV assistance, the owner may charge 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 the reasonable rent. However, non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

Other Charges by Owner

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.
