

CITY OF WICHITA FALLS, TX

PROJECT BASED VOUCHER ASSISTANCE PROGRAM ACTION PLAN

CITY OF WICHITA FALLS, TEXAS

Wichita Falls Housing Authority

ADDENDUM TO THE PHA'S CURRENT SECTION 8 ADMINISTRATIVE PLAN.

INTRODUCTION

On October 27, 2000, the President signed into law the Fiscal year 2001 Department of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act (Pub. Law 106-377, 144 Stat. 1441) ("Appropriations Act") Sections 232 of the Appropriations Act substantially revises the provisions of the U. S. Housing Act of 1937 that govern the authority of a PHA to designate a portion of its available tenant-based voucher funds for project-based assistance (see U.S.C. 1473f(O)(13) (as amended by "Section 232" of the Appropriation Act). The Conference Report on the Appropriations Act stated that the statutory changes to the Project based Voucher (PBV) Program are intended to make project-basing of voucher assistance more flexible. HUD's initial guidance published in the January 16, 2001, Federal Register shows that consistent with legislative intent, it is also HUD's objective to make the PBV Program more flexible and more workable, and to help PHA's owners, and eligible families in need of housing take immediate advantage of the new statutory features.

The Addendum to the Wichita Falls Housing Authority's (PHA) Section 8 Administrative Plan is its statement to operate a Project-Based Assistance (PBA) program and to provide information on how it intends to operate the PBA under the requirements of the new law and regulations at 24 CFR part 983. This Addendum also provides information to eligible families, owners, and other interested members of the public.

This Addendum is based on regulations at CFR Part 983 and Section 232 and HUD's initial Guidance Notice, dated January 8, 2001, identifying which elements of the new project-basing law are effective immediately and states how the PHA is implementing the law pending issuance of revised program regulations. In the event of changes required to this addendum because of future rule making concerning the PBV Program, the PHA will take all reasonable steps to comply with new rules without jeopardizing actions previously taken that are consistent with HUD's Initial Guidance and Section 232.

PROVISIONS OF THE PHA'S PBA PROGRAM

Except where this section specifies otherwise, the present project-based regulations at 24 CFR part 983 continue to apply to newly constructed and substantially rehabilitated housing and now also apply to existing housing. Upon determination of good cause and

PBV ASSISTANCE ACTION PLAN

June 4, 2013

CITY OF WICHITA FALLS, TEXAS

subject to statutory limitations, the PHA may seek a waiver from HUD for an provisions of the applicable project-based regulations in accordance with 5 CFR 5.110.

A. Authorization to Provide Project Based Vouchers (PVB)

Consistent with regulations in 24 CFR Part 983 and Section 232 and HUD Guidance, the PHA from time to time may enter into Housing Assistance Payments (HAP) contracts that attach PBV assistance to newly constructed units, rehabilitated units, and existing housing units that fully meet the HCV Program Housing Quality Standards (HQS) (see 24 CFR 982.401).

A housing unit will be considered an “existing unit” for purposes of the PBV Program if, at the time of the PHA written notice of selection of the project for project-based assistance, the units required a maximum expenditure of less then \$1,000 per assisted unit (including the unit’s prorated share of any work to be accomplished on common areas of systems) to comply with the HQS.

B. Unit Selection Policy, Advertising, and Owner Application Requirements

The PHA shall advertise the availability of the PBA with such advertisements must meet standards comparable to those in 24 CFR 983.51(b) and HUD’s initial guidance notice. The PHA will advertise in a newspaper of general circulation that the PHA will accept applications for PBA. The advertisement will be published once a week for three consecutive weeks: specify an application deadline of at least 30 days after the date of the advertisement is last published. The advertisement will reference the availability of a Request for Proposals (RFP) and the source from whom the RFP can be obtained. The RFP will specify the number of units the PHA estimates that it will be able to assist under the funding the PHA is making available for this purpose: and state that only applications submitted in response to the advertisement will be considered. The RFP will also state the PHA is making available for this purpose; and state that only applications submitted in response to the advertisement will be considered. The RFP will also state the PHA selection policies. In all cases, the PHA will maintain documentation of responses to advertisements or competitive proposals received in response to the PHA notice.

