



## PROJECT-BASED VOUCHER ASSISTANCE STATEMENT OF UNDERSTANDING

### SUMMARY

The Section 8 Project-Based Voucher (PBV) program is a component of the Statewide Section 8 Housing Choice Voucher (HCV) program providing long-term project-based affordable housing contracts to assist households at very low and extremely low income levels. PBVs can be used for new construction, rehabilitation or for units in existing buildings, however, projects already under construction can not receive PBV assistance and must comply with proposal selection procedures as defined in 24 CFR 983.51.

PBVs may be made available through HCR's Office of Finance and Development's (OFD) Unified Funding ("UF"), the Multi-Family Open Window RFP, or another competitive selection process as determined appropriate by the agency. **Applications requesting project-based assistance only will not be accepted.** Additional resources including HCR forms, checklists and application can be found at the following link: <http://www.nyshcr.org/Funding/>. Additional program requirements including HUD forms can be found at: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/public\\_indian\\_housing/programs/hcv/forms](http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/hcv/forms).

Please contact your assigned Project Manager with any additional questions.

### GENERAL PBV REQUIREMENTS – DEVELOPMENT STAGE

HUD regulations limit PBV assistance to no more than 25 units or 25% of the units in a project. Projects whose units are designated as serving persons who are elderly (62 years or older), persons with disabilities or families receiving either FSS or supportive services as prescribed by HCR may be allowed to exceed the 25 or 25% per project cap. *If triggered, it is the sole responsibility of the owner to either provide or arrange for supportive services.*

All project sites must meet applicable accessibility requirements in accordance with Section 504 of the Rehabilitation Act of 1973 in addition to any applicable State and local design standards as specified by HCR. All units must also meet the requirements set forth in the Fair Housing Amendment Act of 1988 as described at 24 CFR 100.205. Davis-Bacon wage rates apply to any project with nine or more units of project based voucher assistance. Additionally, a Subsidy Layering Review and NEPA Environmental Review must be completed and a clearance letter received prior to issuance of the AHAP.

PBV statutory and regulatory requirements applicable to all projects:

- 25% per project cap (*except as noted above*)
- Section 504
- Fair Housing
- Section 3 & Additional Requirements as specified by HUD ([www.ecfr.gov](http://www.ecfr.gov) (Title 24, Part 983))
- Subsidy Layering Review
- NEPA Environmental Review
- Davis Bacon Wage rates if contracting 9 or more PBV units, regardless of the percentage of total units

### AHAP CONTRACT

The AHAP (Agreement to Enter Into Housing Assistance Payments) contract **MUST** be executed before *any* demolition and/or construction can begin on a project. The awarded PBVs will be withdrawn should either demolition or construction begin prior to issuance of the AHAP. AHAP contract documents must be submitted to your Project Manager no less than **45 days\*** prior to either the proposed construction start date OR finance closing date, whichever date is sooner.



**PROJECT-BASED VOUCHER ASSISTANCE STATEMENT OF UNDERSTANDING  
HAP CONTRACT**

The HAP (Housing Assistance Payments) contract is issued upon construction completion after all units pass a Housing Quality Standards (HQS) Inspection and **MUST** be executed before assistance may begin. Initial notification of proposed lease-up and HAP contract documents must be submitted to your Project Manager no less than **120\*** and **45\*** days prior (respectively) to the proposed project lease-up date.

**Processing Guide/Timeline**

*45 days before construction start (AHAP)	Project Sponsor delivers all required AHAP documentation including Exhibits, Checklist and Signature Block to their designated OFD Project Manager.
***120 days before occupancy	Project Sponsor notifies Project Manager 120 days before project is complete providing site property management info to allow Local Administrator to establish working relationship with Property Management. LA must: establish wait list, income certification, screening, HQS, etc.
*45 days before occupancy (HAP)	Project Sponsor delivers all required HAP documentation for each stage (if applicable) including Exhibits, Checklist, Signature Block and any approved changes to PBV designated unit numbers, rent, utilities, etc., to their designated OFD Project Manager.

**\*Late submission of AHAP/HAP documents may result in a delay of execution of the respective contract. The AHAP and HAP contracts will be issued and transmitted to you by HCR’s Section 8 unit.  
\*\*\*Notification at least 120 days prior to lease up of PBV units required\*\*\***

**PBV ADMINISTRATIVE INFORMATION/FREQUENTLY ASKED QUESTIONS**

**• Term**

The term of the PBV HAP contract will be twenty (20) years unless otherwise specified. Please note, all PBV HAP contracts will be executed as single stage.

**• Responsibility**

**Prior to execution of the HAP contract all PBV questions should be directed to your Project Manager.** Once the HAP contract is in effect, administration of the program falls under the authority of HCR’s Statewide Section 8 Program and its network of Local Administrators (LA). After HAP contract execution, please direct all questions to your designated LA.

\*\*The list of HCR’s Section 8 Local Administrators can be found at: <http://www.nyshcr.org/Programs/Section8HCV/sec8admins.htm>

**• Contract Units – Assigned and Designated**

Contracted PBV subsidy does not float. Units under contract must be specified prior to HAP contract execution and are not subject to change.



**PROJECT-BASED VOUCHER ASSISTANCE STATEMENT OF UNDERSTANDING**

**• Wait List Selection and Requirements**

As required by PBV regulations, HCR must establish and maintain a site-specific waiting list for your project. ALL prospective PBV tenants must be placed on and selected from this site-specific waiting list. As allowed by PBV regulations, in addition to the traditional application process, placement on the site-specific waiting list may also come from canvassing the PHA’s tenant-based waiting list and owner/manager referrals. Position on the waiting list is determined by receipt of completed application by our Local Administrator. Applicants must be placed on the waiting list and referred to the project in order of application date and income (in compliance with applicable income targeting requirements).

While HCR determines initial eligibility, final screening is determined within the regulatory framework of the program by and through application of your approved affirmative fair housing marketing plan.

**• Utility Rate Allowances**

All PBV units must use the current, established utility rates as determined and approved by HCR in each project’s jurisdiction as required (983.301(f)(2)(ii)). **Please refer to your assigned Project Manager for the utility allowance schedule.**

**• Rent Limitations for the PBV units**

The Gross Rent must not exceed either 110% of the current established Fair Market Rents as published by HUD *or the reasonable rent* as determined by HCR. ***Gross Rent = Contract Rent + Utilities***

**• HQS Inspections**

Prior to assistance, the project site and PBV contracted units contracted within must meet Housing Quality Standards (HQS) as described at 24 CFR 982.401. **The HAP contract may not be executed until all units to be placed under contract (for each stage, if applicable) pass HQS.** For continued assistance, each unit under contract must comply with HQS requirements throughout the term of the contract and will be inspected on at least an annual basis to determine compliance.

**• Contract Unit Eligibility**

If a tenant loses eligibility while in a PBV-designated unit, HCR will maintain the contract for that PBV unit, but will not make assistance payments until the unit is vacated and re-occupied by a PBV-eligible family from the PBV site specific wait list maintained by HCR. If a unit remains vacant for more than 120 days, it may be removed from the contract at the sole discretion of HCR as PHA.

**All conditions set forth herein are agreed to and accepted.**

\_\_\_\_\_  
Awardee by:

\_\_\_\_\_  
Date

Print Name \_\_\_\_\_

Organization \_\_\_\_\_