

INTRODUCTION

This chapter describes HUD regulations and PHA policies related to the project-based voucher program in nine parts:

Part I: General Requirements. This part describes general provisions of the PBV program including maximum budget authority requirements, cap on the number of assisted units in each project, relocation requirements, and equal opportunity requirements.

Part II: PBV Owner Proposals. This part includes policies related to the submission and selection of owner proposals for PBV assistance. It describes the factors the PHA will consider when selecting proposals, the type of housing that is eligible to receive PBV assistance, subsidy layering requirements, site selection standards, and environmental review requirements.

Part III: Dwelling Units. This part describes requirements related to inspections, the type and frequency of inspections, and housing accessibility for persons with disabilities.

Part IV: Rehabilitated and Newly Constructed Units. This part describes requirements and policies related to the development and completion of rehabilitated and newly constructed housing units that will be receiving PBV assistance.

Part V: Housing Assistance Payments Contract. This part discusses HAP contract requirements and policies including the execution, term, and termination of the HAP contract. In addition, it describes how the HAP contract may be amended and identifies provisions that may be added to the HAP contract at the PHA's discretion.

Part VI: Selection of PBV Program Participants. This part describes the requirements and policies governing how the PHA and the owner will select a family to receive PBV assistance.

Part VII: Occupancy. This part discusses occupancy requirements related to the lease and describes under what conditions families are allowed or required to move.

Part VIII: Determining Rent to Owner. This part describes how the initial rent to owner is determined, and how rent will be redetermined throughout the life of the HAP contract. Rent reasonableness requirements are also discussed.

Part IX: Payments to Owner. This part describes the types of payments owners may receive under this program.

Instructions for Preparing Chapter 17: Project-Based Vouchers

PART I: GENERAL REQUIREMENTS

17-I.A. OVERVIEW [24 CFR 983.5]

The project-based voucher (PBV) program allows a PHA that already administers a tenant-based voucher program under an annual contributions contract (ACC) with HUD to take up to 20 percent of its authorized units (plus an additional 10 percent for units meeting certain criteria) and attach the funding to specific units rather than using it for tenant-based assistance [24 CFR 983.6]. PHAs may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing [24 CFR 983.52].



Decision Point: Will the PHA operate a PBV program, and if so what percentage of the PHA's authorized units will be allocated to the program? (Model plan, p. 17-3)

Things to Consider

- A PHA has discretion whether to operate a PBV program. The PHA must state in its administrative plan that it will engage in project-basing and must amend its administrative plan to include all PBV-related matters over which the PHA is exercising its policymaking discretion, including the subjects listed in 24 CFR 983.10, as applicable.
- The model plan language is written for PHAs that will operate a PBV program. If you are not operating a PBV program, this entire chapter (17) should not be included in your administrative plan.
- Prior to determining whether or not to offer a PBV program, PHAs should consider the following:
 - PHAs that operate a PBV program must do so in accordance with their annual plan. In addition, the PBV program must support the goal of deconcentrating poverty and expanding housing and economic opportunities [42 U.S.C. 1437f(o)(13)]. If your PBV program will not meet these requirements, the law prohibits you from operating such a program.
 - The PHA Plan Templates (HUD-50075-ST and other versions) require PHAs operating a PBV program to indicate in their PHA plan any plans to use PBVs, providing the projected number of project-based units and general locations, and describing how project-basing would be consistent with the PHA plan.
- Because this detailed information is already contained in the PHA Plan, it does not need to be repeated in the administrative plan.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- HUD approval is not required, except that the PHA must notify HUD of its intent to project-base its vouchers and when the PHA executes, amends, or extends a HAP contract. No later than 14 calendar days prior to the date the PHA intends to issue a Request for Proposals or makes a selection, the PHA must submit the following information to the HUD field office for review [FR Notice 1/18/17]:
 - The total amount of units authorized under the ACC for the PHA (excluding those PBV units entirely excluded from the cap), including special purpose vouchers, as well as the number of PBV units excluded from the total, if applicable.
 - The number of PBV units entirely excluded from the percentage limitation (as described in Attachment F of Notice PIH 2017-21).
 - The number of units qualifying under the 10 percent program cap exception category (as described in Attachment D of Notice PIH 2017-21).
 - The number of units currently committed to PBV (excluding those entirely excluded from the cap), including units currently under PBV HAP contract, under Agreement to Enter into a HAP contract (AHAP), or covered by a notice of proposal selection. The number of units excluded from the total must also be identified.
 - The number of units to which the PHA is proposing to attach project-based assistance through the new RFP or selection.
- ☒ Option 1: Use the model plan language shown below. No changes to the model plan are needed.
- The PHA will operate a project-based voucher program.
- ☐ Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-I.B. PBV DEFINITIONS [24 CFR 983.3]

This section describes definitions that are applicable to the PBV program and are used throughout the chapter.

A project can be a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land. “Contiguous” in this definition includes “adjacent to,” as well as touching along a boundary or a point. A PHA may, in its administrative plan, establish the circumstances under which it will define a project as only one of the following: a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land.



Decision Point: Will the PHA establish circumstances under which it will define a project as only one of the types of buildings described above? (Model plan, p. 17-5)

Things to Consider

- The PHA has discretion to further define “project” within statutory parameters. According to HHD, PHAs may need such discretion for optimal program operation in certain cases.
- HUD does not define project in such a way as to allow scattered site to constitute one project, but HUD will allow multiple projects, each consisting of a single-family building (as defined in 24 CFR 983.3(b) as more than four total dwelling units) to be under one HAP contract.
- HUD clarifies that the definition of *project* can include parcels separated by a public way, as long as the parcels can reasonably be considered contiguous (defined in 983.3(b) for this purpose to include “adjacent to” or “touching along a boundary or a point”).
- For simplicity, the definition describes in general terms the buildings and parcels of land that qualify as “projects” in the vast majority of cases. Where natural or engineered features make up a boundary between buildings or parcels, PHAs are expected to reasonably determine if the buildings or parcels make up a project. Considerations include the extent and difficulty of access from one building to another, public regard of the buildings as interrelated, and whether the classification proposed would serve the statutory purpose of the income-mixing requirement. HUD intends to publish further guidance on this matter.
- In order to give the PHA maximum flexibility, Option 1 states that the PHA will not limit the definition of *project*.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will not define circumstances that limit the definition of the term *project*.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-I.C. MAXIMUM NUMBER OF PBV UNITS (PERCENTAGE LIMITATION) [24 CFR 983.6]

Program Cap

If a PHA decides to operate a PBV program, the PHA's PBV program is funded with a portion of appropriated funding (budget authority) available under the PHA's voucher ACC. **No policy decisions are required.**

Increased Cap [24 CFR 983.6(d)]

The PHA may project-base an additional 10 percent of its authorized voucher units above the 20 percent program limit.



Decision Point: Will the PHA project-base any additional units above the 20 percent program limit? (Model plan, p. 17-8)

Things to Consider

- For units under a HAP contract that was first executed on or after April 18, 2017, or added on or after that date to a current HAP contract entered into prior to April 19, 2017, units qualify under the increased program cap if the units meet one or more of the conditions below:
 - The units are specifically made available to house individuals and families that meet the definition of *homeless* under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302) and contained in the Continuum of Care Interim Rule at 24 CFR 578.3.
 - The units are specifically made available to house families that are comprised of or include a veteran.
 - The units provide supportive housing to persons with disabilities or elderly persons as defined in 24 CFR 5.403.
 - The units are located in areas where vouchers are difficult to use.
 - The units replace, on a different site, the units listed in 24 CFR 983.59(b)(1) and (2) for which the PHA had authority under 24 CFR 983.59 to commit PBV assistance on the original site without the units counting toward the program cap or project cap.
- The increased program cap also applies to units that are part of a HAP contract executed on or after December 27, 2020, or are added on or after that date to any current HAP contract, including a contract entered into prior to December 27, 2020, and the units are exclusively made available to eligible youth receiving Family Unification Program (FUP) or Foster Youth to Independence (FYI) assistance.
- The units may be distributed among one, all, or a combination of the categories as long as the total number of units does not exceed the 10 percent cap. For example, if 10 percent of ACC authorized units is 100 units, the PHA may project based 50 units for homeless families and 50 units for veterans.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- The PHA does not need to meet the 20 percent program cap before it can designate eligible units for the 10 percent exception category. For project-based VASH vouchers:
 - If the PHA sets aside units for veterans, the PHA may further define veteran for purposes of determining unit eligibility. For example, the PHA could require the veteran be eligible to receive supportive services from the Department of Veterans Affairs or that the veteran was not dishonorably discharged. PHAs have discretion in establishing verification of eligibility. The model policy does not further define veteran in order to give the PHAs maximum flexibility to assist veterans. Option 2 should be edited should the PHA wish to further define the term.
 - HUD-VASH vouchers designated for PBV assistance are already excluded from the program cap and are not included in the 10 percent exception category.
 - Policies specific to VASH PBV units are found in Chapter 19. If the PHA opts to have VASH units that are not subject to the increased program cap, policies in Chapter 19 also need to be edited.

For units designated for homeless individuals and families, applicable definitions are found in Notice PIH 2017-21 and are described in Option 1.

- If the PHA sets aside units for supportive services for persons with disabilities or elderly persons as identified in Option 3, the PHA must include the types of services offered to families and the extent to which the services will be provided (e.g., the length of time services will be provided to a family, frequency of services, and depth of services). As this is highly specific to each project, the model plan does not provide sample language.
 - *Services* could include meal services adequate to meet nutritional need, housekeeping aid, personal assistance, transportation services, health-related services, educational and employment services, or other services designed to help the recipient live in the community as independently as possible.
 - The services do not need to be provided by the owner or on-site but must be reasonably available to families receiving the assistance.
 - The PHA may not require participation as a condition of living in an excepted unit.
 - The owner may not require the assisted family to pay charges for meals or supportive services, with the exception of at an assisted living facility where owners may charge for meals and services, although these charges may not be included in the rent to owner or the calculation of reasonable rent.
- In order to qualify under the increased program cap:
 - The unit must be occupied by a family who meets the applicable exception;
 - The family must be selected from the waiting list for the PBV program through an admissions preference (see 24 CFR 983.251); and

Instructions for Preparing Chapter 17: Project-Based Vouchers

- Once the family vacates the unit, the unit must be made available to and occupied by a family that meets the applicable exception.
- If the PHA adopts options 1, 2, 3, 4, or 6, the model policy must also be edited in section 17-VI.E. to include a waiting list preference as required by 24 CFR 983.262(b)(2).
- Model language for all potential types of units subject to the increased program cap is provided below. Select the options that apply to the PHA. More than one option may be selected.
 - If the PHA will have units subject to the increased program cap for individuals and families who are homeless, select Option 1.
 - If the PHA will have units subject to the increased program cap for veterans, select Option 2.
 - If the PHA will have units subject to the increased program cap for supportive services for persons with disabilities or elderly persons, select Option 3.
 - If the PHA will have units subject to the increased program cap for units in areas where vouchers are difficult to use, select Option 4.
 - If the PHA will have units subject to the increased program cap for replacement units as described in 24 CFR 983.59(b)(1) and (2), select Option 5.
 - If the PHA will have units subject to the increased program cap for eligible youth under the FUP or FYI programs, select Option 6.
 - If the PHA will not offer any type of excepted units, select Option 7.

Instructions for Preparing Chapter 17: Project-Based Vouchers

CAUTION: You must review the policy options and select language from one or more of the options below, inserting additional information where indicated. The model plan does not contain language that can be adopted as-is.



Option 1: To have units for homeless individuals or families under the increased program cap, insert the language below.

The PHA will project-base up to an additional 10 percent of its authorized units, up to 30 percent, in accordance with HUD regulations and requirements.

Homeless Individuals and Families

The PHA will have units specifically made available to housing individuals and families that meet the definition of *homeless* under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302) and contained in the Continuum of Care Interim Rule at 24 CFR 578.3.

A homeless individual or family is one who lacks a fixed, regular, and adequate nighttime residence and has a primary nighttime residence that is:

A supervised public or privately operated shelter designated to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill;

An institution that provides temporary residence for individuals intended to be institutionalized; or

A public or private place not designed for or ordinarily used as a regular sleeping accommodation for humans.

Any individual or family who is fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions in the individual's or family's current housing situation, including where the health and safety of the children are jeopardized, and who have no other residence and lack the resources or support networks to obtain other permanent housing are also considered homeless under this definition.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Also considered homeless are unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under section 103 of the McKinney-Vento Homeless Assistance Act definition, but who:

Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 1437e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);

Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;

Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and

Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment; or

Any individual or family who:

Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;

Has no other residence; and

Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- ☒ *Option 2: To have units for veterans under the increased program cap, insert the language below.*

The PHA will project-base up to an additional 10 percent of its authorized units, up to 30 percent, in accordance with HUD regulations and requirements.

Veterans

The PHA will have units specifically made available to house families that are comprised of or include a veteran. *Veteran* means an individual who has served in the active military, naval, air, or space service and who was discharged or released therefrom.

- ☒ *Option 3: To have units for supportive housing for persons with disabilities or elderly persons, use the language below, inserting a description of the type and availability of supportive services.*

The PHA will project-base up to an additional 10 percent of its authorized units, up to 30 percent, in accordance with HUD regulations and requirements.

Supportive Services

The PHA will have units offering supportive housing to persons with disabilities or elderly persons, which will be counted toward the increased program cap. For this exception, *supportive housing* means a project that makes supportive services available for all assisted families in the project and provides a range of services tailored to the needs of the residents occupying such housing. Such services may include (but are not limited to):

[Insert description of the type and availability of supportive services.]

In accordance with 24 CFR 983.354, with the exception of an assisted living facility, the owner of a PBV project may not require the assisted family to pay charges for meals or supportive services, and non-payment of such charges by the family is not grounds for termination of tenancy. In the case of an assisted living facility (as defined in 24 CFR 983.3) receiving PBV assistance, owners may charge families for meals or supportive services. These charges may not be included in the rent to owner or the calculation of reasonable rent.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Option 4: To have units for areas where vouchers are difficult to use, insert the language below.

The PHA will project-base up to an additional 10 percent of its authorized units, up to 30 percent, in accordance with HUD regulations and requirements.

Areas Where Vouchers Are Difficult to Use

In order to utilize the increased program cap, the PHA will have units in areas where vouchers are difficult to use which is defined as:

A census tract with a poverty rate of 20 percent or less, as determined by HUD;

A zip code area where the rental vacancy rate is less than 4 percent, as determined by HUD; or

A zip code area where 90 percent of the Small Area FMR is more than 110 percent of the metropolitan area or county FMR.



Option 5: To count replacement units toward the increased program cap, insert the language below.

The PHA will project-base up to an additional 10 percent of its authorized units, up to 30 percent, in accordance with HUD regulations and requirements.

Replacement Units

The PHA will count replacement units toward the increased program cap. *Replacement units* are defined as units that replace, on a different site, units listed in 24 CFR 983.59(b)(1) and (2) for which the PHA had authority under 24 CFR 983.59 to commit PBV assistance on the original site without the units counting toward the program cap or project cap. Units are eligible under this category only if the PHA has not committed and will not commit PBV assistance to the original site pursuant to the normally applicable exclusions of those units under 24 CFR 983.59. If the PHA subsequently plans to commit PBV assistance to units on the original site, those proposed units count toward and will comply with the 20 percent maximum or increased cap, as applicable, and the project cap requirements.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Option 6: To have units for eligible youth under the FUP or FYI programs, insert the language below.

The PHA will project-base up to an additional 10 percent of its authorized units, up to 30 percent, in accordance with HUD regulations and requirements.

FUP/FYI Assistance

The PHA will make units available exclusively to eligible youth receiving FUP or FYI assistance. The PHA has determined that the limitation of PBV units to youth is consistent with the local housing needs of both eligible FUP populations (families and youth).



Option 7: If the PHA will not have any units that qualify under the increased program cap, insert the language below.

The PHA will not project-base units under the increased program cap.



Option 8: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-I.D. CAP ON NUMBER OF PBV UNITS IN EACH PROJECT [24 CFR 983.54]

Project Cap [24 CFR 983.54(a)]

In general, the PHA may not select a proposal for units in a project or enter into an AHAP or a HAP contract to provide PBV assistance for units in a project if the total number of dwelling units in the project that will receive PBV assistance is more than the greater of 25 units or 25 percent of the number of dwelling units (assisted or unassisted, as adjusted) in the project. **No policy decisions are required.**

Higher Project Cap [24 CFR 983.54(b)]

The PHA may provide PBV assistance to the greater of 25 units or 40 percent of the number of dwelling units (assisted and unassisted, as adjusted) in the project if the project is located in an area where vouchers are difficult to use [24 CFR 983.54(b)]. **No policy decisions are required.**

Exceptions to the Project Cap [24 CFR 983.54(c)]

PBV units are not counted toward the project cap if:

- The units are exclusively for elderly families;
- Units are exclusively made available to eligible youth receiving FUP or FYI assistance; and
- The units are for households eligible for supportive services available to all families receiving PBV assistance in the project.



