

FORM APPROVED COUNTY COUNSEL
 BY: Gregory P. Priamos 11/4/15
 DATE

**SUBMITTAL TO THE BOARD OF COMMISSIONERS
 HOUSING AUTHORITY
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

828



FROM: Housing Authority

SUBMITTAL DATE:
 November 5, 2015

SUBJECT: Approval of the Request for Release of Funds and Project Based Voucher Agreement to Enter into Housing Assistance Payments Contract, for Vista Rio Apartments, Located in the City of Jurupa Valley, Between the Housing Authority of the County of Riverside and Jurupa Valley Vista Rio Partners, L.P.; District 2, [\$0]

RECOMMENDED MOTION: That the Board of Commissioners:

1. Approve the attached Request for Release of Funds (RROF);
2. Authorize the Chairman of the Board of Commissioners to execute the RROF to be filed with the United States Department of Housing and Urban Development (HUD);

(Continued)

Robert Field
 Executive Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: N/A				Budget Adjustment: No	
				For Fiscal Year: 2015/16	

C.E.O. RECOMMENDATION:

APPROVE

BY: Rohini Dasika
 Rohini Dasika

County Executive Office Signature

MINUTES OF THE HOUSING AUTHORITY BOARD OF COMMISSIONERS

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: 9.3 of 6/17/14; 10.1 of 2/10/15; 3.21 of 6/30/15

District: 2

Agenda Number:

10-1

SUBMITTAL TO THE BOARD OF COMMISSIONERS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Housing Authority

FORM 11: Approval of the Request for Release of Funds and Project Based Voucher Agreement to Enter into Housing Assistance Payments Contract, for Vista Rio Apartments, Located in the City of Jurupa Valley, Between the Housing Authority of the County of Riverside and Jurupa Valley Vista Rio Partners, L.P.; District 2, [\$0]

DATE: November 5, 2015

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RECOMMENDED MOTION: (Continued)

3. Approve the attached Project Based Voucher Agreement to Enter into Housing Assistance Payments Contract (AHAP Contract) between the Housing Authority of the County of Riverside and Jurupa Valley Vista Rio Partners, L.P., a California limited partnership, relating to eight (8) U.S. Housing and Urban Development (HUD) Housing Choice Voucher Program Project Based Vouchers;
4. Authorize the Executive Director of the Housing Authority of the County of Riverside to execute the AHAP Contract and to take all necessary steps to implement the attached AHAP Contract, including, but not limited to signing subsequent necessary and relevant documents, subject to approval by County Counsel.

BACKGROUND:

Summary

Jurupa Valley Vista Rio Partners, L.P. (Developer) submitted a proposal pursuant to a Request for Proposals for Project Based Vouchers released by the Housing Authority of the County of Riverside on August 26, 2015, whereas Developer requested eight Project Based Vouchers (PBV'S) for Vista Rio Apartments. On June 17, 2014 and as amended on February 10, 2015 and November 10, 2015 the HACR entered into a Ground Lease (Collectively Ground Lease) with Developer for the construction of the 39 unit multi-family housing complex located in the City of Jurupa Valley, at 3901 Briggs Street, Assessor Parcel Number 181-041-015-4 (Project). The 39 units will comprise of 12 two-bedroom units and 27 three-bedroom units. One two-bedroom unit will be set-aside for an on-site manager. The eight Project Based Vouchers will serve as a rental subsidy for extremely-low and very-low income clients on the HACR's Housing Choice Voucher Program waiting list.

The Project will consist of on-site supportive services which will include computer classes, financial literacy, job search training and health and nutrition classes. After school programs will also be provided for a minimum of 10 hours per week which will include homework assistance/tutoring, computer classes and arts and crafts. On-site amenities will include a 3,093 square foot community center which will include a computer lab, exercise room and media room.

Prior to the issuing of the PBV's HUD requires HACR and Developer to enter into a PBV Agreement to Enter into Housing Assistance Payments Contract (AHAP Contract). Under the proposed AHAP contract, Developer agrees to develop Project and upon timely completion of such development and in accordance with HUD requirements, HACR will enter into a Housing Assistance Payments Contract with developer, for a term of fifteen years. Under the proposed AHAP contract construction is required to begin December 9, 2015 and shall be completed no later than December 8, 2017.

Attached is a copy of the AHAP Contract for approval as to form. As part of the HUD requirements the HACR is required to conduct a subsidy layering review through the California Tax Credit Allocation Committee (TCAC) prior to the execution of the AHAP Contract and comply with the National Environmental Protection Agency Act (NEPA).

(Continued)

SUBMITTAL TO THE BOARD OF COMMISSIONERS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Housing Authority

FORM 11: Approval of the Request for Release of Funds and Project Based Voucher Agreement to Enter into Housing Assistance Payments Contract, for Vista Rio Apartments, Located in the City of Jurupa Valley, Between the Housing Authority of the County of Riverside and Jurupa Valley Vista Rio Partners, L.P.; District 2, [\$0]

DATE: November 5, 2015

PAGE: 3 of 3

BACKGROUND: (Continued)

Summary

Following TCAC's completion of the subsidy layering review and the fifteen day public response period for the Request for Release of funds (RROF), the executive director of the HACR will execute the attached AHAP contract. The Project was already evaluated pursuant to the California Environmental Quality Act (CEQA), by the County of Riverside as the lead agency in Environmental Assessment No. 1206001902 which did not result in any potential negative impacts. The Riverside County Economic Development Agency (EDA), as the Responsible Entity (RE) under NEPA previously completed all applicable environmental review procedures and adopted the Environmental Assessment (EA) on June 30, 2015 due to other federal funding sources committed to the project. The attached EA was prepared pursuant to environmental procedures cited in 24 CFR Sections 58.5 and 58.6. HUD also requires that the recipient of federal funds complete and execute the attached RROF certifying to agree and abide by special conditions, procedures and requirements of the environmental review. On October 30, 2015 the attached Notice to Public of Finding of No Significant Impact on the Environment and Intent to Request a Release of Funds (Public Notice) was published in connection with the Project.

Impact on Citizens and Businesses

The construction of the 39 unit multi-family apartment complex will have a positive impact on citizens and businesses and it will result in the construction, maintenance and management jobs as well as provide affordable housing with supportive services to residents.

Attachments:

Environmental Assessment
Request for Release of Funds
Public Notice
AHAP Agreement

Request for Release of Funds and Certification

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

OMB No. 2506-0087
(exp. 07/31/2017)

This form is to be used by Responsible Entities and Recipients (as defined in 24 CFR 58.2) when requesting the release of funds, and requesting the authority to use such funds, for HUD programs identified by statutes that provide for the assumption of the environmental review responsibility by units of general local government and States. Public reporting burden for this collection of information is estimated to average 36 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Part 1. Program Description and Request for Release of Funds (to be completed by Responsible Entity)

1. Program Title(s) Housing Choice Voucher Program Project Based Vouchers	2. HUD/State Identification Number CA027	3. Recipient Identification Number (optional)
4. OMB Catalog Number(s) 14.871	5. Name and address of responsible entity Riverside County Board of Commissioners c/o Housing Authority of the County of Riverside 5555 Arlington Avenue Riverside, CA 92504	
6. For information about this request, contact (name & phone number) Stephanie Adams 951-343-5455	7. Name and address of recipient (if different than responsible entity) Riverside County Board of Commissioners c/o Housing Authority of the County of Riverside 5555 Arlington Avenue Riverside, CA 92504	
8. HUD or State Agency and office unit to receive request U.S. Department of Housing and Urban Development Community Planning and Development 611 W. 6 th Street, Suite 800 Los Angeles, CA 90017	9. Program Activity(ies)/Project Name(s) Vista Rio-Housing Choice Voucher Program Project Based Vouchers	

The recipient(s) of assistance under the program(s) listed above requests the release of funds and removal of environmental grant conditions governing the use of the assistance for the following

10. Location (Street address, city, county, State) The Project site is located at 3901 Briggs Street, Jurupa Valley, CA APN: 181-041-015-4
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11. Program Activity/Project Description

The Housing Authority of the County of Riverside is proposing to use 8 Housing Choice Voucher Program Project Based Vouchers for the Vista Rio Project located at 3901 Briggs Street, Jurupa Valley, CA, APN: 181-041-015-4. The HACR staff will recommend to its Board of Commissioners that the HACR enter into an Agreement to Enter into Housing Assistance Payments Contract with Jurupa Valley with Jurupa Valley Vista Rio Partners, LP.

The Proposed Project Based Vouchers will be used to provide a rental subsidy to clients on the Housing Authority of the County of Riverside's Housing Choice Voucher Program waiting list. The Vista Rio Project is a new construction rental housing project that will consist of 39 units of which twelve are 3-bedrooms and twenty seven are 2-bedrooms. The project will consist of a 3,093 square foot community center with a computer lab and an exercise room. On-site amenities will also include a laundry facility, tot-lot and barbeque areas

Part 2. Environmental Certification (to be completed by responsible entity)

With reference to the above Program Activity(ies)/Project(s), I, the undersigned officer of the responsible entity, certify that:

- The responsible entity has fully carried out its responsibilities for environmental review, decision-making and action pertaining to the project(s) named above.
- The responsible entity has assumed responsibility for and complied with and will continue to comply with, the National Environmental Policy Act of 1969, as amended, and the environmental procedures, permit requirements and statutory obligations of the laws cited in 24 CFR 58.5; and also agrees to comply with the authorities in 24 CFR 58.6 and applicable State and local

laws.

3. The responsible entity has assumed responsibility for and complied with and will continue to comply with Section 106 of the National Historic Preservation Act, and its implementing regulations 36 CFR 800, including consultation with the State Historic Preservation Officer, Indian tribes and Native Hawaiian organizations, and the public.
4. After considering the type and degree of environmental effects identified by the environmental review completed for the proposed project described in Part 1 of this request, I have found that the proposal did did not require the preparation and dissemination of an environmental impact statement.
5. The responsible entity has disseminated and/or published in the manner prescribed by 24 CFR 58.43 and 58.55 a notice to the public in accordance with 24 CFR 58.70 and as evidenced by the attached copy (copies) or evidence of posting and mailing procedure.
6. The dates for all statutory and regulatory time periods for review, comment or other action are in compliance with procedures and requirements of 24 CFR Part 58.
7. In accordance with 24 CFR 58.71(b), the responsible entity will advise the recipient (if different from the responsible entity) of any special environmental conditions that must be adhered to in carrying out the project.

As the duly designated certifying official of the responsible entity, I also certify that:

8. I am authorized to and do consent to assume the status of Federal official under the National Environmental Policy Act of 1969 and each provision of law designated in the 24 CFR 58.5 list of NEPA-related authorities insofar as the provisions of these laws apply to the HUD responsibilities for environmental review, decision-making and action that have been assumed by the responsible entity.
9. I am authorized to and do accept, on behalf of the recipient personally, the jurisdiction of the Federal courts for the enforcement of all these responsibilities, in my capacity as certifying officer of the responsible entity.

Signature of Certifying Officer of the Responsible Entity

Title of Certifying Officer

Marion Ashley, Chairman, Riverside County Board of Supervisors

X

Date signed

Address of Certifying Officer

Part 3. To be completed when the Recipient is not the Responsible Entity

The recipient requests the release of funds for the programs and activities identified in Part 1 and agrees to abide by the special conditions, procedures and requirements of the environmental review and to advise the responsible entity of any proposed change in the scope of the project or any change in environmental conditions in accordance with 24 CFR 58.71(b).

Signature of Authorized Officer of the Recipient

Title of Authorized Officer

Marion Ashley, Chairman, Riverside County Board of Commissioners

X

Date signed

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

FORM APPROVED COUNTY COUNSEL

BY: *Janella R. Brown*
JANELLA R. BROWN

11-4-15
DATE

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

SECTION 8 PROJECT-BASED VOUCHER PROGRAM

**PBV AGREEMENT TO ENTER INTO
HOUSING ASSISTANCE PAYMENTS CONTRACT**

NEW CONSTRUCTION OR REHABILITATION

PART I

This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number. Assurances of confidentiality are not provided under this collection.

1.1 Parties

This Agreement to Enter into Housing Assistance Payments Contract ("Agreement") is entered into between: Housing Authority of the County of Riverside ("PHA") and

Jurupa Valley Vista Rio Partners, LP ("owner").

1.2 Purpose

The owner agrees to develop the Housing Assistance Payments Contract ("HAP contract") units to in accordance with Exhibit B 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 and the accessibility requirements under section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.22 and 8.23.

EXHIBIT C: Description of housing, including:

- project site.
- total number of units in project covered by this Agreement.
- location 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 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 any required 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 have separate effective dates for each stage.

