AGENDA

HOUSING AND COMMUNITY DEVELOPMENT (HCD) COMMISSION SPECIAL MEETING

THURSDAY, SEPTEMBER 12, 2024
7:00 P.M.
COUNCIL CHAMBERS
555 SANTA CLARA STREET
VALLEJO, CA 94590

Jared Bunde
S. Bre Jackson, Chair
Cassandra James
Tonia Lediju, Vice Chair
Dennis Patrick

Members of the public will be able to participate in person or remotely via Zoom. City Hall and the Council Chambers will be open to members of the public 30 minutes prior to the start of the meeting.

IMPORTANT NOTICE REGARDING THE SEPTEMBER 12, 2024 HCD COMMISSION MEETING

This AGENDA contains a brief general description of each item to be considered. The posting of the recommended actions does not indicate what action may be taken. If comments come to the Housing and Community Development Commission without prior notice and are not listed on the AGENDA, no specific answers or response should be expected at this meeting per State law.

Pursuant to Government Code Section 54954.3 (The Brown Act), members of the public shall be afforded the opportunity to speak on any agenda item of interest to them provided they are first recognized by the Presiding Officer. Members of the public wishing to be so recognized are requested to submit a completed speaker card to the Secretary of the Commission prior to the consideration of the item.

Members of the public have the right to speak on any item on this agenda. Those wishing to address the Housing and Community Development Commission on an Action Calendar item are limited to five minutes pursuant to Vallejo Municipal Code Section 2.02.420.

PUBLIC COMMENT: Members of the Public may provide public comments during the Housing and Community Development Commission. Hybrid options are available for members of the public to participate.

- In person
- Via Zoom (https://ZoomRegular.Cityofvallejo.net)
- Via phone, by dialing (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press *9 to digitally raise your hand from the phone

In-person speakers will be recognized first. For additional instructions on how to speak remotely during public comment, please visit www.cityofvallejo.net/publiccomment.

VIEW THE MEETING: There are four different ways you can view this public meeting:

- In person
- Watch Vallejo local channel 28
- Stream from the City website: www.cityofvallejo.net/Streaming
- Join the Zoom webinar: https://ZoomRegular.Cityofvallejo.net

Notice of Availability of Public Records: All public records relating to an open session item, which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to a majority of the Housing and Community Development Commission, will be available for public inspection at the Housing and Community Development Department, 200 Georgia Street, Vallejo, CA 94590 at the same time that the public records are distributed or made available to the Housing and Community Development Commission. Such documents may also be available on the City of Vallejo website subject to staff's ability to post the documents prior to the meeting. Information may be obtained by calling (707) 648-4507, TDD (800) 735-2929.

ADDITIONAL CITY INFORMATION
Members of the public can:
Like us on Facebook and Instagram (@cityofvallejo)
LinkedIn: Linkedin.com/company/city-of-vallejo
Sign up to receive City Communications via e-mail (www.cityofvallejo.net/subscribe)
Sign up for emergency alerts at: alertsolano.com

	In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at dawn.abrahamson@cityofvallejo.net Notification at least 48 hours prior to a meeting will enable the City to make reasonable arrangements to ensure accessibility to that meeting. [28 CFR.35.102.35.104 ADA Title II]. The Vallejo Housing and Community Development Department may be contacted as follows: Tel: (707) 553-7204, Fax: (707) 648-5249, or e-mail: chari.francisco@cityofvallejo.net. The hearing impaired may call the California Relay Service at (800) 735-2922 without a TTY/TDD, or (800) 735-2929 with a TTY/TDD.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. PRESENTATIONS

5. APPROVAL OF MINUTES

6. WRITTEN COMMUNICATIONS

7. REPORT OF THE SECRETARY

8. REPORT OF THE CHAIR AND MEMBERS OF THE HOUSING AND COMMUNITY DEVELOPMENT COMMISSION, AND LIAISON REPORT

A. Report of the Chair and Members of the Housing and Community Development Commission

B. Report of City Council Liaison to the Housing and Community Development Commission

9. COMMUNITY FORUM

The Community Forum is an opportunity for residents to discuss items not on the agenda that are within the purview of the Commission. The Commission may not discuss or act on these items but may require they be placed on a future agenda. If an item is not within the purview of the Commission, the person may be referred to the appropriate party. Members of the public wishing to address the Commission on Action Calendar items may do so by submitting a completed speaker's card to the Secretary or via teleconference. Each speaker participating under the Community Forum shall be limited to a maximum of three minutes pursuant to Vallejo Municipal Code Section 2.02.300.

Any interested members of the public desiring to communicate with the Commission as part of the Community Forum may do so via:

- *In person*
- *Zoom: (https://ZoomRegular.Cityofvallejo.net),*
- *Phone: Dial (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press *9 to raise your hand digitally from the phone.*

In-person speakers will be recognized first. For additional instructions on how to speak during public comment, please visit www.cityofvallejo.net/publiccomment.

10. PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS

Members of the public wishing to address the Commission on Consent Calendar items may do so by submitting a completed speaker's card to the Secretary or via teleconference. Each speaker is limited to three minutes pursuant to Vallejo Municipal Code Section 2.02.310. Requests for removal of Consent Items received from the public are

subject to approval by a majority vote of the commission. Items removed from the Consent Calendar will be heard immediately after approval of the Consent Calendar and the Agenda.

Any interested members of the public desiring to communicate with the Commission as part of this item may do so via:

- *In person*
- *Zoom: (https://ZoomRegular.Cityofvallejo.net),*
- *Phone: Dial (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press *9 to raise your hand digitally from the phone.*

In-person speakers will be recognized first. For additional instructions on how to speak during public comment, please visit www.cityofvallejo.net/publiccomment.

11. CONSENT CALENDAR AND APPROVAL OF THE AGENDA

12. ACTION CALENDAR

Members of the public wishing to address the Commission on Action Calendar items may do so by submitting a completed speaker's card to the Secretary or via teleconference. Each speaker is limited to five minutes pursuant to Vallejo Municipal Code Section 2.02.420.

Any interested members of the public desiring to communicate with the Commission as part of this item may do so via:

- *In person*
- *Zoom: (https://ZoomRegular.Cityofvallejo.net),*
- *Phone: Dial (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press *9 to raise your hand digitally from the phone.*

In-person speakers will be recognized first. For additional instructions on how to speak during public comment, please visit www.cityofvallejo.net/publiccomment.

A. Public Hearing: Draft Consolidated Annual Performance and Evaluation Report ("CAPER") for Fiscal Year (FY) 2023-24

Staff has prepared a draft CAPER for the fourth year of the City's Consolidated Plan. The City's Consolidated Plan is a five-year planning document required by the U. S. Department of Housing and Urban Development (HUD) and is intended to address affordable housing and community development needs in Vallejo. The Consolidated Plan includes the period beginning July 1, 2020 and ending June 30, 2025. The draft CAPER describes the City's progress in achieving the goals in the Consolidated Plan for the period beginning July 1, 2023 and ending June 30, 2024.

For more information, a staff report is enclosed with the agenda packet.

Recommendation: Conduct a public hearing. Recommend approval by the City Council of the CAPER for FY 2023-24.

B. Recommendation for Project-Based Voucher Award and Agreement to Enter into a Housing Assistance Payment Contract Execution for New Construction Project

For more information, a staff report is enclosed with the agenda packet.

Recommendation: Recommend through a resolution by the Housing and Community Development Commission to the Housing Authority of the City of Vallejo Housing Bo to approve the execution of the Project Based Voucher Agreement to Enter into a Housing Assistance Payment Contract with the Community Housing Development Corporation for the construction of the Sonoma Estates project and to award ninety-seven (97) Project Based Vouchers (PBV) for the new construction conditional upon the project meeting all HUD requirements and receiving all other required financing.

C. Recommendation for Project-Based Voucher Awards and Housing Assistance Payment Contract Execution for Existing Housing Units

For more information, a staff report is enclosed with the agenda packet.

Recommendation: Recommend through a resolution by the Housing and Community Development Commission to the Housing Authority of the City of Vallejo Housing Authority Board of Directors to approve the execution of the Project Based Voucher Housing Assistance Payment Contract with Eden Housing, Inc., Firm Foundation and Vallejo Housing Collaborative, LLC and award 81 Project Based Vouchers (PBV) for existing housing projects.

13. ADJOURNMENT

AFFIDAVIT OF POSTING

I, Chari Francisco, do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to each of the members of the City of Vallejo Housing and Community Development Commission, at the time and in the manner prescribed by law and that this agenda was posted at Vallejo City Hall, 555 Santa Clara Street, Vallejo, California at 5:00 p.m. on September 11, 2024.

Dated 9/11/2024 Chari Francisco, Secretary

ACTION CALENDAR 12.A.

DATE: September 12, 2024

TO: Chair and Commissioners
Housing and Community Development Commission

FROM: Chari Francisco, Administrative Manager

SUBJECT: **PUBLIC HEARING: DRAFT CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) FOR FISCAL YEAR (FY) 2023-24**

RECOMMENDATION

Conduct a public hearing. Recommend approval by the City Council of the CAPER for FY 2023-24.

REASONS FOR RECOMMENDATION

The submission of the CAPER each year is one of the requirements for the City to continue to receive funding from the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant (CDBG), HOME Investment Partnerships, and other federal programs.

BACKGROUND AND DISCUSSION

Staff has prepared a draft CAPER for the fourth year of the City's Five-Year Consolidated Plan ("Consolidated Plan"). The Consolidated Plan is a five-year planning document required by HUD that is intended to help address affordable housing and community development needs in Vallejo. The Consolidated Plan includes the period beginning July 1, 2020, and ending June 30, 2025, and was approved on July 21, 2020. There have been two substantial amendments to the Consolidated Plan approved on May 13, 2021 and July 13, 2021 since its initial approval on July 21, 2020. The Consolidated Plan is available on the City's website in the Document Library under the Housing and Community Development Division webpage.

The CAPER for FY 2023-24 describes the City's progress in achieving the objectives in the Consolidated Plan for the period beginning July 1, 2023 and ending June 30, 2024. Some goals and objectives for the fourth year in the Five-Year Consolidated Plan were substantially achieved. In particular, the predevelopment and ongoing construction of a Homeless Navigation Center, and provision of public services to Vallejo's low- and moderate-income persons.

On August 27, 2024, public notices on the CAPER's availability for review and comment, and the date of a public hearing were published in English, Spanish, and Tagalog, in the Vallejo Times Herald. Written comments on the CAPER will be accepted from the public until September 12, 2024, at 4:00 p.m. The City Council is scheduled to review the item for submission to HUD at its regular meeting on September 24, 2024.

The deadline to submit the CAPER to HUD is within 90 days after the close of the fiscal year or by September 28, 2024.

FISCAL IMPACT

There is no fiscal impact on the General Fund associated with this item. By submitting the CAPER, the City complies with a HUD mandate and maintains its eligibility for certain federal housing and community development funding.

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 CAPER for FY 2023-24
2. Proof of Publication of Public Notices Dated August 27, 2024, for the Draft FY 2023-24 CAPER

CONTACT

Chari Francisco, Administrative Manager, (707) 553-7204, chari.francisco@cityofvallejo.net

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

The City of Vallejo's Housing and Community Development Department manages programs funded by the U.S. Department of Housing and Urban Development (HUD). In the 2023-24 Program/Fiscal Year (FY), spanning from July 1, 2023, to June 30, 2024, Vallejo received $1,035,447 in Community Development Block Grant funds. Additionally, at the start of FY 2023-24, the City received $561,954 in HOME Investment Partnerships Program funds. However, following a voluntary grant reduction request in response to a finding, this amount was later reduced to zero. This report details the accomplishments of the CDBG and HOME Programs within the fiscal year. Importantly, it highlights the fulfillment of several goals set in the City's fourth year of the Five-Year Consolidated Plan ("Consolidated Plan" or strategic plan). This strategic plan, required by HUD, targets housing affordability and community development over five years from July 1, 2020, to June 30, 2025, and received approval on July 21, 2020.

