



## Project-Based Vouchers FAQ

1. What are project-based vouchers (PBV), and how can they work in my development?
  - The Department of Housing and Urban Development (HUD) provides DCA with funding to administer Housing Choice Vouchers (HCV), which eligible participants apply for and will receive supplemental rental assistance if selected. Selected participants pay no more than 30 percent of their income on rent payments directly to the landlord of a qualifying unit, and DCA pays the remaining rent balance directly to the landlord. These vouchers are typically provided directly to the tenant responsible for identifying a qualifying unit. However, with project-based vouchers (PBVs), landlords set aside a certain number of their units to be occupied by voucher holders or existing tenants who would otherwise qualify as a voucher holder.
  - Landlords holding PBVs commit to keep these units available to voucher holders for at least 1 year but no more than 15 years, and DCA will allow existing PBV participants to renew their Housing Assistance Payment (HAP) contract given that the property and owner meet expectations of the contract throughout its term.
  - DCA expects participating properties to receive PBVs for at least 25 units, unless DCA provides a waiver of this requirement.
  
2. Which tenants will qualify and be selected for PBV units?
  - Existing voucher holders must meet income eligibility standards as outlined in [DCA's HCV Administrative Plan](#). Generally, voucher holders confirm income at or below 50 percent AMI.
    - o For unoccupied units selected for PBVs, DCA will select and notify members of the HCV waitlist on their tenancy opportunity.
      - For more information on DCA's waitlist process, please review [How to Apply for the Housing Choice Voucher Program](#).
  - According to HUD regulations, no less than 75 percent of the families admitted to a PHA's tenant-based and project-based voucher programs during the PHA fiscal year from the PHA waiting list shall be extremely low-income families.
  - Current tenants who meet DCA's HCV eligibility requirements and are currently occupying eligible units will need to submit required proof of eligibility.
  
3. Which units will qualify as PBV units?
  - Units must be vacant at the time of the PBV proposal and selection, or units must be occupied by tenants who are eligible to receive vouchers.
  - Developments can receive PBVs for no more than 25 percent of their units, unless otherwise notified by DCA of an exception. Note: additional supportive service requirements will be added to developments who accept PBVs for more than 25 percent of units.
  - DCA will assign a voucher for a unit with one bedroom for each two persons within the household (other than spouses). This includes separate bedrooms for persons of the

opposite sex (other than spouses and children under age 5). For more information on bedroom requirements for eligible units, see Section 5 of [DCA's HCV Administrative Plan](#).

4. How much rent will be paid for PBV units?
  - Qualifying tenants will pay no more than 30 percent of their income, and DCA will provide the remaining rent payment directly to the landlord or property owner.
  - The rent to owner including utility allowances must not exceed the lowest of:
    - o An amount determined by DCA, not to exceed 120 percent of the applicable [Small Area Fair Market Rent](#) (SAFMR) for the unit bedroom size including any applicable tenant-paid utility allowance;
    - o The reasonable rent; or
    - o The rent requested by the owner.
  
5. What developments currently qualify for PBVs?
  - DCA PBVs are currently available for properties in the 149 counties within Georgia's Housing Choice Voucher jurisdiction (note: this does not include Fulton, Cobb, DeKalb, Clayton, Muscogee, Sumter, Bibb, Richmond, Glynn, or Chatham counties).
  - The requirements and process for qualifying properties is outlined in the table below:

<b>Property Status &amp; Criteria</b>	<b>Properties in service by 12/1/2023 that received a competitive award from DCA between 2020 and 2023</b>	<b>Properties in service by 12/1/2023 that did not receive a competitive award from DCA between 2020 and 2023</b>	<b>Properties to be constructed or rehabilitated that received a competitive award from DCA between 2020 and 2023 but have not yet started construction</b>	<b>Properties in construction that received a competitive award from DCA between 2020 and 2023</b>	<b>Properties applying for a LIHTC award</b>
<b>PBV Allocation Preference</b>	Priority 1 for PBV Allocation	Priority 2 for PBV Allocation	Priority 3 for PBV Allocation	Ineligible for PBV Allocation until construction is completed, as determined by <a href="#">24 CFR Part 983</a>	Additional guidance forthcoming
<b>PBV Process</b>	Developer must submit letter of Intent and MOU before HAP contract can be signed and PBVs awarded ( <a href="#">see Process A below</a> )	Developer must complete NOFA application; DCA will score applications and competitively award remaining PBVs to those qualifying ( <a href="#">see Process B below</a> )	For remaining PBVs, developers will submit letter of intent, and when conditions meet, developer will enter into an AHAP before construction begins. PBVs will be awarded through HAP once construction has been completed and additional compliance confirmed ( <a href="#">see Process C below</a> )	N/A until construction completed	Additional guidance forthcoming

