

# Mixed-Finance Certifications and Assurances

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

OMB Approval No. 2577-NEW  
(exp. )

The public reporting burden for this collection of information for the Mixed-Finance Project of Public Housing Units is estimated to average 0.25 hours, 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 to reduce this burden, to the Reports Management Officer, Paperwork Reduction Project, to the Office of Information Technology, US. Department of Housing and Urban Development, Washington, DC 20410-3600. When providing comments, please refer to OMB Approval No. 2577-NEW. HUD may not conduct and sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

## HUD APPROVED FINANCIAL CLOSING PROJECT INFORMATION

Official Housing Authority Name ("Authority"):	
Name of the Project Described in the Development Proposal, as it existed on the date of HUD's Financial Closing Approval Letter ("Project"):	
Name of the Owner Entity of the Project Described in the Above Documents("Owner Entity"):	
Number of Public Housing Units in the Above Project ("Public Housing Units"):	PIC Project Number, if Applicable and Available:

THESE CERTIFICATIONS AND ASSURANCES are provided by the Authority to the United States Department of Housing and Urban Development ("HUD") in connection with the above named project and public housing units contained within, as described in the Mixed-Finance Development Proposal being submitted by the Authority ("Proposal") for the above project, as required by 24 CFR §941.606(n)(1) or successor regulation.

By signing these Certifications and Assurances, the Authority hereby warrants under penalty of perjury, to the best of the Authority's knowledge, information, and belief, that the declarations contained herein are true and correct, and the Authority warrants that:

1. This Certification may not be altered, modified, or rescinded without the prior written approval of HUD;
2. The Project will be included in and be consistent with the Authority's PHA Plan;
3. The Authority has the legal authority under State and local law to develop the Project, including through the establishment or selection of an Owner Entity, and to enter into all agreements and provide all assurances required under 24 CFR part 941, subpart F, or successor regulation;
4. The Authority has the legal authority necessary to enter into any proposed partnership and to fulfill its obligations as a partner thereunder, and has obtained all necessary approvals for this purpose;
5. The Authority has (1) used an open and competitive process to select its Partner and/or Owner Entity, and has ensured that there is no conflict of interest involved in its selection of the Partner and/or Owner Entity to develop and operate the Project, or (2) an Authority agency or instrumentality was selected, in accordance with 85.36(d)(4)(i)(C), as the developer and agrees that it will follow 24 CFR 85.36 in the selection of contractors;

6. The Authority will require its selected Partner and/or Owner Entity to comply with all applicable State and local procurement and conflict of interest requirements with respect to the selection of entities to assist in the development, as required under 24 CFR part 941, subpart F, or successor regulation;
7. The Authority will require that if its selected Partner and/or Owner Entity (or any other entity with an identity of interest with such parties) wants to serve as the general contractor for the Project, it can award itself the construction contract only upon demonstrating to HUD's satisfaction that its bid is the lowest bid submitted in response to a public request for bids or the Authority has secured a waiver of the identity of interest provision from HUD;
8. The Authority is responsible to HUD for ensuring that the Project is developed, operated and maintained in accordance with the Act, HUD regulations thereunder, the ACC, the Mixed Finance ACC Amendment, the Declaration of Restrictive Covenants to be recorded against the Project (the "**Declaration**"), and all pertinent Federal statutory, regulatory, and executive order requirements, as those requirements may be amended from time to time (hereafter collectively referred to as the "**Applicable Public Housing Requirements**");
9. The Authority assures HUD that any documents needed to establish its rights and responsibilities associated with the development and operation of the Project will be consistent with the applicable Public Housing Requirements; such documents shall include, but not be limited to:
  - a. A regulatory and operating agreement between the Authority and owner entity that provides binding assurances that the operation of the public housing units will be in accordance with applicable public housing requirements;
  - b. A partnership, development agreement, or other agreement between any of the participating parties, including an agreement between the Authority and the owner entity, its partner, or other participating parties, that establishes the rights and liabilities (financial and otherwise) of the parties;
  - c. A management agreement for the public housing units if by an entity other than the Authority;
  - d. A Cooperation Agreement or CHAS certification;
  - e. All financing documents, including mortgages, loan agreements or such other documents that evidence the availability of the participating party(ies) financing, the amount and source of financing committed to the Project;
  - f. The organizational documents of the owner entity;
  - g. Evidence of control of the site by the Authority, Partner, or Owner Entity for such a period of time as may be required by HUD;
  - h. Evidence that all applicable permits and zoning requirements are in place or a certification that permits and zoning will be in place prior to construction start;
10. The Authority will ensure that any contracts or agreements providing for the development and operation (including management) of the Project by an entity other than the Authority shall require that such units be developed or operated in accordance with the applicable Public Housing Requirements for the full term of the low income use restrictions, as required by Law;
11. The Authority will assure to HUD's satisfaction, by the recordation of the Declaration in standard form as the first recorded document against the Project, that the Project will remain available for use by low-income families for the period required by the Act;
12. The Authority will ensure that operating funds provided under section 9 of the Act will only be used for, or in connection with, the eligible activities identified in the Authority's Grant Agreement. Additionally, operating funds shall not be used for exit taxes in connection with any low income housing tax credit

