

(2) Evidence of site control, and for new construction identification and description of the proposed site, site plan and neighborhood;

(3) Evidence that the proposed new construction or rehabilitation is permitted by current zoning ordinances or regulations or evidence to indicate that the needed rezoning is likely and will not delay the project;

(4) The proposed contract rent per unit, including an indication of which utilities, services, and equipment are included in the rent and which are not included. For those utilities that are not included in the rent, an estimate of the average monthly cost for each unit type for the first year of occupancy;

(5) A statement identifying:

(i) The number of persons (families, individuals, businesses and nonprofit organizations) occupying the property on the date of the submission of the application;

(ii) The number of persons to be displaced, temporarily relocated or moved permanently within the building or complex;

(iii) The estimated cost of relocation payments and services, and the sources of funding; and

(iv) The organization(s) that will carry out the relocation activities;

(v) The identity of the owner and other project principals and the names of officers and principal members, shareholders, investors, and other parties having a substantial interest; certification showing that the above-mentioned parties are not on the U.S. General Services Administration list of parties excluded from Federal procurement and nonprocurement programs; a disclosure of any possible conflict of interest by any of these parties that would be a violation of the Agreement or the HAP contract; and information on the qualifications and experience of the principal participants. Information concerning any participant who is not known at the time of the owner's submission must be provided to the HA as soon as the participant is known;

(vi) The owner's plan for managing and maintaining the units;

(vii) Evidence of financing or lender interest and the proposed terms of financing;

(viii) The proposed term of the HAP contract; and

(ix) Such other information as the HA believes necessary.

(e) *Resident management corporation competitive selection exception.* An HA may select units to which assistance is to be attached, without advertising under paragraph (b) of this section and without applying the selection factors otherwise required by paragraph (c) of this section, if attachment of project-based assistance would further the purposes of the sale of a public housing project to a resident management corporation under section 21 of the U.S. Housing Act of 1937 (42 U.S.C. 1437s).

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[60 FR 34717, July 3, 1995, as amended at 60 FR 45661, Sept. 1, 1995; 63 FR 23871, Apr. 30, 1998]

**§ 983.52 Rehabilitation: Initial inspection and determination of unit eligibility.**

(a) Before selecting a unit or executing an Agreement, the HA must determine that the application is responsive to and in compliance with the HA's written selection criteria and procedures, and is otherwise in conformity with HUD program regulations and requirements. The HA must inspect the property to determine that rehabilitation has not begun and that the property meets the \$1000 per assisted unit rehabilitation requirement under § 983.8 of this chapter. If the property meets this rehabilitation requirement, the HA must determine the specific work items that are needed to bring each unit to be assisted up to the housing quality standards specified in § 983.5 (or other standards as approved in the HA's application), to complete any other repairs needed to meet the \$1000 per assisted unit rehabilitation requirement and, in the case of projects of five or more units, any work items necessary to meet the accessibility requirements of Section 504 of the Rehabilitation Act of 1973.

(b) Before selecting a unit or executing an Agreement, the HA must also consider whether the property is eligible housing under § 983.7; meets the other Federal requirements in § 983.11

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and the site and neighborhood standards cross-referenced in §983.6; and will be rehabilitated with other than assistance under the U.S. Housing Act of 1937 in accordance with §983.9. The HA must also determine the number of current tenants that are low-income families. An HA may not select a unit, or enter into an Agreement with respect to a unit, if the unit is occupied by persons who are not eligible for participation in the program.

(c) Before executing an Agreement, the HA must contract with a State certified general appraiser and establish the rents in accordance with §983.202, or seek and obtain the HUD-determined initial contract rents for any HA owned or controlled units or projects financed with a HUD insured or coinsured multifamily mortgage; obtain subsidy layering contract rent reviews from HUD or a Housing Credit Agency; obtain environmental clearance in accordance with §983.11; submit a certification to the HUD field office stating that the unit or units were selected in accordance with the HA's approved unit selection policy; and receive approval from the HUD field office to execute an Agreement pursuant to the reviews required in §983.53.

(d) When the HA administering the ACC or an entity substantially controlled by the HA administering the ACC has submitted an application, the HUD field office will select the owner applications. The HA must submit to the HUD field office all owner applications in response to the advertisement.

(e) The HUD field office may terminate the Agreement or HAP contract upon at least 30 days written notice to the owner by the HUD field office if the HUD field office determines at any time that the units were not selected in accordance with the HA's approved written selection policy or that the units did not initially meet the HUD eligibility requirements.

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**§983.53 Rehabilitation: HUD field office review of applications.**

(a) The HUD field office must establish initial contract rents for any HA owned units or projects financed with a HUD insured or coinsured multifamily mortgage. HUD (or a Housing Credit Agency) must also conduct subsidy layering contract rent reviews.

(b) When the HA administering the ACC or an entity substantially controlled by the HA administering the ACC has submitted an application, the HA must submit to the HUD field office all owner applications in response to the advertisement. The HUD field office must review the owner applications and make the final selections based on the criteria in the HA selection policy approved by the HUD field office.

**§983.54 Rehabilitation: Work write-ups.**

The owner must prepare work write-ups and, where determined necessary by the HA, specifications and plans. The HA has flexibility to determine the appropriate documentation to be submitted by the owner based on the nature of the identified rehabilitation. The work write-ups must address the specific work items identified by the HA under §983.52.

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**§983.55 New construction: HA evaluation and technical processing.**

(a) Before selecting a unit or executing an Agreement, the HA must determine that the application is responsive to and in compliance with the HA's written selection criteria and procedures, and is otherwise in conformity with HUD program regulations and requirements. For example, the owner must submit with the application evidence of site control and the certification required by §983.51(d)(5)(v). The HA must determine that construction (foundation work) has not begun. The HA must determine that the proposed initial gross rents are within the fair market rent limitation under §983.202. The HA must also consider whether the