**Single-stage project**

- i. Effective Date for all contract units: December 8, 2015
- ii. Date of Commencement of the Work: The date for commencement of work is not later than 7 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 730 (12/7/17) 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 specified 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 as determined by PHA in accordance with HUD requirements.
- B. If the owner makes any changes in the work without prior PHA approval, the PHA may establish lower initial rents to owner as determined by the PHA in accordance with HUD requirements.
- C. The PHA 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 is 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, the owner may be required to submit additional documentation 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 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 at this point. However, work deficiencies may be corrected in accordance with Section 1.10 of this Agreement.
- C. **Acceptance:** If the PHA determines that the work 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 Work Deficiencies Exist

- A. If the PHA determines that work deficiencies exist, the PHA shall determine whether and to what extent the deficiencies are correctable, whether the units will be accepted after correction of the deficiencies, and the requirements and procedures (consistent with HUD requirements) for such correction and acceptance of contract units. The PHA shall notify the owner of the PHA's decision.
- B. **Completion in Stages:** When the units will be completed in stages, the procedures of this section 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:** When the units will be completed in stages, the number and types of units in each stage, and the initial rents to owner for such units, shall be separately shown in the HAP contract for each stage. Upon acceptance of the first stage, the owner shall execute the HAP contract and the signature block provided in the HAP contract for that stage. Upon acceptance of each subsequent stage, the owner shall execute the signature block provided in the HAP contract for such stage.
- C. **Form of HAP contract:** The terms of the HAP contract shall be provided in Exhibit D of this Agreement. There shall be no change in the terms of the HAP contract unless such change is approved by HUD headquarters. Prior to execution by the owner, all blank spaces in the HAP contract shall be completed by the PHA.
- D. **Survival of Owner Obligations:** Even after execution of the HAP contract, the owner shall continue to be bound by all owner obligations under the Agreement.

1.12 Initial Determination of Rents

- A. The estimated initial rent to owner shall be established in Exhibit C of this Agreement.
- B. The initial rent to owner is established at the beginning of the HAP contract term.
- C. The estimated and initial contract rents for each unit may in no event exceed the amount authorized in accordance with HUD requirements. Where the estimated or the initial rent to owner exceeds the amount authorized under HUD requirements, the PHA shall establish a lower estimated or initial rent to owner (as applicable), in accordance with HUD 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 in accordance with HUD requirements.

- C. The acquisition of real property for a project to be assisted under the project-based voucher 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 HAP 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 it is not already on the list) and, once its 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 HUD requirements.

1.15 Termination of Agreement and HAP 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 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 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 otherwise excluded from participation in contracts by any Federal department or agency or the Comptroller General. 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 HAP contract, or to assert any claim against HUD, the PHA or the owner under the Agreement or the HAP 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 or 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, and 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 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, national origin, disability, age or familial status.

B. The owner must comply with the following requirements: The Fair Housing Act (42 U.S.C. 3601–19) and implementing regulations at 24 CFR part 100 *et seq.* ; Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959–1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107; title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d–2000d–4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1; the Age Discrimination Act of 1975 (42 U.S.C. 6101–6107) and implementing regulations at 24 CFR part 146; section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at part 8 of this title; title II of the Americans with Disabilities Act, 42 U.S.C. 12101 *et seq.* ; 24 CFR part 8; section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135; Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086, and 12107 (3 CFR, 1964–

1965 Comp., p. 339; 3 CFR, 1966–1970 Comp., p. 684; 3 CFR, 1966–1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60; Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971–1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise).

- C. The 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 PHA and HUD Access to Premises and Owner Records

- 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 the 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 with 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

- Training, Employment and Contracting Opportunities
Section 2.1 applies if the total of the contract rents for all units under the proposed HAP contract, over the maximum term of the contract, is more than \$200,000.
- Equal Employment Opportunity
Section 2.2 only applies to construction contracts of more than \$10,000.
- Labor Standards Requirements
Sections 2.4, 2.8 and 2.10 apply when this Agreement covers nine or more units.
- Flood Insurance
Section 2.11 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

PUBLIC HOUSING AGENCY

Name (Print) _____

By: _____
Signature of Authorized Representative

Official title (Print): _____

Date: _____

OWNER

Name (Print) _____

By: _____
Signature of Authorized Representative

Official Title (Print): _____

Date: _____

Exhibit "A"

REQUEST FOR PROPOSALS (RFP) NO. 2015-008
HOUSING CHOICE VOUCHER PROGRAM PROJECT BASED VOUCHERS

ATTACHMENT B

Housing Choice Voucher Program Project Based Vouchers Form of Proposal

All questions must be answered. If any questions are left blank the proposal will be considered deficient and ineligible to compete in this RFP process. Questions may be answered on a separate sheet of paper as long as each question is numbered in consistency with this Attachment B.

1. Contact Information:

Name of Property Owner: Jurupa Valley Vista Rio Partners LP

Address: 15635 Alton Parkway, Suite 375

Phone #: 949.422.3354

E-mail: shernandez@palmcommunities.com

Contact Person: Steven Hernandez

2. Project Readiness (30 Points): Use this section to indicate when the project will be ready to commence new construction or rehabilitation. Provide a detailed time-line that indicates all necessary actions for project to meet the readiness date, including but not limited to environmental clearance (CEQA and NEPA), financing commitment and project entitlements.

The Vista Rio Apartment multi-family community was awarded an allocation of tax credits in the first round of 2015. The project is scheduled to begin construction on or about December 1, 2015. The CTCAC 180-Day Readiness deadline date is December 6, 2015.

There is no outstanding land use or environmental clearances required. The construction loan is on track for closing on or about November 9, 2015.

3. Project Based Voucher Selection Policies (15 points): Use this section to indicate what HACR selection policy for project based vouchers the project meets. To obtain the 15 points project must be a qualified Veterans project or a project that is being developed on Housing Authority owned parcels (See Section 2.3.1 of this RFP). Evidence of what selection policy the project meets must be provided.

The project is being developed on parcels owned by the Housing Authority of Riverside County. The County of Riverside (Housing Authority) and Jurupa Valley Vista Rio Partners LP (owner), entered into a 99-year ground lease on June 17, 2014.

**REQUEST FOR PROPOSALS (RFP) NO. 2015-008
HOUSING CHOICE VOUCHER PROGRAM PROJECT BASED VOUCHERS**

4. Supportive Services (30 points): Use this section to describe any supportive services available to the residents. The proposal must clearly state the population intended to serve, the supportive service needs of the population and how the supportive services are connected to the specific population. Evidence of the supportive services must be attached with the proposal and must state the number of hours per month the services will be provided. If the services are not provided on-site the proposal must state how residents can access the services.

Supportive services will be provided by LifeSTEPS, a non-profit social services provider with over 19 years' experience providing high quality social services that are designed to generate positive changes in the lives of the tenants residing in the Vista Rio Apartments community.

On February 19, 2015 a MOU was executed between LifeSTEPS and the Owner to provide the following adult and youth focused services on-site for a period of no less than 10 years.

- Adult Educational Classes for no less than 60 hours per year. Classes will include:
 - Computer Classes
 - Financial Literacy
 - Job Search Skills
 - Health & Nutrition

- After-School Program for no less than 10 hours per week. Programs include:
 - Homework Assistance / Tutoring
 - Computer Classes
 - Arts & Crafts

The cost of the services is \$23,500 a year and will be paid out of cash flow. A copy of the executed MOU is attached hereto and labeled as Attachment "A".

5. Developer Capacity (10 points): Use this section to state the experience of the developer for the proposed project. Two points will be awarded up to a maximum of 10 points, for each development completed. To be counted, rental developments must have 10 or more units and have been subsidized rental housing units developed within the last 10 years. A list of developments must be provided and must include the size of the project, the approximate construction start and completion dates, and a list of funding sources used to subsidize the rental housing.

Palm Communities is a full-service affordable multi-family developer and general contractor that was founded in 1979 with a mission to "Build Strong Communities" by creating opportunities for low-income families, seniors, and those with special needs to access affordable housing. Over our 36 year history, Palm Communities has developed over 2,000 single-family units in Riverside County. With our nonprofit partners, Palm Communities has been successful in obtaining Low-Income Housing Tax Credits for 23 affordable multi-family communities, completing 1,842 units to date, with an additional 103 units in two projects under construction. A full list of completed projects is attached hereto and labeled as Attachment "B".

**REQUEST FOR PROPOSALS (RFP) NO. 2015-008
HOUSING CHOICE VOUCHER PROGRAM PROJECT BASED VOUCHERS**

6. Project Description (20 points): Provide an in depth description of the project including the following information:

- Address of project or location by APN
- Location of project by census tract
- Total # of buildings in the community
- Total # of units by bedroom size in each building
- Number and bedroom sizes of requested PBV's in each building
- Sketches of the proposed unit plans and a detailed description including amenities. For rehabilitation, the description must describe the property as is and must describe the proposed rehabilitation.
- For existing units the number of persons to be displaced, temporarily relocated or moved permanently within the building or complex, the estimated costs of relocation payments and services, and the organization(s) that will carry out the relocation activities
- the proposed contract rent for each unit size
- sources and uses budget for the project
- evidence of financing commitment
- 15 year project proforma
- any environmental clearance documents and conditions of approval already in place for the proposed project

The Vista Rio project is located at 3901 Briggs Street north of the Tilton Avenue/Briggs Street intersection in the City of Jurupa Valley 92509. The Assessor Parcel Number is 181-041-015-4. The site is a Qualified Census Tract (QCT), Census Tract Number is 402.03. The parcel is 3.57 net acres and 4.06 gross acres.

The Vista Rio Apartments is a gated community consisting of 38 family residential units and 1 manager's unit. The project includes two 2-Story residential buildings and 2 community buildings (One community building/manager apartment and one building for maintenance.)

PROJECT SQUARE FOOTAGE	
Gross SF - Total Site	155,509
Net SF - Total Site	145,509
Net SF - Off-site	10,000
Gross SF - Residential Structures	41,397
Gross SF - Community Structures	5,706
Community Center	3,093
Manager Unit	1,903
Two-Bedroom	915 to 1,004
Three-Bedroom	1,254 to 1,259

The construction type is to be two-story Type V-B wood framing with stucco exterior and concrete slab-on-grade foundations. Exterior design details include Spanish tile roofs, varied colored stucco with architectural projections around selected windows/doors and stone veneers.

Vista Rio will exceed California Code of Regulations Title 24 building standards by 30% or more by achieving GreenPoint Gold Rating energy efficiency by utilizing:

- Hydronic Heating System
- Energy Star Appliances
- Water Saving Faucets and Fixtures
- Low VOC Paint & Glues
- Fluorescent Lighting
- No use of construction materials containing formaldehyde
- Recycled construction materials
- Drought tolerant landscaping

SITE AMENITIES

- | | |
|------------------|-----------------------------|
| Community Center | On-Site Property Management |
| o Community Room | Gated Access |
| o Kitchen | Assigned Carports |
| o Computer Lab | Surveillance Cameras |
| Laundry Room | Picnic Areas |
| Playground | |

UNIT MIX & AFFORDABILITY

Rents: HUD/CTCAC 2014

Utility Allowance: Riverside County (Energy Efficient) July 2014

Rent Schedule							
Bedrooms	Quantity	Rent +	Utilities =	Housing Cost	Percent. of AMI	Calculation	Project Based Vouchers
2	4	337	73	\$410	30%	HUD	4
2	2	405	73	\$478	35%	HUD	
2	4	473	73	\$546	40%	HUD	
2	2	542	73	\$615	45%	HUD	
2	2	610	73	\$683	50%	HUD	
2	12	678	73	\$751	60%	HUD	
Subtotal	26						
3	2	384	89	\$473	30%	HUD	2
3	2	463	89	\$552	35%	HUD	2
3	2	621	89	\$710	45%	HUD	
3	2	700	89	\$789	50%	HUD	
3	4	779	89	\$868	60%	HUD	
Subtotal	12						
TOTAL	38						8

UNIT AMENITIES

- Energy Star Appliances
- Solid Surface Countertops
- Storage and Coat Closets
- Upgraded Cabinets
- Central Air Conditioning/Heating
- Window Blinds
- Ceiling Fans
- Carpet/Tile (reserve right to have 100% tile)
- Patio or Balcony

ARCHITECTURALS

A complete set of architectural plans can be found under Attachment "C".

Exhibit "B"

Exhibit "B"

This is the Scope of Development attached to the Agreement to Enter into Housing Assistance Payments ("AHAP") by and between the Housing Authority of the County of Riverside ("HACR") and Jurupa Valley Vista Rio Partners, a California limited partnership.

