

## **Exhibit 15-3 Susitna Square**

The purpose of this Exhibit is to identify the unique aspects of Susitna Square in Anchorage (see Chapter 15 for general project-based voucher program policy). The ownership is ANC MV Phase I Limited Partnership, General Partner ANC MV Limited Liability Company. The management agent is CIHA. This development has Low Income Housing Tax Credits through AHFC's Planning Department. AHFC's Audit Department oversees the compliance with tax credit rules.

### **1. Contract Terms**

The New Construction Housing Assistance Payments (HAP) Contract is as follows:

#### Susitna Square

The HAP is effective September 1, 2015. The contract term is for 15 years.

The sections below describe the special contract terms for Susitna Square.

#### **1.A Owner/Management Agent Responsibilities**

CIHA accepts applications, maintains a waiting list, determines eligibility using the tax credit income limits and the HUD income limits, and forwards to the AHFC office for final approval. CIHA sends the application and income information to AHFC.

CIHA conducts the move-in inspection and is responsible for forwarding the inspection and appropriate paperwork to AHFC to begin assistance. AHFC will not begin rental assistance until the unit complies with HQS and the family has taken possession of the unit.

CIHA will conduct annual income examinations for tax credit certifications and forward that information to AHFC for verification and determination of rent portions.

#### **1.B AHFC Responsibilities**

AHFC reviews applicant information from CIHA and approves or denies the applicant. When the applicant is approved and ready for a move-in, AHFC meets with the family to:

- Review the income calculations and associated verifications
- Determine the subsidy level
- Provide the PBV briefing

AHFC will meet with the family annually to review income calculations and verifications and the family's subsidy level. Staff may use CIHA annual income examination verifications when appropriate.

### **1.C Inspections**

All contract units must comply with Housing Quality Standards at all times during the HAP Contract.

#### **1.C.1. Move-In**

All units will be inspected by CIHA and the tenant prior to or at the time of move-in for compliance with Housing Quality Standards. The CIHA inspector is required to be HQS certified.

#### **1.C.2. Annual and Quality Assurance**

AHFC inspects a sample of units on an annual basis in accordance with the schedule set forth under Quality Assurance inspection guidelines. AHFC reserves the right to inspect any or all units at any time with prior written notice.

### **1.D Rent Increase Requests**

Requests for rent increases are submitted to AHFC Central Office for processing. The owner may request a rent increase 60 days prior to the annual anniversary date; the effective date is September 1. Rent Reasonableness is completed with three comparables (PBV rules) and a signed Rent Reasonableness Certification.

## **2. Units**

There are 18 family units in this property with project-based voucher (PBV) rental assistance.

- 1 one-bedroom unit is fully accessible
- 17 two-bedroom units

## **3. Program Basics**

Susitna Square has project-based vouchers that fall under Moving to Work and have the following rules:

1. Susitna Square is part of the Step or Classic Program (28.5 percent, no deductions, minimum rent \$25) and coded as pbsusit.
2. Step Program families are **not** subject to the Financial Literacy Requirement.
3. Families are eligible to participate in the Bridge Process.
4. Step Program families will not be required to move after the end of Step Program assistance. Families will be subject to the market rent.

5. The income limit at admission is 60 percent of AMI.
6. A family can pay up to 50 percent of monthly income for rent and utilities at initial move-in.
7. All families will receive an annual examination.
8. Families whose utility allowance exceeds their required minimum contribution will have their rent reduced to zero. AHFC will not pay a utility reimbursement.
9. AHFC does not conduct interim examinations except in specific circumstances.

### **3.A Quality Assurance**

AHFC conducts an annual Quality Assurance (QA) review. The following areas are reviewed: Wait List Management, Inspections, Denied Applicants, Tenant Files, and Owner's Policies and Procedures. All reviews are conducted in accordance with quality assurance guidelines set forth in Chapter 12.

### **3.B Family Composition**

Due to the limited bedroom sizes at this development, there may be instances where a family is over-housed or under-housed.

#### **3.B.1. Owner Occupancy Standard**

At initial lease-up, the family may not occupy a unit that exceeds the owner's occupancy standard.

#### **3.B.2. Under-Housed**

The family's size may not create a violation of Housing Quality Standards. AHFC and the Owner will address each situation on a case-by-case basis with the family to resolve it.

#### **3.B.3. Over-Housed**

If, while occupying a unit, family size changes, the family must report the change to AHFC. AHFC must then determine whether to assign a new "subsidy level" to the family.

1. If the owner does not have an appropriately sized PBV unit available for the family, AHFC will continue to offer subsidy for the current unit at the current subsidy level until the second annual certification following the family's decrease in size.
2. If, by the second annual certification, the owner does not have an appropriately sized PBV unit available, AHFC will reduce the family's subsidy to the appropriate level. If the family elects to remain in the unit, it is responsible for paying the difference in rent.
3. If the owner offers the family an appropriately sized PBV unit, the family must accept the unit. If the family refuses to move, AHFC will give the family a 30-day

notice to reduce subsidy to the appropriate level. This action is subject to AHFC Grievance Procedures.

### **3.C Location of Susitna Square Documents**

The AHAP, HAP, any rent increases with rent reasonableness certifications and comparables, Initial Project HQS inspections, and quality assurance documents are kept at HQ in the office of the Program Development Coordinator.

The contracts and rent increases are posted on the AHFC Intranet under Public Housing → Resources → Contracts.

### **Numbered Memo**

18-11 Exhibits 15-3 and 15-4, Susitna Square and Ridgeline Terrace