MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

811 Project Rental Assistance (811PRA) Administrative Guidelines

This document can also be found at the following URL:
MSHDA 811PRA Owner/Property Management Agent webpage.

The information provided herein is for your convenience and may have non-material differences in formatting.

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§1.1 Purpose

The purpose of the 811PRA Program (811PRA) is to provide federally funded project-based rental assistance to participating multifamily properties on behalf of extremely low-income persons with disabilities linked with long term services provided through a formalized partnership and other state of Michigan agencies that provide health and human services.

§2.1 Definitions

Terms defined in this section apply to the 811PRA Program administered by the Michigan State Housing Development Authority (MSHDA). Any capitalized terms not specifically mentioned in this section, or any section referenced in this document shall have the meaning ascribed to them in or for the purposes of the Program Requirements.

(1) Agreement to Enter into a Rental Assistance Contract (ARAC)--agreement to be executed by the Owner and MSHDA reflecting the agreement of participation in the 811PRA Program with regards to a given number of Assisted Units at a certain Eligible Multifamily Property.

(2) Assisted Units--rental units made available to or occupied by an Eligible Tenant in Eligible Multifamily Properties receiving assistance under 42 USC §8013(b)(3)(A).

(3) Contract Rent--the total amount of rent specified in the Rental Assistance Contract (RAC) as payable to the Owner for the Assisted Unit.

(4) Cooperative Agreement--the 811PRA Program Cooperative Agreement including all exhibits and attachments thereto, by and between MSHDA as "Grantee" and HUD, entered into as a condition to and in consideration of MSHDA's participation in the 811PRA Program.

(5) Eligible Applicant--an Extremely Low-Income Person with Disabilities, between the ages of 18 and 62, and Extremely Low-Income Families, which includes at least one Person with a Disability, who is between the ages of 18 and 62 at the time of admission. The Person with a Disability must be eligible for community-based, long-term care services as provided through Medicaid waivers, Medicaid state plan options, comparable state funded services or other appropriate services related to the type of disability(ies) targeted under the Inter-Agency Partnership Agreement.

(6) Eligible Families or Eligible Family--shall have the same meaning as Eligible Tenant.

(7) Eligible Multifamily Property or Eligible Multifamily Properties--any new or existing property owned by a private or public nonprofit, or for-profit entity with at least five (5) housing units and as specifically identified in a RAC.

(8) Eligible Tenant--an Eligible Applicant who is being referred to available Assisted Units in accordance with the Inter-Agency Partnership Agreement and for whom community-based, long-term care services are available at time of referral. Such

services are voluntary; referral shall not be based on willingness to accept such services. Eligible Tenant also means an Extremely Low-Income Person with a Disability, between the ages of 18 and 62 at the time of referral, and Extremely Low-Income Families, which includes at least one Person with a Disability, who is between the ages of 18 and 62 at the time of referral. Also referred to as an Eligible Family.

(9) Extremely Low-Income--a household whose annual income does not exceed thirty percent (30%) of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than thirty percent (30%) of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes. HUD's income exclusions, as defined under 24 CFR §5.609 (as amended), apply in determining income eligibility and Eligible Tenant's rent.

(10) HUD--the U. S. Department of Housing and Urban Development.

(11) Inter-Agency Partnership Agreement--the Inter-Agency Partnership Agreement between MSHDA and Michigan Department of Health and Human Services (MDHHS) that provides a formal structure for collaboration to participate in MSHDA's 811PRA Program to develop permanent supportive housing for Extremely Low-Income Persons with Disabilities.

(12) Owner--the entity that owns the Eligible Multifamily Property. Additionally, Owner means the entity named as such in the Property Agreement, its successors, and assigns.

(13) Owner & Property Management Operating Manual--a set of guidelines designed to be an implementation tool for the Program, which allows the Owner and the Owner's designated property manager to better administer the Program, which also includes adherence to the "Owner Occupancy Requirements" set forth in Section IV of HUD Notice H 2013-24.

(14) Persons with Disability or Persons with Disabilities--shall have the same meaning as defined under 42 USC §8013(k)(2) and 24 CFR §891.305.

