



U.S. Department of Housing and Urban Development
New York State Office
Jacob K. Javits Federal Building
26 Federal Plaza
New York, New York 10278-0068
<http://www.hud.gov/local/nyn/>

PREPARING FOR INITIAL OCCUPANCY AND PRAC EXECUTION

IN ADVANCE

Have access to Web Access Secure Systems (WASS) by completing Business Partner Registration at: <http://www.hud.gov/offices/hsg/mfh/apps/appsmfhm.cfm> Advise your Project Manager when completed.

Have Access to EIV

Determine the software you will use for TRACS submission.

Secure a DUNS number and register in SAM for the Owner. For mixed finance tax credit projects, secure the DUNS number and SAM registration for both the LP and the HDFC.

Establish your Operating Account - Use 1199a Direct Deposit Form. Note that this account, into which you will deposit the tenant rent contributions and the PRAC payments, is separate from your capital advance construction account.

DOCUMENTS TO BE SUBMITTED FOR PRAC EXECUTION – original and 1 copy:

Fully Executed HUD Permission to Occupy

Executed Section 8 Certification (sample attached)

Evidence of General Contractor's compliance with Section 3. Section 3 Summary Report(Form HUD 60002) can be used.

Evidence of Compliance with HUD approved Affirmative Marketing Plan. Complete Form entitled: FHEO Rental Housing – Affirmative Fair Housing Marketing Report (sample attached) and also include copies of tear sheets from newspapers and letters to community contacts with acknowledgement of receipt.

Listing of all leased and unleased units as of date of HUD Permission to Occupy. Provide an explanation as to any lease up/absorption delays. This exhibit forms the basis for HUD's determination as to eligibility for vacancy claims and shall be reviewed by Asset Management.
NOTE: If there is a significant delay between date of HUD's Permission to Occupy and the date

when the PRAC documents are being submitted, provide an updated list of leased/unleased units as of date of submission.

- Three **original signature** Part I of the Project Rental Assistance Contract. Execute page 2, under owner. **Do not execute page 3.**
- Direct Deposit 1199a (fully executed) and copy of voided check for your Operating Account.
- Evidence of DUNS number Registration in the System for Management Award (SAM)- formerly CCR for ownership entity or entities.
- Completed form on Owner/Management Agent data entry into HUD IREMS (attached). Must be on your company's letterhead and must be signed and dated.
- Social Security and/or TaxID/TIN numbers are required for the Owner Entity, Owner Representative, Management Entity and Management Agent Contact Person.

Also provide following:

- Fiscal Year end date
- Cost Certification Cut-off date
- Confirmation of effective PRAC date-normally date HUD Inspector signs the HUD Permission to Occupy.

SECTION 8 - NEW CONSTRUCTION
OWNER'S CERTIFICATION OF COMPLETION

Project No.: _____

I, _____, Owner of the subject project, having entered into an Agreement to Enter into Housing Assistance Payments Contract (Agreement) dated _____, do herewith certify that:

- (1) The project has been completed in accordance with the requirements of the Agreement, including all management and equal opportunity requirements;
- (2) The project is in good and tenantable condition;
- (3) There are no defects or deficiencies in the project except for items of delayed completion which are minor items or which are incomplete because of weather conditions, and in any case do not preclude or unacceptably affect occupancy (all such items are listed in attachment _____ 1/);
- (4) There has been no change in the evidence of management capability or in the proposed management program (including the management plan, lease and management contract, if any) included in the approved Final Proposal for the project, other than changes approved in writing by HUD and the PHA, if applicable, in accordance with the Agreement; and
- (5) I have complied with Sections 2.10-2.15 of the Agreement including those provisions relating to the payment of not less than prevailing wage rates and that to the best of my knowledge and belief there are no claims of underpayment in alleged violation of said provisions of the Agreement. In the event there are any such pending claims to my knowledge or to the knowledge of HUD or the PHA (if applicable), I shall place a sufficient amount in escrow, as directed by HUD, to assure payments of such claims.

This Certification is supported by the warranty in Section 2.1 of the Housing Assistance Payments Contract.

Signed: _____ Date: _____

Title: _____

7420.1 REV-1

APPENDIX 25-1

WARNING: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any matter in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.

1/ If applicable, identify attachment; otherwise insert "Not Applicable."

2/81

Economic Opportunities for Low- and Very Low-Income Persons

OMB Approval No: 2529-0043
(exp. 11/30/2010)

HUD Field Office

Section back of page for Public Reporting Burden statement

1. Recipient Name & Address: (street, city, state, zip)	2. Federal Identification: (grant no.)		3. Total Amount of Award:		
	4. Contact Person		5. Phone: (include area code)		
	6. Length of Grant:		7. Reporting Period:		
8. Date Report Submitted:	9. Program Code: (Use separate sheet for each program code)		10. Program Name:		
Part I: Employment and Training (** Columns B, C and F are mandatory fields. Include New Hires In E & F)					
A Job Category	B Number of New Hires	C Number of New Hires that are Sec. 3 Residents	D % of Aggregate Number of Staff Hours of New Hires that are Sec. 3 Residents	E % of Total Staff Hours for Section 3 Employees and Trainees	F Number of Section 3 Trainees
Professionals					
Technicians					
Office/Clerical					
Construction by Trade (List)					
Trade					
Trade					
Trade					
Trade					
Other (List)					
Total					

5 = CDBG State Administered
9 = Other CD Programs
10 = Other Housing Programs

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	\$
B. Total dollar amount of contracts awarded to Section 3 businesses	\$
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	%
D. Total number of Section 3 businesses receiving contracts	

2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	\$
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	%
D. Total number of Section 3 businesses receiving non-construction contracts	

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low- and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply.)