Decision Point: Will the PHA provide PBV assistance in excepted units? (Model plan, p. 17-10)

Things to Consider

- Under the Housing Opportunity Through Modernization Act of 2016 (HOTMA), the definition of *excepted unit* differs depending on when the HAP contract was executed. Contracts executed prior to April 18, 2017, follow the “old” statutory PBV requirements for excepted units. Projects where the HAP contract was executed on or after April 18, 2017, follow the new requirements that were implemented as a result of HOTMA.
- Under the “old” statutory regulations, the project cap does not apply to units for:
 - Elderly and/or disabled families
 - Families receiving supportive services. The family must have at least one member receiving at least one qualifying supportive service.
- If the PHA has an “old” HAP contract (one that was executed prior to April 18, 2017) and units are available for disabled families, select Option 4.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- Under both old and new requirements, elderly families may live in excepted units without the provision of supportive services. Select Option 1 if the PHA will offer excepted units for elderly families.
 - It is not necessary that the entire project or buildings within the project be designated as elderly in order for the exception to apply. Under the PBV program, projects are not “designated” as elderly as is the case in other programs, such as the Public Housing or Section 202 Elderly Programs.
- In both Option 1 and Option 4, the model administrative plan calls for the PHA to identify the names of projects with expected units for elderly and disabled families. While this is not a requirement and may be deleted, this ensures all stakeholders are aware of which projects contain this type of excepted unit.
- Also, for Option 1 and Option 4, the PHA must state in its administrative plan whether it will allow a family that initially qualified for occupancy of an excepted unit based on elderly or disabled family status to continue to reside in a unit, where through circumstances beyond the control of the family (e.g., death of the elderly family member or long-term or permanent hospitalization or nursing care), the elderly family member no longer resides in the unit. In this case, the unit may continue to be counted as an excepted unit for as long as the family resides in that unit. However, the requirements of 24 CFR 983.260 concerning wrong-sized units apply. Once the family vacates the unit, in order to continue as an excepted unit under the HAP contract, the unit must be made available to and occupied by a qualified family. If the PHA chooses not to exercise this discretion, the unit is no longer considered excepted and, if the family is not required to move from the unit as a result of the unit being wrong-sized, the PHA may use one of the options described in 24 CFR 983.262(b).
- For excepted units offering supportive services, under HOTMA, the project must make supportive services available to all PBV-assisted families in the project, but the family may not be required to participate in the services as a condition of living in the excepted unit. Prior to HOTMA, the family must have had at least one member receiving at least one qualifying supportive service. Option 2 of the model policy provides language for optional supportive services. PHAs under the pre-HOTMA requirements where supportive services were mandatory may agree with the owner to change the HAP contract to make supportive services optional (provided it would not jeopardize an assisted family’s continued eligibility for the project) or may continue under pre-HOTMA requirements (even if/when the HAP contract is renewed). Select Option 2 if the PHA will offer excepted units with optional supportive services under HOTMA requirements. Note, if the HAP contract was signed on or after April 18, 2017, supportive services must be optional. If the PHA falls under pre-HOTMA requirements (a HAP contract signed before April 18, 2017), and will not make supportive services optional, edit the model language in Option 2 to reflect this.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- For optional supportive services:
 - Supportive services need not be provided by the owner or on-site but must be reasonably available to the families receiving PBV assistance in the project and designed to help the families in the project achieve self-sufficiency or live in the community as independently as possible.
 - The supportive services must be made available to the family within a reasonable time, as defined by the PHA, but not to exceed 120 calendar days from the family's request.
 - The exception applies to any household eligible for the supportive services and is not limited to households with a family member with a disability.
 - The PHA must include in its administrative plan the types of services offered to families that will enable the units to qualify under the exception and the extent to which such services will be provided (e.g., length of time services will be provided to a family, frequency of services, and depth of services), and the reasonable time by which such services must be made available to the family, not to exceed 120 calendar days.
 - A PHA that manages an FSS program may offer FSS to meet the exception. The PHA may also make the supportive services used in connection with the FSS program available to non-FSS PBV families at the project.
- For units exclusively made available to eligible youth receiving FUP or FYI assistance, as specified in Option 3, if the units made available to eligible youth use FUP assistance that is normally available for eligible families and youth, the PHA must determine that the limitation of the units to youth is consistent with the local housing needs of both eligible FUP populations (families and youth), maintain documentation to support this determination, and amend its administrative plan to include the limitation of these FUP PBV units to eligible youth.
- Model language for all potential types of excepted units is provided below. Select the options that apply to the PHA. More than one option may be selected.
 - If the PHA will offer excepted units for elderly families, select Option 1.
 - If the PHA will offer excepted units with optional supportive services, select Option 2.
 - If the PHA will offer excepted units exclusively to FUP or FYI assistance, select Option 3.
 - If the PHA has any pre-HOTMA HAP contracts with excepted units for disabled families, select Option 4.
 - If the PHA will not offer any type of excepted units, select Option 5.

Instructions for Preparing Chapter 17: Project-Based Vouchers

CAUTION: You must review the policy options and select language from one or more of the options below, inserting additional information where indicated. The model plan does not contain language that can be adopted as-is.



Option 1: To offer excepted units for elderly families, select the policy below.

The PHA will have excepted units in certain PBV projects.

Elderly Family

The PHA will have excepted units for elderly families, which is defined as follows a family whose head, spouse, cohead or sole member is a person who is at least 62 years of age. The family may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides.

The PHA will provide excepted units for elderly families in the following projects:

[Insert names of projects with excepted units for elderly families.]

The PHA will allow families who initially qualified to live in an excepted unit to remain when circumstances change due to circumstances beyond the remaining family members' control.

In all other cases, the PHA will provide written notice to the family and owner within 10 business days of making the determination. The family will be given 30 days from the date of the notice to move out of the PBV unit. If the family does not move out within this 30-day time frame, the PHA will terminate the housing assistance payments at the expiration of this 30-day period.

The PHA may make exceptions to this 30-day period if needed for reasons beyond the family's control, such as death, serious illness, or other medical emergency of a family member.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Option 2: To offer excepted units for elderly families, select the policy below.

The PHA will have excepted units in certain PBV projects.

Supportive Services

The PHA will provide excepted units that offer optional supportive services available to all PBV-assisted families in a project. Families are not required to participate in services as a condition of living in excepted units. The exception applies to any household eligible for the supportive services and is not limited to households with a family member with a disability.

The following projects will offer optional supportive services:

[Insert name of projects with optional supportive services]

The following types of supportive services will be offered:

[Enter a description of the type of supportive service offered, length of time services will be provided, frequency of services, and depth of services.]

When families opt in to supportive services, such services will be made available to the family as quickly as reasonably practicable, but no longer than 120 calendar days from the family's request.

A unit is excepted from the project cap if any member of the family is eligible for one or more of the supportive services, even if the family chooses not to participate in the services. If a family member chooses to participate in and successfully completes the supportive services, the unit continues to count as an excepted unit for as long as the family resides in the unit, even if the members that continue to reside in the unit are ineligible during tenancy for all available supportive services.

The unit loses its excepted status only if the entire family becomes ineligible during the tenancy for all supportive services available to the family. This provision does not apply where any member of the family has successfully completed the supportive services. A family cannot be terminated from the program or evicted from the unit because they become ineligible for all supportive services during the tenancy.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Option 3: To offer excepted units for FUP and FYI assistance, select the policy below.

The PHA will have excepted units in certain PBV projects.

FUP/FYI Assistance

The PHA will provide excepted units made available exclusively for youth receiving FUP or FYI assistance in the following projects:

[Insert names of projects with excepted units for FUP youth.]

The PHA has determined that the limitation of PBV units to youth is consistent with the local housing needs of both eligible FUP populations (families and youth).

A unit is excepted from the project cap or qualifies under the increased program cap, as applicable, if the unit is occupied by an eligible youth receiving FUP assistance. The youth must vacate the unit once the FUP assistance has expired. The unit loses its excepted status or no longer qualifies under the increased program cap, as applicable, if the youth does not move from the unit upon the expiration of the FUP assistance.



Option 4: If a HAP contract is subject to pre-HOTMA requirements and the PHA offers excepted units for disabled families, select the policy below.

Disabled Families

The PHA will provide excepted units for disabled families (which is defined as a family whose head, spouse, cohead or sole member is a person with disabilities) in the following projects:

[Insert names of projects with excepted units for disabled families.]

The PHA will allow families who initially qualified to live in an excepted unit to remain when circumstances change due to circumstances beyond the remaining family members' control.

In all other cases, the PHA will provide written notice to the family and owner within 10 business days of making the determination. The family will be given 30 days from the date of the notice to move out of the PBV unit. If the family does not move out within this 30-day time frame, the PHA will terminate the housing assistance payments at the expiration of this 30-day period.

The PHA may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- ☐ *Option 5: If the PHA does not have any excepted units, delete model plan language and substitute language as shown below.*

The PHA will not provide PBV assistance for excepted units.

Units that No Longer Qualify as Excepted Units or Under the Increased Program Cap [24 CFR 983.262(b)]

The PHA must specify in its administrative plan which of the options specified in the regulation the PHA will take if a unit is no longer qualified for its excepted status or the increased program cap.

- ☒ **Decision Point: Will the PHA project-base any units that are not subject to the PBV program or project cap limitation? (Model plan, p. 17-11)**

Things to Consider

- If the PHA uses its discretion to continue to count the unit as excepted or as a unit subject to the increased program cap (as applicable), Option 1 should be selected.
- If the PHA chooses not to exercise this discretion, Option 2 should be selected.

- ☐ *Option 1: Use the model plan language shown below. No changes to the model plan are needed.*

If, due to circumstances beyond the control of the family, the unit is no longer qualified as an excepted unit or unit under the increased program cap, the unit will continue to count as long as the family resides in the unit. However, requirements for wrong-sized units will apply.

- ☒ *Option 2: Edit the model plan language as shown below.*

If a unit is no longer qualified for its excepted status or under the increased program cap, the PHA will decide on a case-by-case basis which remedies to employ based on current funding and makeup of units in the project. The PHA may employ any of the above options, as appropriate.

- ☐ *Option 3: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.*

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-I.E. UNITS NOT SUBJECT TO THE PBV PROGRAM CAP OR PROJECT CAP [FR Notice 1/18/17 and 24 CFR 983.59]

For HAP contracts that first became effective on or after April 18, 2017, the PHA may commit project-based assistance to units that meet certain requirements without the units counting toward the program cap (including the 10 percent exception) or project cap. These are known as *excluded units*.



Decision Point: Does the PHA have an existing or rehabilitated units not subject to the PBV program or project cap? (Model plan, p. 17-13)

Things to Consider

- PBV units that were previously subject to certain federal rent restrictions or receiving another type of long-term housing subsidy provided by HUD are exempt from the project cap. These units must, in the five years prior to the request for proposals (RFP) or the proposal or project selection date (in the case of selection without RFP), fall into one of the following categories, provided that the units are removed from all categories prior to the effective date of the HAP contract:
 - The units have received one of the following forms of HUD assistance:
 - Public Housing Capital or Operating Funds;
 - Project-Based Rental Assistance (Section 8), including units assisted under Section 8 Moderate Rehabilitation (Mod Rehab) and Mod Rehab Single-Room Occupancy (SRO) programs;
 - Housing for Elderly (Section 202);
 - Housing for Persons with Disabilities (Section 811);
 - Rental Assistance Program (RAP) (Section 236(f)(2) of the National Housing Act); or Flexible Subsidy Program (Section 201 of the Housing and Community Development Amendments of 1978).
 - The units have been subject to a federally required rent restriction under one of the following programs:
 - The Low-Income Housing Tax Credit program (26 U.S.C. 42);
 - Section 515 Rural Rental Housing Loans (42 U.S.C. 1485); or

Instructions for Preparing Chapter 17: Project-Based Vouchers

- The following HUD programs:
 - Section 236;
 - Section 221(d)(3) Below Market Interest Rate;
 - Housing For the Elderly (Section 202 of the Housing Act of 1959);
 - Housing for Persons with Disabilities (Section 811 of the Cranston-Gonzalez National Affordable Housing Act);
 - Flexible Subsidy Program (Section 201 of the Housing and Community Development Amendments Act of 1978); or
 - Any other program identified by HUD through *Federal Register* notice subject to public comment.
- Units that have previously received either PBV or HCV assistance are not covered under the exception.
- For replacement units, the unit size configuration of the PBV newly constructed or rehabilitated project may differ from the unit size configuration of the original project that the PBV units are replacing. In addition, the total number of PBV-assisted units may differ from the number of units in the original project. However, only the total number of units in the original project are excluded from the program cap and the project cap. Units that exceed the total number of covered units in the original project are subject to the program cap and the project cap.
- The model administrative plan calls for the PHA to identify these projects. While this is not a requirement under the regulations, and the PHA policy portion may be deleted, this ensures all stakeholders are aware of which projects contain this type of unit.

Instructions for Preparing Chapter 17: Project-Based Vouchers

CAUTION: You must insert information here. The model plan does not contain language that can be adopted as-is.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

Units in the following projects are not subject to program cap or project cap because they are excluded units:

[Insert the names of projects where units are not subject to the program cap or project cap because they were previously subject to federal rent restrictions or received another type of long-term housing subsidy.]



Option 2: If you do not plan on attaching PBVs to these types of projects or do not wish to specifically identify these projects in PHA policy, delete the model plan language. No policy is necessary.



Option 3: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-I.F. PHA-OWNED UNITS [24 CFR 982.4 and 983.57]



Decision Point: Does the PHA intend to submit proposals for PBV assistance for PHA-owned housing? (Model plan, p. 17-14)

Things to Consider

- In order to be a PHA-owned unit, the PHA must have ownership interest in the building itself, not simply the land beneath the building.
- A unit is considered to be *owned by the PHA* if the unit is in a project that is owned by the PHA (which includes a PHA having “controlling interest” in the entity that owns the unit), owned by an entity wholly controlled by the PHA, or owned by a limited liability company or limited partnership in which the PHA (or an entity wholly controlled by the PHA) holds a controlling interest in the managing or general partner.
- *Controlling interest* means:
 - Holding more than 50 percent of the stock of any corporation;
 - Having the power to appoint more than 50 percent of the members of the board of directors of a non-stock corporation (such as a non-profit corporation);
 - Where more than 50 percent of the members of the board of directors of any corporation also serve as directors, officers, or employees of the PHA;
 - Holding more than 50 percent of all managing member interests in an LLC;
 - Holding more than 50 percent of all general partner interests in a partnership; or
 - Having equivalent levels of control in other ownership structures. Most ownership structures are already covered in the categories listed above. This last category is meant to cover any ownership structure not already listed in the categories above. Also, under this category, a PHA must have more than 50 percent control in that ownership structure (an equivalent level of control) for the project to be considered PHA-owned.
- A unit is not considered to be owned by the PHA if:
 - The PHA holds a fee interest as ground lessor of the property on which the building is situated, but no ownership interest in the building or unit itself;
 - The PHA holds only security interest under a mortgage or deed of trust on the unit; or
 - The PHA has only a non-controlling interest in an entity that owns the unit or in the managing member or general partner of an entity that owns the unit.
- Attachment B of Notice PIH 2017-21 provides detailed information on PHA selection of an independent entity.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- An independent entity is either:
 - The unit of general local government; however, if the PHA itself is the unit of general local government or an agency of such government, then only the next level of general local government (or an agency of such government) or higher may serve as the independent entity; or
 - A HUD-approved entity that is autonomous and recognized under state law as a separate legal entity from the PHA. The entity must not be connected financially (except regarding compensation for services performed for PHA-owned units) or in any other manner that could result in the PHA improperly influencing the entity.
- Under the project record retention requirements at 24 CFR 983.12, the PHA is required to document HUD approval of the independent entity or entities and keep such documentation throughout the term of the HAP contract and for three years thereafter.
- Please note that Option 1 of the model plan language calls for the PHA to identify the name of the independent entity. While this is not required by the regulations, this provides information for all stakeholders.
- If you do not wish to identify the independent entity or will not operate PHA-owned units, the policy decision point may be deleted, select Option 2.

CAUTION: You must insert information here. The model plan does not contain language that can be adopted as-is.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA may submit a proposal or select a project that is owned or controlled by the PHA. The PHA will obtain HUD approval of Washtenaw County and/or a Continuum of Care community partner prior to selecting PHA-owned housing.



Option 2: If you do not plan on attaching PBVs to PHA-owned housing, delete the model plan language. No policy is necessary.



Option 3: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-I.G. TENANT-BASED VS. PROJECT-BASED VOUCHER ASSISTANCE [24 CFR 983.2]



Decision Point: Which of the PHA's tenant-based voucher policies will also apply to the PBV program? (Model plan, p. 17-20)

Things to Consider

- Much of the tenant-based voucher program regulations also apply to the PBV program. Consequently, many of the PHA policies related to tenant-based assistance also apply to PBV assistance.
- This chapter of the administrative plan closely follows the PBV program regulations. As a result, there are topics explicitly discussed in this chapter even though the PBV rules and resulting policies are the same as those for the tenant-based voucher program (e.g., abatement of HAP, denial of admission, utility reimbursements).
- On the other hand, there are many topics that are not covered in this chapter because they are not explicitly mentioned in the PBV rule, yet it must be made clear what policies the PHA will follow for the PBV program (e.g., reexaminations, fair housing, program integrity, informal reviews and hearings).
- This policy is intended to minimize the duplication of policies that are the same for the tenant-based voucher and PBV programs, and make clear to PHA staff, owners, and participants that unless prohibited by program regulations or otherwise stated in this chapter, the PHA policies related to tenant-based vouchers also apply to PBV assistance.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the PHA policies for the tenant-based voucher program contained in this administrative plan also apply to the PBV program.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-I.H. RELOCATION REQUIREMENTS [24 CFR 983.7]

This section describes the PHA's and owner's obligations to relocate persons who are displaced as a result of the PBV program, in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). **No policy decisions are required.**

17-I.I. EQUAL OPPORTUNITY REQUIREMENTS [24 CFR 983.8]

This section describes the PHA's obligation to comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

Instructions for Preparing Chapter 17: Project-Based Vouchers

PART II: PROPOSAL AND PROJECT SELECTION

17-II.A. OVERVIEW

This section provides an overview of Part II. **No policy decisions are required.**

Selection of PHA-Owned Units [24 CFR 983.51(h)]

This section discusses requirements specific to PHA-owned units. **No policy decisions are required.**

17-II.B. COMPETITIVE SELECTION OF PROPOSALS [24 CFR 983.51(b)]

This section discusses general requirements for selection of proposals. **No policy decisions are required.**

Solicitation and Selection of PBV Proposals [24 CFR 983.51(d)]



Decision Point: How will the PHA request owner proposals for PBV assistance and what selection criteria will be used? (Model plan, p. 17-19)

Things to Consider

- This section of the model plan is written to allow a PHA to follow either of the two approved methods to select proposals (RFP or previous competition) depending on what is appropriate at any given time. This approach provides the PHA with maximum flexibility.
- PHA procedures for selecting PBV proposals must be designed and actually operated to provide broad public notice of the opportunity to offer PBV proposals for consideration by the PHA. The model language is written to support this requirement.
- For rehabilitated and newly constructed housing, the model plan language follows the advertising standards used in the old project-based certificate program by requiring a notice to appear in a newspaper of general circulation at least one day for three consecutive weeks, and a submission deadline of at least 30 days after the last notice. For existing housing, the model plan language states that the PHA will accept proposals on a first-come first-served basis. No submission deadline is required in this case.
- The model plan states that when applicable, the RFP and proposal submission and rating and ranking procedures will be posted on the PHA's website. If you do not have a website or do not intend to post this information, the model plan must be edited accordingly.
- Prior to inviting owners to submit PBV proposals the PHA must develop a request for proposals (RFP). The RFP must identify the type of housing (new construction, rehabilitation, or existing) for which the PHA is requesting proposals, the number of units, and the intended occupancy (families, elderly, special needs populations). The RFP should also identify the census tracts for which owners may submit proposals.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- The PHA request for proposals must also include the PHA selection criteria for rating and ranking proposals. Please note, the model plan language provides the general selection criteria to be used but does not provide details of rating and ranking (e.g., possible points per criteria, minimum required score). This information should appear in the RFP.
- For proposals that have already received funding under a previous competition, the model plan language states that the PHA may advertise that it is accepting such proposals. By advertising, the PHA will ensure that as many potential owners as possible are aware of the availability of PBV assistance. However, there may also be times when advertising is not necessary and the PHA may wish to contact owners directly. This circumstance is covered in the model plan language.
- Because proposals that received some federal, state, or local housing assistance under previous competitions will be accepted on an ongoing basis, no time frame for submission is necessary.
- The selection criteria differ in the model plan depending on the method used and the type of housing for which the PHA is requesting proposals. If you want to use different or additional selection criteria to select proposals, the model plan must be edited accordingly.
- If you do not want to make use of both methods or you will not be advertising for all types of eligible housing (existing, new construction, rehabilitated), the model plan should be edited to delete the sections of PHA policy that will not apply.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

PHA Request for Proposals for Rehabilitated and Newly Constructed Units

The PHA will advertise its request for proposals (RFP) for rehabilitated and newly constructed housing in newspapers of general circulation (to be identified at the time of publication).