(15) Program--MSHDA's 811PRA Program under Section 811 of the Cranston-Gonzales National Affordable Housing Act (42 USC §8013(b)(3)(A)), as amended by the Frank Melville Supportive Housing Investment Act of 2010 (Public Law 111-374) designed to provide permanent supportive housing for Extremely Low-Income persons with disabilities receiving long term supports and services in the community.

(16) Program Requirements--means but is not limited to: the Owner & Property Operating Manual; Part I of the Rental Assistance Contract attached as Exhibit 8 to the Cooperative Agreement; Part II of the Rental Assistance Contract attached as Exhibit 9 to the Cooperative Agreement; the Use Agreement; Program Guidelines attached as Exhibit 5 to the Cooperative Agreement; HUD Notice 2013-24 issued on August 23, 2013; Section 811 of the Cranston-Gonzales National Affordable Housing Act (42 USC §8013(b)(3)(A)), as amended by the Frank Melville Supportive Housing Act of 2010

(Public Law 111-374; Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55); Notice of Funding Availability (NOFA) for Fiscal Year 2013 811PRA Program published on March 4, 2014 or Notice of Funding Opportunity (NOFO) for Fiscal Year 2023 811PRA Program published on October 12, 2023, and Technical Corrections to NOFA/NOFO; and all laws applicable to the Program.

(17) Proposed Development--the Development proposed to be awarded funds or an allocation as part of a Low-Income Housing Tax Credit application.

(18) Rental Assistance Contract (RAC)--the HUD contract (form HUD-92235-PRA and form HUD- 92237-PRA) by and between MSHDA and the Owner of the Eligible Multifamily Property which sets forth additional terms, conditions, and duties of the Parties with respect to the Eligible Multifamily Property and the Assisted Units.

(19) Rental Assistance Payments--the payment made by MSHDA to Owner as provided in the Rental Assistance Contract. Where the Assisted Units are leased to an Eligible Tenant, the payment is the difference between the Contract Rent and the Tenant Rent. An additional payment is made to the Eligible Tenant when the Utility Allowance is greater than the Total Tenant Payment. A vacancy payment *may* be made to the Owner when an Assisted Units is vacant, in accordance with the RAC and other Program Requirements.

(20) Target Population--the specific group or groups of Eligible Applicants and Eligible Tenants described in MSHDA's Inter-Agency Partnership Agreement who are intended to be solely served or to be prioritized under MSHDA's Program.

(21) Tenant Rent--the rent as defined in 24 CFR Part 5.

(22) Total Tenant Payment--the payment as defined in 24 CFR Part 5.

(23) Use Agreement--an agreement by and between MSHDA and Owner in the form prescribed by HUD under Exhibit 10 of the Cooperative Agreement (form HUD-92238-PRA) encumbering the Eligible Multifamily Property with restrictions and guidelines under the Program for operating Assisted Units during a thirty (30) year period, to be recorded in the official public property records in the county where the Eligible Multifamily Property is located.

§3.1 Participation as a Proposed Development

(a) To the extent that Applications under Multifamily Rules allow for and/or require use of a Proposed Development to participate in the 811PRA Program, the Proposed Development must satisfy the following criteria:

(1) No new construction of structures shall be located in the mapped 500-year floodplain or in the 100-year floodplain according to FEMA's Flood Insurance Rate Maps (FIRM). Rehabilitation Developments that have previously received HUD funding or obtained HUD insurance do not have to follow subparagraphs (A) - (C) of this paragraph. Except for sites located in coastal high hazard areas (V Zones) or

regulatory floodways, existing structures are eligible in these areas, but must meet the following requirements:

(A) The existing structures must be flood-proofed or must have the lowest habitable floor and utilities elevated above both the 500-year floodplain and the 100-year floodplain.

(B) The project must have an early warning system and evacuation plan that includes evacuation routing to areas outside of the applicable floodplains.

(C) Existing structures in the 100-year floodplain must obtain flood insurance under the National Flood Insurance Program. No activities or projects located within the 100-year floodplain may be assisted in a community that is not participating in or has been suspended from the National Flood Insurance Program.

(b) The following requirements must be satisfied for the Units that participate in the 811PRA Program. Failure for a Unit to meet these requirements does not make the entire Development ineligible, rather only those Units.

