

## Selection Procedures for AHA Project-Based Voucher Proposals

### I. REQUIREMENTS

If the following requirements are not met, proposals will be rejected:

- a) The project under consideration must meet HUD goals for deconcentration of poverty in determining areas in which to place subsidized units pursuant to 24 CFR 983.57. Moreover, zones designated for economic improvement and redevelopment by the City of Alameda shall be deemed eligible sites for PBV activity.
- b) Generally, no more than 25 percent of the dwelling units in each building may have project-based voucher or any other federal project-based housing assistance. The following types of housing units are exempt from the 25 percent per building cap:
  - (1) Project-based voucher dwelling units in single family (one-to four-unit) properties;
  - (2) Units in a multifamily building (5 or more units) set aside for elderly or disabled families; and
  - (3) Units in a multifamily building set aside for families participating in supportive services programs supplied by the owner on site or on a referral basis as specified in the Administrative Plan.The restrictions concerning the number of subsidized units in each building apply to all types of housing selected for the project-based voucher program—existing, newly constructed, and rehabilitated housing.
- c) The proposed property must be eligible for the PBV Program. The AHA will consider Rehab, New Construction and Existing units for PBV assistance.

The following types of units are not eligible for participation in the program:

- Owner occupied units;
- Housing for which the construction/rehabilitation has started prior to Agreement execution; Except for Existing Housing Projects
- Manufactured homes;
- Shared Housing;
- Nursing homes and facilities providing continual psychiatric, medical, nursing services, board and care or intermediate care;
- Units within the grounds of penal, reformatory, medical, mental, and similar public or private institutions;
- Housing located in the Coastal Barrier Resources System designated under the Coastal Barrier Resources Act;
- Housing located in an area that has been identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, unless:



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1. The community in which the area is situated is participating in the National Flood Insurance Program; or
  2. Less than a year has passed since FEMA notification regarding such hazards; and
  3. The HA will ensure that flood insurance on the structure is obtained in compliance with Section 102(a) of the Flood Disaster Protection Act of 1973
- College or other school dormitory;
  - Public Housing units owned by the AHA;
  - Units subsidized by any other Section 8 assistance (tenant-based or project-based);
  - A unit subsidized with any State or local rent subsidy;
  - A Section 236 project or a unit subsidized with Section 236 rental assistance payments
  - A Rural Development Administration Section 515 project;
  - A unit subsidized with rental assistance payments under section 521 of the Housing Act of 1949;
  - Housing assisted under former Section 23 of the U.S. Housing Act of 1937 (before amendment by the HCD Act of 1974)
  - A Section 221 (d)(3) project;
  - A project with a Section 202 loan;
  - A Section 202 project for non-elderly persons with disabilities (Section 162 assistance);
  - Section 202 supportive housing;
  - Section 811 supportive housing;
  - Section 101 rent supplement projects;
  - Transitional Housing;
  - A unit subsidized with tenant-based assistance under the HOME Program; or Any unit with other duplicative Federal, State or local housing subsidy, as determined by HUD. For this purpose, “housing subsidy” does not include welfare payments, a social security payment received by the family or a rent reduction because of a tax credit.
- d) Proposed contract rents must not exceed either 110% of the established Fair Market Rents as published by HUD in the Federal Register, or the HUD approved exception rents if applicable.
- e) Pursuant to the City of Alameda Consolidated Plan and the AHA PHA Plan, the goal of the PBV Program is to increase the number of affordable housing units in the City of Alameda utilizing PBV assistance to ensure affordability of housing for low income families. The proposed site must meet certain site and neighborhood standards specified in the Code of Federal Regulations, (24CFR 983.57). Although it will not be possible to determine compliance with all of the standards until an inspection is completed. .



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- Generally the AHA must determine whether the census tract in which the proposed PBV development will be located is (i) in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community; (ii) Whether a PBV development will be located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition; (iii) Whether the census tract in which the proposed PBV development will be located is undergoing significant revitalization; (iv) Whether state, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement; (v) Whether new market rate units are being developed in the same census tract where the proposed PBV development will be located and the likelihood that such market rate units will positively impact the poverty rate in the area; (vi) If the poverty rate in the area where the proposed PBV development will be located is greater than 25 percent, the PHA should consider whether in the past five years there has been an overall decline in the poverty rate; (vii) Whether there are meaningful opportunities for educational and economic advancement in the census tract where the proposed PBV development will be located.

