

## OVERVIEW OF PRELIMINARY AWARD LETTER CONDITIONS CONDITIONS THAT MUST BE MET PRIOR TO THE EXECUTION OF THE AHAP

**NOTE:** The Agreement must be executed prior to the commencement of construction work. *Construction begins when excavation or site preparations (including clearing of the land) begins for the housing. If work begins prior to the execution of the Agreement, MSHDA/PHA will not be able to provide PBV rental assistance to this development.*

- A. **Subsidy Layering:** HUD subsidy layering process must be complete per 24 CFR 983.55. Refer to the following link for guidance and contact information:  
<http://www.michigan.gov/mshda/0,4641,7-141--263960--,00.html>
- B. **Environmental Review:** Procedures per 24 CFR 58 must be completed to include HUD's approval of the environmental certification and request for release of funds. Refer to the following link for guidance and contact information: [https://www.michigan.gov/mshda/0,4641,7-141-5587\\_22721---,00.html](https://www.michigan.gov/mshda/0,4641,7-141-5587_22721---,00.html)
- C. **Equal Employment Opportunity and Labor Standards:** EEO requirements and Labor Standards requirements apply to this project. For EEO contact James Flanagan at 517.335.5186 or [Flanaganj@Michigan.gov](mailto:Flanaganj@Michigan.gov). Labor Standards: contact Etta Henderson at 313.456.3605 or [HendersonE@michigan.gov](mailto:HendersonE@michigan.gov) for guidance needed to address these requirements. Refer to the following link for more information: [https://www.michigan.gov/documents/mshda/TAB\\_F\\_-\\_EEO\\_Plan\\_Requirements\\_653229\\_7.pdf](https://www.michigan.gov/documents/mshda/TAB_F_-_EEO_Plan_Requirements_653229_7.pdf).
- D. **Relocation Assistance (URA).** 24 CFR 983.7 Uniform Relocation Act. – if URA is triggered; the owner must submit a certification that all URA requirements have been complied with. If you have questions regarding URA requirements you may contact: Geoffrey Ehns-Clark at 517.241.2996 or [ehnisclarkg@michigan.gov](mailto:ehnisclarkg@michigan.gov). Refer to the following link for further information: [https://www.michigan.gov/documents/mshda/Revised\\_URA\\_Guidelines\\_5.18.18\\_623685\\_7.pdf](https://www.michigan.gov/documents/mshda/Revised_URA_Guidelines_5.18.18_623685_7.pdf)
- E. **Work write-up (Rehabilitation Project) and/or work description (Newly Constructed Project) specifications and drawings** must be submitted to MSHDA's Chief Architect for review and compliance with the design and construction requirements of the Fair Housing Act and implementing regulations at 24 CFR 100.205 and the accessibility requirements under section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.22 and 8.23. Please contact Maryanne Vukonich at 517.373.9478 or [vukonichm@michigan.gov](mailto:vukonichm@michigan.gov) for further information.
- F. **Construction Contract with MSHDA Appendix and required Attachments.** This must be submitted for legal review for all LIHTC deals with no other MSHDA financing other than HCV/PBVs. Projects with MSHDA financing will submit to HDO through the underwriting and review process. Please contact Margaret Meyers at 517.335.2036 or [meyersm@michigan.gov](mailto:meyersm@michigan.gov) for all 9% deals with no other MSHDA funding other than HCV Project based vouchers.

## CONDITIONS TO BE MET PRIOR TO THE EXECUTION OF THE HAP CONTRACT

- A. **Certifications and addition information addressed within the AHAP:** Section 1.8 Work Completion, Section 1.13 Uniform Relocation Act, and Section 1.24 Lobbying Certifications. All certifications must be submitted to MSHDA/RAHS Division.
- B. **Construction Specialist Inspections:** All 9% projects with no other MSHDA financing must be inspected by a MSHDA Construction Specialist. There will be two inspections: one at the rough in stage (before drywall installation); second at projects completion to confirm that all work meets AHAP Exhibit B. NOTE: MSHDA will be reviewing the site, parking lots, walks, exterior, common

areas and the specific PBV units that will be include in the HAP contract. The sponsor MUST contact MSHDA to schedule these inspections, timely.

- C. **HQS Inspections:** All PBV units must be physically inspected by the MSHDA contracted Housing Agent and pass HUD Housing Quality Standards (HQS).
- D. **Rents to the Owner:** Final HAP Rents must be determined by MSHDA per 24 CFR 983 Subpart G and documented in the file to ensure rent reasonableness.

#### CONDITIONS TO BE MET AFTER EXECUTION OF THE HAP CONTRACT

- A. **Income Eligibility:** At initial admission to the MSHDA HCV/PBV Program, all participants must meet the MSHDA HCV/PBV Program income eligibility requirement of being at or below 30% of the area median income for the County based on family size.
- B. **PBV Requirements:** PBV Participants must meet all PBV requirements to continue to occupy the PBV unit. These requirements are outlined within the MSHDA HCV Administration Plan, link is located on the PBV website. [https://www.michigan.gov/mshda/0,4641,7-141-5555\\_60730---,00.html](https://www.michigan.gov/mshda/0,4641,7-141-5555_60730---,00.html)
- C. **PBV Units:** All PBV units must be occupied by eligible PBV participants throughout the term of the HAP contract. If MSHDA finds that these units are not occupied by eligible households the unit(s) may be deleted from the HAP contract and not re-instated.