CALL AND NOTICE OF REGULAR MEETING AT 6:45 PM OF THE VALLEJO HOUSING AUTHORITY COUNCIL CHAMBERS 555 SANTA CLARA STREET, VALLEJO, CA

JUNE 27, 2023

COUNCIL CHAMBERS
555 Santa Clara Street, Vallejo, California

1. CALL TO ORDER

2. ROLL CALL

3. CONSENT CALENDAR AND APPROVAL OF AGENDA

A. **APPROVAL OF MINUTES**
Recommendation: Approve minutes from the special meeting of May 23, 2023
Contact: Dawn G. Abrahamson, MMC, Secretary (707) 648-4527
Dawn.Abrahamson@cityofvallejo.net

B. **APPROVAL OF A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A HOUSING ASSISTANCE PAYMENT CONTRACT FOR PROJECT-BASED VOUCHERS AT BLUE OAK LANDING**
Recommendation: Adopt a resolution approving the execution by the Executive Director of the Housing Authority of the City of Vallejo of the Project-Based Voucher (PBV) Housing Assistance Payments (HAP) Contract between the Housing Authority of the City of Vallejo (HACV) and Eden Housing, Inc., dba Vallejo PSH, L.P., for seventy-four (74) vouchers for Blue Oak Landing at 2118 Sacramento Street upon completion of the Project.
Contact: Gillian Hayes, Assistant City Manager, (707) 648-4163
Gillian.Hayes@cityofvallejo.net

4. ACTION CALENDAR

NOTICE: Members of the public wishing to address the Housing Authority on Action Calendar Items may do so in person by signing in to the Public Speaker's kiosk located in the back of the Council Chambers or via ZOOM (https://ZoomRegular.Cityofvallejo.net), or via phone, by dialing (669) 900-6833. Enter Meeting ID:

Hybrid Options are available for members of the public to participate. To participate remotely:

https://ZoomRegular.CityofVallejo.net
Option to join by phone:
Dial (669) 900-6833
Enter Meeting ID: 914 0075 0676#
Press *9 to digitally raise your hand from the phone
For additional instructions on how to speak during public comment, please visit,
www.cityofvallejo.net/publiccomment

*914 0075 0676#. Press *9 to digitally raise your hand from the phone. For additional instructions on how to speak remotely during public comment, please visit, www.cityofvallejo.net/publiccomment. Each speaker is limited to five minutes pursuant to Vallejo Municipal Code Section 2.02.420 or as approved and announced by the Chair. In person speakers will be recognized first.*

A. **HOLD A PUBLIC HEARING CONCERNING THE FISCAL YEAR (FY) 2023-24 HOUSING AUTHORITY BUDGET AND ADOPT A RESOLUTION APPROVING THE FY 2023-24 HOUSING AUTHORITY BUDGET**

Recommendation: Conduct a public hearing and upon conclusion, adopt a Resolution (Attachment 1) approving the Budget of the Housing Authority of the City of Vallejo (HACV) for Fiscal Year (FY) 2023-24 (July 1, 2023 - June 30, 2024) as set forth in Attachment 2, and also shown as Exhibit 1 to Attachment 1.

Contact: Gillian Hayes, Assistant City Manager, (707) 648-4163
Gillian.Hayes@cityofvallejo.net

5. ADJOURNMENT

Dated: Thursday, June 22, 2023

Dawn G. Abrahamson for

Robert H. McConnell, Chair

I, Dawn Abrahamson, Secretary, do herby certify that I have caused a true copy of the above notice and agenda to be delivered to each of the members of the Vallejo Housing Authority, at the time and in the manner prescribed by law and that this agenda was posted at City Hall, 555 Santa Clara Street, CA at 11:45 a.m., Thursday, June 22, 2023.

Dated: Thursday, June 22, 2023

Dawn G. Abrahamson

Dawn G. Abrahamson, City Clerk

Hybrid Options are available for members of the public to participate. To participate remotely:

https://ZoomRegular.CityofVallejo.net
Option to join by phone:
Dial (669) 900-6833
Enter Meeting ID: 914 0075 0676#
Press *9 to digitally raise your hand from the phone
For additional instructions on how to speak during public comment, please visit,
www.cityofvallejo.net/publiccomment

VALLEJO HOUSING AUTHORITY
SPECIAL MEETING
MINUTES
MAY 23, 2023

COUNCIL CHAMBERS
555 Santa Clara Street, Vallejo,
California

1. CALL TO ORDER

The meeting was called to order at 6:45 p.m.

2. ROLL CALL

Present: Chair McConnell, Vice Chair Verder-Aliga, Boardmembers Arriola, Bregenzer, Loera-Diaz, Matulac, and Palmares
Absent: Boardmember Gordon
Staff present: Executive Director Malone, City Attorney Nebb and Secretary Abrahamson

3. CONSENT CALENDAR AND APPROVAL OF AGENDA

Action: *Moved by Vice Chair Verder-Aliga and carried unanimously by members present, unless otherwise noted, approval of the Agenda and the Consent Calendar (Absent – Gordon)*

A. **APPROVAL OF MINUTES**
Recommendation: Approve minutes from the regular meeting of March 28, 2023
Contact: Dawn G. Abrahamson, MMC, Secretary (707) 648-4527
Dawn.Abrahamson@cityofvallejo.net
Action: *Approved minutes.*

B. **ADOPT A RESOLUTION TO ACCEPT THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM COORDINATOR GRANT FOR CALENDAR YEAR 2023 IN THE AMOUNT OF $117,488 AND AMEND THE HOUSING AUTHORITY FUND #121 FISCAL YEAR 2022-23 BUDGET TO RECOGNIZE THE FSS PROGRAM GRANT REVENUE OF $58,744**
Recommendation:

1. Adopt a resolution authorizing the Executive Director or his designee to accept the Family Self Sufficiency Program Coordinator grant award from the U.S. Department of Housing and Urban Development (HUD) for Calendar Year (CY) 2023 in the amount of $117,488.
2. Amend the Housing Authority Fund #121 Fiscal Year (FY) 2022-23 (July 1, 2022 - June 30, 2023) Budget to recognize the FSS Program grant revenue in the amount of $58,744.

Contact: Gillian Hayes, Assistant City Manager, (707) 648-4163

Gillian.Hayes@cityofvallejo.net
Action: *(1) Adopted Resolution No. 23-003 and (2) amended the Housing Authority Fund #121 Fiscal Year (FY) 2022-23 (July 1, 2022 - June 30, 2023) Budget to recognize the FSS Program grant revenue in the amount of $58,744 .*

4. ACTION CALENDAR - NONE

5. ADJOURNMENT

The meeting adjourned at 6:48 p.m.

____
ROBERT H. MCCONNELL, CHAIR

ATTEST:

____
DAWN G. ABRAHAMSON, SECRETARY

City of VALLEJO California

CONSENT CALENDAR 3.B.

DATE: June 27, 2023
TO: Chair and Members of the Vallejo Housing Authority Board
FROM: Gillian Hayes, Assistant City Manager
Chari Francisco, Administrative Manager
SUBJECT: **APPROVAL OF A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A HOUSING ASSISTANCE PAYMENT CONTRACT FOR PROJECT-BASED VOUCHERS AT BLUE OAK LANDING**

RECOMMENDATION

Adopt a resolution approving the execution by the Executive Director of the Housing Authority of the City of Vallejo of the Project-Based Voucher (PBV) Housing Assistance Payments (HAP) Contract between the Housing Authority of the City of Vallejo (HACV) and Eden Housing, Inc., dba Vallejo PSH, L.P., for seventy-four (74) vouchers for Blue Oak Landing at 2118 Sacramento Street upon completion of the Project.

REASONS FOR RECOMMENDATION

On September 29, 2021, the HACV and Vallejo PSH, L.P. signed an Agreement to enter into a HAP (AHAP) Contract for Project-Based Vouchers after the construction of 75 dwelling units (one is a manager unit) at 2118 Sacramento Street. In the AHAP, Vallejo PSH, L.P. agreed to develop the HAP Contract rental units in accordance with U.S. Department of Housing and Urban Development (HUD) requirements, and the HACV agreed to enter into a HAP Contract upon completion. Blue Oak Landing is a permanent supportive housing development for unhoused persons.

BACKGROUND AND DISCUSSION

The purpose of the HAP contract is to provide housing assistance payments for eligible families. The Public Housing Agency (PHA), like the HACV, makes housing assistance payments to the owner in accordance with the HAP contract. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term.

Prior to the execution of the PBV HAP contract, the PHA must inspect each contract unit and determine that the unit complies with HUD's Housing Quality Standards (HQS). In the case of newly constructed housing like Blue Oak Landing, the HAP contract must be executed after the units have been inspected and determined to have been completed in accordance with the AHAP and the owner has furnished all required evidence of completion.