In addition, the PHA will post the RFP and proposal submission and rating and ranking procedures on its website. The advertisement will remain on the PHA's website until such time as the application period is closed.

The advertisement will state the number of vouchers available to be project-based, the type of units that will be considered, the submission deadline, and will note how to obtain the full RFP with information on the application and selection process. Advertisements will also contain a statement that participation in the PBV program requires compliance with Fair Housing and Equal Opportunity (FHEO) requirements and that the Federal Labor Standard provisions may be applicable for new and rehabilitation projects.

Instructions for Preparing Chapter 17: Project-Based Vouchers

The PHA will publish its advertisement in the same newspaper used for publication of the RFP for at least one day per week for two consecutive weeks. The advertisement will specify the number of units the PHA estimates that it will be able to assist under the funding the PHA is making available. Proposals will be due in the PHA office by close of business on the published deadline. The PHA will date and time stamp all applications upon receipt. Applications received after the published deadline date will not be accepted for consideration under the RFP process. Postmarks are not acceptable.

In order for the proposal to be considered, the owner must submit the proposal to the PHA by the published deadline date, and the proposal must respond to all requirements as outlined in the RFP and be in compliance with all HUD program requirements. Incomplete proposals will not be reviewed. The PHA reserves the right to reject applications at any time for misinformation, errors, or omissions of any kind.

The PHA will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:

- Owner experience and capability to build or rehabilitate housing as identified in the RFP;

- Extent to which the project furthers the PHA goal of deconcentrating poverty and expanding housing and economic opportunities;

- If applicable, the extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and

- In order to promote partially assisted projects, projects where less than 25 percent of the units will be assisted will be rated higher than projects where 25 percent or more of the units will be assisted. In the case of projects for occupancy by the elderly, persons with disabilities or families needing other services, the PHA will rate partially assisted projects on the percentage of units assisted. Projects with the lowest percentage of assisted units will receive the highest score.

Instructions for Preparing Chapter 17: Project-Based Vouchers

PHA Request for Proposals for Existing Housing Units

The PHA will advertise its request for proposals (RFP) for existing housing in newspapers of general circulation (to be identified at the time of publication).

In addition, the PHA will post the notice inviting such proposal submission and the rating and ranking procedures on its website.

The advertisement will state the number of vouchers available to be project-based, the type of units that will be considered, the submission deadline, and will note how to obtain the full RFP with information on the application and selection process. Advertisements will also contain a statement that participation in the PBV program requires compliance with Fair Housing and Equal Opportunity (FHEO) requirements.

The PHA will periodically publish its advertisement in the same newspaper used for publication of the RFP for at least one day per week for three consecutive weeks. The advertisement will specify the number of units the PHA estimates that it will be able to assist under the funding the PHA is making available. Owner proposals will be accepted on a first-come first-served basis and will be evaluated using the following criteria:

- Experience as an owner in the tenant-based voucher program and owner compliance with the owner's obligations under the tenant-based program;

- Extent to which the project furthers the PHA goal of deconcentrating poverty and expanding housing and economic opportunities;

- If applicable, extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and

- Extent to which units are occupied by families that are eligible to participate in the PBV program.

Instructions for Preparing Chapter 17: Project-Based Vouchers

PHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program

The PHA will accept proposals for PBV assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits (if the earlier competition did not involve any consideration that the project would receive PBV assistance) on an ongoing basis.

The PHA may periodically advertise that it is accepting proposals, in newspapers of general circulation (to be identified at the time of publication).

The advertisement will state the number of vouchers available to be project-based, the type of units that will be considered, the submission deadline, and will note how to obtain the full RFP with information on the application and selection process. Advertisements will also contain a statement that participation in the PBV program requires compliance with Fair Housing and Equal Opportunity (FHEO) requirements and that the Federal Labor Standard provisions may be applicable for new and rehabilitation projects.

In addition to, or in place of advertising, the PHA may also directly contact specific owners that have already been selected for Federal, state, or local housing assistance based on a previously held competition, to inform them of available PBV assistance.

Proposals will be reviewed on a first-come first-served basis. The PHA will evaluate each proposal on its merits using the following factors:

Extent to which the project furthers the PHA goal of deconcentrating poverty and expanding housing and economic opportunities; and

Extent to which the proposal complements other local activities such as the redevelopment of a public housing site under the HOPE VI program, the HOME program, CDBG activities, other development activities in a HUD-designated Enterprise Zone, Economic Community, Choice Neighborhood, or Renewal Community.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

17-II.C. NON-COMPETITIVE PROJECT SELECTION [24 CFR 983.51(c)]



Decision Point: Will the PHA attach PBVs to structures owned by the PHA through a non-competitive process? (Model plan, p. 17-23)



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA may noncompetitively attach PBVs to projects as described above. If the PHA does intend to select units noncompetitively, the PHA will first notify the public through the PHA's 5-Year Plan process and will include the procedures for submission and selection to address under what circumstances the PHA will use this method.



Option 2: If the PHA will not attach PBVs to projects that meet the above requirements, use the model plan language shown below.

The PHA will not attach PBVs to projects as described above.



Option 3: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-II.D. PROJECT OR PROPOSAL SELECTION [24 CFR 983.51(f) and 24 CFR 983.153(c)(3)]

Inspections Required Prior to Project or Proposal Selection [24 CFR 983.51(e)]

This section describes the PHA's obligation to examine the proposed site before the proposal or project selection date. **No policy decisions are required.**

PHA Written Notice of Proposal or Project Selection [24 CFR 983.51(f) and 24 CFR 983.153(c)(3)]

This section describes requirements for written notice of proposal or project selection.



Decision Point: For selection of proposals through competitive methods, how will the PHA notify the selected owner and the public of the final selection? (Model plan, p. 17-25)

Things to Consider

- The PHA is required to notify all interested parties of its final selection of an owner to provide housing under the PBV program and make its selection records and documentation for the basis for selection available for public inspection.
- The model plan language calls for the PHA to announce the selection of PBV proposals in the same newspapers that the original advertisement appeared in, as well as on the PHA's website. If you do not have a website, the model plan language must be edited to reflect this.
- The model plan gives the PHA 10 business days (the standard time frame used throughout much of the plan) from the date of the PHA's decision to notify those that submitted proposals.
- The model plan states that the rating and ranking documents will be available for review for a period of one month. This is a reasonable period for allowing interested parties to review the information. However, a PHA could choose to change this time frame.
- The model plan states that parties wishing to have copies of any of the selection documents will be charged \$.25 per page. This charge is consistent with what tenants are being charged to make copies of PHA documents. If you have chosen to charge tenants a different amount than \$.25 in Part III of Chapter 16, you may wish to change the charge here as well.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

If the project does not contain PHA-owned units, the PHA will notify the selected owner in writing of the owner's selection for the PBV program within 10 business days of the PHA making the selection. The PHA will also notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

If the project contains PHA-owned units, within 10 business days of the PHA making the selection, the PHA will provide the written notice of proposal selection to the responsible PHA official, and that official must certify in writing that the PHA accepts the terms and requirements stated in the notice within 10 business days of receiving the PHA's written notice.

When an environmental review is required, if the review has not been conducted prior to the proposal selection date, the PHA's written notice of proposal selection will state that the selection is subject to completion of a favorable environmental review and that the proposal may be rejected based on the results of the environmental review.

For any project to which labor standards apply, the PHA's written notice will state that any construction contracts must incorporate a Davis-Bacon contract clause and the current applicable prevailing wage determination.

The PHA will publish its notice for selection of PBV proposals for two consecutive days in the same newspapers the PHA used to solicit the proposals. The announcement will include the name of the owner that was selected for the PBV program. The PHA will also post the notice of owner selection on its website.

The PHA will make available to any interested party its rating and ranking sheets and documents that identify the PHA basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. The PHA will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner.

The PHA will make these documents available for review at the PHA during normal business hours. The cost for reproduction of allowable documents will be \$.25 per page.

The owner must submit a written response to the PHA accepting the terms and requirements stated in the notice within 10 business days of the PHA's written notification to the owner.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

If the project does not contain PHA-owned units, the PHA will notify the selected owner in writing of the owner's selection for the PBV program within 10 business days of the PHA making the selection. The PHA will also notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

If the project contains PHA-owned units, within 10 business days of the PHA making the selection, the PHA will provide the written notice of proposal selection to the responsible PHA official, and that official must certify in writing that the PHA accepts the terms and requirements stated in the notice within 10 business days of receiving the PHA's written notice.

When an environmental review is required, if the review has not been conducted prior to the proposal selection date, the PHA's written notice of proposal selection will state that the selection is subject to completion of a favorable environmental review and that the proposal may be rejected based on the results of the environmental review.

For any project to which labor standards apply, the PHA's written notice will state that any construction contracts must incorporate a Davis-Bacon contract clause and the current applicable prevailing wage determination.

The PHA will post its notice for selection of PBV proposals on its website. The announcement will include the name of the owner that was selected for the PBV program.

The PHA will make available to any interested party its rating and ranking sheets and documents that identify the PHA basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. The PHA will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner.

The PHA will make these documents available for review at the PHA during normal business hours. The cost for reproduction of allowable documents will be \$.25 per page.

The owner must submit a written response to the PHA accepting the terms and requirements stated in the notice within 10 business days of the PHA's written notification to the owner.

Instructions for Preparing Chapter 17: Project-Based Vouchers

For projects selected under an exception to the competitive process under 24 CFR 983.51(c), the PHA must give prompt written notice of project selection to the owner following the PHA board's resolution approving the project-basing of assistance at the specific project. The project selection date is the date of the PHA's board resolution approving the project-basing of assistance at the specific project. The written notice of project selection must require the owner of the project selected to provide a written response to the PHA accepting the terms and requirements stated in the notice.



Decision Point: For selection of proposals through competitive methods, how will the PHA notify the selected owner and the public of the final selection? (Model plan, p. 17-26)

Things to Consider

- The model plan gives the PHA 10 business days (the standard time frame used throughout much of the plan) from the date of the board's resolution to notify the owner/responsible officials (as applicable).



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

If the project contains PHA-owned units, within 10 business days of the board's resolution approving the project-basing of assistance at a specific project, the PHA will provide the written notice of project selection to the responsible PHA official, and that official must certify in writing that the PHA accepts the terms and requirements stated in the notice within 10 business days of receiving the PHA's written notice.

If the project does not contain PHA-owned units, within 10 business days of the board's resolution approving the project-basing of assistance at a specific project, the PHA will notify the owner in writing of the project's selection. The owner must submit a written response to the PHA accepting the terms and requirements stated in the notice within 10 business days of the PHA's written notification to the owner.

In addition, when an environmental review is required, if the review has not been conducted prior to the project selection date, the PHA's written notice of project selection will state that the selection is subject to completion of a favorable environmental review and that the project may be rejected based on the results of the environmental review.

Further, for any project to which labor standards apply, the PHA's written notice will state that any construction contracts must incorporate a Davis-Bacon contract clause and the current applicable prevailing wage determination.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-II.E. HOUSING TYPE [24 CFR 983.52]

The PHA may use new construction, rehabilitation, or existing housing to develop units under the PBV program. **No policy decisions are required.**

17-II.F. PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS

Ineligible Housing Types [24 CFR 983.52]

The section identifies the types of units that are not eligible to receive assistance under the PBV program. **No policy decisions are required.**

Subsidized Housing [24 CFR 983.52]

This section identifies the type of subsidized projects that may not receive the benefit of PBV assistance. It includes all types of projects receiving assistance under various HUD subsidy programs as well as projects receiving other types of federal, state or local housing subsidies. **No policy decisions are required.**

17-II.G. SUBSIDY LAYERING REQUIREMENTS [24 CFR 983.11, 24 CFR 983.153(b), 24 CFR 4.13, Notice PIH 2013-11, and FR Notice 3/13/23]

The section identifies the subsidy layering requirements. The PHA may provide PBV assistance only in accordance with HUD subsidy layering regulations. **No policy decisions are required.**

17-II.H. SITE SELECTION STANDARDS

Compliance with PBV Goals, Civil Rights Requirements, and Site and Neighborhood Standards [24 CFR 983.55(b)]

The PHA must select sites in accordance with the goals established in PHA plan and the site and neighborhood standards established by HUD.



Decision Point: What standards will the PHA establish to ensure the site selected is consistent with the requirement to deconcentrate poverty and expand housing and economic opportunities? (Model plan, p. 17-32)

Things to Consider

- In developing the standards to apply in determining whether a proposed PBV development will be selected, a PHA must consider the following:
 - Whether the census tract in which the proposed PBV development will be located is in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
 - Whether a PBV development will be located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition;
 - Whether the census tract in which the proposed PBV development will be located is undergoing significant revitalization;
 - Whether state, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement;
 - Whether new market rate units are being developed in the same census tract where the proposed PBV development will be located and the likelihood that such market rate units will positively impact the poverty rate in the area;
 - If the poverty rate in the area where the proposed PBV development will be located is greater than 20 percent, the PHA should consider whether in the past five years there has been an overall decline in the poverty rate; and
 - Whether there are meaningful opportunities for educational and economic advancement in the census tract where the proposed PBV development will be located.
- The model plan language takes all of the above issues into consideration.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

It is the PHA goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal the PHA will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less.

However, the PHA will grant exceptions to the 20 percent standard where the PHA determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, Choice Neighborhood, or Renewal Community;

A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;

A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;

A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;

A census tract where there has been an overall decline in the poverty rate within the past five years; or

A census tract where there are meaningful opportunities for educational and economic advancement.

The PHA will also consider whether the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d(4)) and HUD's implementing regulations at 24 CFR Part 1; Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601-3629) and HUD's implementing regulations at 24 CFR Parts 100 through 199; Executive Order 11063 (27 FR 11527; 3 CFR, 1959-1963 Comp., p. 652), and HUD's implementing regulations at 24 CFR Part 107.

Instructions for Preparing Chapter 17: Project-Based Vouchers

The site must also be suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of the Americans with Disabilities Act (42 U.S.C. 12131-12134) and implementing regulations (28 CFR Part 35), and Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and HUD's implementing regulations at 24 CFR Part 8, including meeting the Section 504 site selection requirements described in 24 CFR 8.4(b)(5).

The PHA will also consider whether the site and neighborhood are reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants. The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, that could affect the health or safety of the project occupants, such as dangerous walks or steps; contamination; instability; flooding, poor drainage, septic tank back-ups or sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin or rodent infestation; or fire hazards.



Option 2: Delete model plan language and substitute language as shown below.

It is the PHA goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal the PHA will limit approval of sites for PBV housing in census tracts that have poverty concentrations of **[insert number]** percent or less.

However, the PHA may grant exceptions to the **[insert number]** percent standard where the PHA determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than **[insert number]** percent, such as sites in:

A census tract in which the proposed PBV development will be located is in a HUD-designated Enterprise Zone, Economic Community, Choice Neighborhood, or Renewal Community;

A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;

A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;

A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;

Instructions for Preparing Chapter 17: Project-Based Vouchers

A census tract where there has been an overall decline in the poverty rate within the past five years; or

A census tract where there are meaningful opportunities for educational and economic advancement.

The PHA will also consider whether the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d(4)) and HUD's implementing regulations at 24 CFR Part 1; Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601-3629) and HUD's implementing regulations at 24 CFR Parts 100 through 199; Executive Order 11063 (27 FR 11527; 3 CFR, 1959-1963 Comp., p. 652) and HUD's implementing regulations at 24 CFR Part 107.

The site must also be suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of the Americans with Disabilities Act (42 U.S.C. 12131-12134) and implementing regulations (28 CFR Part 35), and Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and HUD's implementing regulations at 24 CFR Part 8, including meeting the Section 504 site selection requirements described in 24 CFR 8.4(b)(5).

The PHA will also consider whether the site and neighborhood are reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants. The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, that could affect the health or safety of the project occupants, such as dangerous walks or steps; contamination; instability; flooding, poor drainage, septic tank back-ups or sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin or rodent infestation; or fire hazards.



Option 3: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Existing and Rehabilitated Housing Site and Neighborhood Standards [24 CFR 983.55(d)]

This section describes the site and neighborhood standards for existing and rehabilitated housing. **No policy decisions are required.**

New Construction Site and Neighborhood Standards [24 CFR 983.55(e)]

This section describes the site and neighborhood standards for newly constructed housing. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-II.I. ENVIRONMENTAL REVIEW [24 CFR 983.56]

This section specifies that activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The responsible entity is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The PHA may not enter into an AHAP or HAP contract until it has complied with the environmental review requirements (24 CFR 983.58). **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

PART III: DWELLING UNITS

17-III.A. OVERVIEW

This section provides an overview for Part III. **No policy decisions are required.**

17-III.B. HOUSING QUALITY STANDARDS [24 CFR 983.101]

Housing quality standards for the tenant-based program, including those for special housing types, generally apply to the PBV program. Housing quality standards requirements for shared housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program. **No policy decisions are required.**

Lead-based Paint [24 CFR 983.101(c)]

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, and 40 CFR 745.227, apply to the PBV program. **No policy decisions are required.**

Housing Quality and Design Requirements [24 CFR 983.101(e) and 983.208(a)]



Decision Point: Will the PHA include additional housing quality requirements for owner compliance in the HAP contract? (Model plan, p. 17-37)

Things to Consider

- The PHA may include additional requirements to assure compliance with any design, architecture, or quality requirement specified in the AHAP and HAP contract.
- Any special requirements must be in addition to, not in place of, compliance with housing quality standards.
- If the housing will be occupied by elderly or disabled persons, the PHA may want to specify special design features, such as grab bars in the bathroom, wider doorways for wheelchair accessibility, and lower counter tops and cabinets in the kitchen.
- If the units will be occupied by persons receiving services, the PHA may want to specify that space is provided on site for the provision of services.
- If the units will be occupied for families with children, the PHA may want to specify that play areas and appropriate play equipment are provided.
- The PHA may also want to specify that the building contain training spaces, such as a computer lab.
- Because the need for additional requirements will be specific to a particular project, the model plan language clarifies that the PHA will consider the need on a case-by-case basis and add the requirements only when it is appropriate or necessary.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. The PHA will specify any special design standards or additional requirements in the invitation for PBV proposals, the AHAP, and the HAP contract.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

17-III.C. HOUSING ACCESSIBILITY FOR PERSONS WITH DISABILITIES [24 CFR 983.102]

The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR 8. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-III.D. INSPECTING UNITS [24 CFR 983.103]

This section identifies special inspection requirements for the PBV program including pre-selection, pre-HAP, turnover, annual/biennial, and other inspections. In addition, it explains requirements related to the inspection of PHA-owned units.