C. 20 Percent Limit

The total cumulative number of project-based units, including units previously placed under HAP in the PHA’s project-based certificate program will not exceed 20 percent of the baseline number of units in the PHA’s voucher program.

PBV ASSISTANCE ACTION PLAN

June 4, 2013

D. Consistency With PHA Plan

The PHA will submit an attachment to the PHA Plan template, or as an amendment to the PHA Plan, depending on the circumstances, a statement of the projected number of project-based units and general locations and how project basing would be consistent with their PHA Plans.

As with all programs that are covered by the PHA Plan, the PBA will be carried out in conformity with the nondiscrimination requirements specified in the PHA Plan regulations, and will affirmatively further fair housing as required by the PHA Plan regulations.

E. Consistency with the Goals of Deconcentrating Poverty and Expanding Housing and Economic Opportunities.

The PHA PBA Program will be consistent with the goals of deconcentrating poverty and expanding housing opportunities. The PHA recognizes the HUD deconcentration of poverty requirements that PBA assistance agreements or HAP contracts be for units in census tracts with poverty rates of less than 20 percent, unless HUD specifically approves an exception.

F. Partially Assisted Building Requirements

The PHA will not enter into an agreement or HAP contract to provide PBV assistance for more than 25 percent of the units in any one building, except for single-family dwellings and projects for elderly families and disabled families. In accordance with existing program usage, single-family dwellings refer to 1-4 family dwellings.

G. Family Choice to Move with Continued Assistance

The new law provides that assisted families may move from the assisted buildings, and retain federal housing assistance. For the continued assistance option, Section 232,

CITY OF WICHITA FALLS, TEXAS

similar to existing 24 CFR 983.206 (d)(2) required for new HAP contracts that the owner permit the assisted tenants to move from the housing at any time after the family has occupied the dwelling unit with PBV assistance for 12 months.

Consistent with the law, the PHA will provide the family with HCV assistance or such other tenant-based rental assistance that is subject to comparable income, assistance, rent contribution, affordability and other requirements. HUD will set the standards as to what quality as comparable assistance by regulation. But, for new HAP contracts incorporating this requirement, the PHA will use voucher assistance available under the Annual Contributions Contract (ACC) to provide tenant-based assistance for the family. If no such assistance is available at the time the family moves, the PHA will give the family priority to receive the next available tenant-based voucher.

Vouchers under funding allocations targeted by HUD for special purposes (e.g. family unification, mainstream disabled) are not available for this purpose, since they are required to be used only for the targeted purpose.

H. HAP Contract Term

Consistent with the law, a HAP contract between the PHA and an owner of housing under this program may have a duration of up to 10 years (as determined by the PHA), subject to the future availability of sufficient appropriated funds under the PHA's consolidated ACC with HUD. Upon expiration of the HAP contract term and consistent with the law, the PHA may agree with the project-based housing owner to extend the HAP contract for such period as the PHA determines appropriate to expand housing opportunities (as well as an extension to assure long-term affordability of the housing, as provided under prior law). All HAP contract extensions must be contingent upon the future availability of appropriated funds.

I. Rent Limits

The new law provides that the HAP contract shall establish gross rents (rent to owner plus the allowance for tenant-paid utilities) that do not exceed 110 percent of the established Fair Market Rent ("FMR") or any HUD-approved "exception payment standard" (i.e., a payment standard amount that exceeds 110 percent of the published FMR) for the area where the housing is located.

CITY OF WICHITA FALLS, TEXAS

If a unit has been allocated low-income housing tax credits under the Internal Revenue Code of 1986 at 26 U.S. C. 42, but is not located in a qualified “census tract” as defined in the law, the rent to owner may be established at any level that does not exceed the rent charged for comparable units in the same building that receive the tax credit but do not have additional rental assistance.