The following is a summary of the scope of development for the Project:

Site Area	3.87 acres
Stories	2-3 Stories
Type of Housing	Multi-family
Total Number of Units / Total Residential Square Feet	38 family units + 1 manager unit Residential SF: 41,397
Types of Units (sizes)	27 two-bedroom units (1 Mgr. unit) 12 three-bedroom units
Type of Parking-	Open: 47 Covered: 48 Loading: 1 Accessible: 2 Accessible Covered: 1 Total: 99 (20 Stalls/DU)
Assessor's Parcel Nos.	181-041-015-4
Landscaping	A variety of plant and tree species that require low water use shall be provided in sufficient quantities based on landscaping practices in the general market area and low maintenance needs. We will meet the cities drought tolerance standards along with our Green Point Rated goals.
Energy Efficiency	Vista Rio will exceed California Code of Regulations Title 24 building standards by 30% or more by achieving GreenPoint Gold Rated energy efficiency.
Roofs	Roofing shall carry a three-year subcontractor guarantee and at least a 20-year manufactures warranty.
Exterior Doors	All Unit Entry Doors are Solid

	Core Insulated Fiberglass Doors, Field Painted and will have a minimum one year guarantee.
Appliances	Energy Star rated appliances, including refrigerators, dishwashers, stoves/ovens, water heaters, HVAC systems will be included in the units and energy star rated clothes washers will be provided in the laundry rooms.
Window Coverings	Palm will follow the title 24 standards.
Water Heater	Project is utilizing tank less water heaters to meet sustainability requirements. If we change to tank system we will follow the capacities as shown.
Floor Covering	Ceramic Tile is considered for all floor areas. At a minimum Palm will follow these standards: For light and medium traffic areas vinyl or linoleum shall be at least 3/32" thick; for heavy traffic areas it shall be a minimum 1/8" thick. A hard, water resistant, cleanable surface shall be required for all kitchen and bath areas. Carpet complying with U.S. Department of Housing and Urban Development/Federal Housing Administration UM44D, or alternatively, cork, bamboo, linoleum or hardwood floors shall be provided in all other floor spaces.
Paints & Stains	Use of Low Volatile Organic Compound (VOC) paints and stains (Non-flat: 150 g/l or less, Flat: 50 g/l or less) for all interior

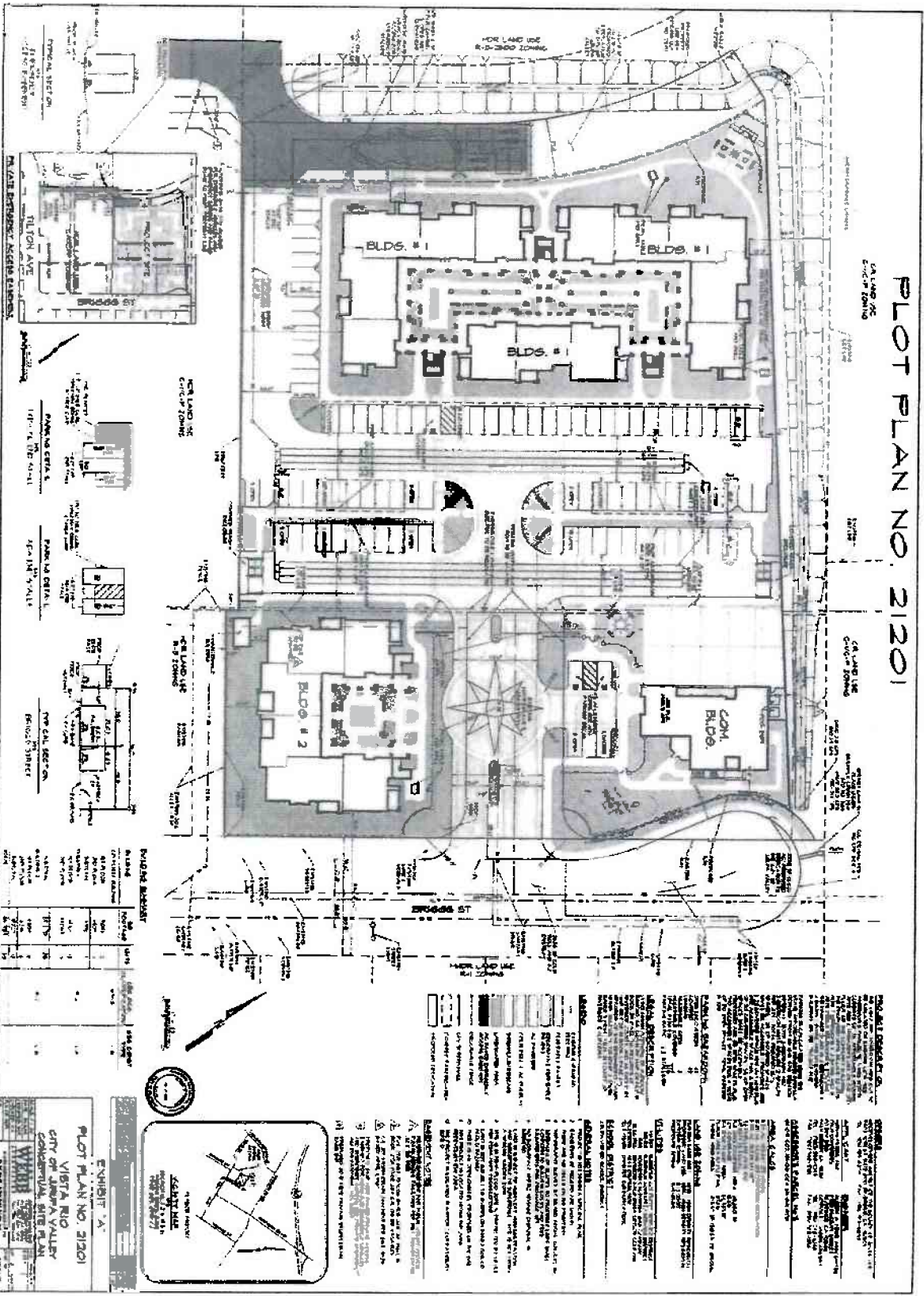
	surfaces where paints and stains are applied.
Work items resulting from compliance with the design and construction of the Fair Housing Act and Implementing Regulations at 24 CFR 100.205 and the accessibility requirements under Section 504 of the Rehabilitation Act of 1973 and implementing regulations 24 CFR 8.22 and 8.23.	<p>Palm will comply with regulations. Public notification requirements by notifying beneficiaries, applicants, and employees that it does not discriminate on the basis of handicap. All such notifications must be effective for those with impaired vision or hearing.</p> <p>Use telecommunication devices for deaf persons (TDDs) and make applications and leases available in braille or on audio tape for visually impaired applicants/ residents.</p> <p>Reserved Parking Lots/Spaces, Vehicle access clearance, Signage, Ramps/Curb Cuts, Passenger Loading/Unloading, Drinking Fountains (Interior and Exterior), Play Areas, etc.</p>

Amenities: Project will include a tot lot, laundry facilities, barbeque areas and an approximately 3,093 square foot community room. The community building will be equipped with a computer lab, kitchen and exercise room.

Exhibit "B" Attachments:

Working Drawings and Specifications

PLOT PLAN NO. 21201



BLDG. SCHEDULE

BLDG. NO.	BLDG. NAME	BLDG. TYPE	BLDG. AREA (SQ. FT.)	BLDG. HEIGHT (FT.)	BLDG. SETBACK (FT.)	BLDG. FOOTING (FT.)
1	BLDG. #1	RESIDENTIAL	100,000	4	10	10
2	BLDG. #2	RESIDENTIAL	100,000	4	10	10
3	COM. BLDG.	COMMERCIAL	50,000	3	10	10

EXHIBIT 'A'

PLOT PLAN NO. 21201

VISTA RIO

CITY OF JIMPA VALLEY

CONVENTIONAL SITE PLAN

WYMAN ENGINEERS

1000 N. 10TH ST. SUITE 100
JIMPA VALLEY, CO. 80641
PHONE: (303) 426-1111
FAX: (303) 426-1112

GENERAL NOTES:

1. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE CITY OF JIMPA VALLEY ZONING ORDINANCES AND THE CITY ENGINEERING DEPARTMENT'S STANDARDS AND SPECIFICATIONS.
2. THE DEVELOPER SHALL OBTAIN ALL NECESSARY PERMITS FROM THE CITY OF JIMPA VALLEY.
3. THE DEVELOPER SHALL MAINTAIN ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES.
4. THE DEVELOPER SHALL MAINTAIN ALL EXISTING UTILITIES AND STRUCTURES UNLESS OTHERWISE NOTED.
5. THE DEVELOPER SHALL MAINTAIN ALL EXISTING TREES AND LANDSCAPING UNLESS OTHERWISE NOTED.
6. THE DEVELOPER SHALL MAINTAIN ALL EXISTING DRIVEWAYS AND SIDEWALKS UNLESS OTHERWISE NOTED.
7. THE DEVELOPER SHALL MAINTAIN ALL EXISTING SIGNAGE UNLESS OTHERWISE NOTED.
8. THE DEVELOPER SHALL MAINTAIN ALL EXISTING FENCES UNLESS OTHERWISE NOTED.
9. THE DEVELOPER SHALL MAINTAIN ALL EXISTING WALLS UNLESS OTHERWISE NOTED.
10. THE DEVELOPER SHALL MAINTAIN ALL EXISTING FOUNDATIONS UNLESS OTHERWISE NOTED.
11. THE DEVELOPER SHALL MAINTAIN ALL EXISTING ROADS UNLESS OTHERWISE NOTED.
12. THE DEVELOPER SHALL MAINTAIN ALL EXISTING UTILITIES UNLESS OTHERWISE NOTED.
13. THE DEVELOPER SHALL MAINTAIN ALL EXISTING STRUCTURES UNLESS OTHERWISE NOTED.
14. THE DEVELOPER SHALL MAINTAIN ALL EXISTING LANDSCAPING UNLESS OTHERWISE NOTED.
15. THE DEVELOPER SHALL MAINTAIN ALL EXISTING DRIVEWAYS UNLESS OTHERWISE NOTED.
16. THE DEVELOPER SHALL MAINTAIN ALL EXISTING SIDEWALKS UNLESS OTHERWISE NOTED.
17. THE DEVELOPER SHALL MAINTAIN ALL EXISTING SIGNAGE UNLESS OTHERWISE NOTED.
18. THE DEVELOPER SHALL MAINTAIN ALL EXISTING FENCES UNLESS OTHERWISE NOTED.
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20. THE DEVELOPER SHALL MAINTAIN ALL EXISTING FOUNDATIONS UNLESS OTHERWISE NOTED.
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23. THE DEVELOPER SHALL MAINTAIN ALL EXISTING STRUCTURES UNLESS OTHERWISE NOTED.
24. THE DEVELOPER SHALL MAINTAIN ALL EXISTING LANDSCAPING UNLESS OTHERWISE NOTED.
25. THE DEVELOPER SHALL MAINTAIN ALL EXISTING DRIVEWAYS UNLESS OTHERWISE NOTED.
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37. THE DEVELOPER SHALL MAINTAIN ALL EXISTING SIGNAGE UNLESS OTHERWISE NOTED.
38. THE DEVELOPER SHALL MAINTAIN ALL EXISTING FENCES UNLESS OTHERWISE NOTED.
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40. THE DEVELOPER SHALL MAINTAIN ALL EXISTING FOUNDATIONS UNLESS OTHERWISE NOTED.
41. THE DEVELOPER SHALL MAINTAIN ALL EXISTING ROADS UNLESS OTHERWISE NOTED.
42. THE DEVELOPER SHALL MAINTAIN ALL EXISTING UTILITIES UNLESS OTHERWISE NOTED.
43. THE DEVELOPER SHALL MAINTAIN ALL EXISTING STRUCTURES UNLESS OTHERWISE NOTED.
44. THE DEVELOPER SHALL MAINTAIN ALL EXISTING LANDSCAPING UNLESS OTHERWISE NOTED.
45. THE DEVELOPER SHALL MAINTAIN ALL EXISTING DRIVEWAYS UNLESS OTHERWISE NOTED.
46. THE DEVELOPER SHALL MAINTAIN ALL EXISTING SIDEWALKS UNLESS OTHERWISE NOTED.
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48. THE DEVELOPER SHALL MAINTAIN ALL EXISTING FENCES UNLESS OTHERWISE NOTED.
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50. THE DEVELOPER SHALL MAINTAIN ALL EXISTING FOUNDATIONS UNLESS OTHERWISE NOTED.

