

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

**SECTION 8 PROJECT-BASED VOUCHER PROGRAM
HOUSING ASSISTANCE PAYMENTS CONTRACT**

NEW CONSTRUCTION OR REHABILITATION

PART 1 OF HAP CONTRACT

The public reporting burden for this collection of information is estimated to average 1 hour 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. Comments regarding the accuracy of this burden estimate and any suggestions for reducing this burden can be sent to U.S. Department of Housing and Urban Development, Office of the Chief Data Officer, R, Attention: Departmental Clearance Officer, 2415 Eisenhower Avenue Alexandria, Virginia 22314 Room 10000. Do not send completed forms to this address. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid OMB control number. This form is used in the administration of the project-based voucher (PBV) program, as authorized under section 8 of the United States Housing Act of 1937 (42 U.S.C. § 1437f). This form establishes terms between a PHA and owner to provide housing assistance payments for eligible families. This information is required to obtain benefits. 24 CFR § 983.202. This information collected will not be held confidential.

1. CONTRACT INFORMATION

a. Parties

This housing assistance payments (HAP) contract is entered into between:

_____ (PHA) and

_____ (owner).

b. Contents of contract

The HAP contract consists of Part 1, Part 2, and the contract exhibits listed in paragraph c.

c. Contract exhibits

The HAP contract includes the following exhibits:

EXHIBIT A: TOTAL NUMBER OF UNITS IN PROJECT COVERED BY THIS HAP CONTRACT; INITIAL RENT TO OWNER; AND DESCRIPTION OF THE CONTRACT UNITS (See 24 CFR 983.203 for required items. If this is a multi-stage project, this

exhibit must include a description of the units in each completed phase.)

- EXHIBIT B: SERVICES, MAINTENANCE AND EQUIPMENT TO BE PROVIDED BY THE OWNER WITHOUT CHARGES IN ADDITION TO RENT TO OWNER
- EXHIBIT C: UTILITIES AVAILABLE IN THE CONTRACT UNITS, INCLUDING A LISTING OF UTILITY SERVICES TO BE PAID BY THE OWNER (WITHOUT CHARGES IN ADDITION TO RENT TO OWNER) AND UTILITIES TO BE PAID BY THE TENANTS
- EXHIBIT D: FEATURES PROVIDED TO COMPLY WITH PROGRAM ACCESSIBILITY FEATURES OF SECTION 504 OF THE REHABILITATION ACT OF 1973 AND IMPLEMENTING REGULATIONS AT 24 CFR PART 8, THE FAIR HOUSING ACT, AND THE AMERICANS WITH DISABILITIES ACT (As applicable)
- EXHIBIT E: ADDENDUM FOR PHA APPROVAL OF CONTRACT UNITS UNDERGOING SUBSTANTIAL IMPROVEMENT (As applicable per 24 CFR 983.212(a)(5))
- EXHIBIT F: REHABILITATED HOUSING RIDER GOVERNING DEVELOPMENT ACTIVITY OCCURING DURING THE TERM OF THE HAP CONTRACT (As applicable per 24 CFR 983.157(d))

ADDITIONAL EXHIBITS

d. Single-Stage and Multi-Stage Contracts (place a check mark in front of the applicable project description).

Single-Stage Project

This is a single-stage project. For all contract units, the effective date of the HAP contract is:

_____.

Multi-Stage Project

This is a multi-stage project. The units in each completed stage are

described in Exhibit A.

The PHA enters the effective date for each stage after completion and PHA acceptance of all units in that stage. The PHA enters the effective date for each stage in the “Execution of HAP contract for contract units completed and accepted in stages” (starting on page 11).