Annually, the City must submit an Annual Action Plan (AAP), detailing the use of HUD grant funds to address needs outlined in the Consolidated Plan. Prior to and following the drafting of the FY 2023-24 AAP, three public hearings and three written comment periods were held. On April 23, 2024, the Vallejo City Council unanimously agreed to approve the FY 2023-24 AAP.

During the 2023-24 Program Year, the City, along with its non-profit partners, successfully advanced the predevelopment of a Homeless Navigation Center, delivered public services to low- and moderate-income individuals in Vallejo, and provided rental assistance to those who were homeless or at risk of homelessness.

In the reporting period, around $1.5 million of CDBG Program funds were spent, which included program income and carryover from the previous fiscal year. The bulk of the FY 2023-24 CDBG grant funds was directed to the Homeless Navigation Center project. Utilizing CDBG Program funds, three non-profit partners delivered services to 338 Vallejo residents, including food, housing counseling, and comprehensive fair housing services.

Leasing of a permanent supportive housing project, Blue Oak Landing, at 2118 Sacramento Street, was completed within the current reporting period. The waiting list for Blue Oak Landing opened in December 2022, with the screening and leasing process commencing shortly after. By

August 2023, all 74 units were occupied by 95 individuals.

The Housing and Community Development (HCD) Department houses the Housing Authority of the City of Vallejo (HACV), which oversees the Housing Choice Voucher (HCV) Program, more commonly known as Section 8. This program, along with its subprograms—Project-Based Voucher, Family Self-Sufficiency, and HCV Homeownership—provides rental assistance to qualifying low-income households. Additionally, the HACV manages the Veterans Affairs Supportive Housing (VASH) Program, which merges HUD housing vouchers with supportive services from Veterans Affairs to assist veterans in securing and maintaining housing. The HACV is committed to ensuring participants have access to housing that is not only safe, sanitary, and of high quality but also contributes to the enhanced well-being of Vallejo families. For FY 2023-24, the HACV has served over 1,400 clients through its HCV and VASH Programs.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Homebuyer Assistance	Affordable Housing	HOME: $	Direct Financial Assistance to Homebuyers	Households Assisted	25	0	0.00%			
Homeless Navigation Center	Homeless	CDBG: $ / Private Foundations: $	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	125	0	0.00%			

Homeless Navigation Center	Homeless	CDBG: $ / Private Foundations: $	Other	Other	0	0		125	0	0.00%
Non-Homeless Special Needs Services	Non-Homeless Special Needs	CDBG: $208089 / HOME: $66195 / Private Foundations: $	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	125	375	300.00%			
Non-Homeless Special Needs Services	Non-Homeless Special Needs	CDBG: $208089 / HOME: $66195 / Private Foundations: $	Other	Other	0	0		0	0	
Permanent Supportive Housing	Affordable Housing	CDBG: $ / HOME: $	Rental units constructed	Household Housing Unit	119	74	62.18%	45	0	0.00%
Social Services	Non-Housing Community Development	CDBG: $	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	6250	5561	88.98%			
Social Services	Non-Housing Community Development	CDBG: $	Other	Other	0	0		1250	338	27.04%
Sonoma Estates Housing Project	Affordable Housing	CDBG: $ / HOME: $84293	Rental units constructed	Household Housing Unit	0	0		45	0	0.00%

Sonoma Estates Housing Project	Affordable Housing	CDBG: $ / HOME: $84293	Homeowner Housing Added	Household Housing Unit	45	0	0.00%			
TBRA	Affordable Housing	HOME: $	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	90	11	12.22%			

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

The City has determined critical affordable housing and community development needs for the Five-Year Consolidated Plan period, spanning from July 1, 2020, to June 30, 2025. Within the realm of affordable housing, Vallejo has prioritized the following groups in order of importance:

1. Extremely low- and very low-income renters
2. Homeless individuals
3. First-time homebuyers
4. Non-homeless individuals with special needs

Non-housing community development needs include: (1) extensive health and safety public improvements in neighborhood target areas, (2) city-wide installation of curb ramps, and (3) social services for persons with extremely-low and very-low income to address their fundamental human needs.

Goal: HOMEBUYER ASSISTANCE
From May 2021 to June 2022, the City executed agreements with the non-profit, Community Housing Development Corporation, to manage programs for first-time homebuyer loans and closing cost grants. However, due to the pandemic's impact and economic variables like housing prices, interest rates, and market conditions, no loans or grants were distributed to qualified individuals. No homebuyer assistance program has

been implemented since then due to staffing and contractor shortages.

Goal: HOMELESS NAVIGATION CENTER
The Homeless Navigation Center is currently under construction and aims to meet the needs of homeless individuals, who are the second priority group outlined in the Consolidated Plan. The estimated completion of construction is between December 2024 and January 2025. Please note that the goal is listed twice in the table above due to a duplication error.

Goal: NON-HOMELESS SPECIAL NEEDS SERVICES
The City collaborates with other non-profit agencies to meet the needs of non-homeless persons with special needs, the fourth and last priority group. These agencies were not direct recipients of any CDBG, HOME, or other City funding. The City estimates that 125 persons will be served annually, including survivors of domestic violence, persons in recovery from substance addiction, and severely mentally ill persons. Please note that the goal is listed twice in the table above due to a duplication error. The second record represents the administration costs allocated CDBG and HOME.

Goal: PERMANENT SUPPORTIVE HOUSING
The Blue Oak Landing was completed in FY 2022-23 providing 74 rental units and serving 95 residents. The grand opening event on September 18, 2023 was attended by HUD representatives. This goal addresses the needs of the first two priority groups. In FY 2023-24, the City had planned to allocate HOME funds for 45 rental units as part of a new permanent supportive housing project. The City was unable to utilize the funds following the underwriting process.

Goal: SOCIAL SERVICES
Annually, the City may allocate up to 15 percent of its CDBG, along with income from the previous fiscal year, to non-profit organizations. These funds are designated for social service programs that benefit the community's very low- and low-income residents. Three agencies assisted 338 unique individuals, offering food, housing counseling, and fair housing services.

Goal: SONOMA ESTATES HOUSING PROJECT
The Sonoma Estates Housing Project has experienced delays in the pre-development stage.

Goal: TENANT-BASED RENTAL ASSISTANCE (TBRA)
The City's TBRA Program offers rental aid, including security deposits, and case management for up to 24 months to individuals facing

homelessness or at immediate risk of becoming homeless. In Program Year 2023-24, three eligible individuals received assistance. Insufficient staffing has adversely affected the administration of the Program.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

	CDBG	HOME
White	89	0
Black or African American	157	2
Asian	12	0
American Indian or American Native	4	1
Native Hawaiian or Other Pacific Islander	14	0
Total	**276**	**3**
Hispanic	53	1
Not Hispanic	223	2

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

The data not included in the above chart for CDBG includes:

1. Black/African-American and White - 5 (Hispanic: 5 out of 5)
2. Other Multi-racial - 57 (Hispanic: 32 out of 57)

With this data, Vallejo's CDBG Program funding served a total of 338 unduplicated individuals, 90 of whom identified as Hispanic/Latino. The City of Vallejo, with a U.S. Census Bureau estimated population of 154,611 based on the 2020 Decennial Census, is the largest in Solano County. During Fiscal Year 2023-24, 341 individuals benefited from the City's CDBG Program-funded public service agencies and the HOME-funded Tenant-Based Rental Assistance Program. The majority of those served were Black or African American, followed by White, Multi-Racial, and American Indian or Alaska Native. A total of 54 persons served identified as Hispanic, accounting for 16 percent.

For comparison, the U.S. Census Bureau's estimates for Vallejo by race and Hispanic origin are: (1) White alone, 31 percent; (2) Black or African American alone, 17 percent; (3) Asian alone, 21 percent; (4) American Indian or Alaska Native alone, 1 percent; (5) Native Hawaiian or Other Pacific Islander alone, 1 percent; (6) Two or More Races, 13 percent; and (7) Some other Race, 16 percent. Of those who responsded, 41,134 identified as Hispanic or Latino, and 42,754 identified as White alone, not Hispanic or Latino.

Vallejo prioritizes needs and provides services and programs to all eligible individuals, without regard to race or ethnicity.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	1,035,447	1,035,447
HOME	public - federal	0	0

Table 3 - Resources Made Available

Narrative

The amounts in the column for Resources Made Available in Table 3 represent the annual grant allocation for FY 2023-24. The majority of the funds expended went towards the pre-development and construction of the Homeless Navigation Center, administration costs, and reimbursements to non-profit agencies that delivered social/public services. CDBG funding for public services were provided to the following non-profit organizations:

COMMUNITY HOUSING DEVELOPMENT CORPORATION (CHDC) - CDBG funding enabled CHDC to plan and execute comprehensive rental and financial fitness counseling programs aimed at increasing financial stability to residents at risk of foreclosure and/or eviction due to circumstance created by the pandemic. Their goal was to help residents facing an emergency financial situation who would otherwise be able to afford their housing costs. CHDC provided rental coaching and credit building; first-time homeowner education and counseling; foreclosure intervention counseling; and recovery (focusing on credit and savings improvement) programs to all homeowners and renters in both English and Spanish. CHDC assissted with foreclosure mitigation, comprehensive HUD housing counseling, and related consumer needs. CHDC assessed both quantity (whether the services being offered meet the documented community need) and quality (whether existing services meet National Industry Standards for Homeownership, Foreclosure and Education Counseling), demographics, including foreclosure rates, to determine what type of additional services and outreach was needed.

FAITH FOOD FRIDAYS distributed emergency food boxes three days a week and served more than 600 households weekly. Their goal was to continue providing adequate quantities of fresh fruits, vegetables and other nutritious food items to those experiencing food insecurity in the Vallejo area for the foreseeable future. Faith Food Fridays launched initiatives such as "No Child Goes Hungry" and the "Learning Community Garden" to address food justice issues in the community. The agency used CDBG funds to implement improvements to its operational methodology in order to streamline current procedures for greater efficiency as well as to institute new methods of food distribution, which resulted in improved food quality and increased numbers of households and individuals served.

FAIR HOUSING ADVOCATES OF NORTHERN CALIFORNIA (FHANC) has been addressing COVID-related fair housing needs as well as expanded advocacy following the passage of Senate Bill 329 (a California fair housing law preventing source of income discrimination and adding people with housing choice vouchers or other housing subsidies to the list of protected classes). FHANC provided free,

comprehensive fair housing services to Vallejo residents including complaint intake, education, referral, testing, advocacy, and enforcement. FHANC provided education to staff who operate critical housing programs benefiting low-income families (i.e., Housing Choice Voucher (HCV)/Section 8 voucher holders and public housing residents) when requested, educated HCV recipients on state/federal fair housing protections, including California fair housing law in effect in 2020 protecting them from housing discrimination based on their status as HCV recipients. FHANC offered services on an as-needed basis and when requested by the Vallejo Housing Authority.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Central City	0		
Country Club Crest	0		
Eastern City	0		
South Vallejo	0		
Vallejo Heights	0		

Table 4 – Identify the geographic distribution and location of investments

Narrative

The City did not prioritize any specific CDBG Program target area neighborhood when allocating its CDBG Program or HOME Program funds for Program Year 2023-24. The expenditure of CDBG Program funds was confined to activities that provide direct benefits. Consequently, this section and the preceding table do not apply to the reporting period.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The City employs a mix of federal, state, local, and private resources to meet its affordable housing and community development objectives, as detailed in the Consolidated Plan. It also collaborates with County and local entities to coordinate these resources.