(1) Units in the Proposed Development are not eligible for Section 811 assistance if they have an existing or proposed project-based or operating housing subsidy attached to them or if they have received any form of long-term operating subsidy within the last six months prior to receiving Section 811 Rental Assistance Payments.

(2) Units with an existing or proposed 62 or up age restriction are not eligible.

(3) Units with an existing or proposed limitation for persons with disabilities are not eligible. A Development having a preference for Persons with Disabilities, or a use restriction for Special Needs Populations, which could include but is not limited to Persons with Disabilities, is not a Unit limitation for purposes of this item.

(4) Units with an existing or proposed occupancy restriction for households at 30% or below are not eligible unless there are no other Units at the Development.

(c) Proposed Developments cannot exceed HUD's Integration Requirement maximum of 25%. The maximum number of units a Proposed Development can set aside (restrict), or have an occupancy preference for persons with disabilities, including 811PRA units is 25%.

(d) 811PRA units must be dispersed throughout the Development.

§4.1 Qualification Requirements for Existing Developments

Eligible Existing Developments must meet all the requirements in §3.1. In addition, the Existing Development must meet the following requirements:

(1) The Existing Development has at least 5 housing units; and

(2) The Existing Development is operating in accordance with the accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (29 USC Section 794), as specified under 24 C.F.R. Part 8, Subpart C, or operating under the 2010 ADA standards with the exceptions listed in "Nondiscrimination on the Basis of Disability in Federally Assisted Programs and Activities"
Federal Register 79 FR 29671.

§5.1 List of Michigan 811PRA Developments

A list of Michigan 811PRA Developments will be released on MSHDA's website and updated as appropriate.

§6.1 Disposition of Conflicts with other Department Rules

To the extent that any conflicts arise between this document, Uniform Multifamily Rules, and the MSHDA Qualified Allocation Plan (QAP), federal requirements will first prevail, after which the requirements of the other Multifamily Rules will take precedence.

§7.1 Program Regulations and Requirements

(a) Participation in the 811PRA Program is encouraged and incentivized through the QAP. Once committed in the QAP, a Development must not accept a fund source that would prevent it from participating in the 811PRA Program.

(b) An Existing Development that is already participating in the 811PRA Program is eligible to have an additional commitment of 811PRA Units as long as the integrated housing requirements as noted in
§3.1(c) of this chapter (relating to Participation as a Proposed Development) are not violated.

(c) The types (e.g., accessible, one bedroom, first floor, etc.) and the specific number of Assisted Units (e.g., units 101, 201, etc.) will be "floating" (flexible) and dependent on the needs of MSHDA and the availability of the Assisted Units on the Eligible Multifamily Property.

(d) Occupancy Requirements. Owner is required to follow all applicable Program Requirements including but not limited to the following occupancy requirements found in HUD Handbook 4350.3 REV-1 and Housing Notices:

(1) H 2012-06, Enterprise Income Verification (EIV) System;

(2) H 2012-26, Extension of Housing Notice 2011-25, Enterprise Income Verification (EIV) & You Brochure-Requirements for Distribution and Use;

(3) H 2012-22, Further Encouragement for Owners to Adopt Optional Smoke-Free Housing Policies;

(4) H 2012-11, State Registered Lifetime Sex Offenders in Federally Assisted Housing;

(5) H 2012-09, Supplemental Information to Application for Assistance Regarding Identification of Family Member, Friend or Other Persons or Organization Supportive of a Tenant for Occupancy in HUD Assisted Housing; or

(6) H.R.2471-Division W, Violence Against Women Act (VAWA) Reauthorization Act of 2022.

(e) Use Agreements. The Owner must execute the Use Agreement, as found in Exhibit 10 of the Cooperative Agreement, before the execution of the RAC and comply with the following:

(1) Use Agreement should be properly recorded according to local laws in the official public records on the Eligible Multifamily Property. The Owner shall provide to MSHDA within 30 days of its receipt of the recorded Use Agreement, a copy of the executed, recorded Use Agreement.

(2) From the date the Use Agreement is entered into, the Owner shall not enter into any future use agreements or other subsidy programs that would diminish the number of Assisted Units that can be placed on the Eligible Multifamily Property.

(3) MSHDA will enforce the provisions of the Use Agreement and RAC consistent with HUD's internal control and fraud monitoring requirements.

