REQUEST FOR BOARD ACTION

ITEM NO. 8.

DATE OF MEETING: September 7, 2010

REQUESTED BY: Rick Benton, County Manager

SHORT TITLE: Resolution Authorizing Contract between Pender County Housing Authority and Seven Oaks of Pender, LLC for Ten Year Term for Housing Assistance Payments

BACKGROUND: Seven Oaks of Pender, LLC is the owner of a 40 unit apartment complex located on Progress Drive in Burgaw. Forty of the units are "project-based," which means housing assistance payments is linked to the unit versus the tenant. The Housing Assistance Payments contract is a standard Housing Urban Development (HUD) form that outlines the payment arrangement between a Housing Authority and landlord. These documents were previously being executed on a five year basis. However, the Code of Federal Regulations allows an execution of up to ten years. The contract expired in December, 2009 and needs to be renewed. The proposed 10 year contract will be from December 1, 2009 through November 30, 2019.

SPECIFIC ACTION REQUESTED: To consider a resolution authorizing the continued contract between Pender County Housing (Public Housing Agency) and Seven Oaks of Pender, LLC (owner) for rental assistance to forty units (40) at Seven Oaks Apartment Complex located on 205 Progress Drive, for a ten year term.

COUNTY MANAGER'S RECOMMENDATION

Respectfully recommend approval.

_____
Initial

RESOLUTION

NOW, THEREFORE BE IT RESOLVED by the Pender County Board of Commissioners that:

a ten (10) year contract between Pender County Housing Authority and Seven Oaks of Pender, LLC, from December 1, 2009 through November 30, 2019, is hereby authorized. The Chairman/County Manager is authorized to execute any/all documents necessary to implement this resolution.

AMENDMENTS:

MOVED_____ SECONDED_____

APPROVED_____ DENIED_____UNANIMOUS

YEA VOTES: Tate___ Blanchard ___ Brown ___ Rivenbark ___ Williams ___

_____ _____
Jimmy T. Tate, Chairman Date

_____ _____
ATTEST Date

OMB Approval No. 2577-0169
(exp. 10/31/2010)

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

SECTION 8 PROJECT-BASED VOUCHER PROGRAM

PBV HOUSING ASSISTANCE PAYMENTS CONTRACT
EXISTING HOUSING

PART 1 OF HAP CONTRACT

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

1. CONTRACT INFORMATION

a. Parties

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

_____ (PHA) and

_____ (owner).

b. Contents of contract

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

c. Contract exhibits

The HAP contract includes the following exhibits:

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

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

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

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

ADDITIONAL EXHIBITS

d. Effective date and term of HAP contract

1. Effective date

a. The PHA may not enter into a HAP contract for any contract unit until the PHA has determined that the unit complies with the housing quality standards.

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

_____.

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

2. Length of initial term

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

b. The initial term of the HAP contract may not be less than one year, nor more than fifteen years.

3. Extension of term

The PHA and owner may agree to enter into an extension of the HAP contract at

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

4. Requirement for sufficient appropriated funding

a. The length of the initial term and any extension term shall be subject to availability, as determined by HUD, or by the PHA in accordance with HUD requirements, of sufficient appropriated funding (budget authority), as provided in appropriations acts and in the PHA's annual contributions contract (ACC) with HUD, to make full payment of housing assistance payments due to the owner for any contract year in accordance with the HAP contract.

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

e. Occupancy and payment

1. Payment for occupied unit

During the term of the HAP contract, the PHA shall make housing assistance payments to the owner for the months during which a contract unit is leased to and occupied by an eligible family. If an assisted family moves out of a contract unit, the owner may keep the housing assistance payment for the calendar month when the family moves out ("move-out month"). However, the owner may not keep the payment if the PHA determines that the vacancy is the owner's fault.

2. Vacancy payment

THE PHA HAS DISCRETION WHETHER TO INCLUDE THE VACANCY PAYMENT PROVISION (PARAGRAPH e.2), OR TO STRIKE THIS PROVISION FROM THE HAP CONTRACT FORM.

a. If an assisted family moves out of a contract unit, the PHA may provide vacancy

payments to the owner for a PHA-determined vacancy period extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month.

b. The vacancy payment to the owner for each month of the maximum two-month period will be determined by the PHA, and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit). Any vacancy payment may only cover the period the unit remains vacant.

c. The PHA may only make vacancy payments to the owner if:

1. The owner gives the PHA prompt, written notice certifying that the family has vacated the unit and the date when the family moved out (to the best of the owner's knowledge and belief);

2. The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;

3. The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and

4. The owner provides any additional information required and requested by the PHA to verify that the owner is entitled to the vacancy payment.

d. The PHA must take every reasonable action to minimize the likelihood and length of vacancy.

e. The owner may refer families to the PHA, and recommend selection of such families from the PHA waiting list for occupancy of vacant units.

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

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

Except as provided in this paragraph e (Occupancy and Payment), the PHA will not make any other payment to the owner under the HAP contract. The PHA will not make any payment to owner for any damages to the unit, or for any other

amounts owed by a family under the family's lease.

f. Income-mix ing requirement

1. Except as provided in paragraphs f.2 and 3, the PHA will not make housing assistance payments under the HAP contract for more than 25 percent of the total number of dwelling units (assisted or unassisted) in any project. The term "project" means a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land assisted under this HAP contract.

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

3. In referring eligible families to the owner for admission to the number of contract units in any project exceeding the 25 percent limitation under paragraph f.1, the PHA shall give preference to elderly or disabled families, or to families receiving supportive services, for the number of contract units designated for occupancy by such families. The owner shall rent the designated number of contract units to such families referred by the PHA from the PHA waiting list.

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

5. The following specifies the number of contract units (if any):

   a. Designated for occupancy by disabled families;

   b Designated for occupancy by elderly families;

   c. Designated for occupancy by elderly or disabled families; or

   d. Designated for occupancy by families receiving supportive services.

☐ Check this box if any contract units are designated for disabled families.

The following number of contract units shall be rented to disabled

families: _____.

☐ Check this box if any contract units are designated for elderly families.

The following number of contract units shall be rented to elderly families:

_____.

☐ Check this box if any contract units are designated for elderly or disabled families.

The following number of contract units shall be rented to elderly or disabled families:

_____.

☐ Check this box if any contract units are designated for families receiving supportive services.

The following number of contract units shall be rented to families

receiving supportive services: _____.

EXECUTION OF HAP CONTRACT FOR EXISTING HOUSING

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