Furthermore, the Housing Authority of the City of Vallejo, by receiving and utilizing an average of up to $20 million in federal funds from HUD, operates the Housing Choice Voucher (HCV) Program. This program successfully draws private investment by encouraging rental housing property owners to participate voluntarily in the HCV Program.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	727,151
2. Match contributed during current Federal fiscal year	0
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	727,151
4. Match liability for current Federal fiscal year	0
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	727,151

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at begin-ning of reporting period $	Amount received during reporting period $	Total amount expended during reporting period $	Amount expended for TBRA $	Balance on hand at end of reporting period $
600,924	0	0	0	0

Table 7 – Program Income

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	**Minority Business Enterprises**				**White Non-Hispanic**
		Alaskan Native or American Indian	**Asian or Pacific Islander**	**Black Non-Hispanic**	**Hispanic**	
Contracts						
Dollar Amount	0	0	0	0	0	0
Number	0	0	0	0	0	0
Sub-Contracts						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

	Total	**Women Business Enterprises**	**Male**
Contracts			
Dollar Amount	0	0	0
Number	0	0	0
Sub-Contracts			
Number	0	0	0
Dollar Amount	0	0	0

Table 8 - Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	**Minority Property Owners**				**White Non-Hispanic**
		Alaskan Native or American Indian	**Asian or Pacific Islander**	**Black Non-Hispanic**	**Hispanic**	
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition		
Parcels Acquired	0	0
Businesses Displaced	0	0
Nonprofit Organizations Displaced	0	0
Households Temporarily Relocated, not Displaced	0	0

Households Displaced	**Total**	**Minority Property Enterprises**				**White Non-Hispanic**
		Alaskan Native or American Indian	**Asian or Pacific Islander**	**Black Non-Hispanic**	**Hispanic**	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

Table 10 – Relocation and Real Property Acquisition

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	125	0
Number of Non-Homeless households to be provided affordable housing units	0	0
Number of Special-Needs households to be provided affordable housing units	0	0
Total	**125**	**0**

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	1,725	1,412
Number of households supported through The Production of New Units	0	0
Number of households supported through Rehab of Existing Units	0	0
Number of households supported through Acquisition of Existing Units	0	0
Total	**1,725**	**1,412**

Table 12 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

Table 11 sets a one-year goal of providing 125 homeless households with affordable housing units, a target for the Homeless Navigation Center, which is currently under construction.

Table 12 outlines a one-year goal for the Rental Assistance program to support 1,725 households. As of June 30, 2024, the Housing Authority of the City of Vallejo (HACV) has assisted 1,412 eligible low-income households through the Housing Choice Voucher (HCV) Program, more commonly known as the Section

8 Program, and the Veterans Affairs Supportive Housing Program. The HACV has increased its payment standards to better match local rental costs and to improve voucher utilization rates. To enhace the leasing success rate, the HACV opened the HCV Program waiting list, issued a Request for Proposal for Project-Based Vouchers, and conducted a landlord symposium.

The Department's ability to meet its Affordable Housing goals has been significantly impacted by limited staffing. Moreover, first-time low-income homebuyers are facing challenges such as a limited housing stock and competition from other buyers. The Sonoma Estates Housing Project has faced delays due funding gap.

Discuss how these outcomes will impact future annual action plans.

The City's first Homeless Navigation Center is currently under construction with completion anticipated by December 2024 or early 2025. The City will continue tu utilize CDBG funding for the project.

The Sonoma Estates Housing Project, initially set to start in FY 2022-23, faced delays due to funding issues. The project's team has been looking isecuring appropriations from State, Federal, and other partners. The City and the developer are actively engaging in discussions to devise innovative solutions.

The City's Tenant-Based Rental Asssitance Program has sustained its support for previous period participants by extending their leases into FY 2023-24.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	202	3
Low-income	75	0
Moderate-income	61	0
Total	**338**	**3**

Table 13 – Number of Households Served

Narrative Information

During the reporting period, the City offered rental assistance to three eligible households via its HOME-funded Tenant-Based Rental Assistance Program.

The data in the CDBG Actual column of the preceding table reflects the households that were assisted by CDBG subrecipients offering public services.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The Housing and Community Development (HCD) Department endorses Vallejo's comprehensive strategy for tackling homelessness and the requirements for safety net services. It collaborates with the City Manager's Office to create programs and supportive services that ensure a continuum of care for the homeless population. The City partners with Resource Connect Solano to facilitate the connection of services to those in need.

During the 2023-24 Program Year, the City has continued to adopt a coordinated regional strategy, in alignment with State directives, to consolidate County resources and expertise.

Addressing the emergency shelter and transitional housing needs of homeless persons

EMERGENCY SHELTER

The City operated a warming shelter in February 2024 during severe weather conditions. Various agencies within the jurisdiction are providing emergency shelter services to the homeless. Transformation Village, previously known as the Christian Help Center, continues to assist homeless individuals. The Southern Solano Alcohol and Drug Council (SSADC) Recovery Center offers five detox beds and seven sober living beds at its primary facility, along with eight residential treatment beds for women and children. These agencies operate independently of CDBG and HOME funds.

The City is currently developing a 125-bed Navigation Center aimed at assisting individuals in moving off the streets and into alternative housing options.

TRANSITIONAL HOUSING

The following are agencies offering transitional housing to Vallejo residents:

1. Reynaissance Family Center - 20 beds for families and disabled individuals
2. Bay Area Community Services - eight-bed housing facility for mentally ill persons, known as Rosewood Place
3. House of Acts - eight-bed sober living residency for men who are parolees and working
4. The Lord's Fellowship - leased and operated an eight-bed housing facility for formerly homeless men who are now employed
5. SSADC - five-bed sober living residency for women and their children

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The Housing Authority of the City of Vallejo (HACV) provides case management and support to participants of the Housing Choice Voucher (HCV) Program. The HACV's HCV Program waiting list was open from February 28, 2024, through March 5, 2024. Additionally, the staff collaborates with Veterans Affairs case managers to offer rental assistance to veterans.

The City directs individuals at risk of homelessness to non-profit agencies that offer services to help prevent homelessness. The City is actively seeking funding and opportunities to increase the number of housing units in Vallejo.

The City does not receive Emergency Solutions Grants (ESG) for homeless prevention.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The HACV, in collaboration with the U.S. Department of Veterans Affairs, oversees the Veterans Affairs Supportive Housing (VASH) Program. This program empowers homeless veterans and their families by providing access to affordable housing and a variety of supportive services.

The City actively assists individuals and families experiencing homelessness by facilitating access to services aimed at stabilization and housing. For the Blue Oak Landing project, the HACV has partnered with Resource Connect Solano, Solano County's coordinated entry provider.

The City is dedicated to continuing efforts to meet the needs of the homeless through:

1. Tenant-Based Rental Assistance (TBRA) Program - The City's TBRA Program offers rental assistance for up to twenty-four months to those who are homeless or at imminent risk of homelessness and are referred by the County’s Coordinated Entry System operator to the Housing and Community Development Department. Those who have received TBRA will be prioritized for a Housing Choice Voucher upon successful completion of the TBRA Program.

2. Homeless Navigation Center - A 125-bed Homeless Navigation Center is projected to be completed within the current five-year plan (2020-24). The center will provide not only temporary shelter but also medical and social services to individuals, veterans, and seniors.
3. Permanent Supportive Housing - The construction of 74 rental units at the Permanent Supportive Housing site known as Blue Oak Landing was finalized in December 2022. The process of selecting 74 eligible extremely low- and very-low-income households started in early 2023. The HACV has allocated Project-Based Vouchers to all 74 units, which are part of the HCV Program that allows a portion of the Housing Authority's voucher units to be designated to specific housing units within the city.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

The Housing Authority of the City of Vallejo (HACV) manages the Housing Choice Voucher (HCV) Program, offering long-term rental assistance to eligible households with very low income, including seniors and individuals with disabilities. Participants who receive a voucher must locate a suitable private housing unit where the owner is willing to participate in the HCV Program and comply with its rules. The HACV collaborates with property owners and managers to support up to 2,358 low-income families. The HACV pays a housing subsidy directly to the landlord on behalf of the participating family, who then pays the difference between the actual rent and the subsidized amount.

The Veterans Affairs Supportive Housing (VASH) Program issues rental assistance vouchers to homeless veterans. In partnership with the Department of Veterans Affairs (VA), the HACV aids up to 81 veteran participants. VA case managers also offer case management and clinical services to ensure veterans have stable housing. By June 30, 2024, out of 1,472 utilized vouchers, 135 were project-based, and 46 were allocated for VASH.

The HACV is not involved in owning or managing any public housing units.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

The Family Self-Sufficiency (FSS) Program provides opportunities for HCV Program participants to receive case management services and financial incentives, which help them progress toward economic independence and self-sufficiency. Participation is voluntary and involves a five-year commitment. As participants' earned income increases, leading to a higher rental share, a designated amount is deposited into an interest-bearing savings account for the qualifying participant. Upon successful completion of the FSS Program, participants can access these funds, potentially using them for home purchases. As of June 30, 2024, there are 17 participants in the Vallejo Housing Authority's FSS Program.

In the same reporting period, funds from the CDBG and HOME Programs were designated for mortgage assistance to qualified low-income households.

Actions taken to provide assistance to troubled PHAs

No action was taken as the Housing Authority of the City of Vallejo was not a troubled Public Housing Agency (PHA).

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The City of Vallejo is currently working on its new draft Housing Element Update. It was presented to the Housing and Community Development Commission at its regular meeting on October 5, 2023.

The City of Vallejo will continue to maintain a vacant land inventory for residential, commercial, and industrially zoned parcels. In considering development applications and/or pending changes in local land use policy, the City of Vallejo will place a priority on activities (i.e., expedite permits when possible) that support the City's ability to meet its unmet share of the regional housing need. The vacant land inventory was originally created with the adoption of the 5th cycle Housing Element update. The City also created a streamlined process to expedite accessory dwelling unit (ADU) construction to help meet the City's share of the regional housing need.

Land use policies that can facilitate housing include the State-mandated Density Bonus and Streamlined Infill Projects incentive. The City's programs for advancing mixed-income housing include leveraging private properties to catalyze housing production and provide affordable housing and by maintaining a list of existing affordable and mixed-income developments that include affordable units.

The City Council adopted the updated Zoning Ordinance in June 2021. To remove constraints to the development of affordable housing, the updated Zoning Ordinance (Section 16.214.14) outlines provisions to streamline infill projects where at least 50 percent of units are affordable units. The City removed the requirement for an approved major conditional use permit for multifamily housing developments with three or more units. To help facilitate housing for extremely low-income households, the Zoning Ordinance update outlined provisions for Single-Room Occupancy Units, such units require the approval of a Minor or Major Use Permit and are reviewed by the Director. All applications for a major use permit require a public notice and hearing before the Planning Commission pursuant to Chapter 16.602 and may be appealed.

The City enforces the 2022 California Building Code as of January 1, 2023, including accessibility requirements.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

Construction of permanent supportive rental units for homeless families and individuals, an unmet need in Vallejo, was completed in December 2022. The City worked with the developer, property management company, and housing providers in screening and leasing tenants as soon as construction was completed. The Blue Oak Landing was completely occupied by August 2023.

During the reporting period, the Housing and Community Development Department staff worked with the City's Public Works Department, and the Planning and Development Services Department to complete preconstruction and related planning activities to construct a homeless navigation center that will serve up to 125 homeless persons.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

The City's Housing Authority staff ensured that lead-based paint educational materials, inspections, and referrals are made available to Housing Choice Voucher holders and rental housing property owners participating in housing programs. As needed, the City addressed unsafe and hazardous housing units, a City Council priority, which included a visual inspection for lead-based paint.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The City continues to administer the Family Sef-Sufficiency (FSS) Program, a sub-program of the Housing Choice Voucher Program. As of June 30, 2024, 17 persons were enrolled in the FSS Program. The FSS Program enables HUD-assisted families to increase their earned income and provide financial incentive that they can use towards economic independence.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The City Council directs and approves the priority needs in the Five-Year Consolidated Plan and Annual Action Plan. The Housing and Community Development Department implemented the activiities identified in the Annual Action Plan, provided funding and technical assistance to non-profit service providers, and other City departments for projects that meet the needs documented in the plan. The City is a member of the Community Action Partnership of Solano Joint Powers Authority and the Housing First Solano Continuum of Care.