LOT PLAN NO. 21202

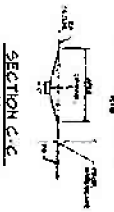
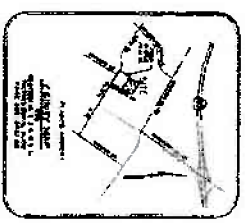
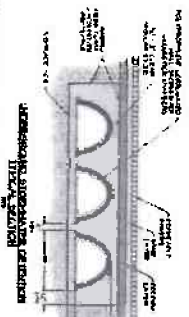
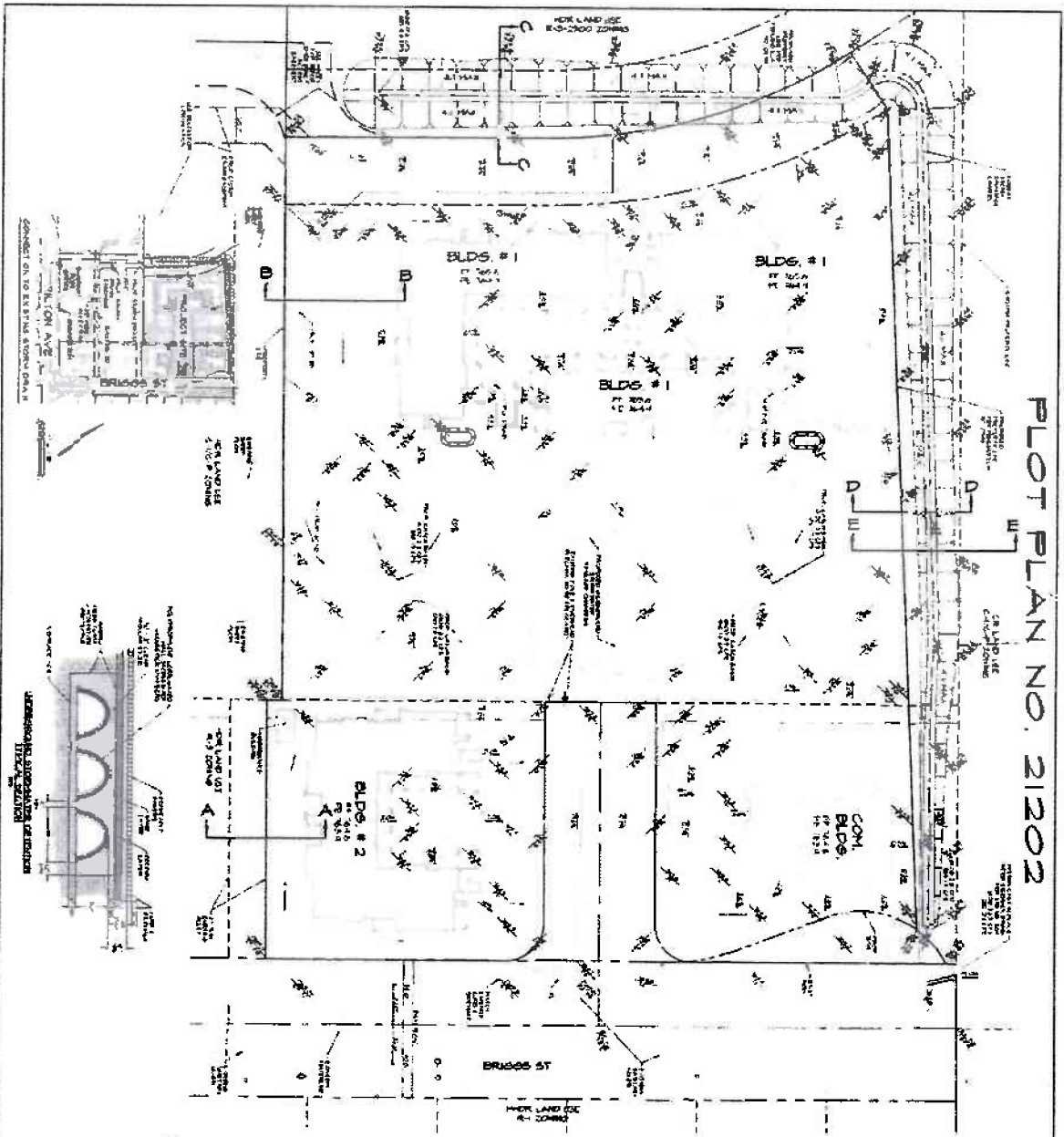
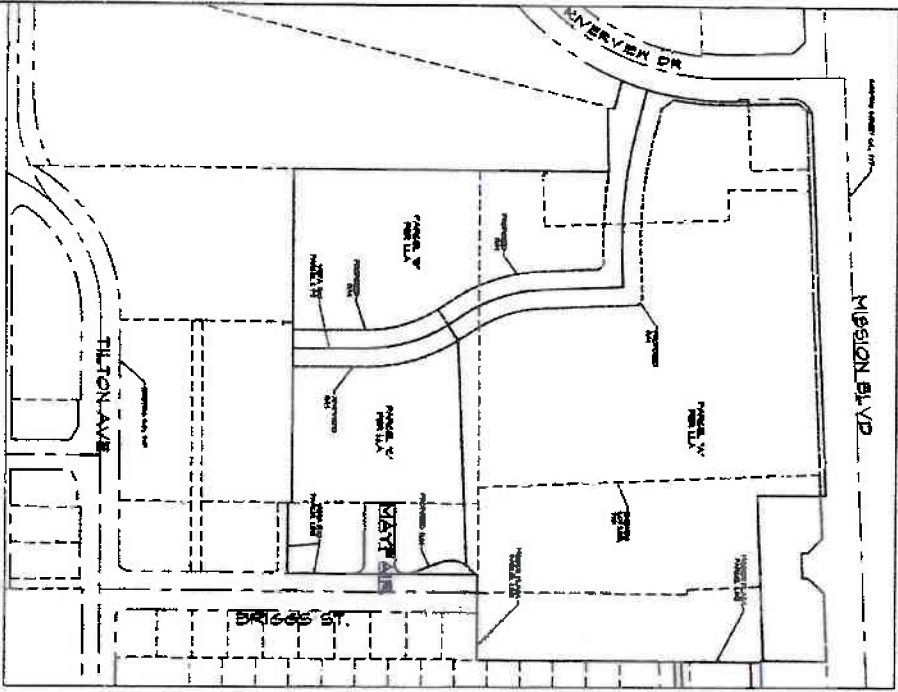
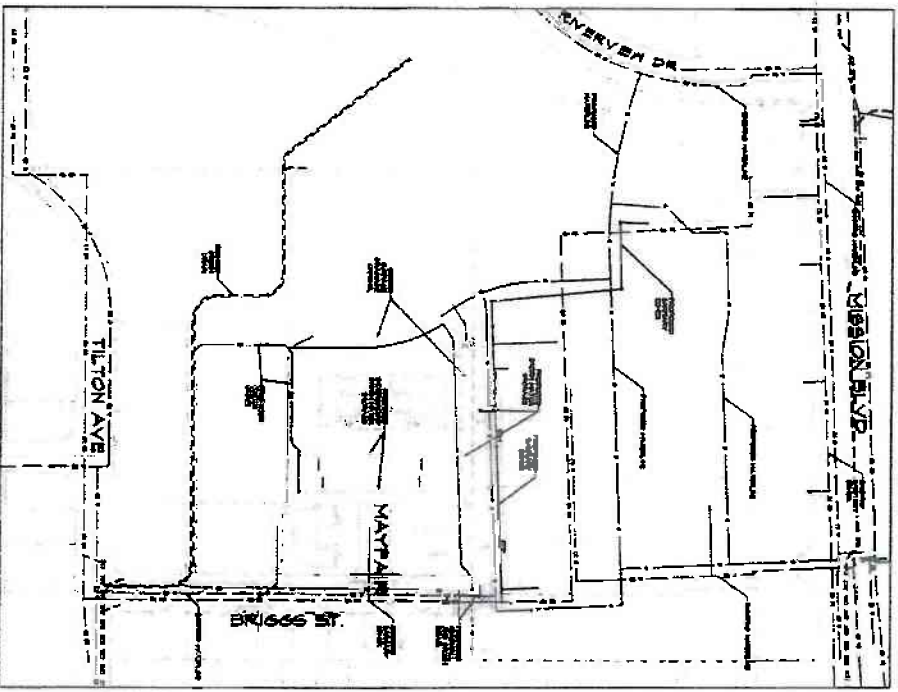


EXHIBIT 5
LOT PLAN 21202
 VISTA RIO
 CITY OF JARVIS VALLEY
 CONCEPTUAL, PRELIMINARY PLAN
 11/11/2011
 11/11/2011

PLOT PLAN NO. 21201



LOT LINE BOUNDARY
 LOT LINE BOUNDARY
 LOT LINE BOUNDARY
 LOT LINE BOUNDARY
 LOT LINE BOUNDARY
 LOT LINE BOUNDARY



NANTPALE UTILITY BOUNDARY
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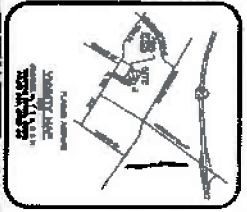
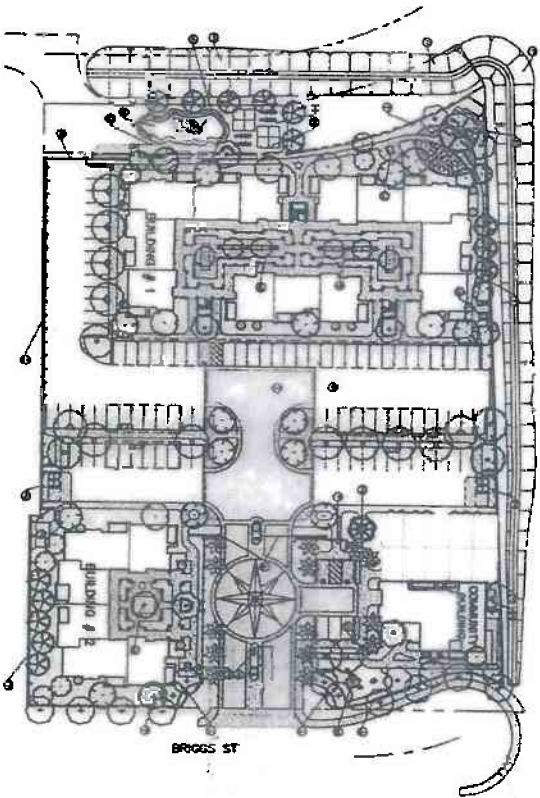


EXHIBIT 7A-1
 PLOT PLAN NO. 21201
 VISTA RIDGE
 CITY OF ARIZONA VALLEY
 LOT LINE & NANTPALE UTILITY BOUNDARY



PLANTING SCHEDULE

Planting Schedule: 1. 10' x 10' x 10' (10' x 10' x 10')
 2. 10' x 10' x 10' (10' x 10' x 10')
 3. 10' x 10' x 10' (10' x 10' x 10')
 4. 10' x 10' x 10' (10' x 10' x 10')
 5. 10' x 10' x 10' (10' x 10' x 10')

Exhibit 1'- Conceptual Landscape Plan

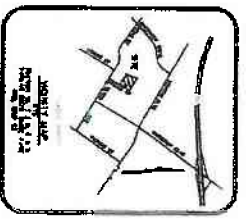


Vista Rio Apartments
 Jurupa Valley, California

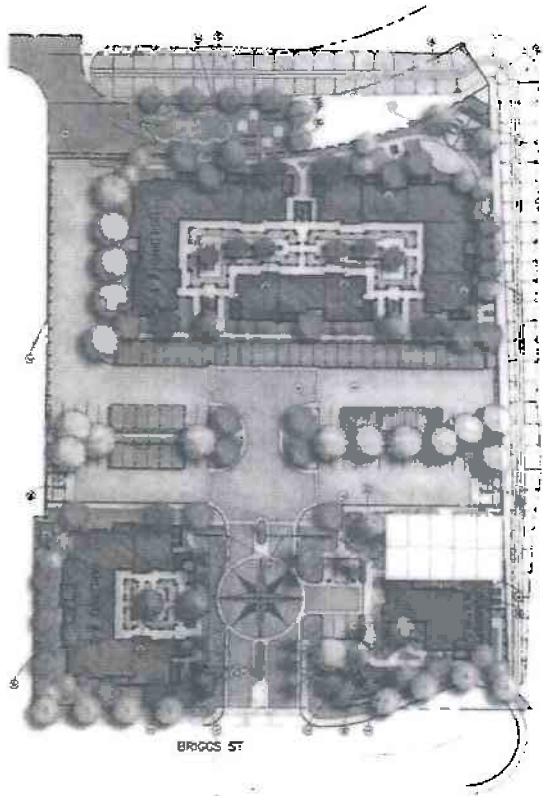
PLANTING SCHEDULE

PLANTING SCHEDULE	QTY	REMARKS
1. 10' x 10' x 10' (10' x 10' x 10')	10	Planting Schedule: 1. 10' x 10' x 10' (10' x 10' x 10')
2. 10' x 10' x 10' (10' x 10' x 10')	10	Planting Schedule: 2. 10' x 10' x 10' (10' x 10' x 10')
3. 10' x 10' x 10' (10' x 10' x 10')	10	Planting Schedule: 3. 10' x 10' x 10' (10' x 10' x 10')
4. 10' x 10' x 10' (10' x 10' x 10')	10	Planting Schedule: 4. 10' x 10' x 10' (10' x 10' x 10')
5. 10' x 10' x 10' (10' x 10' x 10')	10	Planting Schedule: 5. 10' x 10' x 10' (10' x 10' x 10')

- NOTES:**
1. All plantings shall be installed in accordance with the planting schedule.
 2. All plantings shall be installed in accordance with the planting schedule.
 3. All plantings shall be installed in accordance with the planting schedule.
 4. All plantings shall be installed in accordance with the planting schedule.
 5. All plantings shall be installed in accordance with the planting schedule.