(f) Tenant Certifications, Reporting and Compliance.

(1) TRACS & EIV Systems. The Owner shall have appropriate software to access the Tenant Rental Assistance Certification System (TRACS) and the EIV System. The Owner shall be responsible for ensuring Program information is entered into these systems. TRACS is the only system by which an Eligible Multifamily Property can request Project Rental Assistance payments.

(2) Outside Vendors. The Owner has the right to refuse assistance from outside vendors hired by MSHDA but is still required to satisfy the Program Requirements.

(3) Tenant Certification. The Owner shall transmit Eligible Tenant's certification and recertification data, transmit voucher data, and communicate errors electronically in a form consistent with HUD reporting requirements for HUD Secure Systems.

(g) Tenant Selection and Screening.

(1) Target Population. MSHDA will screen Eligible Applicants for compliance with MSHDA's Program Target Population criteria and do an initial screening for Program Requirements. The Inter-Agency Partnership Agreement describes the specific Target Population eligible for MSHDA's Program. The Target Population may be revised, with HUD approval.

(2) Tenant Selection Plan. Before the execution of the RAC, the Owner shall submit

the Eligible Multifamily Property's Tenant Selection Criteria to MSHDA for approval. MSHDA will review the Tenant Selection Plan for compliance with existing Tenant Selection Criteria requirements, and consistent with MSHDA's 811PRA Program Tenant Selection Plan Addendum. In accordance with the Cooperative Agreement, RAC), and HUD Handbook 4350.3 REV-1, tenant selection decisions for 811PRA-assisted units must be made in accordance with the MSHDA-approved Tenant Selection Plan. Any revisions to tenant selection policies that affect screening standards, rejection criteria, or applicant evaluation practices must be submitted to MSHDA for review and approval prior to implementation. Until such approval is obtained, the most recently MSHDA-approved Tenant Selection Plan on file must be used.

(3) Tenant Eligibility and Selection. The Owner is responsible for ultimate eligibility and selection of an Eligible Tenant and shall comply with the following:

(A) The Owner must accept referrals of an Eligible Tenant from MSHDA and retain copies of all applications received. The Owner is responsible for notifying the prospective Eligible Tenant and MSHDA in writing regarding any denial of a prospective

Eligible Tenant's application to an Eligible Multifamily Property and the reason for said denial. In the notice of denial, the Owner is responsible for notifying the Eligible Tenant of the right to dispute a denial, as outlined in HUD Handbook 4350.3. The results of the dispute must be sent to the Eligible Tenant and MSHDA in writing.

(B) The Owner is responsible for determining age of the qualifying member of the Eligible Families. Eligible Family members must be at least 18 years of age and under the age of 62.

(C) The Owner is responsible for criminal background screening as required by HUD Handbook 4350.3.

(D) Verification of Income. The Owner is responsible for determining income of Eligible Families. The Owner shall verify income through the Enterprise Income Verification (EIV) System. The Owner must certify an Eligible Tenant and Eligible Families at least annually and verify their income.

(h) Rental Assistance Contracts.

(1) Applicability. Owners are required to enter into a RAC before serving Eligible Applicants.

(2) Notice. MSHDA will provide written notice to the Owner if and when it intends to enter into a RAC with the Owner.

(3) Assisted Units. MSHDA will determine the number of Units (up to the maximum listed in the Property Agreement) to place in the RAC(s) which may be fewer than the number of Units identified in the ARAC.

(4) MSHDA will designate the bedroom composition of the Assisted Units, as required by the RAC. However, based on an actual Eligible Tenant, this may fluctuate. It is possible that an Eligible Multifamily Property will have a RAC for fewer units than the number committed in the ARAC.

(5) Owners who have an executed RAC must notify MSHDA of any vacancies for units under said RAC.

(6) Amendments. The Owner may request an amendment to their RAC. Owner also agrees to amend the RAC(s) upon request of MSHDA. Some examples are amendments that may either increase or decrease the total number of Assisted Units or increase or decrease the associated bedroom sizes; multiple amendments to the RAC may occur over time.

(7) Contract Term. MSHDA will specify the effective date of the RAC.

(8) Rent Increase. Rent increases are done annually. Deadlines for requests will be sent out by MSHDA and Owners must have all paperwork in by given deadline each year.