The City and its Housing Authority coordinate their efforts and activities to ensure adequate and efficient service in the areas of housing assistance and homelessness.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The Housing Authority of teh City of Vallejo (HACV) does not own or manage any public housing properties, thus it depends on the private rental sector to provide units for participants of the Housing Choice Voucher (HCV) Program. Recognizing the essential role of landlords in the success of its program, the HACV commits to prompt payments to landlords and implemented outreach and incentive initiatives to maintain and increase landlord participation.

During the FY 2022-23, the City allocated CDBG funds to three social service organizations. Participants in the HCV Program were directed to these agencies to access the services offered.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

The City has submitted a draft of its updated Analysis of Impediments (AI) to Fair Housing Choice report and will complete the final report by December 2024. The current AI was updated in 2015.

Actions to address identified impediments taken during the plan period included deconcentration of poverty in the allocation of Housing Choice Vouchers and in the selection of proposed affordable housing sites.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City of Vallejo conducts monitoring of its activities and projects in line with the requirements set forth by 2 CFR 200.332(d), 24 CFR 570.501(b) for CDBG- and NSP-funded programs, and 24 CFR 92.504 for HOME-funded programs. Monitoring serves as the City's main mechanism to guarantee that projects funded by CDBG, NSP, and HOME are executed according to program regulations. The City maintains monitoring plans for its CDBG, NSP, and HOME programs and activities, ensuring adherence to each program's specific rules and confirming that federally funded activities and projects carried out by the City's partners are in compliance with all relevant federal laws, regulations, and Executive Orders.

Monitoring is a continuous process throughout the program year. The City's monitoring plan includes:

- Planning: Preparing and scheduling monitoring visits.
- Implementation: Conducting desk reviews, onsite reviews, and inspections of housing units bound by long-term affordability covenants.
- Follow-Up: Maintaining communication with subrecipient agencies and owners of housing projects.

Each Plan incorporates a risk assessment component to assist the City in evaluating which subrecipients or other funding recipients, such as developers and Community Housing Development Organizations (CHDOs), necessitate comprehensive and/or on-site monitoring. This risk assessment is crucial for the City to gauge the potential risk of non-compliance with program requirements by a project, program, or organization, or their susceptibility to fraud or abuse.

City monitoring encompasses four main areas:

1. Program Monitoring - Evaluating the overall performance and operation of the program to ensure that the City's programs and activities are effective and adhere to CDBG and HOME Program regulations.
2. Administrative and Financial Monitoring - Reviewing the fiscal and administrative management of CDBG and HOME Program funds.
3. Project Monitoring - Checking compliance with specific CDBG and HOME Program activity and project requirements, such as homebuyer or rental housing development projects.

4. Long-Term Monitoring - Ensuring ongoing compliance with long-term CDBG and HOME Program stipulations, applicable to HOME-assisted rental and homeownership housing post-completion.

During FY 2022-23, the City conducted monitoring of three non-profit agencies funded by CDBG that provided social services. These reviews were essential and beneficial, allowing the City to verify: (1) program alignment with the Consolidated Plan, Annual Action Plan, and HUD and City stipulations; (2) timely delivery of activities; and (3) the accuracy and completeness of data entered into the HUD Integrated Disbursement and Information System (IDIS), including the Consolidated Annual Performance and Evaluation Report (CAPER). All identified discrepancies and concerns were addressed.

The City has developed a Monitoring Risk Assessment Level Criteria document, which is governed by: (1) quarterly desk reviews. (2) new subrecipient agencies or significant organizational changes, (3) cumulative grant award, (4) administrative history, (5) program performance, and (6) financial strength. All subrecipient agencies are to be monitored on-site at least every other year, depending on their risk level. City staff prepared for the monitoring and informed the agencies of the monitoring review and on-site visit. Desk reviews were conducted before the onsite reviews and inspections. All three CDBG Program subrecipients received no findings or concerns.

City staff is scheduled to monitor subrecipients of FY 2023-24 grants by December 2024.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The City follows its established Citizen Participation Plan. The draft FY 2023-24 CAPER was set for a public hearing on September 12, 2024, during a special meeting of the City's Housing and Community Development Commission (HCDC). Notices about the draft CAPER and the hearing were published in the Vallejo Times-Herald, the local city newspaper available from Tuesday to Sunday, on August 27, 2024, as well as on the City's official website. The draft CAPER was also posted on the City's Housing and Community Development webpage. The period for public comment on the draft CAPER started on August 27, 2024, and concluded on September 12, 2024.

The Council plans to review the CAPER on September 27, 2024.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

The City's CDBG Program objectives remained unchanged for FY 2023-24.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

CR-50 - HOME 24 CFR 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in 24 CFR §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

Due to limited staffing, inspection services will be outsourced. Inspections for HOME rental housing units are set to ensure compliance with Housing Quality Standards or the National Standards for the Physical Inspection of Real Estate and will be scheduled in the second quarter of FY 2024-25, which is from October to December 2024.

The following are affordable rental housing units assisted by HOME Program funds:

1. Avian Glen Apartments - 11 floating HOME Program units
2. Temple Art Lofts - four floating HOME Program units
3. Marina Tower - 11 floating HOME Program units

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 24 CFR 91.520(e) and 24 CFR 92.351(a)

The City mandates that its housing programs be managed in a way that ensures individuals with similar income levels have equal housing options available to them, irrespective of race, color, national origin, religion, sex, disability, or familial status. Similarly, non-profit organizations and affordable housing developers that receive HOME Program funds must engage in affirmative marketing to attract those least likely to apply and implement affirmative fair housing marketing strategies when seeking applicants, assessing eligibility, and executing rental transactions. They are also required to display the HUD Fair Housing logo and declare their status as an Equal Housing Opportunity provider in all forms of advertising and communication.

Non-profit organizations must diligently endeavor to offer housing to qualified individuals of all racial, ethnic, and gender groups within the city, as stipulated in their Agreements. In accordance with their HOME Program Agreements, these agencies commit to not engaging in discrimination against prospective homeowners or renters on the grounds of race, color, ancestry, national origin, gender, sexual orientation, age, marital status, family status, whether children are present in the home, source of income, physical, sensory, or mental disability, HIV/AIDS status, related conditions, or any other arbitrary factor.

Affirmative marketing efforts encompass a variety of advertising methods and community outreach

formats aimed at engaging individuals who are least likely to apply for the program.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

Income for the HOME Program is derived from the principal and interest payments on HOME-funded loans. In the fiscal year 2023-24, the program received approximately $87,257 in income. The City is allowed to use up to 10 percent of all program income received for eligible HOME administative costs. The remaining funds must be expended for projects. The City used program income for the Tenant-Based Rental Assistance Program, which assisting three households. The characteristics of the program participants are displayed in the table below.

Tenant/Participant	Percent of Area Median Income	Race	Hispanic/Latino	Type of Household
#1	30% - 50%	Black/African-American	Yes	Single-Parent
#2	0% - 30%	American Indian	No	Two-Parent
#3	30% -50%	Black/African-American	No	Single-Parent

Table 14 - TBRA Program Participant Characteristics

Describe other actions taken to foster and maintain affordable housing. 24 CFR 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 24 CFR 91.320(j)

The City's Five-Year Consolidated Plan identifies the following populations as the most in need of assistance, prioritized as follows: (1) renters with very low to low income; (2) individuals experiencing homelessness; (3) first-time homebuyers; and (4) non-homeless individuals with special needs.

To meet the needs of very low- and low-income residents seeking affordable first-time homebuyer opportunities and rental housing, the City allocated $84,293 in HOME Program funds to the Sonoma Estates Project. This initiative targets the requirements of priority groups one and three outlined in the Consolidated Plan. However, no funds were spent on this project during the reporting period due to development delays.

CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided

Total Labor Hours	CDBG	HOME	ESG	HOPWA	HTF
Total Number of Activities	0	0	0	0	0
Total Labor Hours					
Total Section 3 Worker Hours					
Total Targeted Section 3 Worker Hours					

Table 15 – Total Labor Hours

Qualitative Efforts - Number of Activities by Program	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are Public Housing Targeted Workers					
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.					
Direct, on-the job training (including apprenticeships).					
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.					
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).					
Outreach efforts to identify and secure bids from Section 3 business concerns.					
Technical assistance to help Section 3 business concerns understand and bid on contracts.					
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.					
Provided or connected residents with assistance in seeking employment including: drafting resumes,preparing for interviews, finding job opportunities, connecting residents to job placement services.					
Held one or more job fairs.					
Provided or connected residents with supportive services that can provide direct services or referrals.					
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.					
Assisted residents with finding child care.					
Assisted residents to apply for, or attend community college or a four year educational institution.					
Assisted residents to apply for, or attend vocational/technical training.					
Assisted residents to obtain financial literacy training and/or coaching.					
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.					
Provided or connected residents with training on computer use or online technologies.					
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.					
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.					

Other.					

Table 16 – Qualitative Efforts - Number of Activities by Program

Narrative

The City had no activities or projects that were completed in FY 2023-24 that required Section 3 reporting.

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3559929

VALLEJO CITY HOUSING
200 GEORGIA STREET
VALLEJO, CA 94590

Account Number:	3559929
Ad Order Number:	0006848972
Customer's Reference / PO Number:	FY 2023-24 CAPER Public Notice English
Publication:	Vallejo Times-Herald
Publication Dates:	08/27/2024
Amount:	$240.56
Payment Amount:	$0.00

Invoice Text: **CONSOLIDATED**
ANNUAL
PERFORMANCE AND EVALUATION
REPORT (CAPER)
FOR FISCAL YEAR (FY) 2023-24

DATE OF NOTICE: August 27, 2024

FOR MORE INFORMATION: Chari Francisco, Administrative Manager
(707) 553-7204, chari.francisco@cityofvallejo.net

The City of Vallejo has prepared the draft CAPER for the fourth year of its FY 2020-21 through FY 2024-25 Consolidated Plan. The Consolidated Plan is a five-year planning document required by the U. S. Department of Housing and Urban Development (HUD) that is intended to address the City's housing and community development needs. The FY 2023-24 CAPER describes the City's performance in achieving the objectives in the Consolidated Plan for the period beginning July 1, 2023 and ending June 30, 2024.

The Housing and Community Development Commission of the City of Vallejo is scheduled to hold a public hearing to receive comments on the draft CAPER at a special meeting after 7:00 p. m. on Thursday, September 12, 2024. Anyone interested in commenting on this report is invited to participate in this hearing. Written comments on the CAPER may also be submitted until 4:00 p. m. on September 12, 2024 to: Chari Francisco at chari.francisco@cityofvallejo.net, or in the Housing and Community Development Department drop box located at 200 Georgia Street, Vallejo, CA 94590. The Council of the City of Vallejo is scheduled to review and approve this document on September 24, 2024. HUD requires that the CAPER be submitted by September 30, 2024.

Beginning August 27, 2024, the draft CAPER will be available on the City's Web Page at: http://www.cityofvallejo.net, under "Our City, Departments and Divisions, Housing and Community Development, Document Library, CAPER, Draft CAPER FY 2023-24."

The City of Vallejo provides its programs and services in a non-discriminatory manner and is an Equal Opportunity Employer. The City of Vallejo also encourages minority and women-owned businesses to submit bids and proposals for CDBG Program and HOME Program contracts. For further information, contact the Housing and Community Development Division at (707) 648-4507.
For further information on this public notice, the hearing-impaired may call the California Relay Service at 1-800-735-2922 without a TTY/TDD, or 1-800-735-2929 with a TTY/TDD.
8/27/2024

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3559929

VALLEJO CITY HOUSING
200 GEORGIA STREET
VALLEJO, CA 94590

PROOF OF PUBLICATION
(2015.5 C.C.P.)

STATE OF CALIFORNIA
COUNTY OF SOLANO, S.S.

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above-entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Vallejo Times-Herald, a newspaper published in the English language in the City of Vallejo, County of Solano, State of California.