The City of Vallejo acquired the property at 2118 Sacramento Street and 2134-36 Sacramento Street in December 2017 for the purpose of developing a permanent supportive housing development for unhoused persons. A combination of federal Community Block Development Grant (CDBG) Program, federal HOME Investment Partnerships (HOME) Program, and City General Funds were used for the purchase of the site. After the completion of a Request for Qualifications (RFQ) process, in June 2018, the Vallejo City Council selected Eden Housing, Inc. as the developer of this project. Additionally, in June 2018, the Housing Authority Board of Directors of the City of Vallejo approved a Loan Agreement with Eden Housing dba Vallejo PSH, L.P. to complete the Project. In July 2021, the City adopted a Resolution approving the issuance of bonds by the California Municipal Finance Authority on behalf of Vallejo PSH, L.P, to provide financing for the Project.

On September 29, 2021, the HACV and Vallejo PSH, L.P. signed an Agreement to enter into a HAP Contract after the construction of the 75 units. Pre-construction, abatement, and construction work began thereafter. Blue Oak Landing passed HQS inspections for all contract units. The Project received its Temporary Certificate of Occupancy on May 25, 2023.

FISCAL IMPACT

There would be no fiscal impact to the City of Vallejo's General Fund as the Project-Based Voucher Program is federally funded.

ENVIRONMENTAL REVIEW

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

1.	Draft Project-Based Voucher Housing Assistance Payments Contract
2.	Resolution Executing HAP Contract with Vallejo PSH LP for Blue Oak Landing CAO STAMP

CONTACT

Gillian Hayes, Assistant City Manager, (707) 648-4163
Gillian.Hayes@cityofvallejo.net

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

1. CONTRACT INFORMATION

a. Parties

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

HOUSING AUTHORITY OF THE CITY OF VALLEJO (PHA) and

VALLEJO PSH, L.P. (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 UTILITIY 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

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: 05/30/2023 .

___ **Multi-Stage Project**

This is a multi-stage project. The units in each completed stage are designated 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 10).

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 983.206(c)).

e. Term of the HAP contract

1. Beginning of term

The PHA may not enter into a HAP contract for any contract unit until the PHA (or an independent entity, as applicable) has determined that the unit meets PBV inspection requirements. The term of the HAP contract for any unit begins on the effective date of the HAP contract.

2. Length of initial term

a. Subject to paragraph 2.b, the initial term of the HAP contract for any contract units is: 20 YEARS.

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 to enter into an extension of the HAP contract at the time of initial HAP contract execution, or any time prior to expiration of the contract. Any extension, including the term of such extension, must be in accordance with HUD requirements. A PHA must determine that any extension is appropriate to achieve long-term affordability of the housing or expand housing opportunities.

4. Requirement for sufficient appropriated funding

a. The length of the initial term and any extension term shall be subject to availability, as determined by HUD, or by the PHA in accordance with HUD requirements, 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 availability of sufficient funding must be determined by HUD or by the PHA in accordance with HUD requirements. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the PHA has the right to terminate the HAP contract by notice to the owner for all or any of the contract units. Such action by the PHA shall be implemented in accordance with HUD requirements.

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 e.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 and recommend selection of such families from the PHA waiting list for occupancy of vacant units.

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 e (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 f.2 through f.5 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" means a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land assisted under this HAP contract.

2. The limitation in paragraph f.1 does not apply to single-family buildings.

3. 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 f.1, the PHA shall give preference to elderly families or to families eligible for supportive services, for the number of contract units designated for occupancy by such families. The owner shall rent the designated number of contract units to such families referred by the PHA from the PHA waiting list.

4. 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 a census tract with a poverty rate of 20 percent or less.

5. 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 or notice of owner selection (for projects selected based on a prior competition or without competition), the unit received one of the forms of HUD assistance or was under a federal rent restriction as described in f.6 and f.7, below.

6. The following specifies the number of contract units (if any) that received one of the following forms of HUD assistance (enter the number of contract units in front of the applicable form of assistance):

   ___ Public Housing or Operating Funds;

   ___ Project-Based Rental Assistance (including Mod Rehab and Mod Rehab Single-Room Occupancy);

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

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

___ Rent Supplement Program;

___ Rental Assistance Program;

___ Flexible Subsidy Program.

The following total number of contract units received a form of HUD assistance listed above: 0______________________________. If all of the units in the project received such assistance, you may skip sections g.7 and g.8, below.

7. The following specifies the number of contract units (if any) that were under any of the following federal rent restrictions (enter the number of contract units in front of the applicable type of federal rent restriction):

___ Section 236;

___ Section 221(d)(3) or (d)(4) BMIR (below-market interest rate);

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

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

___ Flexible Subsidy Program.

The following total number of contract units were subject to a federal rent restriction listed above: 0______________________________. If all of the units in the project were subject to a federal rent restriction, you may skip section g.8, below.

8. The following specifies the number of contract units (if any) designated for occupancy by elderly families or by families eligible for supportive services:

a Place a check mark here ___ if any contract units are designated 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 designated for occupancy by families eligible for supportive services. The following number of contract units shall be rented to families eligible for supportive services:

____.

9. The PHA and owner must comply with all HUD requirements regarding income mixing.

EXECUTION OF HAP CONTRACT FOR SINGLE-STAGE PROJECT

PUBLIC HOUSING AGENCY (PHA) **Name of PHA (Print)** HOUSING AUTHORITY OF THE CITY OF VALLEJO
By:
Signature of authorized representative
Name and official title (Print)
Date
OWNER **Name of Owner (Print)** VALLEJO PSH, L.P.
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.)

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

OMB Approval No. 2577–0169
(exp. 07/31/2022)

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 2 OF HAP CONTRACT

2. DEFINITIONS

Agreement. Agreement to enter into HAP Contract between the owner and the PHA. The HAP contract was entered into following new construction or rehabilitation of the contract units by the owner pursuant to an Agreement.

Contract units. The housing units covered by this HAP contract. The contract units are described in Exhibit A.

Controlling interest. In the context of PHA-owned units (see definition below), controlling interest means:

(a) Holding more than 50 percent of the stock of any corporation; or

(b) Having the power to appoint more than 50 percent of the members of the board of directors of a non-stock corporation (such as a non-profit corporation); or

(c) Where more than 50 percent of the members of the board of directors of any corporation also serve as directors, officers, or employees of the PHA; or

(d) Holding more than 50 percent of all managing member interests in an LLC; or

(e) Holding more than 50 percent of all general partner interests in a partnership; or

(f) Having equivalent levels of control in other ownership structures.

Family. The persons approved by the PHA to reside in a contract unit with assistance under the program.

HAP contract. This housing assistance payments contract between the PHA and the owner. The contract consists of Part 1, Part 2, and the contract exhibits (listed in section 1.c of the HAP contract).

Household. The family and any PHA-approved live-in aide.

Housing assistance payment. The monthly assistance payment by the PHA for a contract unit, which includes: (1) a payment to the owner for rent to the owner under the family's lease minus the tenant rent; and (2) an additional payment to or on behalf of the family if the utility allowance exceeds total tenant payment.

Housing quality standards (HQS). The HUD minimum quality standards for dwelling units occupied by families receiving project-based voucher program assistance.

HUD. U.S. Department of Housing and Urban Development.

HUD requirements. HUD requirements which apply to the project-based voucher program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives.

Newly constructed housing. Housing units that do not exist on the proposal selection date and are developed after the date of selection pursuant to an Agreement between the PHA and owner for use under the project-based voucher program.

Owner. Any person or entity who has the legal right to lease or sublease a unit to a participant.

PHA. Public Housing Agency. The agency that has entered into the HAP contract with the owner. The agency is a public housing agency as defined in the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(6)).

PHA-owned units. A unit is "owned by a PHA" if the unit is in a project that is:

(a) Owned by the PHA (which includes a PHA having a "controlling interest" in the entity that owns the unit; see definition above);

(b) Owned by an entity wholly controlled by the PHA; or

(c) Owned by a limited liability company (LLC) or limited partnership in which the PHA (or an entity wholly controlled by the PHA) holds a controlling interest in the managing member or general partner.

Premises. The building or complex in which a contract unit is located, including common areas or grounds.

Principal or interested party. This term includes a management agent and other persons or entities participating in project management, and the officers and principal members, shareholders, investors, and other parties having a substantial interest in the HAP contract, or in any proceeds or benefits arising from the HAP contract.

Program. The project-based voucher program (see authorization for project-based assistance at 42 U.S.C. 1437f(o)(13)).

Proposal selection date. The date the PHA gives written notice of proposal selection to the owner whose proposal is selected in accordance with the criteria established in the PHA's administrative plan.

Rehabilitated housing. Housing units that exist on the proposal selection date but do not substantially comply with the HQS on that date and are developed pursuant to an Agreement between the PHA and owner for use under the project-based voucher program.