(9) Utility Allowance. The RAC will identify the MSHDA approved Utility Allowance being used, if any, for the Assisted Units for the Eligible Multifamily Property. The Owner must notify MSHDA if there are changes to the Utility Allowance calculation methodology being used.

(10) Termination. Although MSHDA has discretion to terminate a RAC due to good cause, an Owner cannot opt-out of a RAC. The RAC survives a foreclosure, assignment, sale in lieu of foreclosure, or sale of the Eligible Multifamily Property to the extent allowed by law.

(11) Foreclosure of Eligible Multifamily Property. Upon foreclosure, assignment, sale in lieu of foreclosure, or sale of the Eligible Multifamily Property to the extent allowed by law:

(A) The RAC shall be transferred to new owner by contractual agreement or by the new owner's consent to comply with the RAC, as applicable;

(B) Rental Assistance Payments will continue uninterrupted in accordance with the terms of the RAC; and

(C) Voluntary and involuntary transfers or conveyances of property must adhere to MSDHA ownership transfer processes regarding Ownership Transfer requests.

(i) Affirmative Marketing.

(1) Affirmative Marketing. MSHDA and its service partners shall be responsible for affirmatively marketing the Program to Eligible Applicants.

(2) At any time, MSHDA may choose to advertise the Eligible Multifamily Property, even if the Eligible Multifamily Property has not yet entered into a RAC.

(j) Leasing Activities.

(1) Segregation of Assisted Units. The Owner must take actions or adopt procedures to ensure that the Assisted Units are not segregated to one area of a building (such as on a particular floor or part of a floor in a building) or in certain sections within the Eligible Multifamily Property.

(2) Form of Lease. The Owner shall use the HUD 811PRA Model Lease (HUD-92236-PRA), Exhibit 11 of the Cooperative Agreement, and any MSHDA approved Addendums for all Eligible Families once a RAC is signed. The initial lease shall be for not less than one year.

(3) Communication. Owners are required to document in writing all communication between the Eligible Tenant and the Owner, or Owner-designated agent regarding applications, notifications, evictions, complaints, non-renewals and move outs.

(4) Lease Renewals and Changes. The Owner must notify MSHDA of renewals of leases with Eligible Families and any changes to the terms of the lease.

(k) Rent.

(1) Tenant Rent Payment. The Owner is responsible for remitting any Tenant Rent payment due to the Eligible Tenant if the Utility Allowance exceeds the Total Tenant Payment. The Owner shall determine the Tenant Rent payment of the Eligible Tenant, based on HUD Handbook 4350.3, and is responsible for collecting the Tenant Rent payment.

(2) Rent Increase. Owner must provide the Eligible Tenant with at least 30 days notice before increasing rent.

(3) Rent Restrictions. Owner shall comply with the following rent restrictions:

(A) After the signing of the original RAC with MSHDA, the Owner may request a new anniversary date to be consistent with other rent restrictions on the Eligible Multifamily Property allowed by MSHDA.

(B) After the signing of the original RAC, upon request from the Owner to MSHDA, Rents will be adjusted annually per a date set by MSHDA.

(C) Adjustments may not result in higher rents charged for an Assisted Unit as compared to a non-assisted unit. The calculation or methodology used for the annual increase amount will be identified in the Eligible Multifamily Property's RAC.

(l) Vacancy; Transfers; Eviction; Household Changes.

(1) Initial Lease-up. Owners of newly constructed, acquired and/or rehabilitated Eligible Multifamily Property must notify MSHDA no later than 180 days before the Eligible Multifamily Property will be available for initial move-in.

(2) Notification. Owner shall notify MSHDA of determination of ineligibility or the termination of any participating Eligible Families or any member of a participating Eligible Family.

(3) Vacancy. Once a RAC is executed, the Owner must notify MSHDA of the vacancy of any Unit, including those that have not previously been occupied by an Eligible Tenant, as soon as possible, not to exceed seven calendar days from when the Owner learns that an Assisted Unit will become available. If the qualifying Eligible Tenant vacates the Assisted Unit, MSHDA will determine if the remaining family members are eligible for continued assistance from the Program.