Within the limitations mentioned above, the initial rent to the owner may differ from payment standard amounts in the payment standard schedule adopted for the PHA tenant-based voucher program. However, just as in the regular tenant-based program and the PBA Program under prior law, the initial and adjusted rent to owner must be reasonable in relation to rents, charged in the private market for comparable unassisted units (see 42 U.S.C. 1437(f) (o) (19) (A)).

J. Rent Adjustments During the Term of the HAP Contract

Section 232 provides that a housing assistance payments contract for project-based voucher assistance shall provide for rent adjustments and that the adjusted rent for any assisted unit shall be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted local market and may not exceed the maximum rent limits permitted under the statutory limitations summarized above. Determination of whether rent is reasonable in relation to comparable units shall be governed by 24 CFR 983.256.

K. Family Share of Rent and Housing Assistance Payment

The housing assistance payment is calculated in accordance with 24 CFR 983.260 as the gross rent minus the total tenant payment. The family share is calculated in accordance with 24 CFR 983.261 by subtracting the amount of the HAP from the gross rent.

L. Tenant Selection

The PHA selection system for project-based units will comply with the requirements specified below, which in most respects (except for the income targeting provision) are a codification of present regulatory and contractual requirements.

Income Targeting: The requirements of 42 U.S.C. 1437n(b) and CFR 982.201(b)(2) govern the selection of eligible families for this program, and generally provide that not

PBV ASSISTANCE ACTION PLAN

June 4, 2013

CITY OF WICHITA FALLS, TEXAS

less than 75 percent of families admitted annually to the PHA's combined tenant-based and PBV Programs shall be families whose incomes do not exceed 30 percent of the area median, as determined by HUD.

Applicants may be selected from the PHA waiting list. The PHA will only maintain a separate project-based waiting list if all PHA tenant-based assistance applicants who seek project-based housing can be placed on this list upon request and without penalty to any other application for assisted housing they may have pending. Subject to its waiting list policies and selection preferences specified in the PHA Administrative Plan, the PHA may place a family referred by an owner on PBV units on its waiting list.

In cases where the owner presents a plan to administer the waiting list on their own, the PHA may approve the owner to maintain the waiting list. In the case of a group home where supportive services are offered, the PHA will allow the service provider to manage their own waiting list subject to review by the PHA. Any waiting list maintained by an owner is subject to the income targeting requirements as prescribed by HUD.

As in the current project-based program, the PHA will refer families to housing units from the waiting list according to its regular applicant selection policies. If an applicant does not rent a unit with PBA, or the owner turns an application down for admission to a project-based unit. The applicant will not be removed from the PHA's tenant-based assistance waiting list for that reason but must maintain its position on the list as though no offer of housing had been made.

Vacant units; The HAP Contract will be in a form prescribed by HUD. The PHA may enter into such a contract that agrees to provide vacancy payments up to 60 days after a unit becomes vacant, in an amount not to exceed the rent to the owner as provided by the HAP contract on the day the family vacated. (Page 3610).

The PHA may only make such payments for a vacant unit if:

1. The vacancy was not the owner's fault, and
2. The PHA and owner take action to minimize the likelihood and length of any vacancy.

M. Future Modification to this Addendum

The PHA PBA Addendum will remain in effect until the new PBV changes in law have been fully implemented through a new regulation.

In the event of changes required to this addendum because of future rulemaking concerning the PBV Program, the PHA will take all reasonable steps to comply with new

PBV ASSISTANCE ACTION PLAN

June 4, 2013

CITY OF WICHITA FALLS, TEXAS

rules without jeopardizing actions previously taken that are consistent with HUD's Initial Guidance and Section 232.

HUD published a Proposed Rule for the Project Based Voucher (PBV Program in the March 18, 2004, Federal Register. HUD proposed comprehensive regulations for the new PBV Program. In the event of changes required because of future rulemaking concerning the PBV Program, the Housing Authority will revise the Agency Plan and Section 8 Administrative Plan to implement the new rule, and these revisions shall not be considered a significant amendment or modification.

PBV ASSISTANCE ACTION PLAN

June 4, 2013