

sanitary dwelling in the same building or complex under reasonable terms and conditions, upon completion of the project. Such reasonable terms and conditions include a monthly rent and estimated average monthly utility costs that do not exceed the greater of:

(A) The tenant's monthly rent before execution of the Agreement and estimated average monthly utility costs; or

(B) The total tenant payment, as determined under 24 CFR 5.613, if the tenant is low-income, or 30 percent of gross household income, if the tenant is not low-income; or

(iv) A tenant-occupant of a dwelling who is required to relocate temporarily, but does not return to the building or complex, if either:

(A) The tenant is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporarily occupied unit and any increased housing costs; or

(B) Other conditions of the temporary relocation are not reasonable; or

(v) A tenant-occupant of a dwelling who moves from the building or complex permanently after he or she has been required to move to another dwelling unit in the same building or complex in order to carry out the rehabilitation or construction, if either:

(A) The tenant is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move; or

(B) Other conditions of the move are not reasonable; or

(2) Notwithstanding the provisions of paragraph (g)(1) of this section, a person does not qualify as a "displaced person" (and is not eligible for relocation assistance under the URA or this section), if:

(i) The person has been evicted for serious or repeated violation of the terms and conditions of the lease or occupancy agreement, violation of applicable Federal, State or local law, or other good cause, and the HA determines that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance;

(ii) The person moved into the property after the submission of the owner application to the HA and, before signing a lease and commencing occupancy, was provided written notice of the owner application, its possible impact on the person (e.g., the person may be displaced, temporarily relocated, or suffer a rent increase) and the fact that the person would not qualify as a "displaced person" (or for any assistance provided under this section) if the owner application is approved;

(iii) The person is ineligible under 49 CFR 24.2(g)(2); or

(iv) HUD determines that the person was not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.

(3) The HA may request, at any time, HUD's determination of whether a displacement is or would be covered by this section.

(h) *Definition of initiation of negotiations.* For purposes of determining the formula for computing a replacement housing payment to be provided to a residential tenant displaced as a direct result of privately undertaken rehabilitation or demolition of the real property, the term "initiation of negotiations" means the execution of the Agreement between the owner and the HA.

[60 FR 34717, July 3, 1995, as amended at 63 FR 23871, Apr. 30, 1998]

#### § 983.11 Other Federal requirements.

(a) *Equal Opportunity and related requirements.* Participation in this program requires compliance with the Equal Opportunity requirements specified in § 982.53 of this chapter including Section 504 of the Rehabilitation Act of 1973 (24 CFR part 8) and the Fair Housing Amendments Act of 1988 (24 CFR part 100).

(b) *Environmental requirements.* Activities under this part 983 are subject to HUD environmental regulations at 24 CFR part 58. An HA may not attach assistance to a unit unless, before the HA enters into an Agreement to provide project-based assistance for the unit:

(1) The unit of general local government within which the project is located that exercises land use responsibility or, as determined by HUD, the

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county or State has completed the environmental review required by 24 CFR part 58 and provided to the HA for submission to HUD the completed request for release of funds and certification; and

(2) HUD has approved the request for release of funds.

(c) *Other Federal requirements.* The following requirements must be met, if applicable:

(1) Clean Air Act and Federal Water Pollution Control Act;

(2) Flood Disaster Protection Act of 1973;

(3) Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and the regulations in 24 CFR part 135;

(4) Executive Order 11246, Equal Employment Opportunity (for all construction contracts of over \$10,000);

(5) Executive Order 11625, Prescribing Additional Arrangements for Developing and Coordinating a National Program for Minority Business Enterprises;

(6) Executive Orders 12432, Minority Business Enterprise Development, and 12138, Creating a National Women's Business Enterprise Policy; and

(7) Payment of not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act, to all laborers and mechanics employed in the construction or rehabilitation of the project under an Agreement covering nine or more assisted units, and compliance with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other Federal laws and regulations pertaining to labor standards applicable to such an Agreement.

(8) The provisions of part 24 of this title relating to the employment, engagement of services, awarding contracts, or funding of any contractors or subcontractors during any period of debarment, suspension, or placement in ineligibility status.

## § 983.12 Program accounts and records.

(a) During the term of each assisted lease, and for at least three years thereafter, the HA must keep:

(1) A copy of the executed lease; and

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(2) The application from the family.

(b) During the HAP contract term, and for at least three years thereafter, the HA must keep a copy of:

(1) The HAP contract; and

(2) Records to document the basis for determination of the initial rent to owner, and for the HA determination that rent to owner is a reasonable rent (initially and during the term of the HAP contract).

[63 FR 23871, Apr. 30, 1998]

## § 983.13 Special housing types.

(a) *Applicability.* For applicability of rules on special housing types at 24 CFR part 982, subpart M, see § 983.1(b)(2)(x). In the PBC program, the HA may not provide assistance for shared housing or for manufactured homes.

(b) *Group homes.* A group home may include one or more group home units. There must be a single PBC HAP contract for units in the group home. A separate lease is executed for each elderly person or person with disabilities who resides in a group home.

[63 FR 23871, Apr. 30, 1998]

## Subpart B—Owner Application Submission to Agreement

### § 983.51 HA unit selection policy, advertising, and owner application requirements.

(a) *General.* The HA must adopt a written policy establishing competitive procedures for owner submission of applications and for HA selection of units to which assistance is to be attached and must submit the policy to the HUD field office for review and approval. The HA must select units in accordance with its approved selection policy. The HA's written selection policy must comply with the requirements of paragraph (b) of this section.

(b) *Advertising requirements.* The HA must advertise in a newspaper of general circulation that the HA will accept applications for assistance under this part 983 for specific projects. The advertisement must be approved by the HUD field office and may not be published until after the later of HUD authorization to implement a project-based program or ACC execution. The