BITASHI ARCHITECTS, INC.
 10000 W. 15th Street, Suite 100, Torrance, CA 90504
 (310) 552-1111



LEGEND

1. **PLANTING**
 1.1. **PLANTING**
 1.2. **PLANTING**
 1.3. **PLANTING**

2. **PLANTING**
 2.1. **PLANTING**
 2.2. **PLANTING**
 2.3. **PLANTING**

3. **PLANTING**
 3.1. **PLANTING**
 3.2. **PLANTING**
 3.3. **PLANTING**

PLANTING

NO.	SYMBOL	PLANTING	QUANTITY	REMARKS
1	(Symbol)	PLANTING	10	PLANTING
2	(Symbol)	PLANTING	15	PLANTING
3	(Symbol)	PLANTING	20	PLANTING
4	(Symbol)	PLANTING	25	PLANTING
5	(Symbol)	PLANTING	30	PLANTING
6	(Symbol)	PLANTING	35	PLANTING
7	(Symbol)	PLANTING	40	PLANTING
8	(Symbol)	PLANTING	45	PLANTING
9	(Symbol)	PLANTING	50	PLANTING
10	(Symbol)	PLANTING	55	PLANTING

- PLANTING**
1. PLANTING
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 9. PLANTING
 10. PLANTING

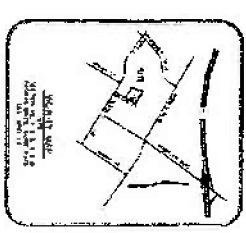
Exhibit 'L' - Conceptual Landscape Plan

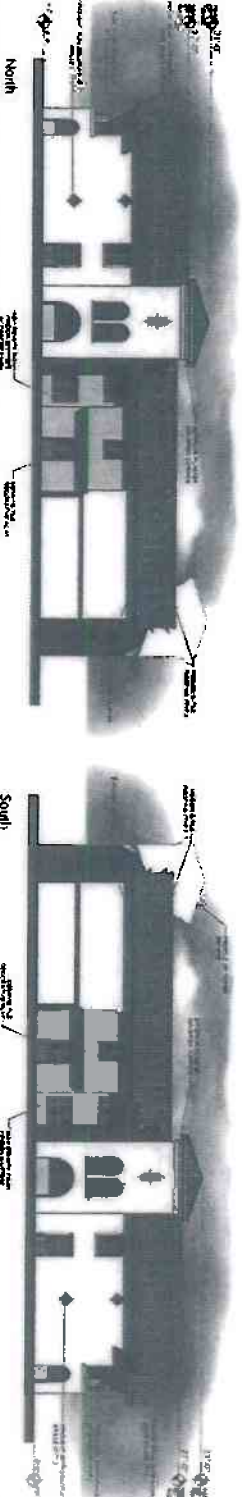
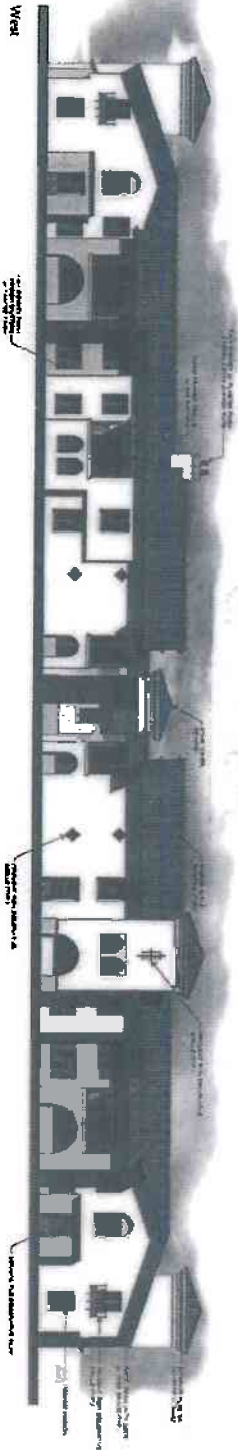
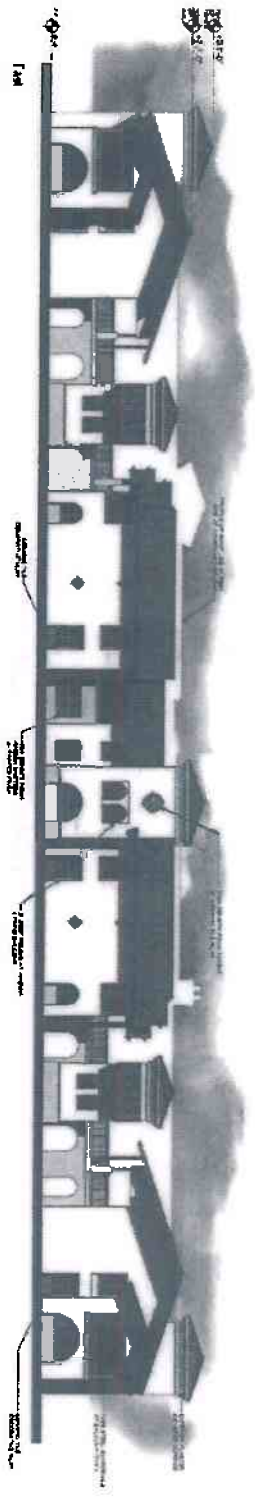


Vista Rio Apartments
 Jurupa Valley, California



PIASSI ARCHITECTS
 14000 BIRCHMOUNT DRIVE, SUITE 100
 JURUPA VALLEY, CALIFORNIA 91751
 TEL: 951-251-1000 FAX: 951-251-1001
 WWW.PIASSIARCHITECTS.COM





Building Elevations - Building '1' Type A

Applicant:
PALM COMMUNITIES
 16160 S. PIMA AVE., SUITE 100
 RIVERSIDE, CA 92504
 (951) 955-8724

Land Owner:
 Redevelopment Agency of
 the County of Riverside
 3403 10th St., Suite 500
 Riverside, CA 92501
 (951) 955-8724

Exhibit "B.1" - Building Elevations

Vista Rio Apartments

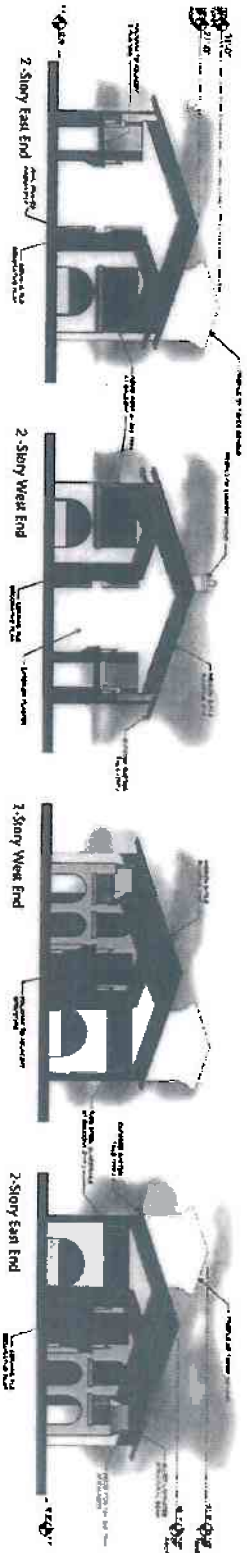
Jurupa Valley, California

APN 18-141-002-004, 008

Architect:



PITRASSI ARCHITECTS, INC.
 20000 JEFFERSON BLVD., SUITE 100
 JUPITER, FL 33457
 (561) 744-0000



Building Elevations - Building '1' Type A

Applicant:

Land Owner:
 Redevelopment Agency of
 the County of Riverside
 1403 10th St., Suite 500
 Riverside, CA 92501
 (951) 955-0274



Exhibit "B.2" - Building Elevations

Vista Rio Apartments

Jurupa Valley, California

APN 101-204-002, 004, 008

Architect:



PITASSI ARCHITECTS, INC.
 10000 JEFFERSON AVENUE, SUITE 100
 JEFFERSON CITY, MISSOURI 64131
 (816) 441-1111



Courtyard West



Courtyard North



Courtyard South

Building Elevations - Building '1' Type A

Applicant:
PALM COMMUNITIES
 20000 15th St
 Irvine, CA 92614

Lead Owner:
 Redevelopment Agency of
 the County of Orange
 1401 10th St, Suite 500
 Irvine, CA 92614
 (951) 955-8274

Exhibit "B.3" - Building Elevations

Vista Rio Apartments

Irvine Valley, California

APN 181-041-003, 004, 008

Architect:
PTASSI ARCHITECTS INC
 10000 Wilshire Blvd, Suite 200
 Beverly Hills, CA 90210
 (310) 274-1111



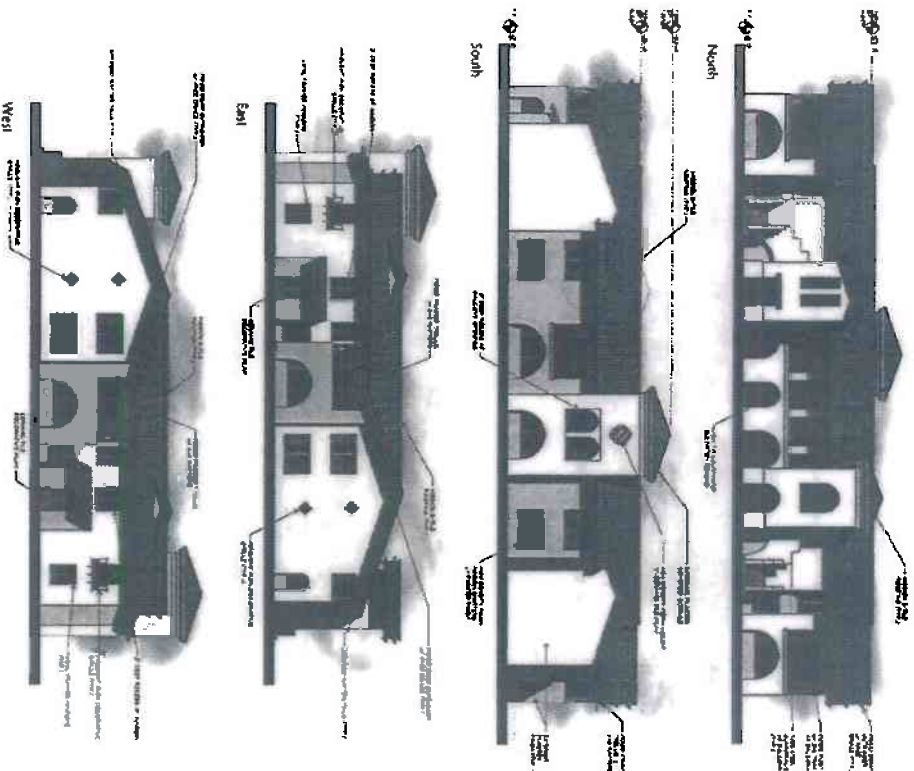


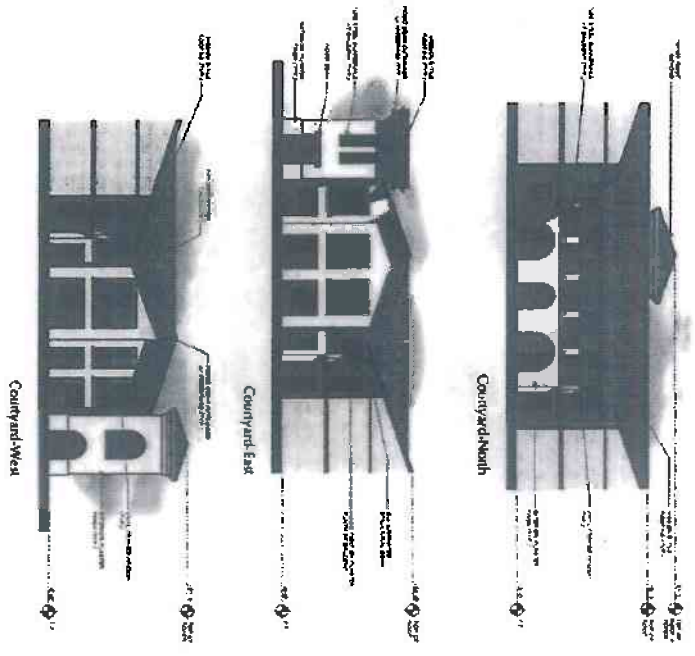
Exhibit "B.4" - Building Elevations

Vista Rio Apartments

Jurupa Valley, California

Applicant:
PALM
 COMMUNITIES
 1400 S. 10th St.
 Los Angeles, CA 90007

Land Owner:
 Redevelopment Agency of
 the County of Riverside
 3400 10th St., Suite 500
 Riverside, CA 92501
 (951) 955-8274