- DCA will first award PBVs to existing properties who received a competitive award between 2020 and 2023. Then DCA will award PBVs to other existing properties through a competitive process. If PBVs are still available, DCA will award PBVs to developments who received a competitive award between 2020 and 2023 and have not begun construction.

## **Process A: Step by Step Process for existing in service developments who were competitively awarded in the last 3 years**

**Step One:** The owner/sponsor must have received financing for the development via a competitive process through DCA such as LIHTC, HOME, or NHTF within the last three years. This award must have been provided with no consideration that the project would receive project-based vouchers, and the development must have an “in service” date of 12/1/2023 or sooner.

**Step Two:** The owner/sponsor must submit [the PBV application](#) and the qualifying award letter.

**Step Three:** Designated DCA HCV staff will contact owner/sponsor to discuss the project, as needed, and recommend qualifying proposals to be submitted for PBV award.

**Step Four:** Once the proposal is reviewed and approved, a PBV Preliminary Award Letter will be issued. The letter will outline the following conditions to be met prior to signing the Agreement to enter into a HAP contract.

- Before a contract can be entered, proposed developments must demonstrate and/or receive:
  - Subsidy Layering Review: DCA will work with HUD to ensure the property meets subsidy standards.
  - Environmental Review: DCA will obtain the required documentation to verify prior the priority still meets required environmental standards.
  - Housing Quality Standards (HQS) compliance: DCA will confirm that the proposed units meet HQS standards.
  - Confirmation of rents: DCA will determine all rents under the HAP contract and document these in internal files in order to ensure rent reasonableness.

**Step Five:** Immediately following the issuance of the Preliminary Award letter, DCA and the development must enter into a Housing Assistance Payment (HAP) contract for Existing Developments meeting HQS standards. After contract execution, DCA will verify eligibility of existing tenants or provide notification to qualifying new voucher holders. For new voucher holders, developments must be made available for move-in within 2 months of the award receipt, and no later than 12/20/2023.

NOTE: All PBV units must be occupied by eligible PBV participants throughout the term of the HAP contract. If DCA finds that these units are not occupied by eligible households, the unit(s) may be deleted from the HAP contract not re-instated).

Housing Assistance Payments Contract (HAP)

- [Existing Part 1 \(HUD 52530b-1\) NEW- Expiration Date: April 30, 2026](#)
- [Existing Part 2 \(HUD 52530b-2\) NEW- Expiration Date: April 30, 2026](#)

## **Process B: Step by Step Process for Existing In-Service Properties, including those who received a DCA competitive award before 2020**

**Step One:** The owner/sponsor must have an existing, in-service property. This includes properties that have previously received a DCA competitive award and those who have not received a competitive award.

**Step Two:** The owner/sponsor must submit responses to the [DCA/PBV Request for Proposals \(RFP\)](#) to [DCA\\_PBV@dca.ga.gov](mailto:DCA_PBV@dca.ga.gov) by Tuesday October 10, 2023 at 5 PM ET.

**Step Three:** Designated DCA HCV staff will review and score the responses, and if necessary, will contact owners/sponsors to discuss the projects and recommend the highest scoring proposals be submitted for voucher allocation.

**Step Four:** Once the proposal is reviewed, approved, and scored as outlined in the notice of funding, DCA will notify properties a PBV Preliminary Award Letter will be issued. The letter will outline the following conditions to be met prior to signing the Housing Assistance Payment Contract (HAP).

**Step Five:** Before a contract can be entered, proposed developments must demonstrate:

- Subsidy Layering Review: DCA will work with HUD to ensure the property meets subsidy standards.
- Environmental Review: DCA will obtain the required documentation to verify prior the priority still meets required environmental standards.
- Housing Quality Standards (HQS) compliance: DCA will confirm that the proposed units meet HQS standards.
- Confirmation of rents: DCA will determine all rents under the HAP contract and document these in internal files in order to ensure rent reasonableness.

