

Part I
PBRA Housing Assistance Payments
Contract for the Conversion of Moderate Rehabilitation (including Single Room Occupancy (SRO) Moderate Rehabilitation) to Project-Based Section 8 (Rental Assistance Demonstration Component 2)

U.S. Department of Housing and Urban Development
Office of Multifamily Housing Programs

Type of Financing at Time of Conversion:	Section 8 Project Number:	FHA Project Number (if applicable):

This contract is a housing assistance payments contract (HAP Contract) between the United States of America, acting through the Department of Housing and Urban Development (HUD), and

(Owner). The HAP Contract is subject to Notice PIH 2012-32 (HA), as amended or revised from time to time (or any successor document) (RAD Notice), including 24 C.F.R. Part 880 (as in effect November 5, 1979, as amended), as modified and as published in Appendix I of the RAD Notice.

- Check the adjacent box (“Box 1”) if conversion is from the Single Room Occupancy (SRO) Moderate Rehabilitation Program, in which case section 1.6 of this HAP Contract shall apply.
- Check the adjacent box (“Box 2”) if conversion will include construction or repair work that, in HUD’s sole determination, constitutes “development” within the meaning of section 3(c)(1) of the United States Housing Act of 1937 (Act), 42 U.S.C. 1437 et seq., in which case section 2.1(e) of this HAP Contract shall apply and Exhibit 4 (“Addendum to the HAP Contract—Labor Standards”) shall be attached. See Notice PIH 2012-32 (HA), REV-2, section 2.6 G., or successor provision, and 80 Fed. Reg. 12511 (Mar. 9, 2015).

1.1 Statutory Authority, Purpose of HAP Contract, and HAP Contract Terminology.

- (a) **Statutory Authority.** The HAP Contract is entered pursuant to the Consolidated and Further Continuing Appropriations Act, 2012, Pub. L. No. 112-55, 125 Stat. 673 – 675 (Nov. 18, 2011); as amended by the Consolidated Appropriations Act, 2014, Pub. L. No. 113-76, 128 Stat. 635 (Jan. 17, 2014); as further amended by the Consolidated and Further Continuing Appropriations Act, 2015, Pub. L. No. 113-235, 128 Stat. 2757 – 2758 (Dec. 6, 2014), as further amended from time to time; section 8 of the Act; and the Department of Housing and Urban Development Act, 42 U.S.C. 3531 et seq.
- (b) **Purpose.** The purpose of the HAP Contract is to effectuate the conversion of a Moderate Rehabilitation Section 8 project, including a Single Room Occupancy (SRO) Moderate Rehabilitation Section 8 project, to a Multifamily Housing project with Project-Based Rental Assistance under section 8 of the Act.
- (c) **Terminology.** Terms in the HAP Contract that are not otherwise defined herein have the definition given in the RAD Notice, including those terms defined in Appendix I of the RAD Notice setting forth 24 C.F.R. Part 880

except as struck in part. Terms that are not defined in the RAD Notice (including Appendix I) shall have the meanings given in 24 C.F.R. Part 5, which applies pursuant to 24 C.F.R. § 880.104(d).

1.2 Scope; Assignability of HAP Contract; and HUD Requirements.

- (a) **Scope of HAP Contract.** The HAP Contract consists of Part I, Part II, and the exhibits identified in section 1.4(d) of the HAP Contract, which are hereby incorporated into and made a part of the HAP Contract.
- (b) **Assignability of HAP Contract.** HUD may assign the HAP Contract at any time to a public housing agency (PHA) for the purpose of PHA administration of the HAP Contract to the extent permitted under any Annual Contributions Contract (ACC) between HUD and the PHA. Unless and until HUD assigns the HAP Contract to a PHA, HUD shall be the Contract Administrator (CA) and, in that capacity, a party to the HAP Contract. Upon any assignment of the HAP Contract by HUD to a PHA, the PHA shall assume all the contractual obligations of HUD under the HAP Contract (or of any PHA to which HUD had previously assigned the HAP Contract) and shall replace HUD (or any PHA to which HUD had previously assigned the HAP Contract) as the CA and as a party to the HAP Contract during the ACC term.
- (c) **HUD Requirements.** The HAP Contract shall be construed and administered in accordance with the RAD Notice. With the exception of the provisions of 24 C.F.R. Part 880 and section 8 of the Act that are identified in Appendix I and Appendix II of the RAD Notice, respectively, as inapplicable, the HAP Contract shall further be construed and administered in accordance with all statutory requirements and all HUD regulations and other requirements, including any amendments to and/or changes in statutory requirements, HUD regulations (including 24 C.F.R. Part 880), and other requirements. However, any changes in HUD requirements, except to the extent required by statute, that are inconsistent with the provisions of sections 2.3(a)(1) or 2.6 of the HAP Contract, shall not be applicable.
- (d) **Statutory Changes during Term.** If any statutory change during the term of the HAP Contract is inconsistent with section 2.3(a)(1) or 2.6 of the HAP Contract, and if HUD determines, and so notifies the Contract Administrator and the Owner, that the Contract Administrator is unable to carry out the provisions of such sections because of such statutory change, then the Contract Administrator or the Owner may terminate the HAP Contract upon notice to the other party.