Building 2, Type 'C'

Architect:
PITASSI ARCHITECTS, PC
 10000 Wilshire Blvd., Suite 200
 Los Angeles, CA 90024
 (310) 277-1111

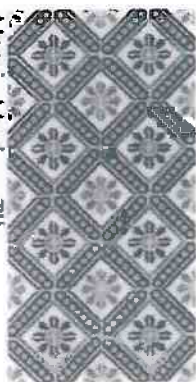
APN 181-041-002, 004, 006



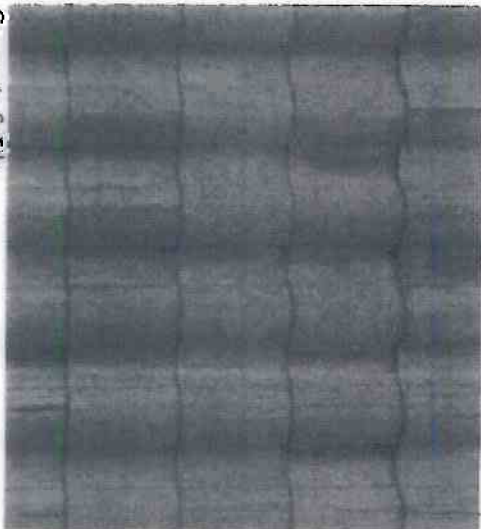
Exterior Shutters, Tube Steel Railings and
Decorative Grilles
Dunn Edwards DEC79-Woodlawn Green



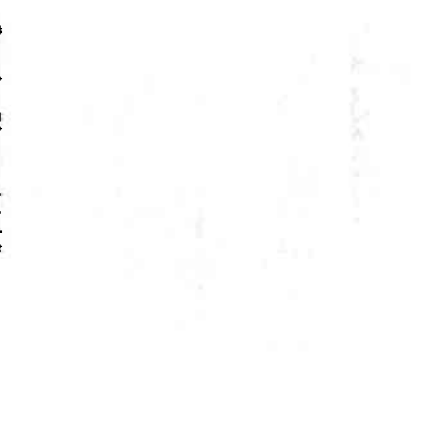
Exposed Wood Beams, Columns,
Trim, etc.
Dunn Edwards DEA159-Rich Mocha



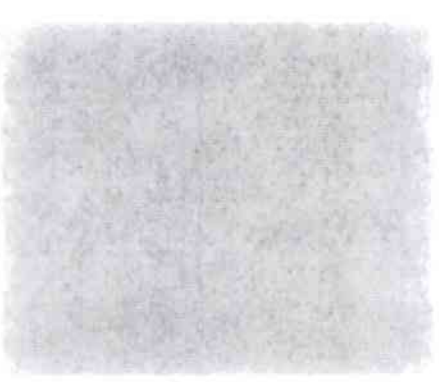
Mosaic Mexican Tile



Concrete S-Tile
Monier Lifetile - Barcelona - Casa Grande Blend



Exterior Plaster (Field)
La Habra X-34 San Simeon



Exterior Plaster (Accent)
La Habra X-72 Adobe

Vista Rio Apartments

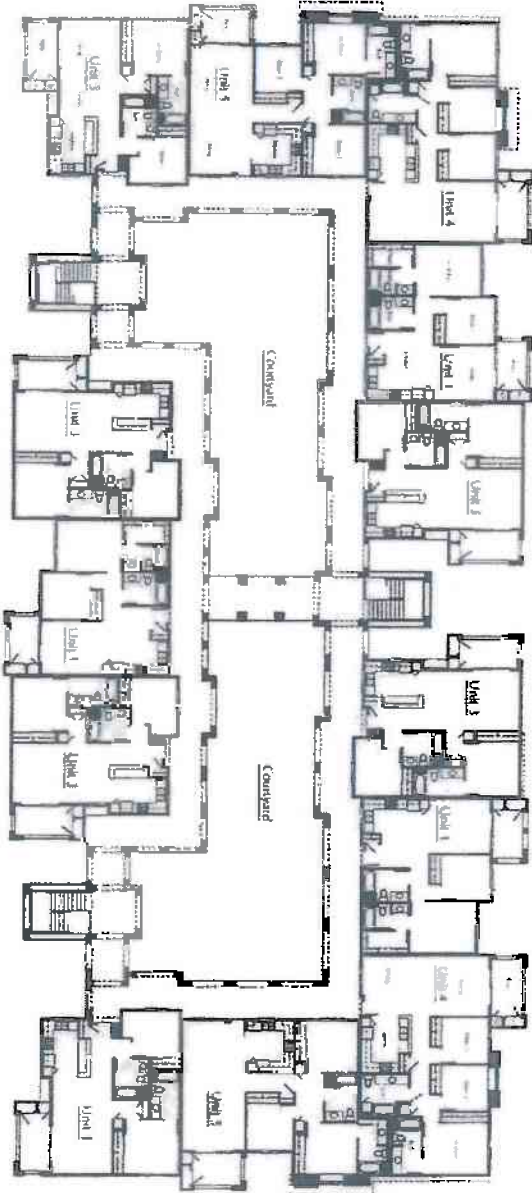
Exterior Color and Materials Board

1062
MAR 21, 2012



PITASSI ARCHITECTS, INC.

• 3433 Wilshire Blvd./Ste. 105 • Beverly Hills, CA 91710 •
• TEL: 310.780.1341 • FAX: 310.784.9514 • email: info@pitassiarchitects.com



Building 1 - First Floor Plan
14,101 sq ft.

Building 1, Type A'

Unit Mix	Qty.
Unit 1 2 Bed, 2 Bath 975 sq ft.	(6)
Unit 2 2 Bed, 2 Bath 999 sq ft.	(12)
Unit 3 1 Bed, 1 Bath 1,239 sq ft.	(4)
Unit 4 3 Bed, 3 Bath 1,254 sq ft.	(4)
Total	26 units

2010 CHG:
 R-2 Occupancy Group
 Type V-A Construction
 Fully Sprinklered - NFPA 13R
 Building Area:
 1st Flr. 14,101 sq ft
 2nd Flr. 14,069 sq ft
Total Bldg. 28,170 sq ft.



Land Owner:
 Redevelopment Agency of
 the County of Riverside
 4401 7TH ST, Suite 500
 RIVERSIDE, CA 92501
 9511 55-4274

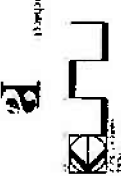
Exhibit "C.1" - Building Floor Plans

Vista Rio Apartments

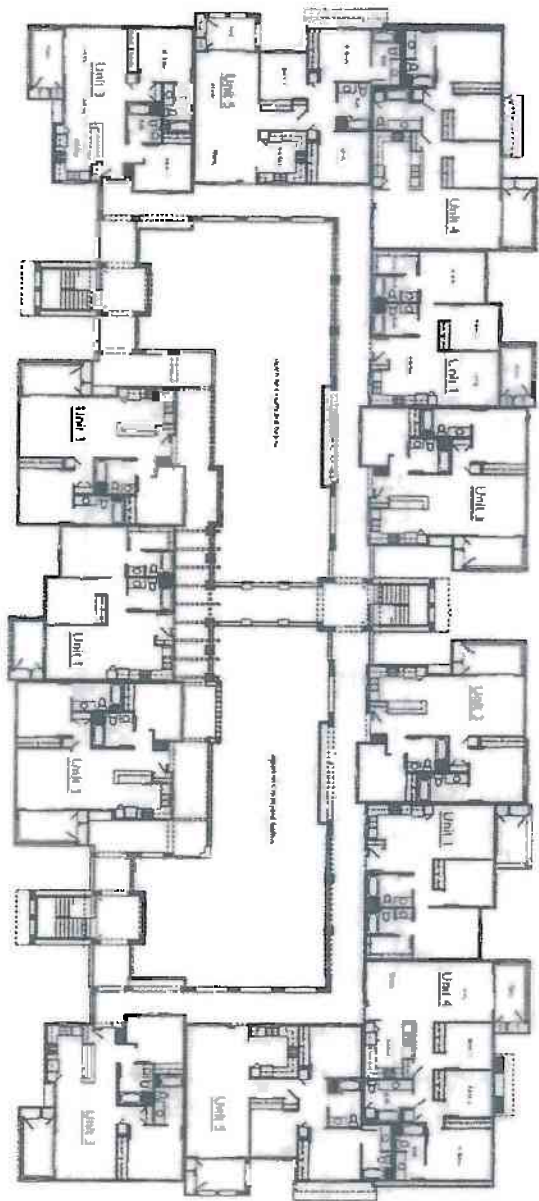
Jurupa Valley, CA

APN 014141-001 004 008

Architect



PTASSI ARCHITECTS



Building '1' - Second Floor Plan
14,069 sq.ft.

Exhibit "C.2" - Building Floor Plans

Vista Rio Apartments

Imperial Valley, California

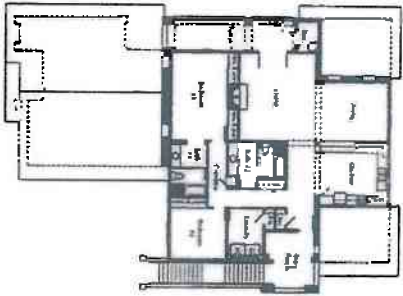
APN: 161-441-001, 004, 008

Apply at:
 Land Owner:
 Redevelopment Agency of
 The County of Riverside
 1403 10th St., Suite 200
 Riverside, CA 92501
 951-953-8224

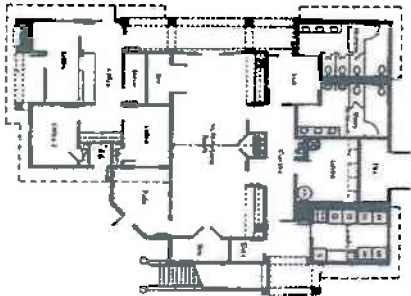


Architect:

PTASSI ARCHITECTS, INC.



Community Building -
Manager's Apartment/
Upper Level Floor Plan
1,903 sq.ft.



Community Building -
Ground Level Floor Plan
3,093 sq.ft.

2010 CRC:

6/ R-3 Occupancy Group
Type V-0 Construction
Fully Sprinklered - NFPA 13

Building Area:

1st Flr.	3,093 sq.ft.
2nd Flr.	1,903 sq.ft.
total/ bldg.	4,996 sq.ft.



ARCHITECT

PTA & A ARCHITECTS, INC.
10000 JENSEN DRIVE, SUITE 100
JURUPA VALLEY, CALIFORNIA 94634
TEL: (916) 939-0000 FAX: (916) 939-0001
WWW.PTAANDARCHITECTS.COM

Exhibit "C.5" - Building Floor Plans

Vista Rio Apartments

Jurupa Valley, California

APP. 18 - (916) 903-0001, 008



Applicant:

Redevelopment Agency of
the County of Riverside
3401 10th St., Suite 500
Riverside, CA 92501
951.955.0274



Photo 1, Facing SE corner of plot



Photo 2, Facing SW corner of plot



Photo 3, Facing SW corner of plot

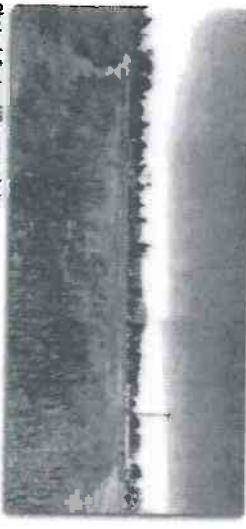
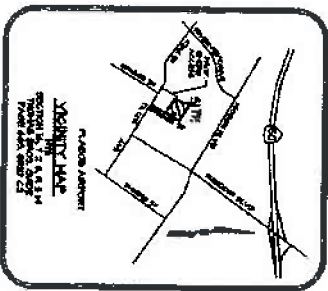
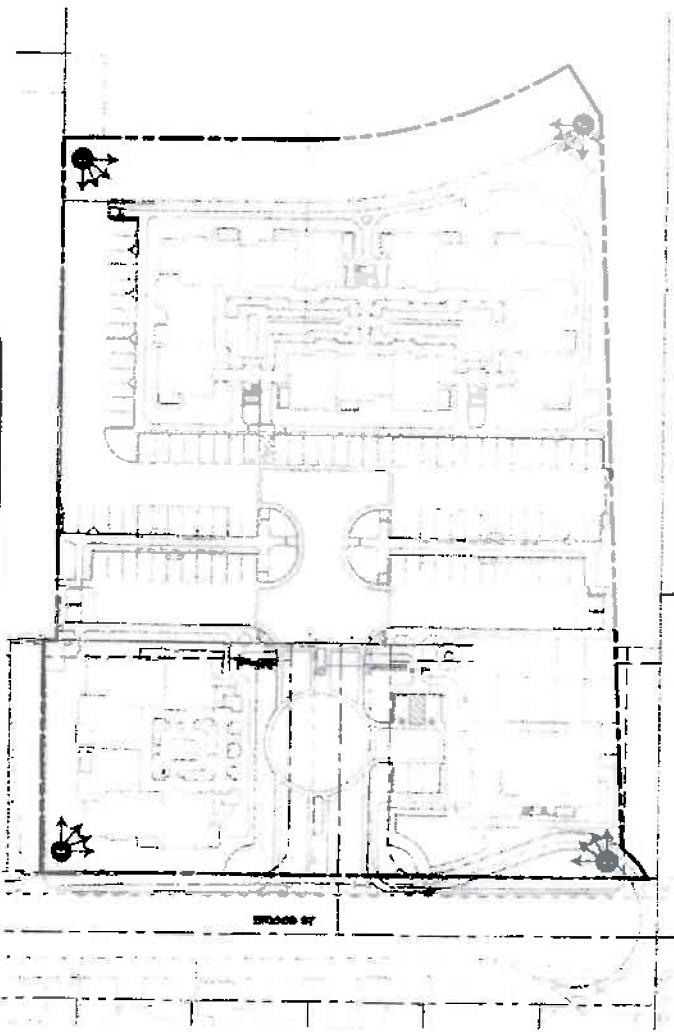