Rent to owner. The total monthly rent payable to the owner under the lease for a contract unit. Rent to owner includes payment for any housing services, maintenance and utilities to be provided by the owner in accordance with the lease.

Tenant. The person or persons (other than a live-in aide) who executes the lease as a lessee of the dwelling unit.

Tenant rent. The portion of the rent to owner payable by the family, as determined by the PHA in accordance with HUD requirements. The PHA is not responsible for paying any part of the tenant rent.

3. PURPOSE

a. This is a HAP contract between the PHA and the owner.

b. The purpose of the HAP contract is to provide housing assistance payments for eligible families who lease contract units that comply with the HUD HQS from the owner.

c. The PHA must make housing assistance payments to the owner in accordance with the HAP contract for contract units leased and occupied by eligible families during the HAP contract term. HUD provides funds to the PHA to make housing assistance payments to owners for eligible families.

4. RENT TO OWNER; HOUSING ASSISTANCE PAYMENTS

a. Amount of initial rent to owner

The initial rent to owner for each contract unit is stated in Exhibit A, which is attached to and made a part of the HAP contract. At the beginning of the HAP contract term, and until rent to owner is adjusted in accordance with section 5 of the HAP contract, the rent to owner for each bedroom size (number of bedrooms) shall be the initial rent to owner amount listed in Exhibit A.

Place a check mark here ___ if the PHA has elected not to reduce rents below the initial rent to owner.

b. HUD rent requirements

Notwithstanding any other provision of the HAP contract, the rent to owner may in no event exceed the amount authorized in accordance with HUD requirements. The PHA has the right to reduce the rent to owner, at any time, to correct any errors in establishing or adjusting the rent to owner in accordance with HUD requirements. The PHA may recover any overpayment from the owner.

c. PHA payment to owner

1. Each month the PHA must make a housing assistance payment to the owner for a unit under lease to and occupied by an eligible family in accordance with the HAP contract.

2. The monthly housing assistance payment to the owner for a contract unit is equal to the amount by which the rent to owner exceeds the tenant rent.

3. Payment of the tenant rent is the responsibility of the family. The PHA is not responsible for paying any part of the tenant rent, or for paying any other claim by the owner against a family. The PHA is responsible only for making housing assistance payments to the

owner on behalf of a family in accordance with the HAP contract.

4. The owner will be paid the housing assistance payment under the HAP contract on or about the first day of the month for which payment is due, unless the owner and the PHA agree on a later date.

5. To receive housing assistance payments in accordance with the HAP contract, the owner must comply with all the provisions of the HAP contract. Unless the owner complies with all the provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

6. If the PHA determines that the owner is not entitled to the payment or any part of it, the PHA, in addition to other remedies, may deduct the amount of the overpayment from any amounts due the owner, including amounts due under any other housing assistance payments contract.

7. The owner will notify the PHA promptly of any change of circumstances that would affect the amount of the monthly housing assistance payment, and will return any payment that does not conform to the changed circumstances.

d. Termination of assistance for family

The PHA may terminate housing assistance for a family under the HAP contract in accordance with HUD requirements. The PHA must notify the owner in writing of its decision to terminate housing assistance for the family in such case.

5. <u>ADJUSTMENT OF RENT TO OWNER</u>

a. PHA determination of adjusted rent

1. At each annual anniversary during the term of the HAP contract, the PHA shall adjust the amount of rent to owner, upon request to the PHA by the owner, in accordance with law and HUD requirements. In addition, the PHA shall adjust the rent to owner when there is a ten percent decrease in the published, applicable Fair Market Rent in accordance with 24 CFR 983.302. However, if the PHA has elected within the HAP contract not to reduce rents below the initial rent to owner, the rent to owner shall not be reduced below the initial rent to owner except in those cases

described in 24 CFR 983.302(c)(2).

2. The adjustment of rent to owner shall always be determined in accordance with all HUD requirements. The amount of the rent to owner may be adjusted up or down, in the amount defined by the PHA in accordance with HUD requirements.

b. Reasonable rent

The rent to owner for each contract unit, as adjusted by the PHA in accordance with 24 CFR 983.303, may at no time exceed the reasonable rent charged for comparable units in the private unassisted market, except in cases where the PHA has elected within the HAP contract not to reduce rents below the initial rent to owner. The reasonable rent shall be determined by the PHA in accordance with HUD requirements.

c. No special adjustments

The PHA will not make any special adjustments of the rent to owner.

d. Owner compliance with HAP contract

The PHA shall not approve, and the owner shall not receive, any increase of rent to owner unless all contract units are in accordance with the HQS, and the owner has complied with the terms of the assisted leases and the HAP contract.

e. Notice of rent adjustment

Rent to owner shall be adjusted by written notice by the PHA to the owner in accordance with this section. Such notice constitutes an amendment of the rents specified in Exhibit A.

6. OWNER RESPONSIBILITY

The owner is responsible for:

a. Performing all management and rental functions for the contract units.

b. Maintaining the units in accordance with HQS.

c. Complying with equal opportunity requirements.

d. Enforcing tenant obligations under the lease.

e. Paying for utilities and housing services (unless paid by the family under the lease).

f. Collecting from the tenant:

1. Any security deposit;

2. The tenant rent; and

3. Any charge for unit damage by the family.

7. OWNER CERTIFICATION

The owner certifies that at all times during the term of the HAP contract:

a. All contract units are in good and tenantable condition. The owner is maintaining the premises and all contract units in accordance with the HQS.

b. The owner is providing all the services, maintenance and utilities as agreed to under the HAP contract and the leases with assisted families.

c. Each contract unit for which the owner is receiving housing assistance payments is leased to an eligible family referred by the PHA, and the lease is in accordance with the HAP contract and HUD requirements.

d. To the best of the owner's knowledge, the members of the family reside in each contract unit for which the owner is receiving housing assistance payments, and the unit is the family's only residence.

e. The owner (including a principal or other interested party) is not the parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit unless the PHA has determined that approving leasing of the unit would provide a reasonable accommodation for a family member who is a person with disabilities.

f. The amount of the housing assistance payment is the correct amount due under the HAP contract.

g. The rent to owner for each contract unit does not exceed rents charged by the owner for other comparable unassisted units.

h. Except for the housing assistance payment and the tenant rent as provided under the HAP contract, the owner has not received and will not receive any payments or other consideration (from the family, the PHA, HUD, or any other public or private source) for rental of the contract unit.

i. The family does not own, or have any interest in the contract unit. If the owner is a cooperative, the family may be a member of the cooperative.

8. CONDITION OF UNITS

a. Owner maintenance and operation

The owner must maintain and operate the contract units and premises to provide decent, safe and sanitary housing in accordance with the HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance and utilities set forth in Exhibits B and C, and in the lease with each assisted family.

b. PHA inspections

1. The PHA must inspect each contract unit before execution of the HAP contract. The PHA may not enter into a HAP contract covering a unit until the unit fully complies with the HQS.

2. Before providing assistance to a new family in a contract unit, the PHA must inspect the unit. The PHA may not provide assistance on behalf of the family until the unit fully complies with the HQS.

3. At least biennially during the term of the HAP contract, the PHA must inspect a random sample, consisting of at least 20 percent of the contract units in each building, to determine if the contract units and the premises are maintained in accordance with the HQS. Turnover inspections pursuant to paragraph 2 of this section are not counted toward meeting this biennial inspection requirement.

4. If more than 20 percent of the sample of inspected contract units in a building fail the initial inspection, the PHA must reinspect 100 percent of the contract units in the building.

5. The PHA must inspect contract units whenever needed to determine that the contract units comply with the HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The PHA must take into account complaints and any other information that comes to its attention in scheduling inspections.

c. Violation of the housing quality standards

1. If the PHA determines a contract unit is not in accordance with the HQS, the PHA may exercise any of its remedies under the HAP contract for all or any contract units. Such remedies include termination, suspension or reduction of housing assistance payments, and termination of the HAP contract.

2. The PHA may exercise any such contractual remedy respecting a contract unit even if the family continues to occupy the unit.

3. The PHA shall not make any housing assistance for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the PHA and the PHA verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects, the owner must correct the defect within no more than 30 calendar days (or any PHA-approved extension).

d. Maintenance and replacement—owner's standard practice

Maintenance and replacement (including redecoration) must be in accordance with the standard practice for the building concerned as established by the owner.

9. LEASING CONTRACT UNITS

a. Selection of tenants

1. During the term of the HAP contract, the owner must lease all contract units to eligible families selected and referred by the PHA from the PHA waiting list. (See 24 CFR 983.251.)

2. The owner is responsible for adopting written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant's ability to perform the lease obligations.