Pre-selection Inspection [24 CFR 983.103(a)]

If the units to be assisted already exist, the PHA must inspect all the units before the proposal selection date and must determine if the project meets the definition of *existing housing*. If the project is existing housing, the PHA may not execute the HAP contract until the units meet the initial inspection requirements in accordance with 24 CFR 983.103(c). **No policy decisions are required.**

Initial Inspection: Newly Constructed and Rehabilitated Projects That Underwent Substantial Improvement [24 CFR 983.101(b)]

No policy decisions are required.

Initial Inspection: Existing Housing [24 CFR 983.103(c)]

The PHA must inspect and determine that all of the proposed PBV units fully comply with housing quality standards before entering into the HAP contract, unless the PHA has adopted a policy to enter into a HAP contract for units that fail the initial inspection as a result of only non-life-threatening conditions or if the unit passed an alternative inspection, or both.

The PHA must establish in its administrative plan the amount of time that may elapse between the initial inspection of existing housing and execution of a HAP contract for that unit.



Decision Point: Will the PHA require units to pass inspection prior to approving tenancy? (Model plan, p. 17-39)

Things to Consider

- The regulations allow PHAs to enter into a HAP contract when a unit or units fail inspection as long as no life-threatening deficiencies are found (NLT option).
- The PHA may adopt the same policy for both its tenant-based and project-based programs or may adopt different policies for its project-based program.
- Option 1 states the PHA will not use the NLT option or alternative inspections.
- Option 2 states the PHA will use the NLT option but will not rely on alternative inspection for initial inspections.
- If the PHA wishes to rely on alternative inspections for initial inspections but not use the NLT option, select Option 3.
- If the PHA will rely on alternative inspections for initial inspections and use the NLT option, select Option 4.
- The use of alternative inspections for periodic inspections is discussed later in this chapter.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- If the PHA will rely on alternative inspections for initial inspections, the following should be considered:
 - The PHA may implement the use of alternative inspections for both initial and periodic inspections or may limit the use of alternative inspections to either initial or periodic inspections.
 - In order to qualify as an alternative inspection method, the eligible inspection method must meet the requirements under 24 CFR 982.406(c).
 - The PHA must identify alternative inspection methods being used in the administrative plan.
 - If an alternative inspection method employs sampling, then a PHA may rely on such alternative inspection method for purposes of an initial or periodic inspection only if units occupied by program participants are included in the population of units forming the basis of the sample.
 - In order for a PHA to rely on the results of an alternative inspection for purposes of periodic inspection, a property must meet the standards or requirements regarding housing quality or safety applicable to properties assisted under the program using the alternative inspection method. To make the determination of whether such standards or requirements are met, the PHA must adhere to the following procedures:
 - If a property is inspected under an alternative inspection method, and the property receives a “pass” score, then the PHA may rely on that inspection.
 - If a property is inspected under an alternative inspection method, and the property receives a “fail” score, then the PHA may not rely on that inspection.
 - If a property is inspected under an alternative inspection method that does not employ a pass/fail determination—for example, in the case of a program where deficiencies are simply identified—then the PHA must review the list of deficiencies to determine whether any cited deficiency would have resulted in a “fail” score under NSPIRE. If no such deficiency exists, then the PHA may rely on the inspection. If such a deficiency does exist, then the PHA may not rely on the inspection.



Option 1: If the PHA will not adopt the NLT option, use the model plan language shown below. No changes to the model plan are needed.

The PHA will not provide assistance on behalf of the family until the unit fully complies with housing quality standards.

The PHA will not rely on alternative inspections for initial inspections.

The HAP contract for existing housing must be executed within 45 calendar days of the initial inspection.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Option 2: If the PHA will use the NLT option but will not rely on alternative inspections for initial inspections, delete model plan language and substitute language as shown below.

The PHA has adopted the NLT option for the PBV program. Provided the owner agrees, the PHA will execute the PBV HAP contract and begin making assistance payments for all assisted units under the PBV HAP contract, including units that failed the initial inspection, as long as no units have life-threatening deficiencies.

Non-life-threatening deficiencies are defined as any conditions that would fail to meet housing quality standards under 24 CFR 982.401 and do not meet the definition of *life-threatening* as defined in Section 8-I.C., Life-Threatening Conditions.

After completing inspections of all units, for any unit with non-life-threatening deficiencies, the PHA will provide both the owner and the family (any eligible in-place family or any family referred from the PBV waiting list being offered a unit) a list of the non-life-threatening deficiencies identified by the initial inspection and an explanation of the maximum amount of time the PHA will withhold HAP before abating assistance if the owner does not complete the repairs within 30 days.

The PHA will also inform the family that if the family accepts the unit and the owner fails to make the repairs within the cure period, the PHA will remove the unit from the HAP contract, and the PHA will offer the family either another assisted unit in the PBV project that fully complies with HQS or tenant-based assistance. The family referred from the waiting list may choose to decline the unit and remain on the waiting list. An eligible in-place family may decline the unit, and the PHA will issue the family a tenant-based voucher to move.

The owner must correct the deficiencies within 30 days from the effective date of the HAP contract. If the owner fails to correct the deficiencies within the 30-day cure period, the PHA will withhold the housing assistance payments for the unit until the owner makes the repairs and the PHA verifies the correction. The PHA will withhold HAP for a maximum of 30 days. Once the deficiencies are corrected, the PHA will pay HAP to the owner for the period that payments were withheld.

If the owner does not correct deficiencies by the end of the 30-day withholding period, the PHA will abate HAP. The PHA will abate HAP for 60 days before removing the unit from the HAP contract as a result of the owner's failure to correct deficiencies. The PHA will provide any affected family tenant-based assistance. If the owner later corrects deficiencies, the PHA may, at its discretion, inspect the unit and add it back onto the HAP contract in accordance with all program requirements.

Instructions for Preparing Chapter 17: Project-Based Vouchers

During any period assistance is abated under the NLT option, the family may terminate tenancy by notifying the owner and the PHA, and the PHA will provide the family the next available tenant-based voucher. In the case of an in-place family, the family may also choose to terminate tenancy during the withholding period following the 30-day cure period, and the PHA will offer the family either another assisted unit in the PBV project that fully complies with HQS or tenant-based assistance.



Option 3: If the PHA will use alternative inspections for initial inspections but will not adopt the NLT option, delete the model plan language and use the language below.

The PHA will adopt the alternative inspection option for initial inspections of existing housing, subject to all HUD and PHA requirements.

The PHA will accept the results of inspections performed by HUD REAC, or for the HOME or LIHTC programs. Inspections will only be accepted if PBV units are included in the population of units forming the basis of the sample. The PHA will not utilize inspection results other than from inspections conducted by HUD or for the HOME or LIHTC programs. The PHA will review the inspection reports and determine whether the unit will receive a “pass”. If the PHA determines that the unit does not pass, the PHA will notify the owner and conduct an inspection within 10 business days.

Provided the project meets the definition of *existing housing* and the owner agrees with the use of alternative inspections, the PHA will execute the HAP contract for the project if the project has passed an alternative inspection in the previous 24 months using an alternative inspection that meets the requirements of 24 CFR 982.406.

The PHA will notify all families that will occupy a contract unit before the PHA conducts an inspection that the alternative inspection option is in effect for the project. The PHA will provide each family with the PHA list of deficiencies that are considered life-threatening as part of this notification. A family on the waiting list may decline to accept an offered unit due to unit conditions and retain its place on the PBV waiting list.

The PHA will conduct an inspection within 30 days of the proposal or project selection date. If the family reports a deficiency to the PHA prior to the PHA’s inspection, the PHA will inspect the unit within the time period required under 24 CFR 983.103(f) or within 30 days of the effective date of the HAP contract, whichever time period ends first.

The PHA may not pay HAP to the owner until the PHA has inspected all the units under the HAP contract and determined they meet housing quality standards.

Instructions for Preparing Chapter 17: Project-Based Vouchers

If the PHA inspection finds that any contract unit contains deficiencies, the PHA will not make housing assistance payments to the owner until all the deficiencies have been corrected in all contract units. If a deficiency is life-threatening, the owner must correct the deficiency within 24 hours of notification from the PHA. For other deficiencies, the owner must correct the deficiency within 30 calendar days (or any PHA-approved extension) of notification from the PHA. If the owner corrects the deficiencies within the required cure period, the PHA will pay HAP retroactive to the effective date of the HAP contract or the PBV lease effective dates, whichever is later. The PHA will withhold HAP for a maximum of 30 days. Once the deficiencies are corrected, the PHA will pay HAP to the owner for the period that payments were withheld.

If the owner does not correct deficiencies by the end of the 30-day withholding period, the PHA will abate HAP. The PHA will abate HAP for 60 days before removing the unit from the HAP contract as a result of the owner's failure to correct deficiencies. The PHA will provide any affected family tenant-based assistance. If the owner later corrects deficiencies, the PHA may, at its discretion, inspect the unit and add it back onto the HAP contract in accordance with all program requirements.

During the abatement period, a family may terminate tenancy by notifying the owner, and the PHA will provide the family tenant-based assistance. If the PHA terminates the PBV HAP contract or removes the unit from the HAP contract as a result of the owner's failure to correct the deficiencies, the PHA will provide any affected family tenant-based assistance.



Option 4: If the PHA will use alternative inspections for initial inspections and the NLT option, delete the model plan language and use the language below.

The PHA will adopt both the NLT option and the alternative inspection option for initial inspections of existing housing, subject to all HUD and PHA requirements.

The PHA will accept the results of inspections performed by HUD REAC, or for the HOME or LIHTC programs. Inspections will only be accepted if PBV units are included in the population of units forming the basis of the sample. The PHA will not utilize inspection results other than from inspections conducted by HUD or for the HOME or LIHTC programs. The PHA will review the inspection reports and determine whether the unit will receive a "pass". If the PHA determines that the unit does not pass, the PHA will notify the owner and conduct an inspection within 10 business days.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Provided the project meets the definition of existing housing and the owner agrees with the use of alternative inspections and the NLT option, the PHA will execute the HAP contract for the project if the project has passed an alternative inspection in the previous 24 months using an alternative inspection that meets the requirements of 24 CFR 982.406. The PHA will notify all families that both the NLT option and the alternative inspection option will be used for the family's unit. As part of this notification, the PHA must provide the family with the PHA's list of deficiencies that are considered life-threatening. A family on the waiting list may decline to move into a unit due to unit conditions and retain its place on the PBV waiting list. Following inspection, the PHA must provide any family referred from the PBV waiting list that will occupy a unit with non-life-threatening deficiencies a list of the non-life-threatening deficiencies identified by the initial HQS inspection and an explanation of the maximum amount of time the PHA will withhold HAP before abating assistance if the owner does not complete the repairs within 30 days. The PHA will also inform the family that if the family accepts the unit and the owner fails to make the repairs within the cure period, the PHA will remove the unit from the HAP contract, and the family will be issued a voucher to move. The family referred from the waiting list may choose to decline the unit and remain on the PBV waiting list.

The PHA will execute the HAP contract with the owner on the basis of the alternative inspection. The PHA will then conduct an inspection within 30 days after the proposal or project selection date. If the family reports a deficiency to the PHA during the interim period, the PHA will inspect the unit within the time period required under 24 CFR 983.103(f) or within 30 days of the proposal or project selection date, whichever time period ends first.

The PHA may not pay HAP to the owner until the PHA has inspected all the assisted units. If none of the units have any life-threatening deficiencies, the PHA will begin HAP and make retroactive payments to the effective date of the HAP contract or the PBV lease effective dates, whichever is later, for all assisted units. For any unit that failed the PHA's inspection but has no life-threatening deficiencies, the owner must correct the deficiencies within no more than 30 days from the effective date of the HAP contract. If the owner fails to correct the deficiencies within the 30-day cure period, the PHA will withhold the housing assistance payments for that unit until the owner makes the repairs and the PHA verifies the correction. Once the unit is in compliance, the PHA will pay HAP retroactively for the period that payments were withheld.

Instructions for Preparing Chapter 17: Project-Based Vouchers

If any units have life-threatening deficiencies, the PHA will not start paying HAP to the owner for any units until all the deficiencies (life-threatening and non-life-threatening) have been corrected. The PHA will not refer families from the PBV waiting list to occupy units with life-threatening deficiencies. The owner must correct all life-threatening deficiencies within no more than 24 hours. For other deficiencies, the owner must correct the deficiency within no more than 30 calendar days (or any PHA-approved extension). If the owner corrects all of the deficiencies within the required cure period, the PHA will pay HAP retroactive to the effective date of the HAP contract or the PBV lease effective dates, whichever is later. If the owner fails to make the repairs within the applicable time periods, the PHA will abate the payments for the non-compliant units, while continuing to withhold payments for the compliant units until all units meet housing quality standards or unit removal or contract termination occurs. If the deficiencies are corrected, the PHA will use the withheld housing assistance payments to make payments for the period that payments were withheld.

If the owner does not correct deficiencies by the end of the 30-day withholding period, the PHA will abate HAP. The PHA will abate HAP for 60 days before removing the unit from the HAP contract as a result of the owner's failure to correct deficiencies. The PHA will provide any affected family tenant-based assistance. If the owner later corrects deficiencies, the PHA may, at its discretion, inspect the unit and add it back onto the HAP contract in accordance with all program requirements.

During the period the assistance is abated, a family may terminate tenancy by notifying the owner, and the PHA will provide the family tenant-based assistance. If the PHA terminates the PBV HAP contract or removes the unit from the HAP contract as a result of the owner's failure to correct the deficiencies, the PHA will provide any affected family with tenant-based assistance.



Option 5: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Turnover Inspections [24 CFR 983.103(d)]

Before providing assistance to a new family in a contract unit, the PHA must inspect the unit. **No policy decisions are required.**

Periodic Inspections [24 CFR 983.103(e)]; FR Notice 6/25/14]

At least once every 24 months (or once every 36 months for small rural PHAs) 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 housing quality standards.



Decision Point: How often will the PHA inspect a random sample to determine if contract units and the premises are maintained in accordance with NSPIRE? (Model plan, p. 17-39)

Things to Consider

- The regulations require that units must be inspected at least biennially for the HCV and PBV programs and at least every three years for small rural PHAs. PHAs that choose to continue to inspect units annually must revise their policies since this is now a discretionary option.
- PHAs may employ both annual and biennial inspections as long as the criteria are fair and are applied uniformly.
- HUD discourages agencies from adopting biennial inspections for reasons unrelated to the owner's record of compliance. For example, a policy based on the unit's distance from PHA facilities would not be acceptable.
- Because PHAs are only required to inspect a random sample of at least 20 percent of contract units, the default policy keeps inspections at the annual basis because the inspection burden is already less than it would be in the tenant-based HCV program.
- On the other hand, if the PHA is conducting biennial inspections in the tenant-based HCV program and the PHA wishes to mirror HCV inspection requirements, Option 2 would allow PHAs to conduct inspections biennially rather than annually.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- Per a *Federal Register* notice issued February 7, 2020, small rural PHAs ((i.e., PHAs administering fewer than 550 combined vouchers and public housing units operating in a rural area as defined in the notice) have the flexibility to conduct inspections at least once every three years, or triennially, rather than biennially. If the PHA is a small rural PHA opting to conduct triennial inspections as specified in Section 8-II.C. of this administrative plan, PBV provisions would still apply, except the random sample requirement would apply every three years rather than biennially, and the small rural PHA may, at its discretion, choose to select Option 3 below. However, small rural PHAs may not begin using the three-year inspection schedule until after the next currently scheduled inspection is carried out. That is, if a unit is currently on a biennial inspection schedule, and one year has passed since the last inspection, its next inspection must still take place the following year, and only after that may the PHA implement the three-year inspection schedule. This flexibility only applies to periodic inspections during the period of time a participant lives in a unit and does not apply to initial and interim inspections. If the PHA implements a triennial inspection schedule for periodic inspections, all requirements related to lead safety still apply.

☐

Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will inspect on an annual basis 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 housing quality standards.

☒

Option 2: Delete model plan language and substitute language as shown below.

The PHA will inspect once every 24 months 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 housing quality standards.

☐

Option 3: Delete model plan language and substitute language as shown below.

The PHA is a small rural PHA conducting triennial inspections. As such, beginning after its next currently scheduled inspection, the PHA will inspect once every 36 months 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 housing quality standards.

☐

Option 4: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Alternative Inspections for Periodic Inspections [24 CFR 983.103(g); Notice PIH 2016-05]

In the case of mixed finance properties that are subject to alternative inspections (i.e., an inspection conducted for another housing program), the PHA may rely upon an alternative inspection conducted at least triennially to demonstrate compliance with inspection requirements.



Decision Point: Will the PHA accept the results of inspections performed by HUD or conducted for other housing programs for the annual/biennial inspection? (Model plan, p. 18-40)

Things to Consider

- The PHA may implement the use of alternative inspections for both initial and periodic inspections or may limit the use of alternative inspections to either initial or periodic inspections.
- In order to qualify as an alternative inspection method, the eligible inspection method must meet the requirements under 24 CFR 982.406(c).
- The PHA must identify alternative inspection methods being used in the administrative plan.
- If an alternative inspection method employs sampling, then a PHA may rely on such alternative inspection method for purposes of an initial or periodic inspection only if units occupied by program participants are included in the population of units forming the basis of the sample.
- In order for a PHA to rely on the results of an alternative inspection for purposes of periodic inspection, a property must meet the standards or requirements regarding housing quality or safety applicable to properties assisted under the program using the alternative inspection method. To make the determination of whether such standards or requirements are met, the PHA must adhere to the following procedures:
 - If a property is inspected under an alternative inspection method, and the property receives a “pass” score, then the PHA may rely on that inspection.
 - If a property is inspected under an alternative inspection method, and the property receives a “fail” score, then the PHA may not rely on that inspection.
 - If a property is inspected under an alternative inspection method that does not employ a pass/fail determination—for example, in the case of a program where deficiencies are simply identified—then the PHA must review the list of deficiencies to determine whether any cited deficiency would have resulted in a “fail” score under housing quality standards. If no such deficiency exists, then the PHA may rely on the inspection. If such a deficiency does exist, then the PHA may not rely on the inspection.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- Since additional staff time will be required to determine whether units passed or failed inspection and it may be difficult for the PHA to obtain inspection reports from other entities, Option 1 states that the PHA will not rely on alternative inspection methods.
- If the PHA wishes to use alternative inspection methods, select Option 2.