The annual anniversary date of the HAP contract for all contract units in this multi-stage project is the anniversary of the effective date of the HAP contract for the contract units included in the first stage. The expiration date of the HAP contract for all of the contract units completed in stages must be concurrent with the end of the HAP contract term for the units included in the first stage (see 24 CFR 983.207(g)).

e. Term of the HAP contract

1. Execution

Before execution of the HAP contract, the PHA must determine that applicable pre-HAP contract HQS requirements have been met in accordance with 24 CFR 983.103(b). Except for units developed pursuant to 24 CFR 983.157, the PHA may not execute the HAP contract for any contract unit that does not meet the pre-HAP contract HQS requirements. For units developed pursuant to 24 CFR 983.157, the HAP contract must be executed and effective promptly after the requirements of 24 CFR 983.157(c) are met (all proposed PBV units are added to the contract at this time, including units that do not comply with HQS or that will undergo development activity). For all other units developed pursuant to 24 CFR 983.152(a)(1), the HAP contract must be executed and effective promptly after the PHA determines that the housing was completed in accordance with applicable requirements, HUD’s HQS, and any additional design, architecture, or quality requirements specified by the PHA in accordance with 24 CFR 983.156(b)(1) or (c). The effective date of the HAP contract must be on or after the date the HAP contract is executed. The HAP contract must be effective before the effective date of the first lease covering a contract unit occupied by an assisted family, and the PHA may not pay any housing assistance payment to the owner until the HAP contract is effective.

2. Length of initial term

a. Subject to paragraph 2.b, the initial term of the HAP contract is:

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- b. The initial term of the HAP contract for any unit may not be less than one year, nor more than twenty years.

3. Extension of term

The PHA and owner may agree at any time before expiration of the HAP contract to execute one or more extensions of the HAP contract term. The following conditions apply:

- a. Each extension executed must have a term that does not exceed 20 years;
- b. At no time may the total remaining term of the HAP contract, with extensions, exceed 40 years;
- c. Before agreeing to an extension, the PHA must determine that the extension is appropriate to continue providing affordable housing for low-income families or to expand housing opportunities; and
- d. Each extension must be on the form and subject to the conditions prescribed by HUD at the time of the extension.

4. Requirement for sufficient appropriated funding

- a. The length of the initial term and any extension term shall be subject to availability of sufficient appropriated funding (budget authority), as provided in appropriations acts and in the PHA's annual contributions contract (ACC) with HUD, to make full payment of housing assistance payments due to the owner for any contract year in accordance with the HAP contract.
- b. The PHA may terminate the contract for insufficient funding, subject to HUD requirements. Consistent with the policies in the PHA's Administrative Plan, the PHA has the option of terminating the HAP contract based on "insufficient funding" only if:
 - 1. The PHA determines in accordance with HUD requirements that it lacks sufficient HAP funding (including HAP reserves) to continue to make housing assistance payments for all voucher units currently under a HAP contract;

2. The PHA has taken cost-saving measures specified by HUD;
3. The PHA notifies HUD of its determination and provides the information required by HUD; and
4. HUD determines that the PHA lacks sufficient funding and notifies the PHA it may terminate HAP contracts as a result.

f. Occupancy and payment

1. Payment for occupied unit

During the term of the HAP contract, the PHA shall make housing assistance payments to the owner for the months during which a contract unit is leased to and occupied by an eligible family. If an assisted family moves out of a contract unit, the owner may keep the housing assistance payment for the calendar month when the family moves out (“move-out month”). However, the owner may not keep the payment if the PHA determines that the vacancy is the owner’s fault.

2. Vacancy payment

THE PHA HAS DISCRETION WHETHER TO INCLUDE THE VACANCY PAYMENT PROVISION (PARAGRAPH f.2), OR TO STRIKE THIS PROVISION FROM THE HAP CONTRACT FORM.