Photo 4, Facing NE corner of plot



MOUNTAIN HALL
PROJECT
VISTA RD

Exhibit "C"

Exhibit "C"

This is the description of housing attached to the Agreement to Enter into Housing Assistance Payments ("AHAP") by and between the Housing Authority of the County of Riverside ("HACR") and Jurupa Valley Vista Rio Partners, a California limited partnership ("Owner"),

Project Site: The project is located in a 3.87, located at 3801 Briggs Street, Jurupa Valley, CA; more specifically Assessor Parcel Number: 181-041-015-4

Total Number of Units in Project Covered by this Agreement: 8

Location of Contract Units on Site: Contract units will be located in "Building 1" on the attached map titled "Plot Plan No. 21201". Two 2-bedroom units and two 3-bedroom units will be located on the first floor and two 2-bedroom units and two 3-bedroom units will be located on the second floor.

Contract Unit Size: The two bedroom units are 1004 square feet and the three bedrooms are 1259 square feet.

Services/Maintenance/Equipment:

For supportive services see attachment to this Exhibit "C" for the Memorandum of Understanding with Life Skills Training and Educational Programs, Inc. , dated February 20, 2015

MAINTENANCE OF THE IMPROVEMENTS: Owner on behalf of itself and its successors, assigns, and each successor in interest to the Property and Project or any part thereof hereby covenants to and shall protect, maintain, and preserve the Property in compliance with all applicable federal and state law and regulations and local ordinances. In addition, Owner its successors and assigns, shall maintain the improvements on the Property in the same aesthetic and sound condition (or better) as the condition of the Property at the time of the recordation of the Notice of Completion for the Project, reasonable wear and tear excepted. This standard for the quality of maintenance of the Property shall be met whether or not a specific item of maintenance is listed below. However, representative items of maintenance shall include frequent and regular inspection for graffiti or damage or deterioration or failure, and immediate repainting or repair or replacement of all surfaces, fencing, walls, equipment, etc., as necessary; emptying of trash receptacles and removal of litter; sweeping of public sidewalks adjacent to the Property, on-site walks and paved areas and washing-down as necessary to maintain clean surfaces; maintenance of all landscaping in a healthy and attractive condition, including trimming, fertilizing and replacing vegetation as necessary; cleaning windows on a regular basis; painting the buildings on a regular program and prior to the deterioration of the painted surfaces; conducting a roof inspection on a regular basis and maintaining the roof in a leak-free and weather-tight condition; maintaining security devices in good working order. In the event Owner, its successors or assigns fails to maintain the Property in accordance with the standard for the quality of maintenance, the County or its designee shall have the right but not the obligation to enter the Property upon reasonable notice to Owner, correct any violation, and hold Owner, or such successors or assigns responsible for the cost thereof, and such cost, until paid, shall constitute a lien on the Property.

Equipment to be Provided by Owner at no charge to the tenant: Each unit shall be equipped with a stove and refrigerator that meets Housing Quality Standards.

Utilities:

Type of Utility/Appliance	Tenant Paid Utility	Owner Paid Utilities
Heat (Gas)		X
Cooking (Gas)	X	
Other Electric	X	
Air Conditioning	X	
Water Heating		X
Water Service		X
Sewer		X
Trash		X

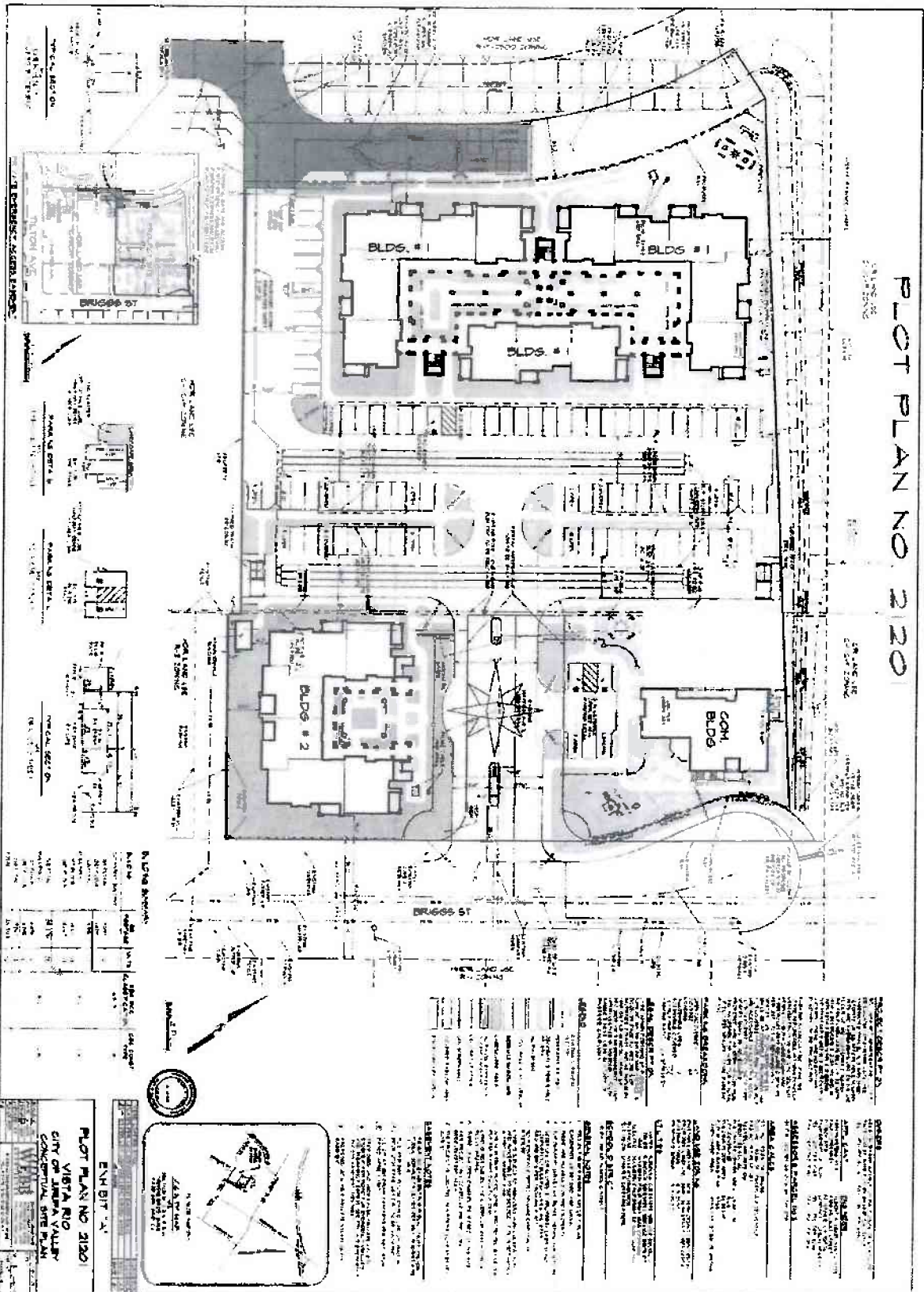
Estimated Initial Rent to Owner for the contract units: Two-bedrooms \$974 and Three bedrooms \$1387

Exhibit "C" Attachments:

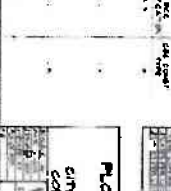
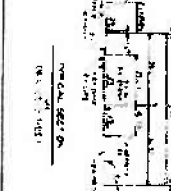
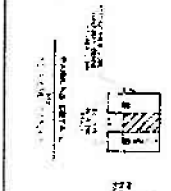
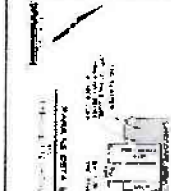
Plot Plan 21201

Memorandum of Understanding-Life Skills Training

PLOT PLAN NO. 2120



BRIDGE ST
NUTON AVE



PLAT NO. 2120
VISTA RIDG
CITY OF JEROME VALLEY
CONCEPTUAL SITE PLAN



NOTES:

1. ALL DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.
2. ALL DISTANCES ARE MEASURED FROM THE CENTERLINE OF THE STREET UNLESS OTHERWISE NOTED.
3. ALL SETBACKS ARE TO BE MAINTAINED AT ALL TIMES.
4. ALL UTILITIES ARE TO BE DEEPENED AND REPAIRED AS NECESSARY.
5. ALL UTILITIES ARE TO BE DEEPENED AND REPAIRED AS NECESSARY.
6. ALL UTILITIES ARE TO BE DEEPENED AND REPAIRED AS NECESSARY.
7. ALL UTILITIES ARE TO BE DEEPENED AND REPAIRED AS NECESSARY.
8. ALL UTILITIES ARE TO BE DEEPENED AND REPAIRED AS NECESSARY.
9. ALL UTILITIES ARE TO BE DEEPENED AND REPAIRED AS NECESSARY.
10. ALL UTILITIES ARE TO BE DEEPENED AND REPAIRED AS NECESSARY.

LEGEND:

- 1. ALL DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.
- 2. ALL DISTANCES ARE MEASURED FROM THE CENTERLINE OF THE STREET UNLESS OTHERWISE NOTED.
- 3. ALL SETBACKS ARE TO BE MAINTAINED AT ALL TIMES.
- 4. ALL UTILITIES ARE TO BE DEEPENED AND REPAIRED AS NECESSARY.
- 5. ALL UTILITIES ARE TO BE DEEPENED AND REPAIRED AS NECESSARY.
- 6. ALL UTILITIES ARE TO BE DEEPENED AND REPAIRED AS NECESSARY.
- 7. ALL UTILITIES ARE TO BE DEEPENED AND REPAIRED AS NECESSARY.
- 8. ALL UTILITIES ARE TO BE DEEPENED AND REPAIRED AS NECESSARY.
- 9. ALL UTILITIES ARE TO BE DEEPENED AND REPAIRED AS NECESSARY.
- 10. ALL UTILITIES ARE TO BE DEEPENED AND REPAIRED AS NECESSARY.

LIFE SKILLS TRAINING AND EDUCATIONAL PROGRAMS, INC.
(LifeSTEPS)

501(c)(3) Nonprofit Provider of Social Services and Affordable Housing

February 20, 2015

Jurupa Vista Rio Partners L.P.
c/o Palm Communities
15635 Alton Parkway, Ste. 375
Irvine, CA 92618

**Re: Memorandum of Understanding Regarding Provision of Social Services
Vista Rio Apartments – Jurupa Valley, CA – 37 Multi-Family Units, 89 Bedrooms**

To Whom It May Concern:

The purpose of this Memorandum of Understanding is to demonstrate the commitment of **Life Skills Training and Educational Programs, Inc. ("LifeSTEPS")** to provide high quality social services that are designed to generate positive changes in the lives of tenants residing in the above-referenced Affordable Housing Property ("Property").

LifeSTEPS has been providing social services since 1996 to low-income families and seniors living in affordable housing properties. The Property Owner will contract with LifeSTEPS to undertake the development, implementation, and administration of supportive social services for the residents of the Property and LifeSTEPS will provide social services based on the following terms and conditions:

A. LifeSTEPS shall act as the Social Service Provider for the Property Owner. The Property Owner shall make an agreement with LifeSTEPS that shall confer onto LifeSTEPS sufficient control over the administration of Social Services to ensure effective delivery of Social Programs to the residents at the Property. These Social Service Programs shall be designed to strengthen families and seniors, with a focus on life skills training, education and supportive services that meet the needs of the residents of the Property.