3. Consistent with HUD requirements, and Federal civil rights and fair housing requirements, the owner may apply its own nondiscriminatory admission procedures in determining whether to admit a family referred by the PHA for occupancy of a contract unit. The owner may refer families to the PHA, and recommend

selection of such families from the PHA waiting list for occupancy of vacant units.

4. The owner must promptly notify in writing any rejected applicant of the grounds for rejection.

5. The PHA must determine family eligibility in accordance with HUD requirements.

6. The contract unit leased to each family must be appropriate for the size of the family under the PHA's subsidy standards.

7. If a contract unit was occupied by an eligible family at the time the unit was selected by the PHA, or is so occupied on the effective date of the HAP contract, the owner must offer the family the opportunity to lease the same or another appropriately-sized contract unit with assistance under the HAP contract.

8. The owner is responsible for screening and selecting tenants from the families referred by the PHA from its waiting list.

b. Vacancies

1. The owner must promptly notify the PHA of any vacancy in a contract unit. After receiving the owner notice, the PHA shall make every reasonable effort to refer a sufficient number of families for owner to fill the vacancy.

2. The owner must rent vacant contract units to eligible families on the PHA waiting list referred by the PHA.

3. The PHA and the owner must make reasonable, good faith efforts to minimize the likelihood and length of any vacancy.

4. If any contract units have been vacant for a period of 120 or more days since owner notice of vacancy (and notwithstanding the reasonable good faith efforts of the PHA to fill such vacancies), the PHA may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (by number of bedrooms) that have been vacant for such period.

10. TENANCY

a. Lease

The lease between the owner and each assisted family must be in accordance with HUD requirements. In all cases, the lease must include the HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

b. Termination of tenancy

1. The owner may terminate a tenancy only in accordance with the lease and HUD requirements.

2. The owner must give the PHA a copy of any owner eviction notice to the tenant at the same time that the owner gives notice to the tenant. Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used to commence an eviction action under State or local law.

c. Family payment

1. The portion of the monthly rent to owner payable by the family (“tenant rent”) will be determined by the PHA in accordance with HUD requirements. The amount of the tenant rent is subject to change during the term of the HAP contract. Any changes in the amount of the tenant rent will be effective on the date stated in a notice by the PHA to the family and the owner.

2. The amount of the tenant rent as determined by the PHA is the maximum amount the owner may charge the family for rent of a contract unit, including all housing services, maintenance and utilities to be provided by the owner in accordance with the HAP contract and the lease.

3. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the PHA. The owner must immediately return any excess rent payment to the tenant.

4. The family is not responsible for payment of the portion of the contract rent covered by the housing assistance payment under the HAP contract. The owner may not terminate the tenancy of an assisted family for nonpayment of the PHA housing assistance

payment.

5. The PHA is responsible only for making the housing assistance payments to the owner on behalf of the family in accordance with the HAP contract. The PHA is not responsible for paying the tenant rent, or any other claim by the owner.

d. Other owner charges

1. Except as provided in paragraph 2, the owner may not require the tenant or family members to pay charges for meals or supportive services. Nonpayment of such charges is not grounds for termination of tenancy.

2. In assisted living developments receiving project-based voucher assistance, owners may charge tenants, family members, or both for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of reasonable rent. Non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

3. The owner may not charge the tenant or family members extra amounts for items customarily included in rent in the locality or provided at no additional cost to the unsubsidized tenant in the premises.

e. Security deposit

1. The owner may collect a security deposit from the family.

2. The owner must comply with HUD and PHA requirements, which may change from time to time, regarding security deposits from a tenant.

3. The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted families.

4. When the family moves out of the contract unit, the owner, subject to State and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit or other amounts which the family owes under the lease. The owner

must give the family a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used as reimbursement to the owner, the owner must promptly refund the full amount of the balance to the family.

5. If the security deposit is not sufficient to cover amounts the family owes under the lease, the owner may seek to collect the balance from the family. However, the PHA has no liability or responsibility for payment of any amount owed by the family to the owner.

11. FAMILY RIGHT TO MOVE

a. The family may terminate its lease at any time after the first year of occupancy. The family must give the owner advance written notice of intent to vacate (with a copy to the PHA) in accordance with the lease. If the family has elected to terminate the lease in this manner, the PHA must offer the family the opportunity for tenant-based rental assistance in accordance with HUD requirements.

b. Before providing notice to terminate the lease under paragraph a, the family must first contact the PHA to request tenant-based rental assistance if the family wishes to move with continued assistance. If tenant-based rental assistance is not immediately available upon lease termination, the PHA shall give the family priority to receive the next available opportunity for tenant-based rental assistance.

12. OVERCROWDED, UNDER-OCCUPIED, AND ACCESSIBLE UNITS

The PHA subsidy standards determine the appropriate unit size for the family size and composition. The PHA and owner must comply with the requirements in 24 CFR 983.260. If the PHA determines that a family is occupying a wrong-size unit, or a unit with accessibility features that the family does not require, and the unit is needed by a family that requires the accessibility features, the PHA must promptly notify the family and the owner of this determination, and of the PHA's offer of continued assistance in another unit. 24 CFR 983.260(a).

13. PROHIBITION OF DISCRIMINATION

a. The owner may not refuse to lease contract units to, or otherwise discriminate against any person or family in leasing of a contract unit, because of race, color, religion, sex, national origin, disability, age or familial status.

b. The owner must comply with the following requirements: The Fair Housing Act (42 U.S.C. 3601–19) and implementing regulations at 24 CFR part 100 *et seq.*; Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959–1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107; title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1; the Age Discrimination Act of 1975 (42 U.S.C. 6101–6107) and implementing regulations at 24 CFR part 146; section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at part 8 of this title; title II of the Americans with Disabilities Act, 42 U.S.C. 12101 *et seq.* ; 24 CFR part 8; section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135; Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086, and 12107 (3 CFR, 1964–1965 Comp., p. 339; 3 CFR, 1966–1970 Comp., p. 684; 3 CFR, 1966–1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60; Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971–1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise).

c. The owner must comply with HUD's Equal Access to HUD-assisted or -insured housing rule (24 CFR 5.105(a)(2)).

d. The owner must comply with the Violence Against Women Act, as amended, and HUD's implementing regulation at 24 CFR part 5, Subpart L, and program regulations.

e. The PHA and the owner must cooperate with HUD in the conducting of compliance reviews and complaint investigations pursuant to all applicable civil rights statutes, Executive Orders, and all related rules and regulations.

14. PHA DEFAULT AND HUD REMEDIES

If HUD determines that the PHA has failed to comply with the HAP contract, or has failed to take appropriate action to HUD's satisfaction or as directed by HUD, for enforcement of the PHA's rights under the HAP contract, HUD may assume the PHA's rights and obligations under the HAP contract, and may perform the obligations and enforce the rights of the PHA under the HAP contract.

15. OWNER DEFAULT AND PHA REMEDIES

a. Owner default

Any of the following is a default by the owner under the HAP contract:

1. The owner has failed to comply with any obligation under the HAP contract, including the owner's obligations to maintain all contract units in accordance with the housing quality standards.

2. The owner has violated any obligation under any other housing assistance payments contract under Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

3. The owner has committed any fraud or made any false statement to the PHA or HUD in connection with the HAP contract.

4. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any Federal housing assistance program.

5. If the property where the contract units are located is subject to a lien or security interest securing a HUD loan or a mortgage insured by HUD and:

   i. The owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement; or

   ii. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with the HUD loan or HUD-insured mortgage.

6. The owner has engaged in any drug-related criminal activity or any violent criminal activity.

b. PHA remedies

1. If the PHA determines that a breach has occurred, the PHA may exercise any of its rights or remedies under the HAP contract.

2. The PHA must notify the owner in writing of such determination. The notice by the PHA to the owner may require the owner to take corrective action (as verified by the PHA) by a time prescribed in the notice.

3. The PHA's rights and remedies under the HAP contract include recovery of overpayments, termination or reduction of housing assistance payments, and termination of the HAP contract.

c. PHA remedy is not waived

The PHA's exercise or non-exercise of any remedy for owner breach of the HAP contract is not a waiver of the right to exercise that remedy or any other right or remedy at any time.

16. OWNER DUTY TO PROVIDE INFORMATION AND ACCESS REQUIRED BY HUD OR PHA

a. Required information

The owner must prepare and furnish any information pertinent to the HAP contract as may reasonably be required from time to time by the PHA or HUD. The owner shall furnish such information in the form and manner required by the PHA or HUD.

b. PHA and HUD access to premises

The owner must permit the PHA or HUD or any of their authorized representatives to have access to the premises during normal business hours and, for the purpose of audit and examination, to have access to any books, documents, papers and records of the owner to the extent necessary to determine compliance with the HAP contract, including the verification of information pertinent to the housing assistance payments or the HAP contract.