- ☐ Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with the community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.
- ☐ Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
- ☐ Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
- ☐ Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
- ☐ Other; describe below.

Public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB number.

Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, mandates that the Department ensures that employment and other economic opportunities generated by its housing and community development assistance programs are directed toward low- and very-low income persons, particularly those who are recipients of government assistance housing. The regulations are found at 24 CFR Part 135. The information will be used by the Department to monitor program recipients' compliance with Section 3, to assess the results of the Department's efforts to meet the statutory objectives of Section 3, to prepare reports to Congress, and by recipients as self-monitoring tool. The data is entered into a database and will be analyzed and distributed. The collection of information involves recipients receiving Federal financial assistance for housing and community development programs covered by Section 3. The information will be collected annually to assist HUD in meeting its reporting requirements under Section 808(e)(6) of the Fair Housing Act and Section 916 of the HCDA of 1992. An assurance of confidentiality is not applicable to this form. The Privacy Act of 1974 and OMB Circular A-108 are not applicable. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.

Form HUD-60002, Section 3 Summary Report, Economic Opportunities for Low- and Very Low-Income Persons.

Instructions: This form is to be used to report annual accomplishments regarding employment and other economic opportunities provided to low- and very low-income persons under Section 3 of the Housing and Urban Development Act of 1988. The Section 3 regulations apply to any public and Indian housing programs that receive: (1) development assistance pursuant to Section 5 of the U.S. Housing Act of 1937; (2) operating assistance pursuant to Section 9 of the U.S. Housing Act of 1937; or (3) modernization grants pursuant to Section 14 of the U.S. Housing Act of 1937 and to recipients of housing and community development assistance in excess of \$200,000 expended for: (1) housing rehabilitation (including reduction and abatement of lead-based paint hazards); (2) housing construction; or (3) other public construction projects; and to contracts and subcontracts in excess of \$100,000 awarded in connection with the Section 3-covered activity.

Form HUD-60002 has three parts, which are to be completed for all programs covered by Section 3. Part I relates to employment and training. The recipient has the option to determine numerical employment/training goals either on the basis of the number of hours worked by new hires (columns B, D, E and F). Part II of the form relates to contracting, and Part III summarizes recipient's efforts to comply with Section 3.

Recipients or contractors subject to Section 3 requirements must maintain appropriate documentation to establish that HUD financial assistance for housing and community development programs were directed toward low- and very low-income persons. A recipient of Section 3 covered assistance shall submit one copy of this report to HUD Headquarters, Office of Fair Housing and Equal Opportunity. Where the program providing assistance requires an annual performance report, this Section 3 report is to be submitted at the same time the program performance report is submitted. Where an annual performance report is not required, this Section 3 report is to be submitted by January 10 and, if the project ends before December 31, within 10 days of project completion. Only Prime Recipients are required to report to HUD. The report must include accomplishments of all recipients and their Section 3 covered contractors and subcontractors.

HUD Field Office: Enter the Field Office name.

1. Recipient: Enter the name and address of the recipient submitting this report.
2. Federal Identification: Enter the number that appears on the award form (with dashes). The award may be a grant, cooperative agreement or contract.
3. Dollar Amount of Award: Enter the dollar amount, rounded to the nearest dollar, received by the recipient.
- 4 & 5. Contact Person/Phone: Enter the name and telephone number of the person with knowledge of the award and the recipient's implementation of Section 3.
6. Reporting Period: Indicate the time period (months and year) this report covers.
7. Date Report Submitted: Enter the appropriate date.

8. Program Code: Enter the appropriate program code as listed at the bottom of the page.
9. Program Name: Enter the name of HUD Program corresponding with the "Program Code" in number 8.

Part I: Employment and Training Opportunities

Column A: Contains various job categories. Professionals are defined as people who have special knowledge of an occupation (i.e. supervisors, architects, surveyors, planners, and computer programmers). For construction positions, list each trade and provide data in columns B through F for each trade where persons were employed. The category of "Other" includes occupations such as service workers.

Column B: (Mandatory Field) Enter the number of new hires for each category of workers identified in Column A in connection with this award. New hire refers to a person who is not on the contractor's or recipient's payroll for employment at the time of selection for the Section 3 covered award or at the time of receipt of Section 3 covered assistance.

Column C: (Mandatory Field) Enter the number of Section 3 new hires for each category of workers identified in Column A in connection with this award. Section 3 new hire refers to a Section 3 resident who is not on the contractor's or recipient's payroll for employment at the time of selection for the Section 3 covered award or at the time of receipt of Section 3 covered assistance.