Option 1: Use the model plan language shown below. No change to the model plan is needed.

The PHA will not rely on alternative inspection standards.



Option 2: If the PHA will rely on alternative inspections for periodic inspections, replace the language in the model plan with the following:

The PHA will accept the results of inspections performed by HUD REAC, or for the HOME or LIHTC programs. Inspections will only be accepted if PBV units are included in the population of units forming the basis of the sample.

The PHA will not utilize inspection results other than from inspections conducted by HUD or for the HOME or LIHTC programs.

Inspection reports and other data must be provided to the PHA within five business days of the inspection. The PHA will review the inspection reports and determine whether the unit will receive a “pass” within five business days. If the PHA determines that the unit does not pass, the PHA will notify the owner and conduct an inspection within 10 business days.



Option 3: Use PHA-established policy. Edit the model language or delete it and insert the PHA’s policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Interim Inspections [24 CFR 983.103(f)]

This subsection summarizes when interim inspections are needed.



Decision Point: What policies does the PHA want to establish with respect to interim inspections? (Model plan, p. 17-40)



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

During an interim inspection, the PHA generally will inspect only those deficiencies that were reported. However, the inspector will record any additional HQS deficiencies that are observed and will require the responsible party to make the necessary repairs.

If the periodic inspection has been scheduled or is due within 90 days of the date the special inspection is scheduled the PHA may elect to conduct a full inspection.



Option 2: Use PHA-established policy. Edit the model language or delete it and insert the PHA's policy.

Follow Up Inspections [24 CFR 983.103(f)(2)]

No policy decisions are required.

Supervisory Quality Control Inspections [24 CFR 983.103(f)(3)]

No policy decisions are required.

Inspecting PHA-Owned Units [24 CFR 983.103(g)]

In the case of PHA-owned units, the inspections must be performed by an independent entity designated by the PHA and approved by HUD. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

PART IV: REHABILITATED AND NEWLY CONSTRUCTED UNITS

17-IV.A. OVERVIEW [24 CFR 983.151 and 983.152]

There are specific requirements that apply to PBV assistance for newly constructed or rehabilitated housing that do not apply to PBV assistance in existing housing. This part describes the requirements unique to this type of assistance.

No policy decisions are required.

17-IV.B. AGREEMENT TO ENTER INTO HAP CONTRACT [24 CFR 983.154]

In order to offer PBV assistance in rehabilitated or newly constructed units, the PHA must enter into an agreement to enter into HAP contract (AHAP) with the owner of the property. The AHAP must be in the form required by HUD [24 CFR 983.152(b)]. The AHAP must be signed before any construction work or rehabilitation work has started. **No policy decisions are required.**

PHA Discretion Not to Use an AHAP [24 CFR 983.154(f)]

The PHA may decide not to use an AHAP or may choose to execute an AHAP after construction or rehabilitation that complied with applicable requirements of 24 CFR 983.153 has commenced. To do so, the PHA must explain the circumstances (if any) under which the PHA will enter into a PBV HAP contract for newly constructed or rehabilitated housing without first entering into an AHAP and under which the PHA will enter into an AHAP after construction or rehabilitation has commenced.



Decision Point: Will the PHA enter into an AHAP after construction or rehabilitation has commenced? (Model plan, p. 17-41)



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will not exercise its discretion to not use an AHAP or to execute an AHAP after construction or rehabilitation.



Option 2: Delete the model policy language and insert the following:

The PHA may on a case-by-case basis exercise its discretion to not use an AHAP or to execute an AHAP after construction or rehabilitation for newly constructed or rehabilitated housing.



Option 3: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Content of the AHAP [24 CFR 983.154(e)]

This section describes the items that must be included in the agreement to enter into HAP contract. **No policy decisions are required.**

Execution of the AHAP [FR Notice 11/24/08]



Decision Point: When will the PHA execute the AHAP contract (AHAP)? (Model plan, p. 17-42)

Things to Consider

- The regulations state that the AHAP must be executed promptly after PHA notice of proposal selection to the selected owner.
- The model plan language clarifies that “promptly” is defined by the PHA as 10 business days following the approval of the subsidy layering and environmental reviews. This is the standard time frame used throughout most of the plan.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will enter into the AHAP with the owner within 10 business days of receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA’s policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-IV.C. DEVELOPMENT REQUIREMENTS

Labor Standards [24 CFR 983.153(c)]

This section describes the requirement that if an AHAP covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing.

In addition, the owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. **No policy decisions are required.**

Accessibility [24 CFR 983.153(e)]

No policy decisions are required.

Broadband Infrastructure [24 CFR 983.153(f)]

With some exceptions, any development activity that constitutes substantial rehabilitation as defined by 24 CFR 5.100 of a building with more than four rental units and where the proposal or project selection date or the start of the development activity while under a HAP contract is after January 19, 2017, must include installation of broadband infrastructure, as defined in 24 CFR 5.100. **No policy decisions are required.**

Owner Disclosure [24 CFR 983.153(g)]

This section describes the requirement for the owner to certify that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs. Any conflict of interest must also be disclosed. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-IV.D. COMPLETION OF WORK [24 CFR 983.155]

Evidence of Completion [24 CFR 983.155]



Decision Point: Will the PHA require the owner to submit documentation in addition to that required by the regulations as evidence of housing completion? (Model plan, p. 17-45)

Things to Consider

- The owner must submit certain evidence of completion to the PHA. However, the PHA may require the owner to submit additional information.
- Additional documentation may include items such as a certificate of occupancy or other evidence that the units comply with local requirements; and an architect's certification that the housing complies with housing quality standards, building codes, zoning, or work specifications.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

At a minimum, the owner must submit the following evidence of completion to the PHA or independent entity, as applicable:

Owner certification that the work has been completed in accordance with housing quality standards and all requirements of the AHAP; and

Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At the discretion of the PHA, the AHAP may specify additional documentation that must be submitted by the owner as evidence of housing completion. For example, such documentation may include:

A certificate of occupancy or other evidence that the units comply with local requirements (such as code and zoning requirements); and

An architect's certification that the housing complies with:

HUD housing quality standards;

State, local, or other building codes;

Zoning;

The rehabilitation work write-up (for rehabilitated housing) or the work description (for newly constructed housing); or

Any additional design or quality requirements pursuant to the AHAP.

Instructions for Preparing Chapter 17: Project-Based Vouchers

The PHA will determine the need for the owner to submit additional documentation as evidence of housing completion on a case-by-case basis depending on the nature of the PBV project. The PHA will specify any additional documentation requirements in the AHAP.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

PHA Acceptance of Completed Units [24 CFR 983.156(a) and (b)]

This section describes what the PHA must do prior to accepting the completed units and entering into the HAP contract with the owner. **No policy decisions are required.**

Staged Completion of Contract Units [24 CFR 983.156(c)]

Contract units which will not undergo development activity after HAP contract execution may be placed under the HAP contract in stages commencing on different dates. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

Instructions for Preparing Chapter 17: Project-Based Vouchers

PART V: HOUSING ASSISTANCE PAYMENTS (HAP) CONTRACT

17-V.A. OVERVIEW [24 CFR 983.202(a)]

This section provides an overview of Part V. **No policy decisions are required.**

17-V.B. HAP CONTRACT REQUIREMENTS

Contract Information [24 CFR 983.203]

This section describes the information that must be included in a PBV HAP Contract. **No policy decisions are required.**

Execution of the HAP Contract [24 CFR 983.204]



Decision Point: When will the PHA execute the HAP contract? (Model plan, p. 17-48)



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

For existing housing, the HAP contract will be executed within 10 business days of the PHA determining that all units pass inspection.

For rehabilitated or newly constructed housing, the HAP contract will be executed within 10 business days of the PHA determining that the units have been completed in accordance with the AHAP, all units meet housing quality standards, and the owner has submitted all required evidence of completion.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Effective Date of the HAP Contract [24 CFR 983.204(d)]

The effective date of the HAP contract must be on or after the date the HAP contract is executed. The HAP contract must be effective before the effective date of the first lease covering a contract unit occupied by an assisted family, and the PHA may not pay any housing assistance payment to the owner until the HAP contract is effective. **No policy decisions are required.**

Term of HAP Contract [24 CFR 983.205, FR Notice 1/18/17, and Notice PIH 2017-21]



Decision Point: What term will the PHA offer for its PBV HAP contracts? (Model plan, p. 17-49)

Things to Consider

- The PHA may enter into a PBV HAP contract for a minimum of one year and a maximum of 20 years.
- There are many factors that may influence the length of a HAP contract term, such as availability of PHA funding and the interests of the owner. To account for this, the model plan language does not identify a specific term for all HAP contracts, but rather it makes clear that the term of the HAP contract will be negotiated with the owner on a case-by-case basis.
- The Housing Opportunity through Modernization Act of 2016 (HOTMA) changes the limitation on the initial term of the HAP contract from 15 years to 20 years. For PHAs and owners with HAP contracts in effect prior to the implementation of this provision of HOTMA (April 18, 2017), if contracts are still in the initial term, the term may be extended to a maximum initial term of 20 years by mutual consent, and then may subsequently be extended for additional 20 years, for a maximum of 40 years. PHAs and owners with HAP contracts that are no longer in the initial term may mutually agree to extend the contract for total extension term of 20 years.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Decision Point: What circumstances should the PHA consider when determining whether or not to extend the term of a HAP contract? (Model plan, p. 17-49)

Things to Consider

- Just like the initial term of a HAP contract, the PHA needs flexibility to determine whether or not a HAP contract will be extended.
- Identifying the types of factors the PHA will consider in making its decision makes the process more transparent and illustrates to affected owners and residents that the PHA will follow a decision-making process that is fair and reasonable.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

When determining whether or not to extend an expiring PBV contract, the PHA will consider several factors including, but not limited to:

The cost of extending the contract and the amount of available budget authority;

The condition of the contract units;

The owner's record of compliance with obligations under the HAP contract and leases;

Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and

Whether the funding could be used more appropriately for tenant-based assistance.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

17-V.C. TERMINATION OF THE HAP CONTRACT

Termination by Agreement of PHA and Owner [24 CFR 983.206(e)]

The PHA and owner may agree to terminate the HAP contract prior to the end of the term. **No policy decisions are required.**

Termination by PHA [24 CFR 983.205(c)]

This section describes the circumstance under which the PHA may terminate a PBV HAP contract. **No policy decisions are required.**

Non-extension by Owner – Notice Requirements [24 CFR 983.206(a)]

This section describes owner notice requirements when the HAP contract is not extended. **No policy decisions are required.**

Termination by Owner – Reduction Below Initial Contract Rent [24 CFR 983.206(d)]

If the amount of the rent to owner for any contract unit, as adjusted, is reduced below the amount of the initial rent to owner, the owner may terminate the HAP contract. **No policy decisions are required.**

Termination or Expiration without Extensions – Required Provision of Tenant-Based Assistance [24 CFR 983.206(b)]

This section describes requirements for providing tenant-based assistance when a HAP contract expires without extension or is terminated. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

Remedies for Housing Quality Standards Deficiencies [24 CFR 983.208]

The following is applicable to HAP contracts executed or renewed June 5, 2024, or earlier:

The PHA may not make any HAP payment to the owner for a contract unit during any period for which the unit does not comply with housing quality standards.



Decision Point: What policies will the PHA follow regarding abatement of HAP and HAP contract termination due to owner noncompliance with NSPIRE standards? (Model plan, p. 17-53)

Things to Consider

- The PHA has already developed policies regarding this issue for its tenant-based voucher program.
- Following the same policies for both the PBV and tenant-based programs, when possible, simplifies program administration and minimizes confusion for owners and staff



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will abate and terminate PBV HAP contracts for noncompliance with housing quality standards in accordance with the policies used in the tenant-based voucher program. These policies are contained in Section 8-II.G., Enforcing Owner Compliance.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

The following is applicable to HAP contracts executed or renewed June 6, 2024, or later.

Enforcement of Housing Quality Standards [24 CFR 983.208(b)]

In the case of a housing quality standards deficiency that the PHA determines is caused by the tenant, any member of the household, or any guest or other person under the tenant's control (other than damage resulting from ordinary use), the PHA may waive the owner's responsibility to remedy the violation. The HAP to the owner may not be withheld or abated if the owner responsibility has been waived. However, if the family's actions constitute a serious or repeated lease violation, the owner may take legal action to evict the family. In addition, the PHA may terminate the family's assistance because of housing quality standards breach (beyond damage resulting from ordinary use) caused by any member of the household, guest, or other person under the tenant's control.



Decision Point: When will the PHA waive the owner's responsibility to remedy violations? (Model plan, p. 17-54)



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will waive the owner's responsibility for housing quality standards deficiencies that have been determined to have been caused by the tenant, any member of the household, or any guest or other person under the tenant's control, to the extent the tenant can be held responsible for ensuring that the deficiencies are corrected: the tenant must take all necessary steps permissible under the lease and state and local law to remedy the deficiency. This may include paying the owner for the cost of the necessary repairs in accordance with the lease.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Family Obligation [24 CFR 983.208(c)]



Decision Point: How will the PHA define *ordinary wear and tear*? (Model plan, p. 17-54)

Things to Consider

- The regulation states that the family is responsible for any member of the household or guest damages to the dwelling unit or premises “beyond ordinary wear and tear” but does not define this term.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

Damages beyond ordinary wear and tear will be considered to be damages which could be assessed against the security deposit under state law or in court practice.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA’s policy.

PHA Remedies [24 CFR 983.208(d)]

The remedies listed below apply when housing quality standards deficiencies are identified as the result of an inspection other than a pre-selection, initial, or turnover inspection. The PHA must identify in its administrative plan the conditions under which it will withhold HAP and the conditions under which it will abate HAP or terminate the HAP contract for units other than the unit with housing quality standards deficiencies.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Decision Point: What remedies will the PHA take when the unit does not pass housing quality standards? (Model plan, p. 17-53)



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies housing quality standards failures, the PHA will determine (1) whether or not the failure is a life-threatening condition and (2) whether the family or owner is responsible.

The PHA will not withhold assistance payments upon notification to the owner of the deficiencies.

When life-threatening conditions are identified, the PHA will immediately notify both parties by telephone or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of the PHA's notice.

When failures that are not life-threatening are identified, the PHA will send the owner and the family a written notification of the inspection results within five business days of the inspection. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally, not more than 30 days will be allowed for the correction.

If the owner is responsible for correcting the deficiency, the notice of inspection results will inform the owner that if life-threatening conditions are not corrected within 24 hours, and non-life-threatening conditions are not corrected within the specified time frame (or any PHA-approved extension), the owner's HAP will be abated.

Likewise, if the family is responsible for correcting the deficiency, the notice will inform the family that if corrections are not made within the specified time frame (or any PHA-approved extension, if applicable) the family's assistance will be terminated in accordance with PHA policy (see Chapter 12).



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

HAP Withholding [24 CFR 983.208(d)(1)]

A PHA may withhold assistance payments for units that have housing quality standards deficiencies once the PHA has notified the owner in writing of the deficiencies.



Decision Point: Will the PHA withhold assistance payments? (Model plan, p. 17-56)

Things to Consider

- The PHA's administrative plan must identify the conditions under which the PHA will withhold HAP.
- In this case, if the unit is brought into compliance during the applicable cure period, the PHA resumes assistance payments and provides assistance payments to cover the time period for which the payments were withheld.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will not withhold assistance payments upon notification to the owner of the deficiencies.



Option 2: Delete the language in the model plan and replace with the following.

The PHA will withhold assistance payments upon notification to the owner of any non-life-threatening deficiencies. Withholding will occur during the cure period, which is 30 days (or a PHA-approved extension). The PHA will not withhold HAP when deficiencies are life-threatening. If the owner fails to make repairs during the applicable cure period, the PHA will follow policies for abatement and termination of the HAP contract as outlined below.



Option 3: Use PHA-established policy. Edit the model language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

HAP Abatement [24 CFR 983.208(d)(2)]

The PHA must abate the HAP, including amounts that had been withheld, if the owner fails to make the repairs within the applicable cure period.



Decision Point: What is the effective date of abatements? (Model plan, p. 17-56)

Things to Consider

- If an owner fails to correct deficiencies by the time specified by the PHA, HUD requires the PHA to abate housing assistance payments.
- No retroactive payments will be made to the owner for the period of time the rent was abated.
- The PHA may choose to abate payments for all units covered by the HAP contract due to a contract unit's noncompliance with the housing quality standards, even if some of the contract units continue to meet housing quality standards. Option 1 states that the PHA will only abate HAP on those units that do not meet housing quality standards. If the PHA wishes to abate HAP on all units, the model policy should be edited.
- Owner rents are not abated as a result of deficiencies that are the family's responsibility.
- The PHA has the option of placing the abatement as of the first of the month following the expiration of the 30-day abatement notice or abating rent exactly 30 days after expiration of the notice and prorating the rent the owner is due.
- Abating HAP exactly 30 days after notice to the owner imposes on the PHA the additional administrative burden of prorating the amount of HAP the owner is entitled to. However, waiting until the first of the following month delays the abatement.
- If HAP is abated exactly 30 days after the correction period expires the PHA will either have to offset future HAPs or collect the overpaid amount directly from the owner if no future HAPs are made (the HAP contract is terminated).



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will make all HAP abatements effective the first of the month following the expiration of the PHA-specified correction period (including any extension).

The PHA will abate payments only for those contract units that do not meet housing quality standards.



Option 2: Use PHA-established policy. Edit the model language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Decision Point: When will re-inspections occur and housing assistance payments reinstated following abatement of HAP? (Model plan, p. 17-56)



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will inspect abated units within five business days of the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection.



Option 2: Use PHA-established policy. Edit the model language or delete it and insert the PHA's policy.

Failure to Make Repairs

The PHA must decide how long any abatement period will continue before the HAP contract will be terminated. If the unit does not meet housing quality standards within 60 days (or a reasonable longer period established by the PHA), the PHA will terminate the HAP contract for the unit and the family will have to move to receive continued assistance. In this case, the PHA must issue the family its voucher to move at least 30 days prior to the termination of the HAP contract.



Decision Point: How long will the PHA permit a unit to be abated before the HAP contract will be terminated? (Model plan, p. 17-57)



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will issue a family whose HAP contract is being terminated due to an owner failing to make required repairs within the required time frame a voucher no later than 30 days prior to the termination of the HAP contract. The initial term of the voucher will be 120 calendar days. No briefing is required for these families.

In order to receive tenant-based assistance under the HCV program, the family must submit a Request for Tenancy Approval and proposed lease within the 120-day period, unless the PHA grants an extension. The PHA will follow the policies set forth in Chapter 5 on voucher extension and expiration.