(4) Vacancy Payment. After initial lease-up, an Owner of an Eligible Multifamily Property that has a vacancy in a Unit eligible for 811PRA assistance, may request a vacancy payment. MSHDA may make vacancy payments not to exceed 80% of the Contract Rent, during this time to the Eligible Multifamily Property, potentially for up to 60 days. After 60 days, the Owner may lease that Assisted Unit to a non-Eligible Tenant.

(5) Household Changes; Transfers. Owners must notify MSHDA if the Eligible Tenant requests an Assisted Unit transfer. Owner shall notify MSHDA of any household changes in an Assisted Unit within three business days. If the Owner determines that, because of a change in household size, an Assisted Unit is smaller than appropriate for the Eligible Tenant to which it is leased or that the Assisted Unit is larger than appropriate, the Owner shall refer to MSHDA's written policies regarding family size and unit transfers. If the household is determined by MSHDA to no longer be eligible, MSHDA will notify the Owner. Rental Assistance Payments with respect to the Assisted Unit will not be reduced or terminated until the eligible household has been transferred to an appropriately sized Assisted Unit.

(6) Eviction and Nonrenewal. Owners are required to notify MSHDA by sending a copy of the applicable notice via email to MSHDA's 811PRA program, MSDHA-811PRA@michigan.gov.

(m) Construction Standards, Accessibility, Inspections and Monitoring.

(1) Construction Standards. Upon execution of a RAC, the Eligible Multifamily Property shall be required to conform to Uniform Physical Conditions Standards (UPCS) which are uniform national standards established by HUD for housing that is decent, safe, sanitary, and in good repair. The site, building exterior, building systems, dwelling units, and common areas of the Eligible Multifamily Property, as more specifically described in 24 CFR §5.703, must be inspected in any physical inspection of the property.

(2) Inspection. Prior to occupancy, the Eligible Tenant must be given the opportunity to be present for the move-in unit inspection.

(3) Repair and Maintenance. Owner shall perform all repair and maintenance functions, including ordinary and extraordinary maintenance; shall replace capital items; and shall maintain the premises and equipment, appurtenant thereto, in good repair, safe and sanitary condition consistent with HUD and MSHDA requirements.

(4) Accessibility. Owner must ensure that the Eligible Multifamily Property will meet or exceed the accessibility requirements under 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973; the Fair Housing Act Design Manual; Title II and Title III of the Americans with Disabilities Act (42 USC §§12131 - 12189), as implemented by the U.S. Department of Justice regulations at 28 CFR Parts 35 and 36; and the Federal Fair Housing Act as implemented by HUD at 24 CFR Part 100. However, Assisted Units can consist of a mix of accessible units for those persons with physical disabilities and non-accessible units for those persons without physical disabilities.

(n) Owner Training. The Owner is obligated to train all property management staff on the requirements of the Program. The Owner shall ensure that any new property management staff who is involved in serving Eligible Families review materials found on MSHDA's and HUD's websites including webinars, manuals, and checklists.

(o) Reporting Requirements. Owner shall submit to MSHDA such reports on the operation and performance of the Program as required by the RAC and as may be required by MSHDA. Owner shall provide MSHDA with all reports necessary for MSHDA's compliance with 24 CFR Part 5, or any other federal or state law or regulation.

(p) Environmental Laws and Regulations.

(1) Compliance with Laws and Regulations. Owner must comply with, as applicable, any federal, state, or local law, statute, ordinance, or regulation, whether now or hereafter in effect, pertaining to health, industrial hygiene, or the environmental conditions on, under, or about the Land or the Improvements, including without limitation, the following, as now or hereafter amended:

(A) Hazardous Materials Transportation Act (49 USC §5101 et seq.);

(B) Insecticide Fungicide and Rodenticide Act (7 USC §136 et seq.);

(C) National Environmental Policy Act (42 USC §4321 et seq.) (NEPA);

(D) Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 USC §9601 et seq.) (CERCLA), as amended by the Superfund Amendments and Reauthorization Act of 1986 (Pub. L. No. 99-499, 100 Stat. 1613, as amended Pub. L. No. 107-377) (Superfund or SARA);

(E) Resource, Conservation and Recovery Act (24 USC §6901 et seq.) (RCRA);

(F) Toxic Substances Control Act, (15 USC §2601 et seq.);

(G) Emergency Planning and Community Right to Know Act of 1986 (42 USC §11001 et seq.);

(H) Clean Air Act (42 USC §7401 et seq.) (CAA);

(I) Federal Water Pollution Control Act and amendments (33 USC §1251 et seq.) (Clean Water Act or CWA);

(J) Any corresponding state laws or ordinances; and

(K) Regulations, rules, guidelines, or standards promulgated pursuant to such laws, statute and regulations, as such statutes, regulations, rules, guidelines, and standards, as amended from time to time.