I declare that the Vallejo Times-Herald is a newspaper of general circulation as defined by the laws of the State of California as determined by this court's order dated June 12, 1952 in the action entitled In the Matter of the Ascertainment and Establishment of the Standing of Vallejo Times-Herald as a Newspaper of General Circulation, Case Number 25864. Said order states "Vallejo Times-Herald" has been established, printed and published in the City of Vallejo, County of Solano, State of California; That it is a newspaper published daily for the dissemination of local and telegraphic news and intelligence of general character and has a bona fide subscription list of paying subscribers; and...THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED:...That "Vallejo Times-Herald" is a newspaper of general circulation for the City of Vallejo, County of Solano, California. Said order has not been revoked.

I declare that this notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

08/27/2024

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Vallejo, California, this
29th day of August 2024

(Signature) Melanie Irmer

Legal No. **0006848972**

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) FOR FISCAL YEAR (FY) 2023-24

DATE OF NOTICE: August 27, 2024

FOR MORE INFORMATION: Chari Francisco, Administrative Manager (707) 553-7204, chari.francisco@cityofvallejo.net

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The City of Vallejo provides its programs and services in a non-discriminatory manner and is an Equal Opportunity Employer.
The City of Vallejo also encourages minority and women-owned businesses to submit bids and proposals for CDBG Program and HOME Program contracts. For further information, contact the Housing and Community Development Division at (707) 648-4507.
For further information on this public notice, the hearing-impaired may call the California Relay Service at 1-800-735-2922 without a TTY/TDD, or 1-800-735-2929 with a TTY/TDD.
8/27/2024

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3559929

VALLEJO CITY HOUSING
200 GEORGIA STREET
VALLEJO, CA 94590

Account Number:	3559929
Ad Order Number:	0006848976
Customer's Reference / PO Number:	FY 2023-24 CAPER Public Notice Spanish / FY 2023-24 CAPER Public Notice Spanish
Publication:	Vallejo Times-Herald
Publication Dates:	08/27/2024
Amount:	$297.01
Payment Amount:	$0.00

Invoice Text: **INFORME ANUAL CONSOLIDADO DE RENDIMIENTO Y EVALUACIÓN (CAPER)**
PARA AÑO FISCAL (AF) 2023-24

FECHA DE AVISO: 27 de agosto de 2024

PARA MÁS INFORMACIÓN: Chari Francisco, Gerente Administrativa
(707) 553-7204, chari.francisco@cityofvallejo.net

La Ciudad de Vallejo ha preparado el borrador de CAPER por quinto año de su Plan Consolidado del AF 2020-21 al AF 2024-25. El Plan Consolidado es un documento de planificación de cinco años requerido por el Departamento de Vivienda Y Desarrollo Urbano de los EE.UU. (HUD) que está destinado a abordar las necesidades de desarrollo comunitario de la vivienda de la Ciudad. El CAPER para el año fiscal 2023-24 describe el desempeño de la Ciudad en el logro de los objetivos del Plan Consolidado para el período que comienza el 1 de julio de 2023 y termina el 30 de junio de 2024.

La Comisión de Vivienda y Desarrollo Comunitario de la Ciudad de Vallejo está programada para realizar una audiencia pública para recibir comentarios sobre el borrador del CAPER en una reunión especial después de las 7:00 p.m. el jueves 12 de septiembre de 2024. Se invita a participar en esta audiencia a cualquier persona interesada en comentar sobre este informe. También se puede enviar comentarios escritos sobre el CAPER hasta las 4:00 p.m. el 12 de septiembre de 2024 a: Chari Francisco, chari.francisco@cityofvallejo.net, o en el buzón de la División de Vivienda y Desarrollo Comunitario ubicado en 200 Georgia Street, Vallejo, CA 94590. El Concejo de la Ciudad de Vallejo está programado para revisar y aprobar este document el 24 de septiembre de 2024. HUD require que el CAPER se presente antes del 30 de septiembre de 2024.

A partir del 27 de agosto de 2024, el borrador de CAPER estará disponible en la página web de la ciudad en: http://www.cityofvallejo.net, en "Our City, Departments and Divisions, Housing and Community Development Division, Housing and Community Development, Document Library, CAPER, Draft CAPER FY 2023-24."

La Ciudad de Vallejo ofrece sus programas y servicios de manera no discriminatoria y es un empleador de igualdad de oportunidades.
La Ciudad de Vallejo también anima a las mujeres y a los propietarios de empresas de minorías presentar ofertas y propuestas para el Programa (CDBG) y el Programa de HOME Contratos de Inversión de Casa. Para más información, póngase en contacto con la División de Autoridad de Vivienda y Desarrollo Comunitario de la Ciudad de Vallejo al (707) 648-4507. Para más información sobre este aviso público, los discapacitados auditivos pueden llamar al Servicio de Retransmisión de California al 1-800-735-2922 sin TTY/TDD o
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VALLEJO CITY HOUSING
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Legal No. **0006848976**

PROOF OF PUBLICATION
(2015.5 C.C.P.)

STATE OF CALIFORNIA
COUNTY OF SOLANO, S.S.

FILE NO. FY 2023-24 CAPER Public Notice Spanish

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above-entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Vallejo Times-Herald, a newspaper published in the English language in the City of Vallejo, County of Solano, State of California.

I declare that the Vallejo Times-Herald is a newspaper of general circulation as defined by the laws of the State of California as determined by this court's order dated June 12, 1952 in the action entitled In the Matter of the Ascertainment and Establishment of the Standing of Vallejo Times-Herald as a Newspaper of General Circulation, Case Number 25864. Said order states "Vallejo Times-Herald" has been established, printed and published in the City of Vallejo, County of Solano, State of California; That it is a newspaper published daily for the dissemination of local and telegraphic news and intelligence of general character and has a bona fide subscription list of paying subscribers; and...THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED:...That "Vallejo Times-Herald" is a newspaper of general circulation for the City of Vallejo, County of Solano, California. Said order has not been revoked.

I declare that this notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

08/27/2024

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Vallejo, California, this
29th day of August 2024

(Signature) Melanie Irmer

INFORME ANUAL CONSOLIDADO DE RENDIMIENTO Y EVALUACIÓN (CAPER) PARA AÑO FISCAL (AF) 2023-24

FECHA DE AVISO: 27 de agosto de 2024

PARA MÁS INFORMACIÓN: Chari Francisco, Gerente Administrativa (707) 553-7204, chari.francisco@cityofvallejo.net

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interesada en comentar sobre este informe. También se puede enviar comentarios escritos sobre el CAPER hasta las 4:00 p.m. el 12 de septiembre de 2024 a: Chari Francisco, chari.francisco@cityofvallejo.net, o en el buzón de la División de Vivienda y Desarrollo Comunitario ubicado en 200 Georgia Street, Vallejo, CA 94590. El Concejo de la Ciudad de Vallejo está programado para revisar y aprobar este document el 24 de septiembre de 2024. HUD require que el CAPER se presente antes del 30 de septiembre de 2024.

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Account Number:	3559929
Ad Order Number:	0006848974
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Payment Amount:	$0.00

Invoice Text: **PINAGSAMA-SAMANG TAUNANG PERFORMANCE AT EVALUATION REPORT**
PARA SA PISKAL NA TAONG 2023-24

DATE OF NOTICE: Agosto 27, 2024

PARA SA KARAGDAGANG IMPORMASYON: Chari Francisco, Administrative Manager
(707) 553-7204, chari.francisco@cityofvallejo.net

Inihanda ng Lungsod ng Vallejo ang draft ng CAPER para sa ika-apat na taon ng FY 2020-21 hanggang FY 2024-25 Consolidated Plan. Ang Consolidated Plan ay isang dokumento na naglalaman ng limag taong plano na itinatakda ng U. S. Department of Housing and Urban Development (HUD) na naglalayong tugunan ang mga pangangailangan sa pabahay at pagpapaunlad ng komunidad ng Lungsod. Inilalarawan ng FY 2023-24 CAPER ang pagganap ng Lungsod sa pagkamit ng mga layunin sa Consolidated Plan para sa panahon simula Hulyo 1, 2023 at magtatapos sa Hunyo 30, 2024.

Ang Housing and Community Development Commission ng Lungsod ng Vallejo ay nakatakdang magsagawa ng pampublikong pagdinig upang makatanggap ng mga komento sa draft ng CAPER sa isang regular na pagpupulong pagkalipas ng 7:00 p. m. sa Huwebes, Setyembre 12, 2024. Ang sinumang interesadong magkomento sa ulat na ito ay iniimbitahan na lumahok sa pagdinig na ito. Ang mga nakasulat na komento sa CAPER ay maaari ding isumite hanggang 4:00 p. m. noong Setyembre 12, 2024 kay: Chari Francisco sa chari.francisco@cityofvallejo.net, o sa drop box ng Housing and Community Development Department na matatagpuan sa 200 Georgia Street, Vallejo, CA 94590. Nakatakdang suriin ng Konseho ng Lungsod ng Vallejo at aprubahan ang dokumentong ito sa Setyembre 24, 2024. Hinihiling ng HUD na isumite ang CAPER hanggang Setyembre 30, 2024.

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Ang Lungsod ng Vallejo ay nagbibigay ng mga programa at serbisyo nito sa paraang walang diskriminasyon, at isang Equal Opportunity Employer.Hinihikayat din ng Lungsod ng Vallejo ang mga minorya at negosyong pag-aari ng kababaihan na magsumite ng mga bid at panukala para sa mga kontrata ng CDBG Program at HOME Program. Para sa karagdagang impormasyon, makipag-ugnayan sa Housing and Community Development Division sa (707) 648-4507.Para sa karagdagang impormasyon sa pampublikong abiso na ito, ang may kapansanan sa pandinig ay maaaring tumawag sa California Relay Service sa
1-800-735-2922 na walang TTY/TDD, o 1-800-735-2929 na may TTY/TDD.
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PROOF OF PUBLICATION
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08/27/2024

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Vallejo, California, this
29th day of August 2024

(Signature) Melanie Irmer

Legal No. **0006848974**

PINAGSAMA-SAMANG TAUNANG PERFORMANCE AT EVALUATION REPORT PARA SA PISKAL NA TAONG 2023-24

DATE OF NOTICE: Agosto 27, 2024

PARA SA KARAGDAGANG IMPORMASYON: Chari Francisco, Administrative Manager (707) 553-7204, chari.francisco@cityofvallejo.net

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8/27/2024

ACTION CALENDAR 12.B.

DATE: September 12, 2024

TO: Chair and Commissioners
Housing and Community Development Commission

FROM: Alicia Jones, Housing Director

SUBJECT: RECOMMENDATION FOR PBV AWARD AND AHAP EXECUTION FOR NEW CONSTRUCTION PROJECT

RECOMMENDATION

HCDC received $ 969,912 from the Neighborhood Stabilization Program to purchase the land located at located at 720, 726, 759 Sonoma Blvd, Vallejo Ca. 94590 and the Sonoma Estates will serve elderly populations.

Recommend through a resolution by the Housing and Community Development Commission to the Housing Authority of the City of Vallejo Housing Bo to approve the execution of the Project Based Voucher Agreement to Enter into a Housing Assistance Payment Contract with the Community Housing Development Corporation for the construction of the Sonoma Estates project and to award ninety-seven (97) Project Based Vouchers (PBV) for the new construction conditional upon the project meeting all HUD requirements and receiving all other required financing.

REASONS FOR RECOMMENDATION

Project-based vouchers (PBVs) are a component of a public housing agency's (PHA's) Housing Choice Voucher (HCV) program. The Housing Authority of the City of Vallejo (HACV) is allocated 2358 housing choice vouchers and allowed to contract up to twenty percent of the vouchers under the PBV program. HAP contracts with a term from one year up to twenty years with additional extensions are acceptable. Utilizing PBV vouchers will increase housing opportunities for low to moderate income households and increase the Housing Authority HCV program utilization and budget expenditures.