Option 2: Use PHA-established policy. Edit the model language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Offer of Public Housing [24 CFR 983.208(d)(6)(ii)]

If the family is unable to lease a new unit within the term of the voucher, and the PHA owns or operates public housing, the PHA must offer, and, if accepted, provide the family a selection preference for an appropriate-size public housing unit that first becomes available for occupancy after the time period expires.



Decision Point: Does the PHA own public housing and, if so, what are the PHA's policies on offering the family continued assistance in a public housing unit? (Model plan, p. 17-57)

Things to Consider

- Select Option 1 if the PHA operates public housing units.
- If the PHA does not operate a public housing program, but does have PBV units, the PHA may, but is not required to, adopt Option 2 to allow the family to move to a PBV unit. Since the move would be within the same program, the family's eligibility would not be determined, and the family would simply transfer to another PBV unit.
- If the PHA has no public housing units and does not wish to offer the family continued assistance in a PBV unit, Option 3 should be selected.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA does operate a public housing program and will provide a preference for PBV families whose units are being removed from the HAP contract or whose HAP contract is being terminated due to an owner failing to make required repairs within the required time frame, and who were unable to lease a new unit within the term of the voucher.

Thirty days prior to the expiration date of the voucher, the PHA will provide written notice to the family stating that the PHA does provide such a preference and providing an estimation of availability for the appropriately-size public housing unit.



Option 2: Delete the model plan language and substitute the language below if the PHA wishes to offer the family continued assistance in a PBV unit.

The PHA does not operate any public housing units. However, the PHA will offer the family continued assistance in a suitable PBV unit. Thirty days prior to the expiration of the family's voucher, the PHA will provide the family with written notice offering them an appropriately sized PBV unit. If the family accepts the unit offer, the PHA will process a transfer for the family.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- ☐ *Option 3: Delete the model plan language and substitute the language below if the PHA does not have any public housing units.*

The PHA does not operate any public housing units.

- ☐ *Option 4: Use another PHA-established policy giving the family a longer voucher term. Edit the model plan language or delete it and insert the PHA's policy.*

Relocation Assistance [24 CFR 983.208(d)(6)(iii)]

PHAs may assist families relocating due to the HAP contract being terminated as a result of the owner failing to make required repairs within the required time frame in finding a new unit, including using up to two months of the withheld and abated assistance payments for costs directly associated with relocating to a new unit, including security deposits, temporary housing costs, or other reasonable moving costs as determined by the PHA based on their locality.



Decision Point: Will the PHA offer relocation assistance? (Model plan, p. 17-58)

Things to Consider

- If the PHA uses withheld and abated payments to assist with relocation costs, the PHA must provide security deposit assistance to the family as necessary.
- If the family receives security deposit assistance from the PHA for the new unit, the PHA may require the family to remit the security deposit returned by the owner of the new unit at such time that the lease is terminated, up to the amount of security deposit provided by the PHA for that unit.

- ☐ *Option 1: Use the model plan language shown below. No changes to the model plan are needed.*

The PHA will assist families with disabilities with locating available accessible units in accordance with program requirements.

The PHA will use up to two months of withheld and abated payment to assist with any required security deposit at the new unit. Funds will not be used for any other relocation assistance.

If the family receives a refund of a security deposit for the new unit, the PHA will not require any amount to be remitted to the PHA.



- Option 2: Use another PHA-established policy giving the family a longer voucher term. Edit the model plan language or delete it and insert the PHA's policy.*

The PHA will not assist families with disabilities with locating available accessible units in accordance with program requirements.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-V.D. AMENDMENTS TO THE HAP CONTRACT TO ADD OR SUBSTITUTE UNITS [24 CFR 983.207]

This section describes the circumstances under which a PHA may amend a HAP contract to substitute a different unit with the same number of bedrooms in the same project for a previously covered contract unit.

The PHA must describe in the administrative plan the circumstances under which it will add or substitute contract units, and how those circumstances support the goals of the PBV program.



**Decision Point: Will the PHA amend the HAP contract to add or substitute units?
(Model plan, p. 17-59)**

Things to Consider

- The added or substituted units may undergo repairs or renovation prior to amending the contract in accordance with 25 CFR 983.207(d) (as described below).
- A unit that is not under a PBV HAP contract but is in a project with other units that are under a PBV HAP contract may undergo repairs or renovation prior to amending the PBV HAP contract to add or substitute the unit (except in the case of a contract subject to a rider under the rehabilitated housing option for development activity after HAP contract execution). If the repairs or renovation constitute substantial improvement as defined in 24 CFR 983.3, then the requirements of 24 CFR 983.207(d) apply.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will add units to the contract on a case-by-case basis to ensure the availability of affordable housing as long as the addition of units does not exceed allowable project caps.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Addition of Contract Units [24 CFR 983.207(b)]

Before adding any contract units, the units must comply with housing quality standards and the rent to owner must be reasonable. The additional PBV units, however, are still subject to the PBV program cap and project cap. However, added units that qualify for an exclusion from the program cap (as described in 24 CFR 983.59) or an exception to or exclusion from the project cap (as described in 24 CFR 983.54(c) and 24 CFR 983.59, respectively) do not count toward such caps. **No policy decisions are required.**

Substituting or Adding Occupied Units [24 CFR 983.207(c)]

This section describes the circumstances under which the PHA may add or substitute occupied units. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-V.E. HAP CONTRACT YEAR, ANNIVERSARY AND EXPIRATION DATES [24 CFR 983.207(b)(2) and (g) and 983.302(e)]

This section explains the term HAP contract year and describes how HAP anniversary and expiration dates are determined, including cases where contract units are placed under the HAP contract in stages, or units are added by amendment. **No policy decisions are required.**

17-V.F. OWNER'S RESPONSIBILITIES UNDER THE HAP CONTRACT [24 CFR 983.210]

This section describes the items to which an owner certifies when the owner executes the HAP contract and at all times during the term of the HAP contract. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

PART VI: SELECTION OF PBV PROGRAM PARTICIPANTS

17-VI.A. OVERVIEW

This section provides an overview of Part VI. **No policy decisions are required.**

17-VI.B. ELIGIBILITY FOR PBV ASSISTANCE [24 CFR 983.251(a) and (b)]

The PHA may select families for the PBV program from those who are participants in the PHA's tenant-based voucher program and from those who have applied for admission to the voucher program.



Decision Point: What policies will the PHA follow for determining the eligibility of applicants for PBV assistance? (Model plan, p. 17-63)

Things to Consider

- The PHA has already developed policies for determining eligibility for the tenant-based voucher program.
- Following the same policies for both the PBV and tenant-based programs, when possible, simplifies program administration and minimizes confusion.
- If Chapter 3 contains discretionary eligibility requirements for the tenant-based voucher program that you do not want to use for the PBV program, any exceptions or differences in the policies should be listed here (see Option 2).



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will determine an applicant family's eligibility for the PBV program in accordance with the policies in Chapter 3.



Option 2: Delete model plan language and substitute language as shown below.

The PHA will determine an applicant family's eligibility for the PBV program in accordance with the policies in Chapter 3, with the following exceptions:

[Insert list of exceptions from Chapter 3]



Option 3: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

In-Place Families [24 CFR 983.251(b)]

This section describes the regulatory protections for families living in units selected for project-based assistance on the date a PBV proposal is selected. Eligible in-place families must be given an absolute preference for admission to the PBV units. **No policy decisions are required.**

17-VI.C. ORGANIZATION OF THE WAITING LIST [24 CFR 983.251(c)]



Decision Point: How will the PHA structure the PBV waiting list? (Model plan, p. 17-65)

Things to Consider

- It is easier to manage and administer a PBV waiting list that is separate from the tenant-based voucher waiting list.
- Likewise, if a PHA has more than one development with project-based assistance, it may be easier to manage a separate waiting list for each development, particularly if the PHA wants to provide preferences for occupancy of specific units.
- If a PHA has multiple PBV projects aimed at serving specific populations and will have services onsite to serve these populations, establishing separate waiting lists for these projects may be necessary so that specific preferences for families needing these services can be provided for different projects/buildings.
- Option 1 states the PHA will maintain site-based waiting lists. Since HUD requires the PHA specify the name of the PBV projects which have site-based waiting lists in its administrative plan, the PHA must edit Option 1.
- The model policy assumes that the PHA will run some of its site-based waiting lists and will also have the owner run certain lists. If this is not the case, and the PHA will maintain all lists, Option 1 should be edited to remove “While some waiting lists will be maintained by the owner as described below.”.
- If the PHA establishes a PBV waiting list that is separate from the HCV list, the PHA must offer to place applicants listed on the waiting list for tenant-based vouchers on the waiting list for PBV assistance.
- If you want to establish a separate PBV waiting list that is PHA-wide rather than for each project or development, select Option 2.
- If you want to use the same waiting list for tenant-based and project-based vouchers, select Option 3.



The PHA will use separate, site-based waiting lists for all projects or buildings that are receiving PBV assistance.

While some waiting lists will be maintained by the owner as described below, the PHA will maintain waiting lists for the following PBV projects:

[Insert list of project/buildings receiving PBV assistance for which separate waiting lists are maintained by the PHA]

Instructions for Preparing Chapter 17: Project-Based Vouchers

☐

Option 2: Delete model plan language and substitute language as shown below.

The PHA will establish one waiting list for the PHA's entire PBV program that is separate from the waiting list for the HCV program.

☐

Option 3: Delete model plan language and substitute language as shown below.

The PHA will use one waiting list for both the tenant-based and project-based voucher programs.

☐

Option 4: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

PHA Waiting List Preferences [24 CFR 983.251(c)(3)]



Decision Point: Will the PHA establish criteria or preferences for the occupancy of PBV units? (Model plan, p. 17-65)

Things to Consider

- The PHA may use the same selection preferences that are used for the tenant-based voucher program, establish selection criteria or preferences for the PBV program as a whole, or for occupancy of particular PBV developments or units.
- The preferences offered by a PHA (if any) will depend on the local housing needs, the type of housing that is receiving project-based assistance, whether services are being offered, and whether the housing is intended for particular populations (e.g., victims of domestic violence, homeless, disabled, elderly, etc.).
- Preferences make the waiting list management process more complex and difficult to administer. They may also make the selection process harder for families to understand.
- Selection preferences may prevent certain families without preference from ever being selected for PBV assistance.
- The PHA may offer a preference for individuals who qualify for voluntary services offered in connection with units.
 - Families must not be required to accept the particular services offered at the project nor may families be required to provide their own equivalent services if they decline the project's services.
 - Even if the preference is adopted, participation in services is still voluntary. Program beneficiaries who receive housing because of the preference may still receive voluntary services from a service provider of their choosing or choose not to participate in services at all. If the individual chooses to no longer participate or no longer qualifies, they may not subsequently be denied continued housing opportunity.
 - Examples of this type of preference may include a preference for persons who qualify for employment assistance or transportation services, or for a person who qualifies for housekeeping assistance, case management, or outpatient health services.
 - The PHA (or owner in the case of owner-maintained waiting lists) may establish a selection preference to families who qualify for voluntary services, including disability-specific services, offered in conjunction with assisted units, provided that preference is consistent with the PHA Plan.
 - The PHA may not, however, grant a preference to a person with a specific disability.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- If the PHA adopts a disability-specific service preference, the PHA must consider how to implement the preference consistent with Section 504 and the Americans with Disabilities Act (ADA), and their implementing regulations.
 - Regulations require that the PHA ensures that the person with disabilities can interact with persons without disabilities to the fullest extent possible in an integrated housing setting. Further, the Fair Housing Act and related regulations require a dispersion of units occupied by individuals with disabilities, and that the owner not assign individuals with disabilities to a particular section or floor of a building.
 - Also, a PHA or owner cannot determine that a participant's needs exceed the level of care offered by qualifying services or require the individuals be transitioned to different projects based on service needs.
- For both excepted units and units under the increased program cap, 24 CFR 983.262(b)(2) requires that the PHA must select families from the waiting list though an admission preference for these types of units. **If the PHA adopts policies in section 17-I.C. to include units under the increased program cap and/or excepted units as identified in 17-I.D., the PHA must include language here on selection preferences.**
- Because preferences are specific to particular PHAs and dependent on local conditions and local PBV programs, the model plan does not include any preferences.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will offer waiting list preferences for PHA-maintained site-based waiting lists.

	Disabled	Residential	Homeless	CoC CHP
Lurie Terrace	X	X	X	
Courthouse Square	X	X	X	
Charring Square	X		X	
Affordable Housing	X		X	



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

The PHA will offer waiting list preferences for PHA- entire PBV program waiting list: Disabled, CoC Homeless Referrals, and residential.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-VLD. OWNER-MAINTAINED WAITING LISTS [24 CFR 983.251(c)(7)]

When the PHA uses separate waiting lists for individual projects or buildings, the PHA may establish in the administrative plan that owners will maintain the waiting lists.



Decision Point: Will the PHA have any owner-maintained waiting lists? (Model plan, p. 17-66)

Things to Consider

- If the PHA will adopt owner-maintained waiting lists, then the PHA must state above that it will use separate waiting lists for individual projects or buildings.
- If the PHA adopts this policy, the PHA must identify in the administrative plan the name of the projects.
- The PHA may choose to use owner-maintained PBV waiting lists for specific owners or projects and may permit an owner to maintain a single waiting list across multiple projects owned by the owner.
- If the PHA will allow for owner-maintained waiting lists, select Option 1 and leave the policies in the administrative plan regarding owner waiting lists.
- If the PHA will not allow for any owner maintained waiting lists, select Option 2. The model policy should also be edited to delete the sections on Owner Waiting List Policy, Preliminary Eligibility Determinations, and PHA Oversight.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will establish owner-maintained waiting lists at the following PBV projects:

[Insert list of projects for which owners maintain waiting lists.]

The PHA will disclose information to all applicants about all the PBV projects, including the projects' contact information and other basic information such as the location, number of accessible units, types of excepted units (if any), amenities, and anticipated waiting time.



Option 2: Delete model plan language and substitute language as shown below.

The PHA will not allow for any owner-maintained waiting lists. The PHA will operate all waiting lists.



Option 3: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Owner Waiting List Policy [24 CFR 983.251(c)(7)(i)]

The owner must develop and submit to the PHA a written owner waiting list policy that must include information listed in the regulation. The owner must receive approval from the PHA in accordance with the process established in the PHA's administrative plan, and the PHA must include the owner's waiting list policy in the PHA's administrative plan.



Decision Point: Will the PHA have any owner-maintained waiting lists? (Model plan, p. 17-657)

Things to Consider

- If the PHA will not allow for owner-maintained waiting lists, this section should be deleted.
- For ease of organization, the model policy states that the owner's policy will be added as an exhibit at the end of the chapter rather than including the entire policy in the body of the chapter. **If the PHA adopts Option 1, the PHA must insert the owner's waiting list policy as Exhibit 17-2.**
- The model policy calls for owners to submit their policies electronically via email so that the PHA can easily add the owner's policy to the administrative plan.



Option 1: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Not Applicable



Option 2: Use the model plan language shown below. No changes to the model plan are needed.

Prior to any owner initially managing a waiting list, the owner must develop and submit a written owner waiting list policy to the PHA. Owners may not operate a waiting list without prior PHA approval. The PHA will review the owner's policy to ensure that, at a minimum, it includes policies and procedures concerning waiting list management and selection of applicants from the project's waiting list, including any admission preferences; procedures for removing applicant names from the waiting list; and procedures for closing and reopening the waiting list. Further, if the owner will maintain waiting list preferences, the owner must also receive written approval from the PHA for any preferences that will be applicable to the project (see Preferences below).

Instructions for Preparing Chapter 17: Project-Based Vouchers

The PHA will not approve any owner waiting list policies that do not meet minimum requirements as described in the regulations and PHA policy. Owner policies must be submitted electronically to the PHA. If, upon review, the PHA is unable to approve the policy, the PHA will send the owner written notice via email specifying the reasons the policy is being disapproved. The owner will have 10 business days to amend and resubmit the policy to the PHA, subject to extensions for good cause, which the owner must request prior to the end of the 10-business day period. The owner must receive final written approval from the PHA prior to maintaining a waiting list. Once an owner's policy is approved, the PHA will email the owner a copy of the approval and will maintain a copy of the approval in the project records. The PHA will also amend its administrative plan to include the name of the project and the owner's waiting list policy. All owner waiting list policies are included at the end of this chapter as Exhibit 17-2.

The owner must submit any changes to the waiting list policy to the PHA in writing electronically 30 days prior to implementing the changes. The PHA will review the proposed changes and will provide the owner with a written approval or denial letter via email. The owner may not implement any changes to the waiting list policy without prior PHA approval. Changes to the owner's policy will be included in the PHA's administrative plan.

Owner-Maintained Waiting List Preferences [24 CFR 983.251(c)(7)(ii)]

No PHA policy decisions are required.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Preliminary Eligibility Determinations [24 CFR 983.251(c)(7)(vi)]

At the discretion of the PHA, the owner may make preliminary eligibility determinations for purposes of placing the family on the waiting list and preference eligibility determinations. The PHA may choose to make this determination rather than delegating it to the owner.



Decision Point: Will the PHA allow the owner to make preliminary eligibility determinations? (Model plan, p. 17-68)

Things to Consider

- If the PHA will not allow for owner-maintained waiting lists, this section should be deleted.
- If the PHA delegated the preliminary eligibility and preference determinations to the owner, the owner is responsible for notifying the family of the owner's determination not to place the applicant on the waiting list and a determination that the family is not eligible for a preference. In such a case, the owner is responsible to provide the notice at 24 CFR 982.554(a). The PHA is then responsible for conducting the informal review.



Option 1: *Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.*

Not Applicable



Option 2: *Use the model plan language shown below. No changes to the model plan are needed.*

The PHA will allow the owner to make preliminary eligibility determinations for purposes of placing the family on the waiting list. The owner must review each completed application received and make a preliminary assessment of the family's eligibility. Applicants for whom the waiting list is open must be placed on the waiting list unless the owner determines the family to be ineligible. If the owner determines from the information provided that a family is ineligible, the family will not be placed on the waiting list. The owner is responsible for notifying the family and the PHA of the owner's determination not to place the applicant on the waiting list. In such a case, the owner is responsible for providing notice in accordance with 24 CFR 982.554(a). The owner must give the applicant prompt notice of a decision denying assistance to the applicant. The notice must contain a brief statement of the reasons for the owner decision and must also state that the applicant may request an informal review by the PHA.

Instructions for Preparing Chapter 17: Project-Based Vouchers

PHA Oversight [24 CFR 983.251(c)(7)(x)]

The PHA is responsible for oversight of owner-maintained waiting lists to ensure that they are administered properly and in accordance with program requirements, including but not limited to nondiscrimination and equal opportunity requirements under 24 CFR 5.105(a). The PHA must identify in the administrative plan the oversight procedures the PHA will use to ensure these requirements are met.