B. The terms of the Agreement between the Parties shall be as follows:

1. For the life of the Property Ownership, and in no case less than 10 years.
2. All Social Services shall be provided to the residents at the housing site on a regular, ongoing basis.
3. All services and/or classes will be provided to the tenants at no charge.
4. For services rendered, LifeSTEPS shall receive an annual fee of \$22,300 paid in monthly installments of \$1,858.33, with a yearly COI of 3%.
5. An additional petty cash fund of \$100 per month shall be made available to LifeSTEPS to facilitate programs, activities and social events.
6. The Property Owner shall provide to LifeSTEPS accommodations to provide on-site services, including space, furniture, computers, internet, supplies and equipment.

Life Skills Training And Educational Programs, Inc.

4041 Bridge Street, Fair Oaks, California 95628

Phone: 916 965 0110 Fax: 916 965 0102

C. LifeSTEPS shall provide **Adult Educational Classes (5 points) and After School Programs (5 points)** to the residents of the Property. These Service Programs will be designed to meet the specific needs of the residents.

1. Adult Educational classes such as Computer Classes, Financial Literacy, Job Search Skills, and Health and Nutrition. Adult Education instruction shall be no less than sixty (60) hours per year.
2. An After-School Program for School Age Children, including such services as tutoring, homework help, art, educational games and activities. The After-School Program shall be no less than ten (10) hours per week throughout the school year.

See our website for further details at www.lifestepsusa.org. Services are determined based upon the assessment of specific resident needs.


Should you have any questions or require additional information, please call us.

Sincerely,
LifeSTEPS,
Life Skills Training and Educational Programs, Inc.

Read, Agreed and Accepted:
TBD
A California limited partnership, Owner
By: Palm Communities
General Partner

By: 

Craig A. Gillett, JD, MFT
President

By: 

Danavon Horn
President

Palm, Vista Rio Apts. Comm. Ltr., 2/15

Life Skills Training And Educational Programs, Inc.

4041 Bridge Street, Fair Oaks, California 95628
Phone: 916 965 0110 Fax: 916 965 0102

Exhibit "D"

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

SECTION 8 PROJECT-BASED VOUCHER PROGRAM

**PBV AGREEMENT TO ENTER INTO
HOUSING ASSISTANCE PAYMENTS CONTRACT**

NEW CONSTRUCTION OR REHABILITATION

PART I

This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number. Assurances of confidentiality are not provided under this collection.

1.1 Parties

This Agreement to Enter into Housing Assistance Payments Contract (“Agreement”) is entered into between: Housing Authority of the County of Riverside (“PHA”) and

Jurupa Valley Vista Rio Partners, LP (“owner”).

1.2 Purpose

The owner agrees to develop the Housing Assistance Payments Contract (“HAP contract”) units to in accordance with Exhibit B 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 and the accessibility requirements under section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.22 and 8.23.

EXHIBIT C: Description of housing, including:

- project site.
- total number of units in project covered by this Agreement.
- location 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 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 any required 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 have separate effective dates for each stage.

**Single-stage project**

- i. Effective Date for all contract units: December 8, 2015
- ii. Date of Commencement of the Work: The date for commencement of work is not later than 7 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 730 (12/7/17) 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 specified 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 as determined by PHA in accordance with HUD requirements.
- B. If the owner makes any changes in the work without prior PHA approval, the PHA may establish lower initial rents to owner as determined by the PHA in accordance with HUD requirements.
- C. The PHA 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 is 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, the owner may be required to submit additional documentation 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 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 at this point. However, work deficiencies may be corrected in accordance with Section 1.10 of this Agreement.
- C. Acceptance: If the PHA determines that the work 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 Work Deficiencies Exist

- A. If the PHA determines that work deficiencies exist, the PHA shall determine whether and to what extent the deficiencies are correctable, whether the units will be accepted after correction of the deficiencies, and the requirements and procedures (consistent with HUD requirements) for such correction and acceptance of contract units. The PHA shall notify the owner of the PHA's decision.
- B. Completion in Stages: When the units will be completed in stages, the procedures of this section 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:** When the units will be completed in stages, the number and types of units in each stage, and the initial rents to owner for such units, shall be separately shown in the HAP contract for each stage. Upon acceptance of the first stage, the owner shall execute the HAP contract and the signature block provided in the HAP contract for that stage. Upon acceptance of each subsequent stage, the owner shall execute the signature block provided in the HAP contract for such stage.
- C. **Form of HAP contract:** The terms of the HAP contract shall be provided in Exhibit D of this Agreement. There shall be no change in the terms of the HAP contract unless such change is approved by HUD headquarters. Prior to execution by the owner, all blank spaces in the HAP contract shall be completed by the PHA.
- D. **Survival of Owner Obligations:** Even after execution of the HAP contract, the owner shall continue to be bound by all owner obligations under the Agreement.

1.12 Initial Determination of Rents

- A. The estimated initial rent to owner shall be established in Exhibit C of this Agreement.
- B. The initial rent to owner is established at the beginning of the HAP contract term.
- C. The estimated and initial contract rents for each unit may in no event exceed the amount authorized in accordance with HUD requirements. Where the estimated or the initial rent to owner exceeds the amount authorized under HUD requirements, the PHA shall establish a lower estimated or initial rent to owner (as applicable), in accordance with HUD 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 in accordance with HUD requirements.

- C The acquisition of real property for a project to be assisted under the project-based voucher 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 HAP 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 it is not already on the list) and, once its 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 HUD requirements.

1.15 Termination of Agreement and HAP 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 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 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 otherwise excluded from participation in contracts by any Federal department or agency or the Comptroller General. 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 HAP contract, or to assert any claim against HUD, the PHA or the owner under the Agreement or the HAP 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 or 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, and 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 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, national origin, disability, age or familial status.

B. The owner must comply with the following requirements: The Fair Housing Act (42 U.S.C. 3601–19) and implementing regulations at 24 CFR part 100 *et seq.*; Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959–1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107; title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d–2000d–4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1; the Age Discrimination Act of 1975 (42 U.S.C. 6101–6107) and implementing regulations at 24 CFR part 146; section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at part 8 of this title; title II of the Americans with Disabilities Act, 42 U.S.C. 12101 *et seq.*; 24 CFR part 8; section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135; Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086, and 12107 (3 CFR, 1964–

1965 Comp., p. 339; 3 CFR, 1966–1970 Comp., p. 684; 3 CFR, 1966–1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60; Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971–1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise).

- C. The 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 PHA and HUD Access to Premises and Owner Records

- 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 the 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 with 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

- Training, Employment and Contracting Opportunities
Section 2.1 applies if the total of the contract rents for all units under the proposed HAP contract, over the maximum term of the contract, is more than \$200,000.
- Equal Employment Opportunity
Section 2.2 only applies to construction contracts of more than \$10,000.
- Labor Standards Requirements
Sections 2.4, 2.8 and 2.10 apply when this Agreement covers nine or more units.
- Flood Insurance
Section 2.11 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

PUBLIC HOUSING AGENCY

Name (Print) _____

By: _____
Signature of Authorized Representative

Official title (Print): _____

Date: _____

OWNER

Name (Print) _____

By: _____
Signature of Authorized Representative

Official Title (Print): _____

Date: _____

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

SECTION 8 PROJECT-BASED VOUCHER PROGRAM

**PBV AGREEMENT TO ENTER INTO
HOUSING ASSISTANCE PAYMENTS CONTRACT**

NEW CONSTRUCTION OR REHABILITATION

PART II

This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number. Assurances of confidentiality are not provided under this collection.

2.1 Training, Employment and Contracting Opportunities

- (a) The project assisted under this Agreement is subject to the requirements of section 3 of the Housing Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. The owner shall carry out the provisions of section 3 and the regulations issued by HUD as set forth in 24 CFR part 135 and all applicable rules and orders of HUD issued thereunder prior to the execution of this Agreement. This shall be a condition of the Federal financial assistance provided to the project, binding upon the owner, the owner's contractors and subcontractors, successors and assigns. Failure to fulfill these requirements shall subject the owner, the owner's contractors and subcontractors, successors and assigns to the sanctions specified by this Agreement, and to such sanctions as are specified by 24 CFR part 135.
- (b) The owner shall incorporate or cause to be incorporated into any contract or subcontract for work pursuant to this Agreement in excess of \$100,000 the following clause:
- (1) The work to be performed under this contract is subject to the requirements of section 3 of the Housing Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3 shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

- (2) The parties to this Agreement agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- (3) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, and shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- (4) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
- (5) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
- (6) Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.
- (7) With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 405e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible:
 - (i) preference and opportunities for training and employment shall be given to

Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprise. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

2.2 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.

2.3 RESERVED

2.4 HUD-FEDERAL LABOR STANDARDS PROVISIONS

The owner is responsible for inserting the entire text of section 2.4 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 2.4. (Note: Sections 2.4(b) and (c) apply only when the amount of the prime contract exceeds \$100,000.)

(a)(1)(i) Minimum Wages. 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 1(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 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, Employment Standards Administration, 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 the 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within 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 1(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 1(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 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 the payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to HUD or its designee. 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). This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1), U.S. Government Printing Office, Washington, DC 20402. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors.

(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 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)(i) Apprentices and Trainees. Apprentices. 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, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau, 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 Bureau of Apprenticeship and Training 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 journeymen'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 Bureau of Apprenticeship and Training, or a State Apprenticeship Agency recognized by the Bureau, 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) Trainees. 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 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 2.4(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 2.4(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 HUD or its designee, the U. S. Department of Labor, or the employees or their representatives.

(10)(i) Certification of Eligibility. 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 \$10 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 determined 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.

2.5-2.7 RESERVED

2.8 WAGE AND CLAIMS ADJUSTMENTS

The owner shall be responsible for the correction of all violations under section 2.4, 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 2.4. 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 2.4.

2.9 RESERVED

2.10 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 2.4 and 2.8 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 2.8 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.

2.11 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.

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

SECTION 8 PROJECT-BASED VOUCHER PROGRAM

**PBV HOUSING ASSISTANCE PAYMENTS CONTRACT
EXISTING HOUSING**

PART 2 OF HAP CONTRACT

This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number. Assurance of confidentiality are not provided under this collection.

2. DEFINITIONS

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

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).

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.

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

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

**Project-based Voucher Program
HAP Contract for Existing Housing**

Previous editions are obsolete

**HUD 52530B Page - 1 -
of Part 2
(04/2015)**

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)).

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.

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 only responsible 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 five percent or greater decrease in the published, applicable Fair Market Rent in accordance with 24 CFR 983.302.
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. 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.
- 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 annually 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 towards meeting this annual inspection requirement.
4. If more than 20 percent of the annual 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, the owner may apply its own admission procedures in determining whether to admit a family referred by the PHA for occupancy of a contract unit. The owner may refer families to the PHA, and recommend selection of such families from the PHA waiting list for occupancy of vacant units.
4. The owner must promptly notify in writing any rejected applicant of the grounds for rejection.
5. The PHA must determine family eligibility in accordance with HUD

requirements.

6. The contract unit leased to each family must be appropriate for the size of the family under the PHA's subsidy standards.
7. If a contract unit was occupied by an eligible family at the time the unit was selected by the PHA, or is so occupied on the effective date of the HAP contract, the owner must offer the family the opportunity to lease the same or another appropriately-sized contract unit with assistance under the HAP contract.
8. The owner is responsible for screening and selecting tenants from the families referred by the PHA from its waiting list.

b. Vacancies

1. The owner must promptly notify the PHA of any vacancy in a contract unit. After receiving the owner notice, the PHA shall make every reasonable effort to refer a sufficient number of families for owner to fill the vacancy.
2. The owner must rent vacant contract units to eligible families on the PHA waiting list referred by the PHA.
3. The PHA and the owner must make reasonable good faith efforts to minimize the likelihood and length of any vacancy.
4. If any contract units have been vacant for a period of 120 or more days since owner notice of vacancy (and notwithstanding the reasonable good faith efforts of the PHA to fill such vacancies), the PHA may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (by number of bedrooms) that have been vacant for such period.

10. TENANCY

a. Lease

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

b. Termination of tenancy

1. The owner may only terminate a tenancy 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 only responsible 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 983.259.

13. PROHIBITION OF DISCRIMINATION

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

- b. The owner must comply with the following requirements: The Fair Housing Act (42 U.S.C. 3601–19) and implementing regulations at 24 CFR part 100 *et seq.* ; Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959–1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107; title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1; the Age Discrimination Act of 1975 (42 U.S.C. 6101–6107) and implementing regulations at 24 CFR part 146; section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at part 8 of this title; title II of the Americans with Disabilities Act, 42 U.S.C. 12101 *et seq.* ; 24 CFR part 8; section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135; Executive Order 11246, as

amended by Executive Orders 11375, 11478, 12086, and 12107 (3 CFR, 1964–1965 Comp., p. 339; 3 CFR, 1966–1970 Comp., p. 684; 3 CFR, 1966–1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60; Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971–1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise).

- c. The 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. ~~REQUIRED BY HUD/OMB~~ INFORMATION AND ACCESS

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.