BACKGROUND AND DISCUSSION

The purpose of the Project-Based Voucher (PBV) is to provide long-term affordable housing contracts for households with very low or extremely low incomes. PBVs are part of the Section 8 Housing Choice Voucher (HCV) program, and are attached to specific units, unlike most Housing Choice Vouchers which are tenant-

based. The PBV program aims to encourage new housing development, increase the use of vouchers, assist senior, family and workforce housing.

PBVs can be used for new construction, rehabilitation, or units in existing buildings. The owner of the property agrees to rehabilitate or construct the units or set aside a portion of the units in an existing development. Rehabilitation or existing units for PBV projects must enter into a Housing Assistance Payment (HAP) contract with the local public housing authority for a contract term of one year up-to twenty years, including the option for extensions up-to an additional twenty years.

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). The owner must furnish all required evidence of the project completion and all PBV units must be occupied by an eligible household referred to the project by the Vallejo Housing Authority.

The City of Vallejo Housing Authority allocated up to 200 vouchers to be project based for new construction, rehabilitation and existing housing units.

On May 21, 2024, the 2024 PBV Request for Proposals (RFP) for new construction, existing housing and rehabilitated units was published. The Housing Authority received four completed proposals in response to the RFP and on July 17, 2024, and through an application review panel the proposal for the Sonoma Estates project for new construction was ranked, scored and selected according to the application requirements and scoring criteria.

FISCAL IMPACT

No Fiscal impact

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 forseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

1. Exhibit A – Project Based Voucher Agreement to Enter into a Housing Assistance Contract

CONTACT

Alicia M. Jones, Housing Director, (707) 648-4408, alicia.jones@cityofvallejo.net

EXHIBIT A

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

SECTION 8 PROJECT-BASED VOUCHER PROGRAM

AGREEMENT TO ENTER INTO A HOUSING ASSISTANCE PAYMENTS CONTRACT

NEW CONSTRUCTION OR REHABILITATION

PART I

OMB Burden Statement. The public reporting burden for this collection of information is estimated to average 0.25 hours, including the time for collecting, reviewing and reporting the data. The information is required to establish terms between the PHA and the owner prior to execution of a HAP contract for PBV assistance as provided in §983.152. Assurances of confidentiality are not provided under this collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Office of Public and Indian Housing, US. Department of Housing and Urban Development, Washington, DC 20410. HUD may not conduct and sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

Privacy Notice. The Department of Housing and Urban Development (HUD) is authorized to collect the information required on this form by 24 CFR § 983.152. The information is being collected to establish the agreement between the PHA and owner prior to execution of a HAP contract for PBV assistance as provided in §983.153. The Personally Identifiable Information (PII) data collected on this form are not stored or retrieved within a system of record.

1.1 Parties

This Agreement to Enter into Housing Assistance Payments Contract ("Agreement") is between:

_____("PHA") and

_____("owner").

1.2 Purpose

The owner agrees to develop the Housing Assistance Payments Contract ("HAP Contract") units to in accordance with Exhibit B and to comply with Housing Quality Standards ("HQS"), and the PHA agrees that, upon timely completion of such development in accordance with the terms of the Agreement, the PHA will enter into a HAP Contract with the owner of the Contract units.

1.3 Contents of Agreement

This Agreement consists of Part I, Part II, and the following Exhibits:

EXHIBIT A: The approved owner's PBV proposal. (Selection of proposals must be in accordance with 24 CFR 983.51.)

EXHIBIT B: Description of work to be performed under this Agreement, including:

- if the Agreement is for rehabilitation of units, this exhibit must include the rehabilitation work write-up and, where the PHA has determined necessary, specifications and plans.
- if the Agreement is for new construction of units, the work description must include the working drawings and specifications.
- any additional requirements beyond HQS relating to quality, design and architecture that the PHA requires.
- work items resulting from compliance with the design and construction requirements of the Fair Housing Act and implementing regulations at 24 CFR 100.205, the accessibility requirements under section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.22 and 8.23, and accessibility requirements under Titles II and III of the Americans with Disabilities Act at 28 CFR parts 35 and 36, as applicable.

EXHIBIT C: Description of housing, including:

- project site.
- total number of units in project covered by this Agreement.
- locations of contract units on site.
- number of contract units by area (size) and number of bedrooms and bathrooms.
- services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent to owner.
- utilities available to the contract units, including a specification of utility services to be paid by the owner (without charges in addition to rent) and utility services to be paid by the tenant.
- estimated initial rent to owner for the contract units.

EXHIBIT D: The HAP contract.

1.4 Significant Dates

A. Effective Date of the Agreement: The Agreement must be executed promptly after PHA notice of proposal selection to the owner has been given. The PHA may not enter this Agreement with the owner until a subsidy layering review has been performed and an environmental review has been satisfactorily completed in accordance with HUD requirements.

B. A project may either be a single-stage or multi-stage project. A single-stage project will have the same Agreement effective date for all contract units. A multi-stage project will separate effective dates for each stage.

☐ **Single-stage project**

i. Effective Date for all contract units:_____

ii. Date of Commencement of the Work: The date for commencement of work is not later than _____ calendar days after the effective date of this Agreement.

iii. Time for Completion of Work: The date for completion of the work is not later than _____calendar days after the effective date of this Agreement.

☐ **Multi-Stage Project**

Enter the information for each stage upon execution of the Agreement for the corresponding stage.

STAGE	NUMBER OF UNITS	EFFECTIVE DATE	DATE OF COMMENCEMENT OF WORK	TIME FOR COMPLETION OF WORK

1.5 Nature of the Work

☐ This Agreement is for **New Construction** of units to be assisted by the project-based Voucher program.

☐ This Agreement is for **Rehabilitation** of units to be assisted by the project-based Voucher program.

1.6 Schedule of Completion

A. Timely Performance of Work: The owner agrees to begin work no later than the date for commencement of work as stated in Section 1.4. In the event the work is not commenced, diligently continued and completed as required under this Agreement, the PHA may terminate this Agreement or take other appropriate action. The owner agrees to report promptly to the PHA the date work is commenced and furnish the PHA with progress reports as required by the PHA.

B. Time for Completion: All work must be completed no later than the end of the period stated in Section 1.4. Where completion in stages is provided for, work related to units included in each stage shall be completed by the stage completion date and all work on all stages must be completed no later than the end of the period stated in Section 1.4.

C. Delays: If there is a delay in the completion due to unforeseen factors beyond the owner's control as determined by the PHA, the PHA agrees to extend the time for completion for an appropriate period as determined by the PHA in accordance with HUD requirements.

1.7 Changes in Work

A. The owner must obtain prior PHA approval for any change from the work specific in Exhibit B which would alter the design or quality of the rehabilitation or construction. The PHA is not required to approve any changes requested by the owner. PHA approval of any change may be conditioned on establishment of a lower initial rent to owner at the amounts determined by PHA.

B. If the owner makes any changes in the work without prior PHA approval, the PHA may establish lower initial rents to owner at the amounts determined by PHA in accordance with HUD requirements.

C. The PHA (or HUD in the case of insured or coinsured mortgages) may inspect the work during rehabilitation or construction to ensure that work is proceeding on schedule, is being accomplished in accordance with the terms of the Agreement, meets the level of material described in Exhibit B and meets typical levels of workmanship for the area.

1.8 Work completion

A. Conformance with Exhibit B: The work must be completed in accordance with Exhibit B. The owner is solely responsible for completion of the work.

B. Evidence of Completion: When the work in completed, the owner must provide the PHA with the following:

1. A certification by the owner that the work has been completed in accordance with the HQS and all requirements of this Agreement.

2. A certification by the owner that the owner has complied with labor standards and equal opportunity requirements in the development of the housing. (See 24 CFR 983.155(b)(1)(ii).)

3. Additional Evidence of Completion: At the discretion of the PHA, or as required by HUD, this Agreement may specify additional documentation that must be submitted by owner as evidence of completion of the housing. Check the following that apply:

☐ A certificate of occupancy or other evidence that the contract units comply with local requirements.

☐ An architect's or developer's certification that the housing complies with:

☐ the HQS;

☐ State, local, or other building codes;

☐ Zoning;

☐ The rehabilitation work write-up for rehabilitated housing;

☐ The work description for newly constructed housing; or

☐ Any additional design or quality requirements pursuant to this Agreement.

1.9 Inspection and Acceptance by the PHA of Completed Contract Units

A. Completion of Contract Units: Upon receipt of owner notice of completion of Contract units, the PHA shall take the following steps:

1. Review all evidence of completion submitted by owner.

2. Inspect the units to determine if the housing has been completed in accordance with this Agreement, including compliance with the HQS and any additional requirements imposed by the PHA under this Agreement.

B. Non-Acceptance: If the PHA determines the work has not been completed in accordance with this Agreement, including non-compliance with the HQS, the PHA shall promptly notify the owner of this decision and the reasons for the non-acceptance. The parties must not enter into the HAP contract.

C. Acceptance: If the PHA determines housing has been completed in accordance with this Agreement, and that the owner has submitted all required evidence of completion, the PHA must submit the HAP contract for execution by the owner and must then execute the HAP contract.

1.10 Acceptance where defects or deficiencies are reported:

A. If other defects or deficiencies exist, the PHA shall determine whether and to what extent the defects or deficiencies are correctable, whether the units will be accepted after correction of defects or deficiencies, and the requirements and procedures for such correction and acceptance.

B. Completion in Stages: Where completion in stages is provided for, the procedures of this paragraph shall apply to each stage.

1.11. Execution of HAP Contract

A. Time and Execution: Upon acceptance of the units by the PHA, the owner and the PHA execute the HAP contract.

B. Completion in Stages: Where completion in stages is provided for the number and types of units in each stage, and the initial rents to owner for such units, shall be separately shown in Exhibit C of the contract for each stage. Upon acceptance of the first stage, the owner shall execute the contract and the signature block provided in the contract for that stage. Upon acceptance of each subsequent stage, the owner shall execute the signature block provided in the contract for such stage.

C. Form of Contract: The terms of the contract shall be provided in Exhibit D of this Agreement. There shall be no change in the terms of the contract unless such change is approved by HUD headquarters. Prior to execution by the owner, all blank spaces in the contract shall be completed by the PHA.

D. Survival of owner Obligations: Even after execution of the contract, the owner shall continue to be bound by all owner obligations under the Agreement.

1.12 Initial determination of rents

A. The estimated amount of initial rent to owner shall be established in Exhibit C of this Agreement.

B. The initial amount of rent to owner is established at the beginning of the HAP contract term.

C. The estimated and initial contract rent for each units may in no event exceed the amount authorized in accordance with HUD regulations and requirements. Where the estimated initial rent to owner exceeds the amount authorized in accordance with HUD regulations, the PHA shall establish a lower initial rent tow owner, in accordance with HUD regulations and requirements.

1.13 Uniform Relocation Act

A. A displaced person must be provided relocation assistance at the levels described in and in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970

(URA) (42 U.S.C. 4201-4655) and implementing regulations at 49 CFR part 24.

B. The cost of required relocation assistance may be paid with funds provided by the owner, or with local public funds, or with funds available from other sources. Payment of relocation assistance must be paid in accordance with HUD requirements.

C. The acquisition of real property for a project to be assisted under the program is subject to the URA and 49 CFR part 24, subpart B.

D. The PHA must require the owner to comply with the URA and 49 CFR part 24.

E. In computing a replacement housing payment to a residential tenant displaced as a direct result of privately undertaken rehabilitation or demolition of the real property, the term "initiation of negotiations" means the execution of the Agreement between the owner and the PHA.

1.14 Protection of In-Place Families

A. In order to minimize displacement of in-place families, if a unit to be placed under Contract is occupied by an eligible family on the proposal selection date, the in-place family must be placed on the PHA's waiting list (if they are not already on the list) and, once their continued eligibility is determined, given an absolute selection preference and referred to the project owner for an appropriately sized unit in the project.

B. This protection does not apply to families that are not eligible to participate in the program on the proposal selection date.

C. The term "in-place family" means an eligible family residing in a proposed contract unit on the proposal selection date.

D. Assistance to in-place families may only be provided in accordance with the program regulations and other HUD requirements.