17. PHA AND OWNER RELATION TO THIRD PARTIES

a. Injury because of owner action or failure to act

The PHA has no responsibility for or liability to any person injured as a result of the owner's action or failure to act in connection with the implementation of the HAP contract, or as a result of any other action or failure to act by the owner.

b. Legal relationship

The owner is not the agent of the PHA. The HAP contract does not create or affect any relationship between the PHA and any lender to the owner or any suppliers, employees, contractors or subcontractors used by the owner in connection with the implementation of the HAP contract.

c. Exclusion of third-party claims

Nothing in the HAP contract shall be construed as creating any right of a family or other third party (other than HUD) to enforce any provision of the HAP contract, or to assert any claim against HUD, the PHA or the owner under the HAP contract.

d. Exclusion of owner claims against HUD

Nothing in the HAP contract shall be construed as creating any right of the owner to assert any claim against HUD.

18. PHA-OWNED UNITS

Notwithstanding Section 17 of this HAP contract, a PHA may own units assisted under the project-based voucher program, subject to the special requirements in 24 CFR 983.59 regarding PHA-owned units.

19. CONFLICT OF INTEREST

a. Interest of members, officers, or employees of PHA, members of local governing body, or other public officials

1. No present or former member or officer of the PHA (except tenant-commissioners), no employee of the PHA who formulates policy or influences decisions with respect to the housing choice voucher program or project-based voucher program, and no public official or member of a governing body or State or local legislator who exercises functions or responsibilities with respect to these programs, shall have any direct or indirect interest, during his or her tenure or for one year thereafter, in the HAP contract.

2. HUD may waive this provision for good cause.

b. Disclosure

The owner has disclosed to the PHA any interest that would be a violation of the HAP contract. The owner must fully and promptly update such disclosures.

c. Interest of member of or delegate to Congress

No member of or delegate to the Congress of the United States of America or resident-commissioner shall be admitted to any share or part of this HAP Contract or to any benefits arising from the contract.

20. EXCLUSION FROM FEDERAL PROGRAMS

a. Federal requirements

The owner must comply with and is subject to requirements of 2 CFR part 2424.

b. Disclosure

The owner certifies that:

1. The owner has disclosed to the PHA the identity of the owner and any principal or interested party.

2. Neither the owner nor any principal or interested party is listed on the U.S. General Services Administration list of parties excluded from Federal procurement and nonprocurement programs; and none of such parties are debarred, suspended, subject to a limited denial of participation or otherwise excluded under 2 CFR part 2424.

21. TRANSFER OF THE CONTRACT OR PROPERTY

a. When consent is required

1. The owner agrees that neither the HAP contract nor the property may be transferred without the advance written consent of the PHA in accordance with HUD requirements.

2. “Transfer” includes:

    a. Any sale or assignment or other transfer of ownership, in any form, of the HAP contract or the property;

    b. The transfer of any right to receive housing assistance payments that may be payable pursuant to the HAP contract;

c. The creation of a security interest in the HAP contract or the property;

d. Foreclosure or other execution on a security interest; or

e. A creditor's lien, or transfer in bankruptcy.

3. If the owner is a corporation, partnership, trust or joint venture, the owner is not required to obtain advance consent of the PHA pursuant to paragraph a for transfer of a passive and non-controlling interest in the ownership entity (such as a stock transfer or transfer of the interest of a limited partner), if any interests so transferred cumulatively represent less than half the beneficial interest in the HAP contract or the property. The owner must obtain advance consent pursuant to paragraph a for transfer of any interest of a general partner.

b. Transferee assumption of HAP contract

No transferee (including the holder of a security interest, the security holder's transferee or successor in interest, or the transferee upon exercise of a security interest) shall have any right to receive any payment of housing assistance payments pursuant to the HAP contract, or to exercise any rights or remedies under the HAP contract, unless the PHA has consented in advance, in writing to such transfer, and the transferee has agreed in writing, in a form acceptable to the PHA in accordance with HUD requirements, to assume the obligations of the owner under the HAP contract, and to comply with all the terms of the HAP contract.

c. Effect of consent to transfer

1. The creation or transfer of any security interest in the HAP contract is limited to amounts payable under the HAP contract in accordance with the terms of the HAP contract.

2. The PHA's consent to transfer of the HAP contract or the property does not to change the terms of the HAP contract in any way, and does not change the rights or obligations of the PHA or the owner under the HAP contract.

3. The PHA's consent to transfer of the HAP contract or the property to any transferee does not constitute consent to any further transfers of the HAP contract or the property, including further transfers to any successors or assigns of an approved transferee.

d. When transfer is prohibited

The PHA will not consent to the transfer if any transferee, or any principal or interested party is debarred, suspended subject to a limited denial of participation, or otherwise excluded under 2 CFR part 2424, or is listed on the U.S. General Services Administration list of parties excluded from Federal procurement or nonprocurement programs.

22. SUBSIDY LAYERING

a. Owner disclosure

The owner must disclose to the PHA, in accordance with HUD requirements, information regarding any related assistance from the Federal Government, a State, or a unit of general local government, or any agency or instrumentality thereof, that is made available or is expected to be made available with respect to the contract units. Such related assistance includes, but is not limited to, any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance.

b. Limit of payments

Housing assistance payments under the HAP contract must be no more than is necessary, as determined in accordance with HUD requirements, to provide affordable housing after taking account of such related assistance. The PHA will adjust in accordance with HUD requirements the amount of the housing assistance payments to the owner to compensate in whole or in part for such related assistance.

23. OWNER LOBBYING CERTIFICATIONS

a. The owner certifies, to the best of owner's knowledge and belief, that:

1. No Federally appropriated funds have been paid or will be paid, by or on behalf of the owner, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of the HAP contract, or the extension, continuation, renewal, amendment, or modification of the HAP contract.

2. If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to

influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the HAP contract, the owner must complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.

b. This certification by the owner is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352.

24. TERMINATION OF HAP CONTRACT FOR WRONGFUL SELECTION OF CONTRACT UNITS

The HAP contract may be terminated upon at least 30 days notice to the owner by the PHA or HUD if the PHA or HUD determines that the contract units were not eligible for selection in conformity with HUD requirements.

25. NOTICES AND OWNER CERTIFICATIONS

a. Where the owner is required to give any notice to the PHA pursuant to the HAP contract or any other provision of law, such notice must be in writing and must be given in the form and manner required by the PHA.

b. Any certification or warranty by the owner pursuant to the HAP contract shall be deemed a material representation of fact upon which reliance was placed when this transaction was made or entered into.

26. NOTICE OF TERMINATION OR EXPIRATION WITHOUT EXTENSION

a. An owner must provide notice to the PHA, and to the affected tenants, not less than 1 year prior to the termination or expiration without extension of a HAP contract.

b. An owner who fails to provide such notice must permit tenants to remain in their units for the required notice period with no increase in the tenant portion of the rent. During this time period, an owner may not evict a tenant as a result of the owner’s inability to collect an increased tenant portion of rent. With PHA agreement, an owner may extend the terminating contract for a period of time sufficient to give tenants 1 years’s advance notice.

27. FAMILY’S RIGHT TO REMAIN

Upon termination or expiration of the contract without extension, each family assisted under the contract may elect to use its assistance to remain in the project if the family's unit complies with the inspection requirements under section 8(o)(8) (42 U.S.C. 1437f(o)(8) of the U.S. Housing Act of 1937 ("the 1937 Act")), the rent for the unit is reasonable as required by section 8(o)(10)(A) of the 1937 Act, and the family pays its required share of the rent and the amount, if any, by which the unit rent (including the amount allowed for tenant-paid utilities) exceeds the applicable payment standard.

28. ENTIRE AGREEMENT; INTERPRETATION

a. The HAP contract, including the exhibits, is the entire agreement between the PHA and the owner.

b. The HAP contract must be interpreted and implemented in accordance with all statutory requirements, and with all HUD requirements, including amendments or changes in HUD requirements during the term of the HAP contract. The owner agrees to comply with all such laws and HUD requirements. Any regulatory citation specifically included in this HAP contract is subject to any subsequent revision of such citation.

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

MOVING TO WORK (MTW) RIDER TO THE HOUSING ASSISTANCE PAYMENT (HAP) CONTRACT FOR THE SECTION 8 TENANT-BASED ASSISTANCE HOUSING CHOICE VOUCHER PROGRAM (HCV) AND/OR THE SECTION 8 PROJECT-BASED VOUCHER (PBV) PROGRAM

Pursuant to the Public Housing Agency's (PHA) participation in the MTW demonstration, the PHA may establish Section 8 HCV or PBV policies or requirements that differ from statutory requirements for both programs contained in the U.S. Housing Act of 1937, the relevant regulatory requirements, and applicable Public and Indian Housing Notices. Where any particular provisions of this HAP Contract differ from or conflict with the MTW activities included in the PHA's approved MTW Supplement to its PHA Plan, the provisions of the MTW Operations Notice and the approved MTW Supplement to the PHA Plan shall supersede any conflicting or differing HAP Contract language. Further, the MTW Activity authorized by the MTW Operations Notice shall govern the PHA's administration of the program notwithstanding a conflicting or differing provision of the HAP Contact. This rider shall be in effect for the term of the HAP Contract or the term of the PHA's participation in the MTW demonstration, whichever ends sooner.