**Step Six:** DCA and the development must enter into a Housing Assistance Payment (HAP) contract for Existing Developments meeting HQS standards. After contract execution, DCA will verify eligibility of existing tenants or provide notification to qualifying new voucher holders. For new voucher holders, developments must be made available for move-in within 2 months of the award receipt, with preference given to those who can be made available no later than 12/20/2023.

NOTE: All PBV units must be occupied by eligible PBV participants throughout the term of the HAP contract. If DCA finds that these units are not occupied by eligible households, the unit(s) may be deleted from the HAP contract not re-instated).

Housing Assistance Payments Contract (HAP)

- [Existing Part 1 \(HUD 52530b-1\) NEW- Expiration Date: April 30, 2026](#)
- [Existing Part 2 \(HUD 52530b-2\) NEW- Expiration Date: April 30, 2026](#)

## Process C: Step by Step Process for competitively awarded developments who have not yet begun construction

**Step One:** The owner/sponsor must have received financing for the development via a competitive process through DCA such as LIHTC within the last three years. This award must have been provided with no consideration that the project would receive project-based vouchers and must not have begun construction at the time of proposal submission.

**Step Two:** The owner/sponsor must submit the [PBV Application](#) and the qualifying competitive award letter.

**Step Three:** Designated DCA staff will contact owner/sponsor to discuss the project and recommend the qualifying proposals to be submitted for award.

**Step Four:** Once the proposal is reviewed and approved, a PBV Preliminary Award Letter will be issued. The letter will outline the following conditions to be met prior to signing the Agreement to enter into a Housing Assistance Payment Contract (AHAP).

- Subsidy Layering Review: DCA will work with HUD to ensure the property meets subsidy standards.
- Environmental Review: DCA will obtain the required documentation to verify prior the priority still meets required environmental standards.
- Equal Employment Opportunity and Labor Standards, including Davis-Bacon and Related Acts requirements
- Relocation Assistance (as according to the Uniform Relocation Act)
- Work descriptions and and/or write ups, including specifications and drawings
- Construction contract for legal review and updated underwriting/underwriting review.

**Step Five:** Immediately following the issuance of the Preliminary Award letter and prior to the commencement of any construction work; DCA must enter into an Agreement to Enter Into Housing Assistance Payments (AHAP) contract for new construction and rehabilitation projects. It must be further noted that the HUD Subsidy Layering and Environmental Requirements at a minimum must be met prior to the execution of these documents.

Agreement To Enter Into Housing Assistance Payments Contract (AHAP)

- [New Construction or Rehabilitation Part 1 \(HUD 52531a\) NEW- Expiration Date: April 30, 2026](#)
- [New Construction or Rehabilitation Part 2 \(HUD 52531b\) NEW- Expiration Date: April 30, 2026](#)

**Step Six:** Once construction has completed, owner/sponsor must demonstrate meeting the following conditions before signing a HAP contract.

- Certifications and additional information required within the AHAP, including Work Completion, [Uniform Relocation Act](#), Lobbying Certifications.

- Construction Specialist Inspections including HQS– in addition to the other LIHTC requirements, the construction specialist will be specifically reviewing the PBV units that will be included in the HAP contract meet HQS qualifications.
- Confirmation of rents: DCA will determine all rents under the HAP contract and document these in internal files in order to ensure rent reasonableness.

#### Housing Assistance Payments Contract (HAP)

- [New Construction or Rehabilitation Part 1 \(HUD 52530a-1\) NEW- Expiration Date: April 30, 2026](#)
- [New Construction or Rehabilitation Part 2 \(HUD 52530a-2\) NEW- Expiration Date: April 30, 2026](#)

**Step Seven:** After HAP contract signature, DCA will conduct program and income eligibility for the tenants in each PBV unit. PBV units must be occupied by eligible PBV participants throughout the term of the HAP contract; if DCA finds that these unit(s) are not occupied by eligible households, the unit(s) will be deleted from the HAP contract and not re-instated.

**Questions regarding these processes should be directed to [DCA\\_PBV@dca.ga.gov](mailto:DCA_PBV@dca.ga.gov).**

**NOTE: Applicants with general HCV waiting list and eligibility questions should be directed to 1-888-858-6085.**