(2) Environmental Review. The environmental effects of each activity carried out with funds provided under the RAC must be assessed in accordance with the provisions of the Program Requirements, National Environmental Policy Act of 1969 (NEPA) (42 USC §4321 et seq.). Each such activity must have an environmental review completed and support documentation prepared, including screening for vapor encroachment following American Society for Testing and Materials (ASTM) 2600-10.

(q) Labor Standards.

(1) Owner understands and acknowledges that every contract for the construction (rehabilitation, adaptive reuse, or new construction) of housing that includes 12 or more units assisted with Program funds must contain provisions in accordance with Davis-Bacon Regulations.

(2) Construction contractors and subcontractors must comply with regulations issued under federal acts, with other federal laws, regulations pertaining to labor standards, including but not limited to "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction" at 29 CFR Part 5, HUD Federal Labor Provisions (HUD form 4010).

(r) Lead-Based Paint. Housing assisted with Program funds is subject to the Lead-Based Paint Poisoning Prevention Act (42 USC §4801 et seq.), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 USC §4851 et seq.), and implementing regulations Title X of the 1992 Housing and Community Development Act at 24 CFR Part 35, (including subparts A, B, J, K, M and R). Owner shall also comply with the Lead: Renovation, Repair, and Painting Program Final Rule, 40 CFR Part 745 and

Response to Children with Environmental Intervention Blood Lead Levels. Failure to comply with the lead-based paint requirements may be subject to sanctions and penalties pursuant to 24 CFR §35.170.

(s) Limited English Proficiency. Owner shall comply with the requirements in Executive Order 13166 of August 11, 2000, reprinted at 65 FR 50121, August 16, 2000, Improving Access to Services for Persons with Limited English Proficiency and 67 FR 41455. To ensure compliance the Owner must take reasonable steps to insure that LEP persons have meaningful access to the program and activities. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary.

(t) Procurement of Recovered Materials. Owner, its subrecipients, and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired by the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

(u) Drug-Free Workplace. Owner shall follow the Drug-Free Workplace Act of 1988 (41 U.S.C §701, et seq.) and HUD's implementing regulations at 2 CFR Part 2429. Owner affirms by executing the Certification Regarding Drug-Free Workplace Requirements attached hereto as Addendum B, that it is implementing the Drug-Free Workplace Act of 1988.

(v) Nondiscrimination, Fair Housing, Equal Access, and Equal Opportunity.

(1) Equal Opportunity. The Owner agrees to carry out an Equal Employment Opportunity Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965, as amended, and its implementing regulations at 41 CFR Part 60.

(2) Fair Housing Poster. The Owner is required to place a fair housing poster (HUD-928.1 and HUD-9281.A) in the leasing office, online, or anywhere else rental activities occur pursuant to 24 CFR §200.620(e).

(3) Nondiscrimination Laws. Owner shall ensure that no person shall, on the grounds of race, color, religion, sex, disability, familial status, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any Program or activity funded in whole or in part with funds provided under the RAC. Owner shall follow Title VI of the Civil Rights Act of 1964, as amended (42 USC §2000d et seq.), the Age Discrimination Act of 1975 (42 USC §6101 et seq.) and its implementing regulations at 24 CFR Part 146, Titles II and III of the Americans with Disabilities Act (42 USC §§12131 - 12189; 47 USC §§155, 201, 218 and 255) as implemented by U.S. Department of Justice at 28 CFR Parts 35 and 36, Section 527 of the National Housing Act (12 USC §1701z-22), the Equal Credit Opportunity Act (15 USC §1691 et seq.), the Equal Opportunity in Housing (Executive Order 11063 as amended by Executive Order 12259) and its implementing regulations at 24 CFR Part 107 and The Fair Housing Act (42 USC §3601 et seq.), as implemented by HUD at 24 CFR Part 100-115.