program or to initially fund any operating reserve account. Finally, operating funds shall not be used for the payment of debt service without prior HUD approval;

13. The Authority shall not authorize a mortgage or otherwise grant a security interest in the Project or other property of the Authority, including under section 30 of the Act without prior HUD approval;
14. The Authority will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements. All records, including any attachments to this Certification will be available at all times for HUD inspection and review.
15. There shall be no disposition of the public housing units without the prior written approval of HUD during and for ten years after the end of the period in which the public housing units receiving operating subsidy from the Authority; and
16. During the period that the project shall remain available for low-income use, the public housing units shall be maintained and operated in accordance with all applicable public housing requirements (including the ACC), as those requirements may be amended from time to time;
  - a. The Authority will develop at least the same number of public housing units as were approved by HUD as part of the Authority's proposal. Where the Authority proposes to pay for more than its pro rata share of the cost of common area improvements, the Authority must also certify that:
    - (1). It will develop the same number of public housing units as were approved by HUD as part of the Authority's proposal, and will do so within the TDC limits; and
    - (2). The common area improvements will benefit all residents of the development. If the Authority's proposal provides that public housing units within a development will not be specifically designated as public housing units, but shall instead constitute a fixed percentage of the housing units and number of bedrooms developed under the proposal, the Authority must provide additional binding assurances that the percentage of public housing units and number of bedrooms, as approved by HUD, will be maintained as public housing by the owner entity, and that all of the requirements of this subpart will be satisfied with respect to those units;
  - b. It will ensure that the requirements of this subpart are binding upon the owner entity and any partner of the Authority and, to the extent determined necessary by HUD, upon any other participating party. In addition, in the event of any noncompliance with the requirements of this subpart by any participating party, the Authority agrees to take all necessary enforcement action to ensure such compliance or, alternatively, to pursue any legal or equitable remedies that HUD deems appropriate;
  - c. It will include in all agreements or contracts with the partner, owner entity, or any other participating parties receiving development funds under this subpart, an acknowledgement that a transfer of the development funds by the Authority to the partner, the owner entity, or other participating party, shall not be deemed to be an assignment of development grant funds and that, accordingly, the partner, the owner entity or other participating party shall not succeed to any rights to benefits of the Authority under the ACC, or ACC amendment, nor shall it attain any privileges, authorities, interests, or rights in or under the ACC or ACC amendment;
  - d. It will include, or cause to be included, in all its agreements or contracts with the partner, the owner entity, or other participating parties, and in all contracts with any other party involving the use of development grant funds under this subpart, a provision stating that nothing in the ACC or ACC amendments providing such funds, nor any agreement or contract between the party(ies) shall be deemed to create a relationship of third-party beneficiary, principal and agent, limited or general partnership, joint venture, or any association or relationship involving HUD;

- e. It will ensure that the development of the public housing units will be in compliance with labor standards applicable to the development of public housing including, but not limited to, wage rates under the Davis-Bacon Act (40 U.S.C. 276a et seq. ). If the proposed development will include public housing units that are not specifically designated units, the Authority shall ensure that such labor requirements are met with respect to the development of all units that may, at any time, be used as the public housing units;
- f. It will take all steps necessary to ensure that, in the event of a foreclosure or other adverse action brought against the owner entity with respect to the housing units (including, but not limited to, the public housing units), the operation of the public housing units developed under this subpart shall not be adversely affected.

IN WITNESS WHEREOF, the Authority has caused these Certifications and Assurances to be duly executed.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authority

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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**Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).**