In addition, is the site suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d–2000d(4)) and HUD’s implementing regulations at 24 CFR part 1; Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601– 3629); and HUD’s implementing regulations at 24 CFR parts 100 through 199; Executive Order 11063 (27 FR 11527; 3 CFR, 1959–1963 Comp., p. 652) and HUD’s implementing regulations at 24 CFR part 107. The site must meet the section 504 site selection requirements described in 24 CFR 8.4(b)(5).

The site must meet the HQS site standards at 24 CFR 982.401(l).

- f. Owners must provide a relocation plan regarding temporary displacement of existing tenants. Current occupants of units to be assisted must appear to be eligible for Section 8 assistance. Therefore, if the units to be assisted are occupied by over-income tenants, the proposal calls for a reduction in the total number of units in a fully occupied building, or if the families to be assisted are living in units which are not suitable to family size, the project generally will be rejected or partially assisted. (Rehabilitation and Existing Only) Relocation provisions for minimizing displacement do not apply to Existing Housing Projects.

The project must meet Uniform Relocation Act requirements as follows:

Temporary relocation will not exceed 12 months and every tenant will be given 30 days written notice regarding any relocation along with a copy of the approved relocation plan. Tenants must be provided with alternative housing which is safe, decent and sanitary and receive reimbursement from the owner for reasonable out-of-pocket expenses incurred in connection with the



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temporary relocation. Such expenses include moving costs to and from temporary housing, increases in monthly housing costs and increases in utility costs.

If the owner can demonstrate that permanent displacement can be prevented by allowing over-income tenants to remain in unassisted units or ineligible tenants to be housed in a suitably sized unit in the same building or complex, the proposal may still be accepted.

Any preliminary determination of a family's eligibility during the initial screening process will be based on unverified information provided in the owner's proposal.

- g. The owner must be able to certify that no tenant has been required to move during the past 12 months except for good cause. If the AHA has documentation that tenants have been forced to move without good cause, the proposal will be rejected. "Good Cause" includes tenant non-compliance with the lease or failure to carry out tenant obligations under any state and local landlord-tenant law. This information should be submitted with the proposal. (Rehabilitation and Existing Only)

If the owner submitting the proposal has not owned the property for the last 12 months, this certification may be limited to owner's actions during ownership and with respect to acquiring the property.

- h. The owner must provide acceptable evidence of site control (a copy of the deed, purchase option, contract of sale or other documents acceptable to the AHA as proof of ownership). The AHA may reject a proposal if adequate evidence of site control is not provided.
- i. Owners must submit the proposed contract rent per unit, including an indication of which utilities, services and equipment are included in the rent, and which are not included. For those utilities that are not included in the rent, an estimate of the average monthly cost for each unit type for the first year of occupancy must be submitted. The AHA may reject a proposal at the initial screening stage if the proposal appears clearly unfeasible because the current rents substantially exceed the Section 8 Existing Housing Payment Standard Rent Limits.

If the owner is willing to accept lower rents, the owner may appeal the proposal rejection.

- j. The owners must submit a completed HUD form No. 2530 - Previous Participation Certification and resumes for all principal participants.
- k. Housing to be assisted under the PBV Program must be modest in design. Amenities must be limited to those amenities, as determined by HUD, that are generally provided in unassisted, decent, safe and sanitary housing for lower