EXHIBIT A

Project-Based Voucher Program Housing Assistance Payments Contract Blue Oak Landing

UNIT MATRIX

	Address	Street	Unit No.	Building	Bedrooms	Entry on Floor	Unit Type	Square Footage	Mobility Accessible	Communication Accessible
1	2118	Sacramento St	201	North	1	2	UNIT C	591	Accessible	
2	2118	Sacramento St	202	North	1	2	UNIT D	620		
3	2118	Sacramento St	203	North	Studio	2	UNIT A	346		
4	2118	Sacramento St	204	North	Studio	2	UNIT B	380		
5	2118	Sacramento St	205	North	Studio	2	UNIT A	346		
6	2118	Sacramento St	206	North	Studio	2	UNIT B	380		
7	2118	Sacramento St	207	North	Studio	2	UNIT A	346		
8	2118	Sacramento St	208	North	Studio	2	UNIT B	380		
9	2118	Sacramento St	209	North	Studio	2	UNIT A	346		
10	2118	Sacramento St	210	North	Studio	2	UNIT B	380		
11	2118	Sacramento St	211	North	Studio	2	UNIT A (END)	346		
12	2118	Sacramento St	212	North	Studio	2	UNIT B (END)	380		
13	2118	Sacramento St	214	South	Studio	2	UNIT B-2 (END)	396	Accessible	
14	2118	Sacramento St	215	South	Studio	2	UNIT A-1	345	Accessible	Communication
15	2118	Sacramento St	216	South	Studio	2	UNIT B-2	396	Accessible	
16	2118	Sacramento St	217	South	Studio	2	UNIT A	346		
17	2118	Sacramento St	218	South	Studio	2	UNIT B-1	396		
18	2118	Sacramento St	219	South	Studio	2	UNIT A	346		
19	2118	Sacramento St	220	South	Studio	2	UNIT B-1	396		
20	2118	Sacramento St	221	South	1	2	UNIT C-1	593		
21	2118	Sacramento St	222	South	1	2	UNIT D-1	669		
22	2118	Sacramento St	223	South	1	2	UNIT C-2	593		
23	2118	Sacramento St	224	South	1	2	UNIT D-2	669		
24	2118	Sacramento St	225	South	2	2	UNIT E	733	Accessible	
25	2118	Sacramento St	226	South	2	2	PROP. MGR. UNIT	832		
26	2118	Sacramento St	301	North	1	3	UNIT C	591	Accessible	
27	2118	Sacramento St	302	North	1	3	UNIT D	620		
28	2118	Sacramento St	303	North	Studio	3	UNIT A	346		
29	2118	Sacramento St	304	North	Studio	3	UNIT B	380		
30	2118	Sacramento St	305	North	Studio	3	UNIT A	346		
31	2118	Sacramento St	306	North	Studio	3	UNIT B	380		
32	2118	Sacramento St	307	North	Studio	3	UNIT A	346		
33	2118	Sacramento St	308	North	Studio	3	UNIT B	380		
34	2118	Sacramento St	309	North	Studio	3	UNIT A	346		
35	2118	Sacramento St	310	North	Studio	3	UNIT B	380		
36	2118	Sacramento St	311	North	Studio	3	UNIT A (END)	346		
37	2118	Sacramento St	312	North	Studio	3	UNIT B (END)	380		
38	2118	Sacramento St	314	South	Studio	3	UNIT B-2 (END)	396	Accessible	
39	2118	Sacramento St	315	South	Studio	3	UNIT A-1	345	Accessible	Communication
40	2118	Sacramento St	316	South	Studio	3	UNIT B-2	396	Accessible	
41	2118	Sacramento St	317	South	Studio	3	UNIT A	346		
42	2118	Sacramento St	318	South	Studio	3	UNIT B-1	396		
43	2118	Sacramento St	319	South	Studio	3	UNIT A	346		
44	2118	Sacramento St	320	South	Studio	3	UNIT B-1	396		
45	2118	Sacramento St	321	South	1	3	UNIT C-1	593		
46	2118	Sacramento St	322	South	1	3	UNIT D-1	669		
47	2118	Sacramento St	323	South	1	3	UNIT C-2	593		
48	2118	Sacramento St	324	South	1	3	UNIT D-2	669		
49	2118	Sacramento St	325	South	2	3	UNIT E	733	Accessible	
50	2118	Sacramento St	326	South	2	3	UNIT F	832		
51	2118	Sacramento St	401	North	1	4	UNIT C	591	Accessible	
52	2118	Sacramento St	402	North	1	4	UNIT D	620		
53	2118	Sacramento St	403	North	Studio	4	UNIT A	346		
54	2118	Sacramento St	404	North	Studio	4	UNIT B	380		
55	2118	Sacramento St	405	North	Studio	4	UNIT A	346		

	Address	Street	Unit No.	Building	Bedrooms	Entry on Floor	Unit Type	Square Footage	Mobility Accessible	Communication Accessible
56	2118	Sacramento St	406	North	Studio	4	UNIT B	380		
57	2118	Sacramento St	407	North	Studio	4	UNIT A	346		
58	2118	Sacramento St	408	North	Studio	4	UNIT B	380		
59	2118	Sacramento St	409	North	Studio	4	UNIT A	346		
60	2118	Sacramento St	410	North	Studio	4	UNIT B	380		
61	2118	Sacramento St	411	North	Studio	4	UNIT A (END)	346		
62	2118	Sacramento St	412	North	Studio	4	UNIT B (END)	380		
63	2118	Sacramento St	414	South	Studio	4	UNIT B-2 (END)	396	Accessible	
64	2118	Sacramento St	415	South	Studio	4	UNIT A-1	345	Accessible	Communication
65	2118	Sacramento St	416	South	Studio	4	UNIT B-2	396	Accessible	
66	2118	Sacramento St	417	South	Studio	4	UNIT A	346		
67	2118	Sacramento St	418	South	Studio	4	UNIT B-1	396		
68	2118	Sacramento St	419	South	Studio	4	UNIT A	346		
69	2118	Sacramento St	420	South	Studio	4	UNIT B-1	396		
70	2118	Sacramento St	421	South	1	4	UNIT C-1	593		
71	2118	Sacramento St	422	South	1	4	UNIT D-1	669		
72	2118	Sacramento St	423	South	1	4	UNIT C-2	593		
73	2118	Sacramento St	424	South	1	4	UNIT D-2	669		
74	2118	Sacramento St	425	South	2	4	UNIT E	733	Accessible	
75	2118	Sacramento St	426	South	2	4	UNIT F	832		

EXHIBIT B

Project-Based Voucher Program
Housing Assistance Payments Contract
Blue Oak Landing

SERVICES, MAINTENANCE AND EQUIPMENT TO BE PROVIDED BY THE OWNER WITHOUT CHARGES IN ADDITION TO RENT TO OWNER

The Owner/Property Manager will maintain and operate all contract units in a safe, sanity, and decent manner, in accordance with the housing quality standards.

Each of the units will contain the following:

Range

Refrigerator

One bathroom

Shared on-site services and amenities:

Property management

Resident services

Common room

Dog run

Shared laundry room

Landscaping maintenance

Everything above is provided by the Owner/Property Manager to the residents at no charge except laundry per usage.

EXHIBIT C

Project-Based Voucher Program Housing Assistance Payments Contract Blue Oak Landing

LOCATION

Unit Address: 2118 Sacramento Street
Vallejo, CA 94590

UTILITIES

Heating Fuel:	○ Gas	● Electric	Paid By:	○ Tenant	● Landlord
Hot Water Fuel:	○ Gas	● Electric	Paid By:	○ Tenant	● Landlord
Cooking Fuel:	○ Gas	● Electric	Paid By:	○ Tenant	● Landlord
Air Conditioning Provided:	● Yes	○ No	Paid By:	○ Tenant	● Landlord
Other Electricity: PG&E			Paid By:	○ Tenant	● Landlord
Sewer: Public - Flood & Wastewater District			Paid By:	○ Tenant	● Landlord
Water: City of Vallejo Water Department			Paid By:	○ Tenant	● Landlord
Trash: Recology			Paid By:	○ Tenant	● Landlord

Heat Source (Select one)	○ Baseboard Heater	○ Boiler
	○ Central Forced Air	● Heat Pump
	○ Radiator	○ Wall Heater

Landlord provides RANGE and REFRIGERATOR.

