

## APPENDIX J

### Supportive Housing Development Program (SHDP)

#### Sample Project-Based Rental Assistance Letter (on letterhead)

Date \_\_\_\_\_

Subject: Project-Based Rental Assistance - **[Name of Applicant Project and location]:**

Dear \_\_\_\_\_:

In recognition of a need for affordable rental housing in \_\_\_\_\_, the \_\_\_\_\_ Housing Authority (“PHA”) **[select one of the following, whichever is applicable]:** (1) is willing to amend its Annual Plan to include project-based voucher assistance as a component of our Section 8 Housing Choice Voucher program by \_\_\_\_\_ **OR** (2) has included project-based voucher assistance as a component of our Section 8 Housing Choice Voucher program in the PHA’s HUD-approved Annual Plan for its fiscal year beginning \_\_\_\_\_.]

The Selection Policy **[select one of the following, whichever is applicable]:** (1) is stated in the Annual Plan **OR** (2) will be stated in the Annual Plan by \_\_\_\_\_], in accordance with 24 CFR Part 983.51 as well as 24 CFR Part 85 and applicable OMB circulars. **[select one of the following, whichever is applicable: (1) This Selection Policy has been reviewed and approved by HUD. OR (2) The PHA will submit the Selection Policy to HUD for review and approval.]**

**[select one of the following, whichever is applicable]:** (1) The PHA currently has the capacity to convert tenant vouchers to project-based vouchers. **OR** (2) The HA does not currently have the capacity to convert tenant vouchers to project-based vouchers: however, once the advertising and selection process described below is complete, the HA will seek a waiver from HUD to allow conversion.]

The PHA expects to advertise for proposals in \_\_\_\_\_ and receive responses in \_\_\_\_\_. The PHA plans to select winning proposal(s) in \_\_\_\_\_ and forward it/them to HUD for review and approval in \_\_\_\_\_.

If your project is selected by the PHA and approved by HUD, the PHA will renew rental assistance contingent upon Congressional funding, and subject to the ongoing compliance requirements for the receipt of project-based voucher assistance.

The current HUD Fair Market Rents (FMR) are listed below by bedroom size.

<u>0 Bedroom</u>	<u>1 Bedroom</u>	<u>2 Bedrooms</u>	<u>3 Bedrooms</u>	<u>4 Bedrooms</u>
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

The PHA maintains a utility chart for units to determine the utility amount that must be subtracted from the FMR to determine the Contract Rent for the units. Approved rents can range up to 90% to 110% of FMR, depending upon the PHA's Rent Comparability study per 24 CFR Part 983.256 and the PHA's Voucher Payment Standards.

Rents receive annual adjustments that are generally less than 1%. Moreover, the households receiving project-based assistance must be able to convert to tenant-based after one year. The unit the family occupied will continue to receive PBA, but the family will have the option of exercising housing choice at that time. The PHA will provide tenant-based vouchers to the household as required by 24 CFR Part 983 as amended by Federal Register notice dated January 16, 2001.

Thank you for your interest in using project-based Section 8 Vouchers for your development.

Sincerely,