- a. If an assisted family moves out of a contract unit, the PHA may provide vacancy payments to the owner for a PHA-determined vacancy period 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.
- b. The vacancy payment to the owner for each month of the maximum two-month period will be determined by the PHA, 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). Any vacancy payment may cover only the period the unit remains vacant.
- c. The PHA may make vacancy payments to the owner only if:

1. The owner gives the PHA prompt, written notice certifying that the family has vacated the unit and the date when the family moved out (to the best of the owner's knowledge and belief);
 2. 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;
 3. The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
 4. The owner provides any additional information required and requested by the PHA to verify that the owner is entitled to the vacancy payment.
- d. The PHA must take every reasonable action to minimize the likelihood and length of vacancy.
 - e. The owner may refer families to the PHA for placement on the PBV waiting list.
 - f. The owner must submit a request for vacancy payments in the form and manner required by the PHA and must provide any information or substantiation required by the PHA to determine the amount of any vacancy payments.
- 3. PHA is not responsible for family damage or debt to owner**

Except as provided in this paragraph f (Occupancy and Payment), the PHA will not make any other payment to the owner under the HAP contract. The PHA will not make any payment to the owner for any damages to the unit, or for any other amounts owed by a family under the family's lease.

g. Income-mixing requirement

1. Except as provided in paragraphs g.2 through g.4 below, the PHA will not make housing assistance payments under the HAP contract for more than the greater of 25 units or 25 percent of the total number of dwelling units (assisted or unassisted) in any project. The term "project" can be a single building, multiple contiguous buildings, or multiple buildings on

contiguous parcels of land, consistent with the PHA's Administrative Plan.

2. In referring eligible families to the owner for admission to the number of contract units in any project exceeding the 25 unit or 25 percent limitation under paragraph g.1, the PHA shall give preference to the applicable families as listed in g.7 below, for the number of contract units exclusively made available for occupancy by such families. The owner shall rent that number of contract units to such families referred by the PHA from the PHA waiting list.
3. Up to the greater of 25 units or 40 percent of units (instead of the greater of 25 units or 25 percent of units) in a project may be project-based if the project is located in an area where vouchers are difficult to use.
4. Units that were previously subject to certain federal rent restrictions or receiving another type of long-term housing subsidy provided by HUD do not count toward the income-mixing requirement if, in the five years prior to issuance of the Request for Proposal (RFP) or the proposal or project selection date in the case of selection without RFP, the unit received one of the forms of HUD assistance or was under a federal rent restriction as described in g.5 and g.6, below.
5. The following specifies the number of contract units (if any) that received one of the following forms of HUD assistance:

Public Housing Capital or Operating Funds (Section 9 of the 1937 Act);

Project-Based Rental Assistance (Section 8 of the 1937 Act). Project-based rental assistance under Section 8 includes the Section 8 moderate rehabilitation program, including the single-room occupancy (SRO) program;

Housing for the Elderly (Section 202 of the Housing Act of 1959);

Housing for Persons with Disabilities (Section 811 of the Cranston-Gonzalez National Affordable Housing Act); or

Flexible Subsidy Program (Section 201 of the Housing and Community Development Act of 1978).

Place a check mark in front of the form of assistance received by any of

**Project-Based Voucher Program
HAP Contract for New Construction/Rehab**

the contract units. The following total number of contract units received a form of HUD assistance listed above:

_____.

If all of the units in the project received such assistance, then skip number g.7, below.

6. The following specifies the number of contract units (if any) that were under any of the following federal rent restrictions:

- The Low-Income Housing Tax Credit program (26 U.S.C. 42);
- Section 515 Rural Rental Housing Loans (42 U.S.C. 1485);
- Section 236;
- Section 221(d)(3) Below Market Interest Rate;
- Housing for the Elderly (Section 202 of the Housing Act of 1959);
- Housing for Persons with Disabilities (Section 811 of the Cranston-Gonzalez National Affordable Housing Act);
- Flexible Subsidy Program (Section 201 of the Housing and Community Development Amendments Act of 1978); or
- Any other program identified by HUD through Federal Register notice subject to public comment (specify the program: _____).