Housing Assistance Payments Contract
EXHIBIT D **HAP Contract #: CA-###**

FEATURES PROVIDED TO COMPLY WITH PROGRAM ACCESSIBILITY FEATURES OF SECTION 504 OF THE REHABILITATION ACT OF 1973

Blue Oak Landing
2118 Sacramento Street
Vallejo, CA 94590

THIS PUBLICLY FUNDED RESIDENTIAL PROJECT IS SUBJECT TO THE REQUIREMENTS OF C.B.C. CHAPTER 11B; FHA 504, AND UFAS.

ALL COMMON AND NON-RESIDENTIAL AREAS ARE FULLY ACCESSIBLE. ELEVATORS, PROVIDED FOR THE USE OF THE OCCUPANTS, ALLOW FOR ACCESSIBILITY TO ALL LEVELS OF THE BUILDING.

15% OF THE UNITS ARE FULLY ACCESSIBLE: [TOTAL REQUIRED 7].
REFER TO SHEET G001 FOR DISTRIBUTION OF MOBILITY UNITS.

ACCESSIBLE PATH OF TRAVEL, INCLUDING THRESHOLDS:

1. MANEUVERABLE CLEARANCES.
2. WALL MOUNTED ITEMS WITHIN REACH RANGE.
3. APPLIANCE CONTROLS ON FRONT FACE OF APPLIANCE.
4. FAUCETS SHALL BE LEVER OPERATED.

BATHROOMS:

1. GRAB BARS SHALL BE PROVIDED AT TOILETS AND TUBS.
2. LAVATORIES MOUNTED NO HIGHER THAN 34", W/ PIPE PROTECTION.
3. KNEE CLEARANCE UNDER LAVATORIES.
4. REMOVABLE TUB SEAT SHALL BE PROVIDED AS SPECIFIED.
5. HAND-HELD SHOWER HEAD SHALL BE PROVIDED.
6. HEIGHT OF W.C. SHALL BE AT LEAST 15" AND NO MORE THAN 19".

KITCHENS:

1. 30" SECTION OF COUNTER INSTALLED AT 34" ABOVE THE FLOOR WITH KNEE SPACE BELOW THE COUNTER.
2. SINK COUNTER SHALL BE AT A MAXIMUM OF 34" ABOVE THE FLOOR REMOVABLE BASE CABINET BELOW THE SINK BOWL.
3. 50% OF SHELF SPACE IN THE KITCHEN IS WITHIN AN ACCESSIBLE REACH RANGE.

10% OF THE UNITS ARE OUTFITTED WITH COMMUNICATIONS FEATURES: [TOTAL REQUIRED 3].

1. FIRE ALARM: PROVIDE HORN/STROBE ALARM.
2. DWELLING UNIT SMOKE DETECTION SYSTEM AND CARBON MONOXIDE DETECTION SYSTEM

3. DOORBELL MUST BE AUDIBLE AND STROBE WIRED SEPARATELY FROM ALARM.
4. DWELLING UNIT DOOR VIEWER

THE REMAINING UNITS ARE ADAPTABLE IN COMPLIANCE WITH CBC 11A:

ACCESSIBLE PATH OF TRAVEL, INCLUDING THRESHOLDS:

1. MANEUVERABLE CLEARANCES.
2. WALL MOUNTED ITEMS WITHIN REACH RANGE.
3. FAUCETS SHALL BE LEVER OPERATED.

BATHROOMS:

1. BACKING FOR FUTURE INSTALLATIONS OF GRAB BARS.
2. REMOVABLE TOE KICK & REMOVABLE DOORS AT LAV. (1 BATHROOM PER UNIT).

KITCHENS:

1. SOLID SURFACE COUNTERTOP @ 36".
2. REMOVABLE TOE KICK & REMOVABLE DOORS AT SINK CABINET.

FIRE ALARM:

ABILITY TO CHANGE OUT HORN TO HORN/STROBE ALARM.

ACCESSIBLE FEATURES IN ADAPTABLE UNITS WILL BE INSTALLED TO THE TENANT'S SPECIFIC NEED ON A CASE BY CASE BASIS.

Approved as to form:

By: ______________________ for

Veronica Nebb, City Attorney

RESOLUTION NO. ________

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HOUSING AUTHORITY OF THE CITY OF VALLEJO AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO EXECUTE THE HOUSING ASSISTANCE PAYMENT CONTRACT WITH EDEN HOUSING, INC. DBA VALLEJO PSH, L.P. FOR SEVENTY-FOUR PROJECT-BASED VOUCHERS FOR BLUE OAK LANDING AT 2118 SACRAMENTO STREET

WHEREAS, the Housing Authority of the City of Vallejo seeks to enter into a Housing Assistance Payment contract with Vallejo PSH, L.P. for seventy-five (74) Project-Based vouchers for the Project located at 2118 Sacramento Street; and

WHEREAS, there has been presented to the meeting a proposed contract between the Authority and Vallejo PSH, L.P; and

WHEREAS, the Board of Directors desires to approve the contract and authorize the Executive Director to execute the contract; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Housing Authority of the City of Vallejo hereby approves the contract between the Housing Authority of the City of Vallejo and Vallejo PSH, L.P.

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is authorized to execute the agreement and any other documents and to take such other actions as are necessary to carry out the intent of this Resolution.

BE IT FURTHER RESOLVED that the Secretary shall certify to the adoption of this Resolution and the same shall be in full force and effect immediately upon adoption.

Adopted by the Board of Directors of the Vallejo Housing Authority at a regular meeting held on June 27, 2023 with the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

____

ROBERT H. MCCONNELL, CHAIR

ATTEST:

____

DAWN G. ABRAHAMSON, SECRETARY

City of VALLEJO California

ACTION ITEM 4.A.

DATE: June 27, 2023
TO: Chair and Members of the Vallejo Housing Authority Board
FROM: Gillian Hayes, Assistant City Manager
Chari Francisco, Administrative Manager
SUBJECT: **HOLD A PUBLIC HEARING CONCERNING THE FISCAL YEAR (FY) 2023-24 HOUSING AUTHORITY BUDGET AND ADOPT A RESOLUTION APPROVING THE FY 2023-24 HOUSING AUTHORITY BUDGET**

RECOMMENDATION

Conduct a public hearing and upon conclusion, adopt a Resolution (Attachment 1) approving the Budget of the Housing Authority of the City of Vallejo (HACV) for Fiscal Year (FY) 2023-24 (July 1, 2023 - June 30, 2024) as set forth in Attachment 2, and also shown as Exhibit 1 to Attachment 1.

REASONS FOR RECOMMENDATION

The HACV contracts with the City of Vallejo for financial and other services. The HACV prepares a separate budget, which is then consolidated into the City's FY 2023-24 Proposed Budget document. Preparation of a separate budget document increases efficiency and ease of review by the HACV Board and the public. Adopting the Budget Resolution at this time will allow the HACV to operate and provide services after June 30, 2023 based on the most current projection of revenues and expenditures.

BACKGROUND AND DISCUSSION

In FY 2023-24, the HACV will deliver the Housing Choice Voucher (HCV) Program (more commonly known as "Section 8"), and its subprograms: Homeownership, Veterans Affairs Supportive Housing (VASH), Project-Based Voucher, and the Family Self-Sufficiency (FSS) Program. All programs administered by the HACV are funded by the U.S. Department of Housing and Urban Development (HUD). The budget for FY 2023-24 consists of revenues and expenditures under different fund accounts for the HCV program, administration, operating reserve, housing development, and affordable housing. The total Proposed FY 2023-24 Expenditure Budget for HACV programs is $22,867,025. The majority of these funds, $19.9 million, represent Housing Assistance Payments (HAP) to landlords on behalf of eligible Vallejo families. The HCV Program and subprograms serve over 2,000 families in Vallejo each year.

HCV Program Fund (#123) and Administration Fund (#121)

HUD provides funding for the HCV Program on a calendar year cycle. Through its funding methodology, the level of funding for the HCV Program fluctuates annually. Housing Authorities are funded separately by HAP and Administrative Fees. HAP funding can only be used for rent or mortgage payments and utility reimbursements in the HCV Program and subprograms for eligible HCV Program households, and escrow payments for FSS Program participants. Administrative Fees are revenues that housing authorities receive to fund daily operating expenses of the HCV Program, such as staff salaries and benefits, and office expenses. Administrative Fees cannot be used for any other purpose.

The VASH Program provides rental assistance vouchers to homeless veterans along with ongoing support by case workers from Veterans Affairs to help them maintain a stable housing environment. The Project-Based Voucher Program is voucher assistance attached to specific housing units located in the city. Housing Authorities can use up to 20 percent of its authorized voucher units for project-based units. The FSS Program helps voucher families obtain employment that will lead to economic independence and self-sufficiency. The HACV partners with other non-profit agencies such as the Workforce Development Board of Solano County, SparkPoint/United Way, the Vallejo City Unified School District, Solano Family and Children's Services, Five Keys Charter School, and other welfare agencies and local resources to develop a comprehensive program which gives participating FSS Program family members the skills and experience to enable them to obtain employment that pays a livable wage.

