

CHOICE NEIGHBORHOODS – IMPLEMENTATION GRANTS
One-for-One Replacement Certification

As part of your application for Choice Neighborhoods Implementation Grant funding, you, as the executive officer authorized to sign on behalf of your organization, must certify to the following. By signing this form, you are stating that to the best of your knowledge and belief, the certification is true and correct.

Lead Applicant: _____

Name of Targeted Public and/or Assisted Housing Site(s):

One-for-One Replacement of Public and/or Assisted Housing Units. Each Transformation Plan that provides for public and/or assisted dwelling units to be demolished or disposed must provide as follows:

(1) Number of Units. For one hundred percent of all such dwelling units in existence, as of the date the application for the grant is submitted, that are to be demolished or disposed, the Transformation Plan must provide for replacement of the dwelling unit;

(2) Number of Bedrooms. Replacement housing for demolished or disposed properties shall reflect the number of bedrooms per unit that are needed to adequately serve returning tenants, households currently on the waiting list and that are needed based on other market data, except that in instances where the tenants of the original properties need a different number of bedrooms than households on the waiting list, the plan may enable displaced tenants to exercise their opportunity under program requirement, "Housing Choice Opportunities for Returning Tenants," in section III.C.3.a using a tenant-based voucher in the original neighborhood or other neighborhood of the tenants' choice.

(3) Location.

(a) Replacement housing units shall be developed:

(i) On-site and/or in the target neighborhood being revitalized; and

(ii) Within the metropolitan area up to 25 miles from the original project site, as necessary to:

(a) Comply with fair housing requirements;

(b) Deconcentrate poverty; or

(c) Redevelop onsite with appropriate densities.

(b) Replacement housing outside the target neighborhood must offer access to economic opportunities and public transportation and be accessible to social, recreational, educational, commercial, health facilities and services, and other municipal services and facilities that are comparable to those that will be provided in the target neighborhood.

(c) Replacement housing outside the target neighborhood shall be located neither in areas of minority concentration nor in areas with a poverty rate above 40 percent. A neighborhood of minority concentration is a Census tract or other defined geographic area in which the percentage of residents who are racial or ethnic minorities is at least 20 percentage points higher than the percentage of minority residents in the MSA (or jurisdiction not in a MSA) as a whole. In MSAs (or jurisdictions not in MSAs) in which the majority of residents are racial or ethnic minorities, HUD will consider and rely on all relevant information to determine whether the neighborhood proposed for replacement housing will lead to the creation of more inclusive and integrated housing in opportunity-rich neighborhoods.

(4) Types of Units. Replacement housing includes housing assisted under sections 8 or 9 of the United States Housing Act of 1937 (42 U.S.C. 1437f and 42 U.S.C 1437g), section 202 of Housing Act of 1959 (12 U.S.C. 1701q), and section 811 of the National Affordable Housing Act of 1990 (42 U.S.C 8013). With regard to section 8 housing, project-based vouchers (section 8o(13) of the US Housing Act of 1937, as

amended) are included in this definition, but tenant-based vouchers are excluded except as permitted by HUD. To satisfy the one-for-one replacement requirement, the replacement unit must not have been receiving assistance, prior to submitting the application, under the sections listed above in this paragraph. For example, you cannot acquire a section 202 property that is nearby the public or assisted housing site targeted in the application for the purposes of deeming that replacement housing.

(5) Tenant-based Vouchers as Replacement Housing. The following is an exception to the hard-unit one-for-one replacement criteria described above. HUD must provide written approval to grant this exception. A grantee may replace up to half of the public housing and/or assisted housing dwelling units that are demolished or disposed of under the Transformation Plan with tenant-based vouchers in housing markets where there is an adequate supply of affordable rental housing in areas of low poverty. Please note that this exception does not supersede an entity's obligation to comply with other one-for-one replacement requirements associated with other funding sources (e.g. Section 104(d) of the Housing and Community Development Act).

(a) To be granted this exception to the hard-unit one-for-one replacement criteria, the area of the Choice Neighborhoods development must meet all three of the following criteria:

(i) Be located in a county/parish with a currently and historically soft rental housing market for low-income renters. HUD has defined these counties as those where the county/parish rental vacancy rates for units affordable to low-income households were greater than 7.3 percent in 2000 and greater than 8.7 percent in 2005-2009.

(ii) Be located in a Core Based Statistical Area (CBSA) or non-CBSA County where vouchers currently in use are primarily in lower poverty neighborhoods. Data from PIC shows the location of current housing choice voucher holders in the CBSA (or county/parish outside of CBSA). To qualify on this standard, the median neighborhood poverty rate for a voucher holder in the CBSA (or county/parish outside of a CBSA) must be 20 percent or less. In other words, at least 50 percent of voucher holders must be in neighborhoods with 20 percent poverty rate or less. An applicant may request that this standard only be applied for the agency proposed to operate the voucher program as opposed to all agencies in the CBSA.

(iii) High Voucher Success Rate. The applicant will be required to provide data to HUD that shows that the agency that would administer the replacement vouchers has a success rate of 80 percent or higher. That is, a minimum of 80 percent of households issued vouchers are successful at leasing units within 120 days. To meet this requirement you will need to provide a file to HUD from an agency that shows all vouchers issued in the prior 18 months and the outcome associated with that issuance. In addition, you will need to provide a narrative (preferably with data if available) on success rates for the population comparable to the current population of the Choice Neighborhoods target development. For example, if the proposed Choice Neighborhoods development has 10 percent of its households as families with 5 or more people, 40 percent as families with 2 to 4 people, 30 percent non-elderly disabled, and 20 percent elderly, the applicant would need to discuss relative success rates for each of these groups in their one-for-one waiver application.

(b) Process for Receiving HUD Approval.

(i) HUD has provided a list on its website (www.hud.gov/cn) of the communities it has identified where voucher holders are currently moderately- to well-dispersed in areas of low poverty and with consistently high rental vacancy rates.

(ii) In advance of submitting the grant application, Choice Neighborhoods applicants working in one of the relatively few eligible communities may submit a request for an exception, subject to also providing voucher success rates of the proposed voucher administering agency in the target market area as described above. You must also submit a chart that indicates the number of each type of

unit, to be demolished or disposed as well as the number of each type of unit that will replace it.

(iii) HUD will review the request and respond in five working days of receipt of information. That response will be exception approval, exception disapproval, or a request for more information. If more information is requested, HUD will respond in five working days upon receipt of the additional information. Applicants will be able to appeal HUD's determination.

I certify that the One-for-One Replacement threshold requirement (above) will be met.

Name of Lead Applicant Executive Officer: _____

Title: _____

Signature: _____ Date: _____