(4) Affirmatively Furthering Fair Housing. By Owner's execution of the RAC and pursuant to Section 808(e)(5) of the Fair Housing Act, Owner agrees to use funds in a manner that follows the State of Michigan's 811PRA Affirmative Fair Housing Marketing Plan.

(5) Protections for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking. Subpart L of 24 CFR part 5 shall apply to the Assisted Units in Eligible Multifamily Properties.

(w) Security of Confidential Information.

(1) Systems Confidentiality Protocols. Owner must undertake customary and industry standard efforts to ensure that the systems developed and utilized under the RAC protect the confidentiality of every Eligible Applicant's and Eligible Tenant's personal and financial information, both electronic and paper, including credit reports, whether the information is received from the Eligible Applicants, Tenants or from another source. Owner must undertake customary and industry standard efforts so that neither they nor their systems vendors disclose any Eligible Applicant's or Tenant's personal or financial information to any third party, except for authorized personnel in accordance with the RAC.

(2) Protected Health Information. If Owner collects or receives documentation for disability, medical records or any other medical information in the course of administering the Program, Owner shall comply with the Protected Health Information state and federal laws and regulations, as applicable, under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) (Pub. L. 104-191, 110 Stat. 1936, enacted August 21, 1996), and the HIPAA Privacy Rules (45 CFR Part 160 and Subparts A and E of 45 CFR Part 164).

(x) Real Property Acquisition and Relocation. Except as otherwise provided by federal statute, HUD- assisted programs or projects are subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) (42 USC §4601), and the government wide implementing regulations issued by the U.S. Department of Transportation at 49 CFR Part 24. The URA's protections and assistance apply to acquisitions of real property and displacements resulting from the acquisition, rehabilitation, or demolition of real property for federal or federally assisted programs or projects. With certain limited exceptions, real property acquisitions for a HUD-assisted program or project must comply with 49 CFR Part 24, Subpart B. To be exempt from the URA's acquisition policies, real property acquisitions conducted without the threat or use of eminent domain, commonly referred to as voluntary acquisitions, the Owner must satisfy the applicable requirements of 49 CFR §24.101(b)(1) - (5). Evidence of compliance with these requirements must be maintained by the recipient. The URA's relocation requirements remain applicable to any tenant who is displaced by an acquisition that meets the requirements of 49 CFR §24.101(b)(1) - (5). The relocation requirements of the URA, and its implementing regulations at 49 CFR Part 24, cover any person who moves permanently from real property or moves personal property from real property as a direct result of acquisition, rehabilitation, or demolition for a program or project receiving HUD assistance. While there are no statutory provisions for temporary relocation under the URA, the URA regulations recognize that there are circumstances where a person

will not be permanently displaced but may need to be moved from a project for a short period of time. Appendix A of the URA regulation (49 CFR §24.2(a)(9)(ii)(D)) explains that any tenant who has been temporarily relocated for a period beyond one year must be contacted by the displacing agency and offered URA relocation assistance.

(y) Dispute Resolution; Conflict Management.

(1) Eligible Tenant Disputes. The Owner or Owner's representative is required to participate in a Dispute Resolution process, as required by HUD, to resolve an appeal of an Eligible Tenant dispute with the Owner.

(2) Conflict Management. The purpose of the Conflict Management process is to address any concerns that Owner or Owner's agent or representative may have with an Eligible Family. At any time, an Eligible Family may choose to give consent to their 811PRA service coordinator to work directly with the property manager of the Eligible Multifamily Property. However, such consent cannot be made a condition of tenancy.

(z) Changes in Ownership or Management. Owners must notify MSHDA of any proposed changes in ownership or property management prior to implementation. To facilitate this process, Owners are required to complete and submit MSHDA's required documents for review.

If the change in management includes any updates to the property's Tenant Selection Plan (TSP), the revised TSP must be submitted to MSHDA for review and approval. Any revised TSP must be reviewed and approved by MSHDA 811PRA staff *prior* to implementation. Until such approval is received, the currently approved TSP on file must continue to be used for all 811PRA applicants and Assisted Units.