1.3 Effective Date, Initial Term, and Funding For Initial Term of HAP Contract.

- (a) **Effective Date and Initial Term.** The HAP Contract begins on _____ and shall run for an initial term of twenty (20) years.
- (b) **Funding for Initial Term.**
- (1) Execution of the HAP Contract by HUD is an obligation of HUD of \$ _____, an amount sufficient to provide housing assistance payments for approximately _____ months of the first annual increment of the HAP Contract term.
 - (2) HUD will provide additional funding for any remainder of the first annual increment and for subsequent annual increments, including any remainder of such subsequent annual increments, subject to the availability of sufficient appropriations. When such appropriations are available, HUD will obligate additional funding and provide the Owner written notification of (i) the amount of such additional funding, and (ii) the approximate amount of time within the HAP Contract term to which it will be applied.

1.4 Fiscal Year, Project Description, Statement of Services, and Exhibits.

(a) **Fiscal Year.** The ending date of each Fiscal Year shall be

_____.
(Insert March 31, June 30, September 30, or December 31, as approved by HUD.) The Fiscal Year for the project shall be the 12-month period ending on this date. However, the first Fiscal Year for the project is the period beginning with the effective date of the HAP Contract and ending on the last day of the Fiscal Year which is not less than 12 months after the effective date. [Alternative text]

(b) **Project Description** (Print or type the street address(es) and the number of units by bedroom size).

(c) **Statement of Services, Maintenance and Utilities Provided by the Owner.**

(1) Services and Maintenance:

(2) Equipment:

(3) Utilities:

(4) Other:

(d) **Exhibits.** The exhibits to the HAP Contract consist of the following:

(1) **Exhibit 1:** Schedule of Contract Units and Contract Rents;

(2) **Exhibit 2:** Affirmative Fair Housing Marketing Plan; and

(3) **Exhibit 3:** Addendum to the HAP Contract—Labor Standards (if applicable). (See page 1, Box 2.)

1.5 Owner Obligation to Operate Project. The Owner agrees to operate the project for the full initial term of the HAP Contract specified in section 1.3(a) and for each renewal term in accordance with the HAP Contract, the RAD Notice, all statutory requirements, and all HUD regulations and other requirements,

including any amendments to and/or changes in statutory requirements, HUD regulations (including 24 C.F.R. Part 880), and other requirements.

1.6 Owner Obligation to Adopt and Maintain Admissions Preference for Homeless. This section 1.6 shall apply if conversion is from the Single Room Occupancy (SRO) Moderate Rehabilitation Program (as indicated by a check in Box 1 on page1). The Owner shall adopt and at all times maintain an admissions preference for homeless individuals or families consistent with the provision of the RAD Notice governing the requirement for such a preference for conversions from the SRO Moderate Rehabilitation Program (i.e., Notice PIH 2012-32 (HA), REV-2, section 2.7 A. or successor provision). If the Owner adopts or has adopted multiple owner-adopted preferences, the Owner agrees that the Tenant Selection Plan will at all times reflect that the preference required under this section will have priority over all other owner-adopted preferences. The preference shall not apply to individuals or families who are assisted at the time of conversion. However, this requirement shall otherwise apply for the full initial term of the HAP Contract and for each renewal term.

1.7 Flood Insurance Applicability.

- If the adjacent box is checked, the Owner agrees that the project will be covered, during the life of the property, regardless of transfer of ownership, by flood insurance in an amount at least equal to its development or project cost (less estimated land cost) or to the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, whichever is less.

Signature Page

Warning: 18 U.S.C. 1001 provides, among other things, that whoever knowingly and willfully makes or uses any writing containing any materially false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction of the executive branch of the Government of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

As evidenced by the signature below of their authorized representative, the Owner and HUD hereby agree to the terms of this HAP Contract, the scope of which is set forth in section 1.2(a) of the HAP Contract.

Owner

Name of Owner (Print or Type)

By: _____
Signature of authorized representative

Name of Signatory (Print or Type)

Official Title (Print or Type)

Date (mm/dd/yyyy): _____

United States of America
Secretary of Housing and Urban Development

By: _____
Signature of authorized representative

Name of Signatory (Print or Type)

Official Title (Print or Type)

Date (mm/dd/yyyy): _____

Exhibit 1

Schedule of Contract Units and Contract Rents

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent

Exhibit 2

Affirmative Fair Housing Marketing Plan

Placeholder for “Addendum to the HAP Contract—Labor Standards”