Operating Reserve Fund (#122)
The Operating Reserve Fund consisted of unspent administrative funding received from HUD prior to 2004. These are restricted funds and may only be spent on housing-related activities. Administrative funding received after 2004 is further restricted for use only on Housing Choice Voucher Program related activities. Account balances from the Operating Reserve Fund has been transferred into the HCV Program Administration Fund (#121) per HUD guidance.

Housing Development Fund
The Housing Development Fund is a non-federal and unrestricted fund created by the receipt of profits from the previous sale of a HACV-owned property (Waterstone at Vallejo) and is not associated with HUD housing activities. Revenues are all non-housing related, such as bond fees and rental income for the automated teller machine at the HACV building located at 200 Georgia Street.

Affordable Housing Fund (#124)
The Affordable Housing Fund was created after the dissolution of the Redevelopment Agency. The Housing Authority then became the housing successor agency, assuming the housing function of the former Redevelopment Agency. As such, the Housing Authority is eligible to receive loan repayments and bond administrative fees from developers of affordable housing projects financed by the Low- and Moderate-Income Housing Asset Fund. The HACV has allocated $25,000 for administrative costs.

This item was presented to the Housing and Community Development Commission at its special meeting on June 14, 2023. The Commission unanimously recommended the approval by the Board of Directors of the Housing Authority of the City of Vallejo of the FY 2023-24 proposed Budget.

FISCAL IMPACT

The total proposed FY 2023-24 Expenditure Budget for the HACV is $22,867,025. Approval of this item accepts the HACV Proposed Budget for FY 2023-24, (July 1, 2023 through June 30, 2024). Funding for the Housing Authority is received entirely from HUD and other income, and therefore does not impact the City of Vallejo's General Fund.

ENVIRONMENTAL REVIEW

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

1.	Resolution Approving FY 2023-24 HACV Budget
2.	FY 2023-24 HACV Budget

CONTACT

Gillian Hayes, Assistant City Manager, (707) 648-4163
Gillian.Hayes@cityofvallejo.net

Attachment 1

Approved as to form:

By: ______________________ *for*
Veronica A.F. Nebb
City Attorney

RESOLUTION NO. ________

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HOUSING AUTHORITY OF THE CITY OF VALLEJO APPROVING THE HOUSING AUTHORITY BUDGET FOR FISCAL YEAR 2023-24

WHEREAS, the Housing Authority of the City of Vallejo prepares an annual budget to coincide with the City of Vallejo's fiscal year; and

WHEREAS, the Executive Director has submitted the Proposed Budget for Fiscal Year 2023-24 (Proposed Budget), consisting of the proposed expenditures, estimated revenues, and an explanatory budget message; and

WHEREAS, the City of Vallejo published a general summary of the Proposed Budget, including the recommended budget for the Housing Authority of the City of Vallejo, information as to the times and places where copies of the Proposed Budget were available for inspection by the public, and the time and place for a public hearing on the Proposed Budget; and

WHEREAS, the Housing Authority of the City of Vallejo Fiscal Year 2023-24 budget was included on the City of Vallejo Proposed Budget document; and

WHEREAS, the Housing Authority of the City of Vallejo Fiscal Year 2023-24 budget is attached to this Resolution as **Exhibit 1**.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Housing Authority of the City of Vallejo hereby approves the Housing Authority's Proposed Budget for Fiscal Year 2023-24, as set forth in **Exhibit 1** of this Resolution, which is by this reference incorporated herein.

BE IT FURTHER RESOLVED that the Executive Director, or his designee, may expend funds from any of the Housing Authority funds, in accordance with the U.S. Department of Housing and Urban Development provisions, up to the limit authorized by the Vallejo Housing Authority Bylaws.

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is authorized to transfer cash among funds on a daily basis to support funds that have negative cash positions.

BE IT FURTHER RESOLVED that the Executive Director, or her designee, is authorized to receive and accept:

a. cash donations for specific purposes, to deposit such donations in trust funds, and to expend such donations for the purpose for which the donation was made; and
b. in-kind/non-cash donations that would serve a useful purpose in the provision of the Housing Authority of the City of Vallejo services.

BE IT FURTHER RESOLVED that the Executive Director, or her designee, is authorized to submit grant applications for activities within the jurisdiction of the Housing Authority of the City of Vallejo and to accept such grants, to expend grant funds if the funds have been appropriated, and to implement the actions required by any grant for projects and programs within the Housing Authority of the City of Vallejo's jurisdiction.

BE IT FURTHER RESOLVED that the Executive Director, or her designee, is authorized to amend the Proposed Budget to reflect all required debt service requirements and payments, bond covenants or other applicable requirements, laws, and regulations.

Adopted by the Board of Directors of the Housing Authority of the City of Vallejo at a regular meeting held on June 27, 2023 with the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

____
ROBERT H. MCCONNELL, CHAIR

ATTEST:

____
DAWN G. ABRAHAMSON, SECRETARY

Exhibit 1 to Attachment 1

Other Funds

Housing Funds

	Housing Authority											
	Section 8											
	Voucher Program Fund #123		Admin Program Fund #121		Operating Reserve Fund #122		Housing Development Fund #124		Affordable Housing Fund #126		Total	
	Adopted FY 22-23	Proposed FY 23-24	Adopted FY 22-23	Proposed FY 23-24	Adopted FY 22-23	Proposed FY 23-24	Adopted FY 22-23	Proposed FY 23-24	Adopted FY 22-23	Proposed FY 23-24	Adopted FY 22-23	Proposed FY 23-24
Beginning Available Fund Balance (a)	$ 61,884	$ -	$ 1,480,523	$ 2,119,979	$ 373,892	$ -	$ 369,317	$ 362,406	$ 1,933,194	$ 1,892,271	$ 4,218,810	$ 4,374,656
Revenues												
Operating												
Operating Grants and Contributions	21,707,453	21,707,453	1,993,145	2,150,633	-	-	-	-	-	-	$ 23,700,598	$ 23,858,086
Investment Income	-	-	1,232	-	-	-	-	-	11,000	-	$ 12,232	$ -
Program Income	-	-	-	-	-	-	-	-	-	-		
Fees and Forfeitures	5,000	5,000	17,500	32,500	-	-	26,000	16,600	-	-	$ 48,500	$ 54,100
Transfer in - Capital Funds	-	-	-	-	-	-	-	-	120,000	160,000	$ 120,000	$ 160,000
	21,712,453	21,712,453	2,011,877	2,183,133	-	-	26,000	16,600	131,000	160,000	$ 23,881,330	$ 24,072,186
Expenditures												
Grant programs	20,236,924	19,886,924	-	-	-	-	-	-	-	-	$ 20,236,924	$ 19,886,924
Administration	-	-	2,814,974	3,138,486	-	-	-	-	25,000	25,700	$ 2,839,974	$ 3,164,186
Interfund Reimbursement - staff costs	-	-	(168,413)	(184,085)	-	-	-	-	-	-	$ (168,413)	$ (184,085)
	20,236,924	19,886,924	2,646,561	2,954,401	-	-	-	-	25,000	25,700	$ 22,908,485	$ 22,867,025
Net Annual Activity	1,475,529	1,825,529	(634,684)	(771,268)	-	-	26,000	16,600	106,000	134,300	$ 972,845	$ 1,205,161
Ending Available Fund Balance	**$ 1,537,413**	**$ 1,825,529**	**$ 845,839**	**$ 1,348,711**	**$ 373,892**	**$ -**	**$ 395,317**	**$ 379,006**	**$ 2,039,194**	**$ 2,026,571**	**$ 5,191,655**	**$ 5,579,817**
Project Balances, Including FY 23-24 Appropriations												
Housing Development								$ -				
Affordable Housing Loans outstanding at June 30, 2022						$ 919,125				$ 14,463,562		

Section 8 Funding:	**June 30, 2023**	**June 30, 2024**
One month average expenditures :		
Voucher Program	$ 20,236,924	$ 19,886,924
Admin Program	2,646,561	2,954,401
Operating reserve	-	-
Total Annual expenditures	22,883,485	22,841,325
Number of months	12	12
Average monthly expenditures	$ 1,906,957	$ 1,903,444
Combined Available Fund		
Balance June 30		
Voucher Program	$ 1,537,413	$ 1,825,529
Admin Program	845,839	1,348,711
Operating Reserve	373,892	-
	$ 2,757,144	$ 3,174,240

(a) FY 23-24 beginning balance is based on FY 22-23 projections