1.15 Termination of Agreement and Contract

The Agreement or 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.

1.16 Rights of HUD if PHA Defaults Under Agreement

If HUD determines that the PHA has failed to comply with this Agreement or has failed to take appropriate action to HUD's satisfaction or as directed by HUD, for enforcement of the PHA's rights under this Agreement, HUD may assume the PHA's rights and obligations under the Agreement, and may perform the obligations and enforce the rights of the PHA under the Agreement. HUD will, if it determines that the owner is not in default, pay Annual Contributions for the purpose of providing housing assistance payments with respect to the dwelling unit(s) under this Agreement for the duration of the HAP contract.

1.17 Owner Default and PHA Remedies

A. Owner Default

Any of the following is a default by the owner under the Agreement:

1. The owner has failed to comply with any obligation under the Agreement.

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 Agreement.

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 mortgage insured by HUD and:

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

    b. 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 Agreement.

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 Agreement include but are not limited to: (i) terminating the Agreement; and (ii) declining to execute the HAP contract for some or all of the units.

C. PHA Remedy is not Waived

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

1.18 PHA and Owner Relation to Third Parties

A. Selection and Performance of Contractor

1. The PHA has not assumed any responsibility or liability to the owner, or any other party for performance of any contractor, subcontractor or supplier, whether or not listed by the PHA as a qualified contractor or supplier under the program. The selection of a contractor, subcontractor or supplier is the sole responsibility of the owner and the PHA is not involved in any relationship between the owner and any contractor, subcontractor or supplier.

2. The owner must select a competent contractor to undertake rehabilitation or construction. The owner agrees to require from each prospective contractor a certification that neither the contractor nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in contract by the Comptroller General or any federal Department or agency. The owner agrees not to award contracts to, otherwise engage in the service of, or fund any contractor that does not provide this certification.

B. Injury Resulting from Work under the Agreement: The PHA has not assumed any responsibility for or liability to any person, including a worker or a resident of the unit undergoing work pursuant to this Agreement, injured as a result of the work or as a result of any other action or failure to act by the owner, or any contractor, subcontractor or supplier.

C. Legal Relationship: The owner is not the agent of the PHA and this Agreement does not create or affect any relationship between the PHA and any lender to the owner or any suppliers, employees, contractor or subcontractors used by the owner in the implementation of the Agreement.

D. Exclusion of Third Party Claims: Nothing in this Agreement shall be construed as creating any right of any third party (other than HUD) to enforce any provision of this Agreement or the Contract, or to assert any claim against HUD, the PHA or the owner under the Agreement or the Contract.

E. Exclusion of owner Claims against HUD: Nothing in this Agreement shall be construed as creating any right of the owner to assert any claim against HUD.

1.19 PHA-Owned Units

Notwithstanding Section 1.18 of this Agreement, 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.

1.20 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 Agreement or 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 Agreement or HAP contract. The owner must fully and promptly update such disclosures.

1.21 Interest of Member 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 the Agreement or HAP contract or to any benefits arising from the Agreement of HAP contract.

1.22 Transfer of the Agreement, HAP Contract, or Property

A. PHA Consent to Transfer

The owner agrees that the owner has not made and will not make any transfer in any form, including any sale or assignment, of the Agreement, HAP contract, or the property without the prior written consent of the PHA. A change in ownership in the owner, such as a stock transfer or transfer of the interest of a limited partner, is not subject to the provisions of this section. Transfer of the interest of a general partner is subject to the provisions of this section.

B. Procedure for PHA Acceptance of Transferee

Where the owner requests the consent of the PHA for a transfer in any form, including any sale or assignment, of the Agreement, the HAP contract, or the property, the PHA must consent to a transfer of the Agreement or HAP contract if the transferee agrees in writing (in a form acceptable to the PHA) to comply with all the terms of the Agreement and HAP contract, if the transferee is acceptable to the PHA. The PHA's criteria for acceptance of the transferee must be in accordance with HUD requirements.

C. 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.

1.23 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.

1.24 Lobbying Certifications

A. The owner certifies, to the best of the 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 Agreement or 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 Agreement or 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.

1.25 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 not be 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.

1.26 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 (including sexual orientation and gender identity), national origin, disability, age, or familial status.

B. The owner must comply with the following requirements:

1. The Fair Housing Act (42 U.S.C. 3601–19) and implementing regulations at 24 CFR part 100 *et seq.*;

2. 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;

3. 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;

4. The Age Discrimination Act of 1975 (42 U.S.C. 6101–6107) and implementing regulations at 24 CFR part 146;

5. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8;

6. Title II of the Americans with Disabilities Act, 42 U.S.C. 12101 *et seq.*; 28 CFR part 35

7. 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;

8. Executive Order 11625, as amended by Executive Order 12007 (3 C FR, 1971–1975 Comp.., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprise Development); and

9. 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).

10. HUD's Equal Access Rule at 24 CFR 5.105.

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.

1.27 Owner Duty to Provide Information and Access to HUD and PHA

A. The owner must furnish any information pertinent to this Agreement as may be reasonably 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. 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 this Agreement.

1.28 Notices and Owner Certifications

A. Where the owner is required to give any notice to the PHA pursuant to this Agreement, such notice shall be in writing and shall be given in the manner designated by the PHA.

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

1.29 HUD Requirements

A. The Agreement and the HAP contract shall be interpreted and implemented in accordance with all statutory requirements, and will all HUD requirements, including amendments or changes in HUD requirements. The owner agrees to comply with all such laws and HUD requirements.

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

1.30 Applicability of Part II Provisions — Check All that Apply

☐ Equal Employment Opportunity
Section 2.1 applies only to construction contracts of more than $10,000.

☐ Labor Standards Requirements

Sections 2.3, 2,7, and 2.9 apply only when this Agreement covers nine or more units.

☐ Flood Insurance

Section 2.10 applies if units are located in areas having special flood hazards and in which flood insurance is available under the National Flood Insurance Program.

EXECUTION OF THE AGREEMENT

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

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

EXHIBIT A

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

SECTION 8 PROJECT-BASED VOUCHER PROGRAM

AGREEMENT TO ENTER INTO A HOUSING ASSISTANCE PAYMENTS CONTRACT

NEW CONSTRUCTION OR REHABILITATION

PART II

OMB Burden Statement. The public reporting burden for this collection of information is estimated to average 0.25 hours, including the time for collecting, reviewing and reporting the data. This form is required to establish terms between a PHA and owner to provide housing assistance. Assurances of confidentiality are not provided under this collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Office of Public and Indian Housing, US. Department of Housing and Urban Development, Washington, DC 20410. HUD may not conduct and sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

2.1 Equal Employment Opportunity

A. The owner shall incorporate or cause to be incorporated into any contract in excess of $10,000 for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR chapter 60, which is to be performed pursuant to this Agreement, the following nondiscrimination clause:

During the performance of this contract, the contractor agrees as follows:

1. The contractor will not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, creed, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoffs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided

by the contracting officer setting forth the provisions of this nondiscrimination clause.

2. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, creed, sex, or national origin.

3. The contractor will send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding, a notice to be provided by or at the direction of the Government advising the labor union or workers representative of the contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. The contractor of will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and with the rules, regulations, and relevant orders of the Secretary of Labor.

5. The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by HUD and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

6. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the rules, regulations, or orders, the contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions as may be imported and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor or as otherwise provided by law.

7. The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order

as the Government may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Government, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

B. The owner agrees to be bound by the above nondiscrimination clause with respect to his or her own employment practices when participating in federally assisted construction work.

C. The owner agrees to assist and cooperate actively with HUD and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the nondiscrimination clause and the rules, regulations, and relevant orders of the Secretary of Labor, to furnish HUD and the Secretary of Labor such information as they may require for the supervision of such compliance, and to otherwise assist HUD in the discharge of HUD's primary responsibility for securing compliance.

D. The owner further agrees to refrain from entering into any contract or contract modification subject to Executive Order No. 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the nondiscrimination clause as may be imposed upon contractors and subcontractors by HUD or the Secretary of Labor pursuant to the Executive Order. In addition, if the owner fails or refuses to comply with these undertakings, HUD may take any or all of the following actions; cancel, terminate, or suspend in whole or in part this Agreement; refrain from extending any further assistance to the owner under the program with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received from the owner, and refer the case to the Department of Justice for appropriate legal proceedings.

2.2 Reserved

2.3 HUD—Federal Labor Standards Provisions

The owner is responsible for inserting the entire text of section 2.3 of this Agreement in all construction contracts and, if the owner performs any rehabilitation work on the project, the owner must comply with all provisions of section 2.3. (Note: Sections 2.3(b) and (c) apply only when the amount of the prime contract exceeds $100,000.)

(a)(1) Minimum Wages. (i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project) will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made part hereof regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under section l(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321)) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(ii)(A) Any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination;

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, U.S. Department of Labor, Washington, D. C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(B) or (C) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determinations or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program: Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractors under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), all or part of the wages required by the contract, HUD or its designee may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to the contractor, disburse such amounts withheld for and on account of the contractor or subcontractor to the respective employees to whom they are due.

(3)(i) Payrolls and Basic Records. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section l(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the

Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section l(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD the PHA. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included in weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g. the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH–347 is available for this purpose from the Wage and Hour Division Web site at: http://www.dol.gov/esa/whd/forms/wh347instr.htm or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit them to the applicant, sponsor, or owner, as the case may be, for transmission to HUD, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the sponsoring government agency (or the applicant, sponsor, or owner).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his

or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under 29 CFR 5.5(a)(3)(ii), the appropriate information is being maintained under 29 CFR 5.5 (a)(3)(i) and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of Title 18 and section 231 of Title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) <u>Apprentices and Trainees</u>.(i) <u>Apprentices</u>. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and

individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employee and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) <u>Trainees</u>. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and

individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal Employment Opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

(5) Compliance with Copeland Act Requirements. The contractor shall comply with the requirements of 29 CFR part 3 which are incorporated by reference in this Agreement.

(6) Subcontracts. The contractor or subcontractor will insert in any subcontracts the clauses contained in section 2.3(a)(1) through (11) and such other clauses as HUD or its designee may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the

compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this section 2.3(a).

(7) Contract Terminations; Debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act Requirements. All rulings and interpretations of the Davis-Bacon and related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes Concerning Labor Standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the PHA, HUD, the U. S. Department of Labor, or the employees or their representatives.

(10) Certification of Eligibility. (i) By entering into this Agreement, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR part 24.

(ii) No part of this Agreement shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR part 24.

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, section 1010, Title 18, U.S.C., "Federal Housing Administration transactions, provides in part: "Whoever, for the purpose of ...influencing in any way the action of such Administration...makes, utters or publishes any statement, knowing the same to be false... shall be fined not more than $5,000 or imprisoned not more than two years, or both."

11. Complaints, Proceedings, or Testimony by Employees. No laborer or mechanic to whom the wage, salary, or other labor

standards provisions of this Agreement are applicable shall be discharged or in any other manner discriminated against by the Contractor or any subcontractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Agreement to his employer.

(b) Contract Work Hours and Safety Standards Act. The provisions of this paragraph (b) are applicable only where the amount of the prime contract exceeds $100,000. As used in this paragraph, the terms "laborers" and "mechanics" include watchmen and guards.

(1) Overtime Requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; Liability for Unpaid Wages; Liquidated Damages. In the event of any violation of the clause set forth in subparagraph (1) of this paragraph, the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (1) of this paragraph, in the sum of $25 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (1) of this paragraph.

(3) Withholding for Unpaid Wages and Liquidated Damages. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any monies payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by

the same prime contractor such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (2) of this paragraph.

(4) Subcontractors. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (4) of this paragraph and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in subparagraphs (1) through (4) of this paragraph.

(c) Health and Safety. The provisions of this paragraph (c) are applicable only where the amount of the prime contract exceeds $100,000.

(1) No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous to his health and safety as established under construction safety and health standards promulgated by the Secretary of Labor by regulation.