Decision Point: How will the PHA ensure oversight of the owner waiting list process? (Model plan, p. 17-69)

Things to Consider

- If the PHA will not allow for owner-maintained waiting lists, this section should be deleted.



Option 1: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Not Applicable



Option 2: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will review owner waiting list and waiting list procedures annually. The owner must maintain an electronic waiting list and provide the PHA electronic records upon request. The PHA will review the owner's waiting list policy to ensure the following:

No changes were made to the owner's waiting list policy without prior PHA approval;

Applicants were selected from the waiting list in the proper order, recognizing applicable preferences;

If applicable, when preferences were applied, they were properly documented;

If the owner opens the waiting list, the owner complied with requirements of 24 CFR 982.206;

The owner's waiting list complies with all equal opportunity requirements listed under 24 CFR 5.105(a); and

Families in need of vacant accessible units were identified on the waiting list (as applicable).

The PHA will communicate any deficiencies found during the waiting list review to the owner in writing via email within 10 business days after the PHA completes its review. The owner must provide the PHA with a written response detailing how deficiencies were remedied within 30 calendar days of the PHA's email notification.

Instructions for Preparing Chapter 17: Project-Based Vouchers

By signing the HAP contract, the owner certifies that at all times during the term of the HAP contract, each contract unit for which the owner is receiving housing assistance payments is leased to an eligible family selected from the owner-maintained waiting list. Serious noncompliance identified by the PHA may result in the owner losing the ability to maintain the waiting list. If the PHA determines that the owner has breached the HAP contract, the PHA may exercise any of its rights or remedies under the HAP contract, including but not limited to contract termination.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-VLE. SELECTION FROM THE WAITING LIST [24 CFR 983.251(c)]

Income Targeting [24 CFR 983.251(c)(9)]

At least 75 percent of the families admitted to the PHA's tenant-based and project-based voucher programs during the PHA fiscal year from the waiting list must be extremely low-income families. The income targeting requirement applies to the total of admissions to both programs.

No policy decisions are required.

Units with Accessibility Features [24 CFR 983.251(c)(9)]

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the PHA must first refer families who require such features to the owner. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-VLF. OFFER OF PBV ASSISTANCE OR OWNER'S REJECTION

Refusal of Offer [24 CFR 983.251(e)]

This section describes the actions the PHA is prohibited from taking against a family who has applied for, received, or refused an offer of PBV assistance. If a family refuses the PHA's offer of PBV assistance or the owner rejects a family for admission to the owner's PBV unit, the family's position on the PHA waiting list for tenant-based assistance is not affected regardless of the type of PBV waiting list used by the PHA.



Decision Point: How will the PHA define *good cause* for rejection of a unit offer? (Model plan, p. 17-71)



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will define *good cause* for rejection of a unit offer as any of the factors listed above.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Acceptance of Offer [24 CFR 983.252(a) and (b)]

Family Briefing

This section describes the PHA's obligation to conduct an oral briefing and provide the family with a briefing packet for those families that have accepted a unit offer. **No policy decisions are required.**

Persons with Disabilities

This section describes the PHA's obligation to make sure information is provided in an accessible format to persons with disabilities and to have a mechanism for referring a family that includes a member with a mobility impairment to an appropriate accessible PBV unit. **No policy decisions are required (see relevant policies in Chapter 2).**

Persons with Limited English Proficiency [24 CFR 983.252(d)]

This section describes the PHA's obligation to assure meaningful access by persons with limited English proficiency in accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166. **No policy decisions are required (see relevant policies in Chapter 2).**

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-VI.G. LEASING OF CONTRACT UNITS [24 CFR 983.252]

The owner is responsible for developing 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 fulfill their obligations under the lease [24 CFR 983.253(a)(2) and (a)(3)].

Filling Vacancies [24 CFR 983.254]

This section describes the owner's obligation to notify the PHA about vacancies in contract units, and the PHA's obligation to refer families to the owner to fill such vacancies. It also describes what action the PHA can take if a contract unit has been vacant for 120 days or more.



Decision Point: How quickly must the owner notify the PHA of a vacancy or expected vacancy and in what format must the notice be given? (Model plan, p. 17-75)

Things to Consider

- The regulation states that the owner must “promptly” notify the PHA of any expected vacancy or vacancy in a contract unit.
- To minimize vacancy days and avoid making vacancy payments (if applicable) for units that are unoccupied, it is important for the PHA to know about vacancies as soon as possible. This will allow the PHA to refer a sufficient number of families to the owner as quickly as possible.
- Although the standard of providing notice of 10 business days is used throughout much of the model plan, due to the time sensitive nature of this information, the model plan gives the owner five business days to provide this information to the PHA.
- The model plan calls for the notice to be in writing via email. It is important for the PHA to have this information in writing, so that if a unit is vacant for 120 days or more from the owner notice of vacancy, the PHA can take action to reduce the number of contract units under the PBV HAP based on this written documentation.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

For units where the waiting list is owner-maintained, the owner must notify the PHA in writing via email within five business days of learning about any vacancy or expected vacancy.

The owner is responsible for notifying the family of their selection from the waiting list. The PHA will make every reasonable effort to notify the owner in writing via email of the PHA's eligibility determination within 30 calendar days of receiving such notice from the owner. If the family is determined eligible, the PHA will notify the family and refer them back to the owner for a suitability screening. If the owner rejects the family after conducting a suitability screening, the owner must provide a copy of the rejection notice to the PHA. The owner may not offer a unit to a family until the PHA determines that the family is eligible for the program and has given the owner written confirmation.

For units where the waiting list is PHA-maintained, the owner must notify the PHA in writing via email within five business days of learning about any vacancy or expected vacancy. The PHA will refer families determined eligible to the owner for a suitability determination within 30 calendar days of receiving such notice from the owner. If the owner rejects the family after conducting a suitability screening, the owner must provide a copy of the rejection notice to the PHA. The owner may not offer a unit to a family until the PHA determines that the family is eligible for the program and has given the owner written confirmation.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

For units where the waiting list is PHA-maintained, the owner must notify the PHA in writing via email within five business days of learning about any vacancy or expected vacancy. The PHA will refer families determined eligible to the owner for a suitability determination within 30 calendar days of receiving such notice from the owner. If the owner rejects the family after conducting a suitability screening, the owner must provide a copy of the rejection notice to the PHA. The owner may not offer a unit to a family until the PHA determines that the family is eligible for the program and has given the owner written confirmation.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Reduction in HAP Contract Units Due to Vacancies [24 CFR 983.254(b)]



Decision Point: Will the PHA amend the HAP contract by reducing the number of contract units (according to bedroom size) for units that have been vacant for 120 days or more? (Model plan, p. 17-75)

Things to Consider

- If the PHA has made a good faith effort in referring eligible families to an owner, and a contract unit remains vacant for 120 days or more, the regulations allow the PHA to amend the HAP contract by subtracting the number of contract units that have been vacant for this period.
- If the PHA and owner have been unable to fill a vacancy for 120 days or more, it may be an indication that the subsidy could be better used in a different project or for use as a tenant-based voucher. Amending the HAP frees up this money for the PHA to put to better use assisting families.
- If the PHA does not amend the HAP contract after a contract unit has been vacant for 120 days or more, the money used to assist this unit is unavailable for other uses, yet it is not being utilized.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

If any contract units have been vacant for 120 days, the PHA will give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period. The PHA will provide the notice to the owner within 10 business days of the 120th day of the vacancy.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.



Decision Point: When will the amendment to the HAP contract be effective? (Model plan, p. 17-72)



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The amendment to the HAP contract will be effective the 1st day of the month following the date of the PHA's notice.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-VL.H. TENANT SCREENING [24 CFR 983.255]

PHA Option

The PHA is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy. However, the PHA may opt to screen applicants for family behavior or suitability for tenancy and may deny applicants based on such screening.



Decision Point: Will the PHA conduct screening to determine the applicant's suitability as a tenant? (Model plan, p. 17-75)

Things to Consider

- In Section 3-III.D., the model plan states that the PHA will not conduct screening for suitability for applicants receiving tenant-based vouchers.
- For administrative ease, whenever possible, the PHA should have the same policies for tenant-based and project-based assistance. It minimizes the potential for errors and confusion among staff and landlords.
- If in Section 3-III.D., you have adopted a policy that the PHA will screen for suitability, you may wish to adopt that same policy here. Again, this keeps the policies between the two programs as consistent as possible.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will not conduct screening to determine a PBV applicant family's suitability for tenancy.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Decision Point: When will the PHA provide required information to the landlord, and will the PHA provide owners with information about a prospective tenant's past history beyond that required by HUD regulations? (Model plan, p. 17-75)

Things to Consider

- For administrative ease, the policy here is the same policy used in Section 3-III.D. Whenever possible, the PHA should have the same policies for tenant-based and project-based assistance. It minimizes the potential for errors and confusion among staff and landlords.
- If in Section 3-III.D., you did not adopt the model plan language, you may wish to change the policy language in this section as well. Again, this keeps the policies between the two programs as consistent as possible.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information, at the time of the turnover inspection or before. The PHA will not provide any additional information to the owner, such as tenancy history, criminal history, etc.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Owner Responsibility

This section states that is the responsibility of the owner to screen for suitability of tenancy, and describes the factors that the owner can consider in doing so. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

PART VII: OCCUPANCY

17-VII.A. OVERVIEW

This section is an overview of Part VII. **No policy decisions are required.**

17-VII.B. LEASE [24 CFR 983.256]

Form of Lease



Decision Point: Will the PHA review the proposed dwelling lease for consistency with state and local law and, if so, how will this determination be made and communicated to the owner? (Model plan, p. 17-77)

Things to Consider

- For administrative ease, the policy here is the same policy used in Section 9-I.E. Whenever possible, the PHA should have the same policies for tenant-based and project-based assistance. It minimizes the potential for errors and confusion among staff and landlords.
- If in Section 9-I.E., you did not adopt the model policy language, you may wish to change the policy language in this section as well. Again, this keeps the policies between the two programs as consistent as possible.
- For a full discussion of things to consider for this decision, see Section 9-I.E., PHA Review of the Lease, in the instruction guide.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will not review the owner's lease for compliance with state or local law.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Lease Requirements [24 CFR 983.256(c)]

This section describes required lease provisions. **No policy decisions are required.**

Tenancy Addendum [24 CFR 983.256(d)]

This section describes the requirements related to the HUD-prescribed tenancy addendum. **No policy decisions are required.**

Initial Term and Lease Renewal [24 CFR 983.256(f)]

This section describes the requirements for the initial term of the lease and lease renewal. **No policy decisions are required.**

Changes in the Lease [24 CFR 983.256(e)]

This section describes the provisions governing changes to the lease. **No policy decisions are required.**

Owner Termination of Tenancy [24 CFR 983.257]

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons as an owner may in the tenant-based voucher program (see Section 12-III.B. and 24 CFR 982.310). In the PBV program, terminating tenancy for “good cause” does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

Tenant Absence from the Unit [24 CFR 983.256(g) and 982.312(a)]

This section describes the owner’s right to determine how long a family may be absent from the contract unit. **No policy decisions are required.**

Tenant Absence from the Unit [24 CFR 983.256(g) and 982.312(a)]

Housing assistance payments shall continue until the tenant rent equals the rent to owner. The cessation of housing assistance payments at such point will not affect the family’s other rights under its lease, nor will such cessation preclude the resumption of payments as a result of later changes in income, rents, or other relevant circumstances if such changes occur within 180 days following the date of the last housing assistance payment by the PHA. After the 180-day period, the unit shall be removed from the HAP contract pursuant to 24 CFR 983.211.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Decision Point: How will the PHA treat changes in family circumstances that occur within this 180 day period, and when must families report these changes? (Model plan, p. 17-79)

Things to Consider

- For administrative ease, the policy here is the same policy used in Section 12-I.B. Whenever possible, the PHA should have the same policies for tenant-based and project-based assistance. It minimizes the potential for errors and confusion among staff and landlords.
- If in Section 12-I.B., you did not adopt the model policy language, you may wish to change the policy language in this section as well. Again, this keeps the policies between the two programs as consistent as possible.
- For a full discussion of things to consider for this decision, see Section 12-I.B. Family No Longer Requires Assistance, of the instruction guide.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

If a participating family receiving zero assistance experiences a change in circumstances that would result in a HAP payment to the owner, the family must notify the PHA of the change and request an interim reexamination before the expiration of the 180-day period.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Security Deposits [24 CFR 983.259]



Decision Point: What limits will the PHA place on the amount of security deposit the owner is allowed to collect from the family? (Model plan, p. 17-80)

Things to Consider

- For administrative ease, the policy here is the same policy used in Section 9-I.E. Whenever possible, the PHA should have the same policies for tenant-based and project-based assistance. It minimizes the potential for errors and confusion among staff and landlords.
- If in Section 9-I.E., you did not adopt the model policy language, you may wish to change the policy language in this section as well. Again, this keeps the policies between the two programs as consistent as possible.
- For a full discussion of things to consider for this decision, see Section 9-I.E. Security Deposits, of the instruction guide.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will allow the owner to collect a security deposit amount the owner determines is appropriate.



Option 2: Delete the model plan language. Substitute the language below.

The PHA prohibits the owner from collecting security deposits in excess of amounts charged by the owner to unassisted tenants.



Option 3: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

17-VII.C. MOVES

Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.260]



Decision Point: If the family is required to move because they are occupying a wrong size unit, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, what type of assistance will the family be offered and when will the family and owner be notified? (Model plan, p. 17-81)

Things to Consider

- The regulations state that when the PHA discovers a family is in the wrong size unit, or in a unit with accessibility features that they do not need (and someone else does), the PHA must notify the family and the owner within 60 days of the determination.
- The regulations state that the PHA policy on offering continued housing assistance must be stated in the administrative plan. In addition, it lists the following forms of housing assistance that can be offered:
 - PBV assistance in the same project or in another project;
 - Other project-based housing assistance (e.g., public housing);
 - Tenant-based rental assistance under the voucher program; and
 - Other comparable public or private tenant-based assistance (e.g., under the HOME program).
- The model plan language calls for a family to first be offered PBV assistance in the same building or project. This may be the best alternative for the family because it keeps them in the same general location where services they need may be available, and allows children to stay in the same schools.
- If an appropriate size unit is not available in the same building or project, the model plan language states that families will be offered PBV assistance in another project as the next alternative. If your PHA only has one PBV project, this option should be eliminated from the plan.
- The final type of assistance that will be offered according to the model plan language is tenant-based voucher assistance.
- If a PHA has public housing units or other programs that could provide comparable units, these can be added to the list. In addition, the order in which the different types of housing assistance are offered can be changed to reflect local desires and circumstances.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- ☒ *Option 1: Use the model plan language shown below. No changes to the model plan are needed.*

The PHA will notify the family and the owner of the requirement to move based on the family's occupancy of a wrong-size or accessible unit within 60 days of the PHA's determination. The PHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

PBV assistance in an appropriately sized unit in the same building or project;

PBV assistance in an appropriately sized unit in another project; and

Tenant-based voucher assistance.

- ☐ *Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.*

- ☒ **Decision Point: If the PHA offers a family another form of assistance that is not a tenant-based voucher, how long will the family have to move out of the unit before their housing assistance payments will be terminated? (Model plan, p. 17-82)**

- ☐ *Option 1: Use the model plan language shown below. No changes to the model plan are needed.*

When the PHA offers a family another form of assistance that is not a tenant-based voucher, the family will be given 90 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 90-day time frame, the PHA will terminate the housing assistance payments at the expiration of this 90-day period.

Except in the case of an offer by the PHA of PBV assistance or other project-based housing assistance in an appropriate size unit, the family accepts the offer but does not move out, the PHA may make exceptions to this 90-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member or to accommodate the family's efforts to locate affordable, safe, and geographically proximate replacement housing. The family must make such a request in writing prior to the end of the 90-day period. The PHA will only grant one extension which will not exceed an additional 90 days.

- ☒ *Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.*

The PHA will not offer the family another form of assistance that is not a tenant-based voucher.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Family Right to Move [24 CFR 983.261]

This section describes the family's right to move after the initial term of the lease, and the circumstances under which a family qualifies for continued tenant-based assistance.



Decision Point: What are the PHA's policies on the family's right to move? (Model plan, p. 17-83)



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

Except for families seeking protection under VAWA as described below, prior to providing notice to the owner to terminate the lease, any eligible family may submit a written request to the PHA for a voucher at any time after completing the 12-month occupancy requirement. The PHA will process the request within 10 business days of receiving the family's request. The PHA will verify that the family has met the 12-month occupancy requirement. No additional screening will be performed.

If the request is approved by the PHA, the family will receive the next available tenant-based voucher.

If a tenant-based voucher is not immediately available, the PHA will maintain a combined, agency-wide waiting list for all standard PBV and RAD PBV families wishing to move after one year of PBV assistance. A RAD resident does not have priority for tenant-based assistance over a non-RAD PBV resident and vice versa. The list will be maintained separately from the tenant-based HCV list. Families on this list will be given priority over families on the tenant-based waiting list. The list will be organized by date and time of the family's written request. The list will also identify whether families live in standard or RAD PBV units. Once a family is placed on the list, the PHA will send the family an acknowledgement of receipt of their request and successful placement on the list. If a family requests a tenant-based voucher and then is unable or unwilling to move once the PHA offers the family a tenant-based voucher, the family's name will be removed from the list. The family may resubmit a new request to move at any time.

While the family will not be required to attend a standard HCV briefing in order to receive a voucher, the PHA will promptly schedule a meeting with each family at the time of voucher issuance.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Families exercising their right to move are not required to vacate their units before a lease has been entered into using their tenant-based voucher so long as the resident has not yet provided notice to vacate to the owner. At the time the PHA issues the tenant-based voucher, the PHA will notify the family of their right to remain in their unit if they are unable find a rental unit using the tenant-based voucher. If family's search term (and any extensions) expires, the PHA must issue the voucher to the next eligible family. The family's name will be removed from the priority list, and the family will be able to resubmit a request at a later time.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Emergency Transfers under VAWA [Notice PIH 2017-08 and 24 CFR 983.261(f) and (g)]

HUD requires that the PHA include policies that address when a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking has been living in a unit for less than a year or when a victim seeks to move sooner than a tenant-based voucher is available.