Place a check mark in front of the type of federal rent restriction that applied to any of the contract units. The following total number of contract units were subject to a federal rent restriction listed above:

_____.

If all of the units in the project were subject to a federal rent restriction, then skip number g.7, below.

7. The following specifies the number of contract units (if any) exclusively made available to elderly families, families eligible for supportive services, or eligible youth receiving Family Unification Program or Foster

Youth to Independence (FUP/FYI) assistance:

- a. Place a check mark here ___ if any contract units are exclusively made available for occupancy by elderly families; The following number of contract units shall be rented to elderly families:
- _____.
- b. Place a check mark here ___ if any contract units are exclusively made available for occupancy by families eligible for supportive services. The following number of contract units shall be rented to families eligible for supportive services:
- _____.
- c. Place a check mark here ___ if any contract units are exclusively made available for occupancy by eligible youth receiving FUP/FYI assistance. The following number of contract units shall be rented to eligible youth receiving FUP/FYI assistance:
- _____.
8. The PHA and owner must comply with all HUD requirements regarding income mixing.

EXECUTION OF HAP CONTRACT FOR SINGLE-STAGE PROJECT

I/We, the undersigned, certify under penalty of perjury that the information provided above is true, accurate and correct. **WARNING:** Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012; 1014; 31 U.S.C. §§ 3729, 3802).

| |
|--|
| PUBLIC HOUSING AGENCY (PHA) Name of PHA (Print) |
| By: Signature of authorized representative |
| Name and official title (Print) |
| Date |
| OWNER Name of Owner (Print) |
| By: Signature of authorized representative |
| Name and official title (Print) |
| Date |

EXECUTION OF HAP CONTRACT FOR CONTRACT UNITS COMPLETED AND ACCEPTED IN STAGES

(For multi-stage projects, at acceptance of each stage, the PHA and the owner sign the HAP contract execution for the completed stage.)

I/We, the undersigned, certify under penalty of perjury that the information provided above is true, accurate and correct. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012; 1014; 31 U.S.C. §§ 3729, 3802).

| |
|---|
| STAGE NO. 1: The Contract is hereby executed for the contract units in this stage. |
| STAGE EFFECTIVE DATE: The effective date of the Contract for this stage is: |
| Date |
| PUBLIC HOUSING AGENCY (PHA) |
| Name of PHA (Print) |
| By: |
| Signature of authorized representative |
| |
| Name and official title (Print) |
| |
| Date |
| OWNER |
| Name of Owner (Print) |
| By: |
| Signature of authorized representative |
| |
| Name and official title (Print) |
| |
| Date |

STAGE NO. 2: The Contract is hereby executed for the contract units in this stage.

STAGE EFFECTIVE DATE: The effective date of the Contract for this stage is:

Date

PUBLIC HOUSING AGENCY (PHA)

Name of PHA (Print)

By:

Signature of authorized representative

Name and official title (Print)

Date

OWNER

Name of Owner (Print)

By:

Signature of authorized representative

Name and official title (Print)

Date

| |
|---|
| STAGE NO. 3: The Contract is hereby executed for the contract units in this stage. STAGE EFFECTIVE DATE: The effective date of the Contract for this stage is: |
| Date |
| PUBLIC HOUSING AGENCY (PHA) Name of PHA (Print) |
| By: |
| Signature of authorized representative |
| |
| Name and official title (Print) |
| |
| Date |
| OWNER Name of Owner (Print) |
| By: |
| Signature of authorized representative |
| |
| Name and official title (Print) |
| |
| Date |

STAGE NO. __: The Contract is hereby executed for the contract units in this stage.

STAGE EFFECTIVE DATE: The effective date of the Contract for this stage is:

Date

PUBLIC HOUSING AGENCY (PHA)

Name of PHA (Print)

By:

Signature of authorized representative

Name and official title (Print)

Date

OWNER

Name of Owner (Print)

By:

Signature of authorized representative

Name and official title (Print)

Date