(2) The contractor shall comply with all regulations issue by the Secretary of Labor pursuant to Title 29 part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, 40 USC 3701 et seq.

(3) The contractor shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each subcontractor. The contractor shall take such action with respect to any subcontract as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

2.4 Reserved

2.5 Reserved

2.6 Reserved

2.7 Wage and Claims Adjustments

The owner shall be responsible for the correction of all violations under section 2.3, including violations committed by other contractors. In cases where there is evidence of underpayment of salaries or wages to any laborers or mechanics (including apprentices and trainees) by the owner or other contractor or a failure by the owner or other contractor to submit payrolls and related reports, the owner shall be required to place an amount in escrow, as determined by HUD sufficient to pay persons employed on the work covered by the Agreement the difference between the salaries or wages actually paid such employees for the total number of hours worked and the full amount of wages required under this Agreement, as well as an amount determined by HUD to be sufficient to satisfy any liability of the owner or other contractor for liquidated damages pursuant to section 2.3. The amounts withheld may be disbursed by HUD for and on account of the owner or other contractor to the respective employees to whom they are due, and to the Federal Government in satisfaction of liquidated damages under section 2.3.

2.8 Reserved

2.9 Evidence of Unit(s) Completion; Escrow

A. The owner shall evidence the completion of the unit(s) by furnishing the PHA, in addition to the requirements listed in Part I of this Agreement, a certification of compliance with the provisions of sections 2.3 and 2.7 of this Agreement, and that to the best of the owner's knowledge and belief there are no claims of underpayment to laborers or mechanics in alleged violation of these provisions of the Agreement. In the event there are any such pending claims to the knowledge of the owner, the PHA, or HUD, the owner will place a sufficient amount in escrow, as directed by the PHA or HUD, to assure such payments.

B. The escrows required under this section and section 2.7 of shall be paid to HUD, as escrowee, or to an escrowee designated by HUD, and the conditions and manner of releasing such escrows shall be designated and approved by HUD.

2.10 Flood Insurance

If the project is located in an area that has been identified by the Federal Emergency Management Agency as an area having special flood hazards and if

the sale of flood insurance has been made available under the National Flood Insurance Program, the owner agrees that: (1) the project will be covered, during the life of the property, by flood insurance in an amount at least equal to its development or project cost (less estimated land cost) or to the limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, whichever is less; and (2) that it will advise any prospective purchaser or transferee of the property in writing of the continuing statutory requirement to maintain such flood insurance during the life of the property.

ACTION CALENDAR 12.C.

DATE: September 12, 2024

TO: Chair and Commissioners
Housing and Community Development Commission

FROM: Alicia Jones, Housing Director

SUBJECT: RECOMMENDATION FOR PBV AWARDS AND HAP EXECUTION FOR EXISTING HOUSING UNITS

RECOMMENDATION

Recommend through a resolution by the Housing and Community Development Commission to the Housing Authority of the City of Vallejo Housing Authority Board of Directors to approve the execution of the Project Based Voucher Housing Assistance Payment Contract with Eden Housing, Inc., Firm Foundation and Vallejo Housing Collaborative, LLC and award 81 Project Based Vouchers (PBV) for existing housing projects.

Recommend ratifying the following awards conditioned upon the units will be occupied within 45-days from HAP execution and the project meeting all HUD requirements and receiving all other required financing.

Eden Housing, Inc:
Thirty-one (31) project-based vouchers (PBV) to Eden Housing, Inc for its existing-housing unit project, Sereno Village Associates, L.P. located at 750 Sereno Drive, Vallejo, CA 94589 and conditional upon this project meeting all HUD requirements and receiving all other required financing.

Firm Foundation:
Forty-Seven (47) project-based vouchers (PBV) to Firm Foundation Community Housing for its existing housing unit project, Broadway Village located at 2441 Broadway Ave, Vallejo, CA 94589 and conditional upon this project meeting all HUD requirements and receiving all other required financing.

Vallejo Housing Collaborative, LLC:
A total of three (3) project-based vouchers (PBV) to Vallejo Housing Collaborative for its existing housing unit projects. One (1) PBV voucher located at Idora House 209 Idora Avenue, Vallejo, CA 94589 and two (2) PBV vouchers located at Florida House 1215 Florida Street, Vallejo, CA 95490 conditional upon this project meeting all HUD requirements and receiving all other required financing.

REASONS FOR RECOMMENDATION

Project-based vouchers (PBVs) are a component of a public housing agency's (PHA's) Housing Choice Voucher (HCV) program. The Housing Authority of the City of Vallejo (HACV) is allocated 2358 housing choice vouchers and allowed to contract up to twenty percent of the vouchers under the PBV program. HAP contracts with a term from one year up to twenty years with additional extensions are acceptable. Utilizing PBV vouchers will increase housing opportunities for low to moderate income households and increase the Housing Authority HCV program utilization and budget expenditures.

BACKGROUND AND DISCUSSION

The purpose of the Project-Based Voucher (PBV) is to provide long-term affordable housing contracts for households with very low or extremely low incomes. PBVs are part of the Section 8 Housing Choice Voucher (HCV) program, and are attached to specific units, unlike most Housing Choice Vouchers which are tenant-based. The PBV program aims to encourage new housing development, increase the use of vouchers, assist senior, family and workforce housing.

PBVs can be used for new construction, rehabilitation, or units in existing buildings. The owner of the property agrees to rehabilitate or construct the units or set aside a portion of the units in an existing development. Rehabilitation or existing units for PBV projects must enter into a Housing Assistance Payment (HAP) contract with the local public housing authority for a contract term of one year up-to twenty years, including the option for extensions up-to an additional twenty years.

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 existing housing projects, the HAP contract must be executed after the units have been inspected and determined to have been completed in accordance with the contract. In addition, the owner must furnish all required evidence of completion. All PBV units must be occupied by an eligible household referred to the project by the Vallejo Housing Authority.

Up to 200 vouchers was allocated to be project based for new construction, rehabilitation and existing housing units in the City of Vallejo through the housing choice voucher program.

On May 21, 2024, the PBV Request for Proposals was published and the Housing Authority received four completed proposals in response to the RFP. On July 17, 2024, through an application review panel three proposals were selected for existing housing projects and ranked according to the application requirements and scoring criteria.

FISCAL IMPACT

No Fiscal impact

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 forseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

1. Exhibit A – Project Based Voucher Housing Assistance Contract

CONTACT

Alicia M. Jones, Housing Director, (707) 648-4408, alicia.jones@cityofvallejo.net

OMB Approval No. 2577–0169
(exp. 04/30/2026)

EXHIBIT B

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

SECTION 8 PROJECT-BASED VOUCHER PROGRAM HOUSING ASSISTANCE PAYMENTS CONTRACT

EXISTING HOUSING

PART 1 OF HAP CONTRACT

OMB Burden Statement. The public reporting burden for this collection of information is estimated to average 1 hour. This form is required to establish terms between a PHA and owner to provide housing assistance. This contract allows a PHA to enter into a HAP contract with the owner to provide housing assistance payments for eligible families. Assurances of confidentiality are not provided under this collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Office of Public and Indian Housing, US. Department of Housing and Urban Development, Washington, DC 20410. HUD may not conduct and sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

Privacy Notice. The Department of Housing and Urban Development (HUD) is authorized to collect the information on this form by 24 CFR § 983.202. This contract allows a PHA to enter into a HAP contract with the owner to provide housing assistance payments for eligible families. Assurances of confidentiality are not provided under this collection. The Personally Identifiable Information (PII) data collected on this form are not stored or retrieved within a system of record.

1. CONTRACT INFORMATION

a. Parties

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

_____ (PHA) and

[ ] (owner).

b. Contents of contract

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

c. Contract exhibits

The HAP contract includes the following exhibits:

EXHIBIT A: TOTAL NUMBER OF UNITS IN PROJECT COVERED BY THIS HAP CONTRACT; INITIAL RENT TO OWNER; AND DESCRIPTION OF THE CONTRACT UNITS. (See 24 CFR 983.203 for required items.)

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

EXHIBIT C: UTILITIES AVAILABLE IN THE CONTRACT UNITS, INCLUDING A LISTING OF UTILITY SERVICES TO BE PAID BY THE OWNER (WITHOUT CHARGES IN ADDITION TO RENT TO OWNER) AND UTILITIES TO BE PAID BY THE TENANTS

EXHIBIT D: FEATURES PROVIDED TO COMPLY WITH PROGRAM ACCESSIBILITY FEATURES OF SECTION 504 OF THE REHABILITATION ACT OF 1973 AND IMPLEMENTING REGULATIONS AT 24 CFR PART 8

ADDITIONAL EXHIBITS

d. Effective date and term of the HAP contract

1. Effective date

a. 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 the PBV inspection requirements.

b. For all contract units, the effective date of the HAP contract is:

_____.

c. The term of the HAP contract begins on the effective date.

2. Length of initial term

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

_____.

b. The initial term of the HAP contract 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.

e. 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 for placement on the PBV waiting list.

f. The owner must submit a request for vacancy payments in the form and manner required by the PHA and must provide any information or substantiation required by the PHA to determine the amount of any vacancy payments.

3. PHA is not responsible for family damage or debt to owner

Except as provided in this paragraph 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.

f. 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 the applicable families as listed in f.8 below, for the number of contract units exclusively made available for occupancy by such families. The owner shall rent that number of contract units to such families referred by the PHA from the PHA waiting list.

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:

☐ 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.

Place a check mark in front of the form of assistance received by any of the contract units. The following total number of contract units received a form of HUD assistance listed above:

_____.

If all of the units in the project received such assistance, you may skip number g.8, below.

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

☐ 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.

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

units were subject to a federal rent restriction listed above:

_____.

If all of the units in the project were subject to a federal rent restriction, you may skip number g.8, below.

8. The following specifies the number of contract units (if any) exclusively made available to elderly families, families eligible for supportive services, or eligible youth receiving Family Unification Program or Foster Youth to Independence (FUP/FYI) assistance:

   a. Place a check mark here ☐ if any contract units are exclusively made available for occupancy by elderly families; The following number of contract units shall be rented to elderly families:

      _____.

   b. Place a check mark here ☐ if any contract units are exclusively made available for occupancy by families eligible for supportive services. The following number of contract units shall be rented to families eligible for supportive services:

      _____.

   c. Place a check mark here ___ if any contract units are exclusively made available for occupancy by eligible youth receiving FUP/FYI assistance. The following number of contract units shall be rented to eligible families receiving FUP/FYI assistance:

      _____.

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

EXECUTION OF HAP CONTRACT FOR EXISTING HOUSING

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

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

EXHIBIT B

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

SECTION 8 PROJECT-BASED VOUCHER PROGRAM

HOUSING ASSISTANCE PAYMENTS CONTRACT
EXISTING HOUSING

PART 2 OF HAP CONTRACT

OMB Burden Statement. The public reporting burden for this collection of information is estimated to average 1 hour. This form is required to establish terms between a PHA and owner to provide housing assistance. This contract allows a PHA to enter into a HAP contract with the owner to provide housing assistance payments for eligible families. Assurances of confidentiality are not provided under this collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Office of Public and Indian Housing, US. Department of Housing and Urban Development, Washington, DC 20410. HUD may not conduct and sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

2. DEFINITIONS

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.

Existing housing. Housing units that already exist on the proposal selection date

and that substantially comply with the housing quality standards on that date. The units must fully comply with the housing quality standards before execution of the HAP contract.

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.

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

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)).

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.

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.

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. ADJUSTMENT OF RENT TO OWNER

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 tenant selection 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 for placement on the PBV waiting list.

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 (including sexual orientation and gender identity), 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 24 CFR part 8; title II of the Americans with Disabilities Act, 42 U.S.C. 12101 *et seq.* ; 28 CFR part 35; 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:

   a. 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

   b. 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, or 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 non-procurement 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:

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

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

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

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

   v. 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 non-procurement programs.

22. SUBSIDY LAYERING

A subsidy layering review is not required for existing housing projects.

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 year 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.