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- income families in the market area. The use of more durable, high-quality materials to control or reduce maintenance, repair and replacement costs is not considered an excess amenity.
- I. Acceptable amenities include but are not limited to range/oven, refrigerator, disposal, vent fan, carpet/drapes, laundry (coin), underground garage, and solar heat/hot water.
  - m. Before any property can be contracted for PBV assistance, the AHA must contract with the unit of general local government to complete and approve the environmental review required by 24 CFR Part 58.
  - n. All contracted housing must meet applicable accessibility requirements as set forth in Section 504 of the Rehabilitation Act of 1973 in addition to any applicable State and local standards. Moreover, all units must meet the requirements of the Fair Housing Amendment Act of 1988 pursuant to 24 CFR 100.205.
  - o. Properties assisted under the “Existing” PBV guidelines must conform to Section 302 of the Lead-Based Paint Poisoning Prevention Act by establishing procedures to eliminate as far as practicable the hazards of lead-based paint. This requirement does not apply to studio or single room occupancy units. All painted surfaces, interior and exterior, up to five feet from the floor or ground readily accessible to children under seven years of age must be free of chipping, peeling and loose paint.
  - p. Projects seeking to rehabilitate existing structures require a minimum expenditure of \$1,000.00 per assisted unit, including the unit’s prorated share of work to be accomplished on common areas or systems. “Existing Housing” Projects must require less than \$1000.00 repairs per assisted unit including the unit’s prorated share of work to be accomplished on common areas or systems. There is no limit on the amount of expenditure for new construction projects.
  - q. Owner must certify that they have not been debarred from participating in the Section 8 Project-Based Voucher Program or any other Federally Subsidy Program.

## II. NEW CONSTRUCTION REQUIREMENTS

The owner must submit to the AHA an architect’s certification that the working drawings, specifications and proposed construction comply with HUD minimum property standards, local codes and ordinances, and zoning requirements.

The site must not be located in an area of minority concentration, and 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. All sites must



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be consistent with the requirements of 24 CFR 983.57 and the AHA Administrative Plan.

### III. ALL OWNER APPLICATIONS MUST CONTAIN:

- a) The owner's plan for managing and maintaining the units;
- b) A description of the proposed housing, including the number of units by size, bedroom count, bathroom count, sketches of the proposed building, unit plans, listing of amenities and services, and estimated date of completion; Existing Housing Projects are excepted from provisions requiring constructions plans and drawings;
- c) Identification and description of the proposed site, site plan and neighborhood, and evidence of site control;
- d) Evidence that the proposed New Construction is permitted by current zoning ordinances or regulations or evidence to indicate that the needed re-zoning is likely and will not delay the project; Existing Housing Projects are not subject to this provision;
- e) A signed certification of the owner's intention to comply with Title VI of the Civil Rights Act of 1966, Title VIII of the Civil Rights Act of 1968, E.O. 11063, E.O. 11246, Section 3 of the Housing and Urban Development Act of 1968 and all applicable Federal requirements listed in 24 CFR 983.11 including, but not limited to, the payment of not less than the prevailing wages in the locality pursuant to the Davis-Bacon Act to all laborers and mechanics employed in the construction or rehabilitation of the project; Existing Housing Projects are not subject to Federal Labor Standards;
- f) A statement from the owner certifying the number of persons, businesses, non-profit corporations occupying the property on the date of submission of the application; the number of persons displaced, temporarily relocated or moved permanently within the building complex; estimated cost of relocation payments and services; the funding source of relocation activities; and the name of the organization that will carry out the relocation activities. Existing Housing Projects are not subject to the provisions of Relocation;
- g) The identity of the owner, developer, builder, architect, management agent (and other participants), the names of officers and principal members, shareholders, investors and other parties having a substantial interest; the previous participation of each in HUD Programs on the prescribed HUD Form No. 2530 and a disclosure of any possible conflict of interest by any of these parties that would be a violation of the Agreement or the Contract; and information on the qualifications and experience of the principle participants;
- h) Evidence of financing or lender interest and the proposed terms of financing;



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- i) The proposed term of the Contract; and
- j) If applicable, copies of Code Enforcement Inspection Reports, and correspondence;
- k) Disclosure of Lobbying Activities;
- l) Certification of Participation in the Low Income Housing Tax Credit Program;
- m) Letter of consistency of project with local government Consolidated Plan;
- n) Design Architect's Certification (New Construction Only);
- o) Preliminary Construction Drawings;
- p) Eligible Census Tract Certification;
- q) Certification of Payments to Influence Federal Transactions;
- r) Certification Regarding Debarment and Suspension;
- s) Additional Government Funding - Form 2880;
- t) Disclosure of Lead-Based Paint/Hazards;
- u) Such other information as the AHA believes necessary;