Column D: Enter the percentage of all the staff hours of new hires (Section 3 residents) in connection with this award.

Column E: Enter the percentage of the total staff hours worked for Section 3 employees and trainees (including new hires) connected with this award. Include staff hours for part-time and full-time positions.

Column F: (Mandatory Field) Enter the number of Section 3 residents that were trained in connection with this award.

Part II: Contract Opportunities

Block 1: Construction Contracts

Item A: Enter the total dollar amount of all contracts awarded on the project/program.

Item B: Enter the total dollar amount of contracts connected with this project/program that were awarded to Section 3 businesses.

Item C: Enter the percentage of the total dollar amount of contracts connected with this project/program awarded to Section 3 businesses.

Item D: Enter the number of Section 3 businesses receiving awards.

Block 2: Non-Construction Contracts

Item A: Enter the total dollar amount of all contracts awarded on the project/program.

Item B: Enter the total dollar amount of contracts connected with this project awarded to Section 3 businesses.

Item C: Enter the percentage of the total dollar amount of contracts connected with this project/program awarded to Section 3 businesses.

Item D: Enter the number of Section 3 businesses receiving awards.

Part III: Summary of Efforts - Self-explanatory

Submit one (1) copy of this report to the HUD Headquarters Office of Fair Housing and Equal Opportunity, at the same time the performance report is submitted to the program office. The Section 3 report is submitted by January 10. Include only contracts executed during the period specified in item 8. PHAs/HAs are to report all contracts/subcontracts.

* The terms "low-income persons" and very low-income persons have the same meanings given the terms in section 3 (b) (2) of the United States Housing Act of 1937. Low-income persons mean families (including single persons) whose incomes do not exceed 80 percent of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that

The Secretary may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high- or low-income families. Very low-income persons mean low-income families (including single persons) whose incomes do not exceed 50 percent of the median family income area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

FHEO- AFFIRMATIVE FAIR HOUSING MARKETING REPORT



1. Report Date: _____
2. Owner/Management Agency Name and Address: _____

 Telephone Number: _____ Contact Email: _____
3. Project Identification (check all that apply): ☐ Elderly ☐ Disabled ☐ Family
4. Project Name: _____
5. Project Address: _____
6. FHA Number: _____ Contract Number: _____
7. Total Number of Units: _____ Subsidized Units: _____ Accessible Units: _____
8. Applicant Characteristics (include an attachment, if necessary):

	Total Applicants	White (non-Hispanic)	Black/African American (non-Hispanic)	Hispanic/Latino	Native Hawaiian/Pacific Islander (non-Hispanic)	Asian (non-Hispanic)	American Indian/ Alaska Native (non-Hispanic)
A. Current Occupancy							
B. Total Number of Applicants							
C. Disposition of Applications:							
1. Number for Processing							
2. Applications Accepted							
3. Applications Rejected							
D. Reasons Rejected:							
1. Non-Income Eligible							
2. Family Size							
3. Tenant Selection Criteria							
4. Other (Specify)							

(The information on this form has been verified and is accurate to the best of my knowledge.)
 (Please Return this Form Two (2) Weeks Following All Selections.)

Name (please print) _____

Title _____

Signature _____ Date _____

Phone Number _____ Email _____

*5 Sample - Information to be provided
On the Letterhead of the Owner
Entity. (4)*



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<http://www.hud.gov/local/nyn/nynopen.html>
HUD Fax #: 212-264-9907

R.E.M.S. (Real Estate Management System)
VERIFICATION OF CRITICAL ELEMENTS

PRIORITY FAX REQUEST

DATE: _____

TO: _____ FAX #: () _____

PLEASE FAX ALL OF THE FOLLOWING INFORMATION

"On or with YOUR Company Letterhead, Signed & Dated"
TO THE ATTENTION OF: _____

Project Name: _____ Project Number: _____

OWNER INFORMATION

Owner Organization:
Address:
City/State/Zip:

TaxID/ TIN/ SSN:
Main Phone:
Fax:

OWNER CONTACT INFORMATION

Owner:
(Name/Title of Individual Heading Owner Organization)
Address:
City/State/Zip:

Soc. Sec. No.:
Main Phone:
Fax:

MANAGEMENT AGENT INFORMATION

Management Agent Organization:
Address:
City/State/Zip:

Tax ID/ TIN/SSN:
Main Phone:
Fax:

MANAGEMENT AGENT CONTACT INFORMATION

Management Agent:
(Name/Title of Individual Heading Management Agent Organization)
Address:
City/State/Zip:

Soc. Sec. No.:
Main Phone:
Fax:

SIGNATURE AND DATE:

**NOTE: PLEASE INDICATE THE SEPARATE ADDRESS FOR THE OWNER.
DO NOT USE the c/o Management Agent's address for the Owner.**

WE URGENTLY NEED THIS INFORMATION RETURNED TO OUR OFFICE!

*If you have any further questions please call _____
at (212) 264-0777, extension _____.*