Decision Point: What type of assistance will the PHA offer victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking who have been living in their PBV unit for less than one year or who have been living in their unit for a year or more but for whom a voucher is not immediately available? (Model plan, p. 17-85)

Things to Consider

- If the family terminates the lease in accordance with PHA requirements at any time after the first year of occupancy, the PHA is required to offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance [24 CFR 983.261]. If a voucher is not immediately available, the PHA must give the family the next available opportunity for continued tenant-based assistance.
- If the family has lived in the unit for less than a year, the PHA is not required to provide the family with any form of continued assistance.
- Notice PIH 2017-08 requires that the PHA include policies that address when a victim of domestic violence, dating violence, sexual assault, or stalking requests to move after less than a year. The model policy states that the PHA will first offer the participant an internal transfer to another PBV unit in the same or different development. This is because a transfer within the program can be made quickly and without redetermining program eligibility.
 - Note that while the VAWA 2022 statute does not specifically include human trafficking in the list of victims protected under VAWA, in 2022 HUD began including human trafficking as part of the list of victims protected under VAWA (as seen in Notices PIH 2022-06, PIH 2022-22, and PIH 2022-24). In the absence of a final rule implementing VAWA 2022 and to mirror HUD's recent usage, this policy includes human trafficking in addition to domestic violence, dating violence, sexual assault, and stalking anywhere such a list appears.
- If an internal transfer is not feasible, the model policy offers the option for an external transfer to either the PHA's tenant-based HCV program or the PHA's public housing program. If the PHA does not have a public housing program, the model language will need to be edited. Further, the model policy also assumes that the PHA's public housing program has a preference for victims of domestic violence, dating violence, sexual assault, stalking, or human trafficking. If it does not, the model policy will need to be edited.

Instructions for Preparing Chapter 17: Project-Based Vouchers

- While the PHA cannot waive the requirement that the participant live in the unit for a year, the PHA may place the participant on the HCV waiting list and expedite the process for receiving a tenant-based voucher by offering a waiting list preference for such individuals. Notice PIH 2017-08 requires the PHA to select PBV residents from the HCV tenant-based waiting list in this situation only. Once again, the model policy assumes the PHA has adopted such a preference (See Section 4-III.C.). If your PHA did not adopt such a preference, the language in the model policy will need to be edited.
- Further, the PHA must address situations in which victims who are eligible to receive a tenant-based voucher are unable to receive one because a voucher is not immediately available. The model policy states that the PHA will first offer the participant an internal transfer to another PBV unit in the same or different development. This is because a transfer within the program can be made quickly and without redetermining program eligibility.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

Except where special consideration is needed for the project-based voucher program, the PHA will follow VAWA policies as outlined in Chapter 16 Part IX of this administrative plan, including using the Emergency Transfer Plan as the basis for PBV transfers under VAWA (Exhibit 16-4).

When the victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking has lived in the unit for less than one year, the PHA will provide several options for continued assistance.

The PHA will first try to transfer the participant to another PBV unit in the same development or transfer to a different development where the PHA has PBV units. The PHA will expedite the administrative processes in this case in an effort to conduct the transfer as quickly as possible.

If no units are available for an internal transfer, or if there is reasonable cause to believe that such a transfer would put the victim in jeopardy, the participant may receive continued assistance through an external transfer to either tenant-based rental assistance (HCV) or assistance in the PHA's public housing program. Such a decision will be made by the PHA based on the availability of tenant-based vouchers and/or vacancies in public housing units. Such families must be selected from the waiting list for the applicable program. The PHA has adopted a waiting list preference for victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking in both its HCV and public housing programs in order to expedite this process. See Section 4-III.C. of this administrative plan.

If a victim wishes to move after a year of occupancy in the unit, but no tenant-based vouchers are available, the PHA will offer the participant an internal transfer to another PBV unit in the same development or a transfer to a different development where the PHA has PBV units. The PHA will expedite the administrative processes in this case in an effort to conduct the transfer as quickly as possible.

If no units are available for an internal transfer, or if there is reasonable cause to believe that such a transfer would put the victim in jeopardy, the participant may request an external emergency transfer to the PHA's public housing program for which they are required to apply. The PHA has adopted a waiting list preference for victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking as part of the public housing ACOP in order to expedite this process.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Instructions for Preparing Chapter 17: Project-Based Vouchers

PART VIII: DETERMINING RENT TO OWNER

17-VIII.A. OVERVIEW [24 CFR 983.301(a)]

This section provides an overview of Part VIII. **No policy decisions are required.**

17-VIII.B. AMOUNT OF RENT TO OWNER [24 CFR 983.301(b)]

This section describes the limits on the rent to owner in PBV units. **No policy decisions are required.**

Rent to Owner for Certain Tax Credit Units [24 CFR 983.301(c), FR Notice 11/24/08]

Certain tax credit units are subject to different rent limits than other PBV units. This section describes which tax credit units are subject to the different rent limits, explains what those rent limits are, and provides relevant definitions. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

Use of FMRs, Exception Payment Standards, and Utility Allowances [24 CFR 983.301(f)]



Decision Point: Under what circumstances will the PHA use the FMRs or utility allowances in effect within the 30 days immediately before the beginning of the HAP contract or the redetermination of rent? (Model plan, p. 17-88)

Things to Consider

- Typically, the PHA must use the published FMR and utility allowance schedule in effect at the time the HAP contract is executed or at the time of rent redetermination.
- However, the PHA is given the discretion to use the FMR and utility allowance schedule in effect 30 days prior to HAP contract execution or rent redetermination.
- Determining which FMR and utility allowance schedule will be used to calculate rent to owner at the time of HAP execution may be used as a point of negotiation with an owner.
- The model plan language states that if an owner wants the PHA to use the FMR and utility allowance in effect 30 days prior to execution of the HAP or the redetermination of rent, the owner must request it and provide reasoning and supporting documentation for the request. For example, if the FMRs decreased immediately prior to HAP execution or redetermination of rent, and the owner can document that current market conditions for units of the size and type receiving PBV assistance warrant the previous (higher) FMR, the PHA may consider this information.
- There may also be times when the PHA determines a need to use the FMR or utility allowance schedule in effect 30 days prior to HAP contract execution or the redetermination of rent due to financial constraints. This circumstance is also considered in the model plan language.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

Upon written request by the owner, the PHA will consider using the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent. The owner must explain the need to use the previous FMRs or utility allowances and include documentation in support of the request. The PHA will review and make a decision based on the circumstances and merit of each request.

In addition to considering a written request from an owner, the PHA may decide to use the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent, if the PHA determines it is necessary due to PHA budgetary constraints.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Use of Small Area FMRs (SAFMRs) [24 CFR 888.113(h) and 24 CFR 983.301(f)(3)]

While small area FMRs (SAFMRs) do not apply to PBV projects, PHAs that operate a tenant-based program under SAFMRs may apply SAFMRs in certain cases.



Decision Point: Will the PHA use SAFMRs for PBV projects? (Model plan, p. 17-89)

Things to Consider

- SAFMRs are published only for certain metropolitan areas. If your PHA is not located within such an area, select Option 1.
- Further, unlike in the tenant-based program, many PHAs implement PBV programs in order to revitalize and preserve housing in low-income neighborhoods. In this case applying SAFMRs may not be desirable since they are typically lower than the FMR for that area. For this reason, Option 1 states that the PHA will not apply SAFMRs to their PBV program.
- Further, applying SAFMRs to existing projects or those in the pipeline may destabilize deals, as it may affect their value for a future allocation of low-income housing tax credits.
- However, applying SAFMRs may assist the PHA with the goal of placing PBV units in high opportunity areas and reduce incentives to develop units in high-poverty areas.
- SAFMRs may not be high enough to achieve the PHA's goal of creating units in high opportunity areas.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will not apply SAFMRs to the PHA's PBV program.



Option 2: Delete the model plan language. Substitute language shown below.

The PHA will use SAFMRs for all projects selected after the effective date of both the PHA's SAFMR implementation and the effective date of this policy. SAFMRs will apply to all future PBV projects and to the PHA's entire jurisdiction. Should the PHA later change this policy, the SAFMRs will continue to be applied these projects.



Option 3: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-VIII.C. REDETERMINATION OF RENT TO OWNER [24 CFR 983.302]

The PHA must redetermine the rent to owner upon the owner's request or when there is a 10 percent or greater decrease in the published FMR.

Rent Increase

This section describes requirements for rent increases. **No policy decisions are required.**

OCAF [24 CFR 983.302(b)(3)]



Decision Point: Will the PHA allow for rent increases via OCAF? (Model plan, p. 17-91)



Option 1: *If the PHA will allow for rent increases via OCAF, use the model plan language shown below. No changes to the model plan are needed.*

The PHA will allow for rent increases by OCAF rather than owner request on a case-by-case basis, including allowing for additional increases up to an amount determined by the PHA pursuant to 24 CFR 983.301(b) and (c) if requested by the owner in writing. An owner's request must be submitted to the PHA 60 days prior to the anniversary date of the HAP contract and must include the new rent amount the owner is proposing.

When the PHA allows for rent increases by OCAF, at the point of contract extension, the contract will require an additional increase up to an amount determined by the PHA if requested by the owner in writing. An owner's request must be submitted to the PHA 60 days prior to the anniversary date of the contract extension date and must include the new rent amount the owner is proposing.



Option 3: *If the PHA will not allow for increases via OCAF, insert the policy below.*

The PHA will not allow for rent increases via OCAF. All rent increases must be requested by the owner as outlined below.



Option 3: *Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.*

Instructions for Preparing Chapter 17: Project-Based Vouchers

Owner-Requested Rent Increases [24 CFR 983.302(b)(4)]



Decision Point: When must an owner's request for an increase in the rent to owner (at the annual anniversary date of the HAP contract) be submitted to the PHA? (Model plan, p. 17-91)

Things to Consider

- If the HAP contract does not provide for automatic adjustment by an OCAF, the owner must request an increase in the rent to owner at the annual anniversary of the HAP contract by written notice to the PHA.
- In the voucher program, the landlord is required to give the PHA at least sixty days notice before a new rent is scheduled to go into effect. The model plan language adopts this same time frame for the PBV program.
- Requiring the owner to provide 60 days' notice gives the PHA 30 days to determine if the rent is reasonable and can be approved, while still leaving enough time to provide the owner with 30 days' notice of the new approved rent amount.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

An owner's request for a rent increase must be submitted to the PHA in writing (or via email) 60 days prior to the anniversary date of the HAP contract and must include the new rent amount the owner is proposing.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Rent Decrease [24 CFR 983.302(c)]

This section clarifies that the PHA may decrease the rent to owner based on program requirements, regardless of whether the owner requested a rent adjustment. **No policy decisions are required.**

Notice of Rent Change to Owner [24 CFR 983.203(d)]

The rent to owner is redetermined by written notice by the PHA to the owner specifying the amount of the redetermined rent. The PHA notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract.



Decision Point: How and when will the PHA notify the owner of any change in the rent to owner? (Model plan, p. 17-92)

Things to Consider

- The PHA should provide a reasonable amount of notice to the owner regarding any change in the rent, to allow the owner time to plan his own budget based on the approved amount.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

PHA-Owned Units [24 CFR 983.301(g)]

Any rent changes for PHA-owned units must be determined by the independent entity approved by HUD. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-VIII.D. REASONABLE RENT [24 CFR 983.301(d) and 983.303]

At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by the PHA, except where the PHA has elected within the HAP contract to not reduce rents below the initial rent under the initial HAP contract.

When Rent Reasonableness Determinations Are Required

This section describes the circumstances under which the rent to an owner of a PBV unit must be redetermined as reasonable. **No policy decisions are required.**

Rent Floor



Decision Point: Under what circumstances will the PHA establish a rent floor within the HAP contract? (Model plan, p. 17-93)

Things to Consider

- The PHA is in the best position to determine whether a rent floor is needed based on the individual market and other local considerations.
- A rent floor would protect owners from rent decreases below the initial level established in the HAP contract. The rent floor was intended to make the PBV program easier to use in conjunction with other affordable housing finance programs, especially low-income housing tax credits.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will elect within the HAP contract not reduce rents below the initial level, with the exception of the circumstances listed in 24 CFR 983.302(c)(2). If, upon redetermination of the rent to owner, the reasonable rent would result in a rent below the initial rent, the PHA will use the higher initial rent to owner amount.



Option 2: Delete model plan language. Fill in the blanks and substitute language shown below.

The PHA will elect not to establish a rent floor in the HAP contract.

How to Determine Reasonable Rent [24 CFR 983.303(c)]

This section explains how the PHA should determine whether or not a rent is reasonable. **No policy decisions are required.**

Comparability Analysis [24 CFR 983.303(d)]

This section describes the analysis the PHA must complete and the records that must be kept to document that the PHA has determined that a PBV rent is reasonable. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

PHA-Owned Units

For PHA-owned units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with PBV program requirements. **No policy decisions are required.**

Owner Certification of Reasonable Rent [24 CFR 983.303(e)]

By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. **No policy decisions are required.**

17-VIII.E. EFFECT OF OTHER SUBSIDY AND RENT CONTROL

Other Subsidy [24 CFR 983.304]

This section describes how the rent to owner may be affected by other subsidy the PBV unit is receiving. **No policy decisions are required.**

Rent Control [24 CFR 983.305]

This section explains that rent to owner may be affected by rent control laws. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

PART IX: PAYMENTS TO OWNER

17-IX.A. HOUSING ASSISTANCE PAYMENTS [24 CFR 983.351]

This section describes under what conditions the PHA will make housing assistance payments to the owner. **No policy decisions are required.**

17-IX.B. VACANCY PAYMENTS [24 CFR 983.352]

Payment at Move-Out Month [24 CFR 983.352(a)]



Decision Point: If the PHA determines that the owner is responsible for a vacancy and therefore may not keep the housing assistance payment for the month in which the family moved out, how will the PHA recover the amount owed from the owner? (Model plan, p. 17-98)

Things to Consider

- The PHA has already established policies regarding amounts owed to the PHA by a landlord for the tenant-based voucher program.
- Following the same policies for both the PBV and tenant-based programs, when possible, simplifies program administration and minimizes confusion for owners and staff.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

If the PHA determines that the owner is responsible for a vacancy and, as a result, is not entitled to keep the housing assistance payment, the PHA will notify the owner of the amount of housing assistance payment that the owner must repay. The PHA will require the owner to repay the amount owed in accordance with the policies in Section 16-IV.B.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

Vacancy Payments [24 CFR 983.352(b)]



Decision Point: Will the HAP contract provide for vacancy payments to the owner, and if so, what amount will be paid and for what period? (Model plan, p. 17-98)

Things to Consider

- The PHA is not required to offer vacancy payments. Therefore, PHAs should treat it as a point of negotiation with each owner. The model language reflects this flexibility.
- A vacancy payment may only be made for a maximum of two months and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit).
- Within these regulatory limits, the PHA still has discretion. For example, the PHA could negotiate a maximum payment of 50 percent of the monthly rent to owner for a period of one month.
- The model language clarifies that if vacancy payments will be made, this information, including the amount of the payment and period for which the payments will be made, will be added to the HAP contract.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will decide on a case-by-case basis if the PHA will provide vacancy payments to the owner. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers



Decision Point: If an owner's HAP contract calls for vacancy payments to be made, what must the owner do in order to receive vacancy payments? (Model plan, p. 17-99)

Things to Consider

- Because it is possible that not all HAP contracts will call for vacancy payments to be made, the model plan language clarifies that this policy is conditional.
- To qualify for vacancy payments the owner must notify the PHA of any vacancy in accordance with the policy in Section 17-VI.H. (five business days).
- Although the notification of the vacancy must be submitted within 5 business days, the actual request for vacancy payments will be submitted later (following the vacancy period for which the owner is seeking reimbursement).
- The request for the vacancy payment must be made within 10 business days of the end of the period for which the owner is seeking reimbursement. In addition, the owner has 10 business days to provide any additional documentation requested by the PHA, to support the owner's request (10 business days is the standard timeframe used throughout much of the plan).



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must have properly notified the PHA of the vacancy in accordance with the policy in Section 17-VI.H. regarding filling vacancies.

In order for a vacancy payment request to be considered, it must be made in writing (including via email) within 10 business days of the end of the period for which the owner is requesting the vacancy payment. The request must include the required owner certifications and the PHA may require the owner to provide documentation to support the request. If the owner does not provide the information requested by the PHA within 10 business days of the PHA's request, no vacancy payments will be made.

If vacancy payments are made, the PHA will make vacancy payments for the period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month. The amount of the vacancy payment will not exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit). Any vacancy payment will cover only the period the unit remains vacant.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

Instructions for Preparing Chapter 17: Project-Based Vouchers

17-IX.C. TENANT RENT TO OWNER [24 CFR 983.353]

Tenant and PHA Responsibilities

Utility Reimbursements [24 CFR 983.353(d)]



Decision Point: To whom will the PHA make utility reimbursement payments?
(Model plan, p. 17-100)

Things to Consider

- In Section 6-III.A., the model plan states that the PHA will make utility reimbursement payments to the family rather than the utility company.
- For administrative ease, whenever possible, the PHA should have the same policies for tenant-based and project-based assistance. It minimizes the potential for errors and confusion among staff and participants.
- If in Section 6-III.A., you have adopted a policy that utility reimbursement payments will be made to the utility supplier, you may wish to adopt that same policy here. Again, this keeps the policies between the two programs as consistent as possible.
- The PHA must describe in its administrative plan its policies on paying the utility reimbursement directly to the family or directly to the utility supplier.



Option 1: Use the model plan language shown below. No changes to the model plan are needed.

The PHA will make utility reimbursements to the family.



Option 2: Use PHA-established policy. Edit the model plan language or delete it and insert the PHA's policy.

17-IX.D. OTHER FEES AND CHARGES [24 CFR 983.354]

Meals and Supportive Services

This section describes when an owner is able to charge a family living in a PBV unit for meals and supportive services. **No policy decisions are required.**

Other Charges by Owner

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants. **No policy decisions are required.**

17-IX.E. PROJECT RECORD RETENTION [24 CFR 983.12]

This section describes the records the PHA must maintain throughout the HAP contract term and for three years thereafter. **No policy decisions are required.**

Instructions for Preparing Chapter 17: Project-Based Vouchers

FINALIZING THE DOCUMENT

Take a final look at the changes you have made in this chapter of the administrative plan. Have you:

- (1) Added or subtracted any exhibits at the end of the chapter? ☐ Yes ☒ No.
- (2) Added, subtracted or reordered any major sections (at the A, B, or C level?) ☐ Yes ☒ No

If you answered yes to either of these questions, you must adjust the chapter to match your changes.



Decision Point: Are any changes required to this chapter?

- ☐ No. No changes to the model plan are needed.
- ☒ Yes. Edits only. Edit and insert PHA language as appropriate.
- ☐ Yes. PHA changed the organization of the chapter. Adjust the chapter to reflect your changes **and** review the rest of the document to make sure that any references to section numbers are correct.



Decision Point: Are changes required in other chapters as a result of changes to this chapter?

Check the “Things to Consider” under each decision point to identify if changes to the model plan policy will require changes to policies in other chapters of the plan.

- ☒ No. Changes to other chapters are not necessary.
- ☐ Yes. Changes to the following chapters are also required:

Instructions for Preparing Chapter 17: Project-Based Vouchers
