

Act of 1937 [42 U.S.C. 1437g(d)(2), (e)(2)] (as amended by section 519(a) of this Act) an agency may utilize any authority provided under or pursuant to section 14(q) of such Act [42 U.S.C. 1437l(q)] (including the authority under section 201(a) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 [see Tables for classification] (Public Law 104-134; 110 Stat. 1321-277)), as such provisions (including such section 201(a)) may be amended thereafter, including any amendment made by title II of this Act [see Tables for classification], notwithstanding any other provision of law (including the repeal made under this section, the expiration of the applicability of such section 201 [see Tables for classification], or any repeal of such section 201).

“(3) EFFECTIVE DATE.—This subsection shall take effect on the date of the enactment of this Act [Oct. 21, 1998].”

CONVERSION OF CERTAIN PUBLIC HOUSING TO VOUCHERS

Pub. L. 104-134, title I, §101(e) [title II, §202], Apr. 26, 1996, 110 Stat. 1321-257, 1321-279; renumbered title I, Pub. L. 104-140, §1(a), May 2, 1996, 110 Stat. 1327, which required identification for removal from the inventory of a public housing agency of developments on same or contiguous sites which had more than 300 units and vacancy rate of at least 10 percent, were identified as distressed, and for which estimated cost of continued operation exceeded cost of providing tenant-based assistance under section 1437f of this title, provided for implementation and enforcement of provisions requiring identification, required each agency to develop and carry out plan for removal over 5-year period, and required provision of tenant-based assistance to families residing in any removed development, was repealed by Pub. L. 105-276, title V, §537(b), Oct. 21, 1998, 112 Stat. 2592. Amounts made available to carry out section 101(e) [title II, §202] of Pub. L. 104-134 authorized to be used, to extent provided in advance in appropriations Acts, to carry out section 1437z-5 of this title, and section 101(e) [title II, §202] of Pub. L. 104-134 as in effect immediately before Oct. 21, 1998, to continue to apply to public housing developments identified for conversion, or assessment of whether conversion is required, prior to such date, see section 537(c) of Pub. L. 105-276, set out as a Transition note under section 1437z-5 of this title.

§ 1437m. Payment of non-Federal share

Any of the following may be used as the non-Federal share required in connection with activities undertaken under Federal grant-in-aid programs which provide social, educational, employment, and other services to the tenants in a project assisted under this chapter, other than under section 1437f of this title;

(1) annual contributions under this chapter for operation of the project; or

(2) rental or use-value of buildings or facilities paid for, in whole or in part, from development, modernization, or operation cost financed under this chapter.

(Sept. 1, 1937, ch. 896, title I, §15, as added Pub. L. 96-399, title II, §212, Oct. 8, 1980, 94 Stat. 1636; amended Pub. L. 100-242, title I, §112(b)(7), Feb. 5, 1988, 101 Stat. 1824; renumbered title I, Pub. L. 100-358, §5, June 29, 1988, 102 Stat. 681.)

AMENDMENTS

1988—Cl. (2). Pub. L. 100-242 struck out “with loans or debt service annual contributions” after “cost financed”.

§ 1437n. Eligibility for assisted housing

(a) Income eligibility for public housing

(1) Income mix within projects

A public housing agency may establish and utilize income-mix criteria for the selection of residents for dwelling units in public housing projects, subject to the requirements of this section.

(2) PHA income mix

(A)¹ TARGETING.—Except as provided in paragraph (4), of the public housing dwelling units of a public housing agency made available for occupancy in any fiscal year by eligible families, not less than 40 percent shall be occupied by extremely low-income families.

(3) Prohibition of concentration of low-income families

(A) Prohibition

A public housing agency may not, in complying with the requirements under paragraph (2), concentrate very low-income families (or other families with relatively low incomes) in public housing dwelling units in certain public housing projects or certain buildings within projects. The Secretary shall review the income and occupancy characteristics of the public housing projects and the buildings of such projects of such agencies to ensure compliance with the provisions of this paragraph and paragraph (2).

(B) Deconcentration

(i) In general

A public housing agency shall submit with its annual public housing agency plan under section 1437c-1 of this title an admissions policy designed to provide for deconcentration of poverty and income-mixing by bringing higher income tenants into lower income projects and lower income tenants into higher income projects. This clause may not be construed to impose or require any specific income or racial quotas for any project or projects.

(ii) Incentives

In implementing the policy under clause (i), a public housing agency may offer incentives for eligible families having higher incomes to occupy dwelling unit in projects predominantly occupied by eligible families having lower incomes, and provide for occupancy of eligible families having lower incomes in projects predominantly occupied by eligible families having higher incomes.

(iii) Family choice

Incentives referred to in clause (ii) may be made available by a public housing agency only in a manner that allows for the eligible family to have the sole discretion in determining whether to accept the incentive and an agency may not take any adverse action toward any eligible family for choosing not to accept an incentive and occupancy of a project described in clause

¹ So in original. No subpar. (B) has been enacted.

(i)(II),² *Provided*, That the skipping of a family on a waiting list to reach another family to implement the policy under clause (i) shall not be considered an adverse action. An agency implementing an admissions policy under this subparagraph shall implement the policy in a manner that does not prevent or interfere with the use of site-based waiting lists authorized under section 1437d(s)³ of this title.

(4) Fungibility with tenant-based assistance

(A) Authority

Except as provided under subparagraph (D), the number of public housing dwelling units that a public housing agency shall otherwise make available in accordance with paragraph (2)(A) to comply with the percentage requirement under such paragraph for a fiscal year shall be reduced by the credit number for the agency under subparagraph (B).

(B) Credit for exceeding tenant-based assistance targeting requirement

Subject to subparagraph (C), the credit number under this subparagraph for a public housing agency for a fiscal year shall be the number by which—

- (i) the aggregate number of qualified families who, in such fiscal year, are initially provided tenant-based assistance under section 1437f of this title by the agency; exceeds
- (ii) the number of qualified families that is required for the agency to comply with the percentage requirement under subsection (b)(1) of this section for such fiscal year.

(C) Limitations on credit number

The credit number under subparagraph (B) for a public housing agency for a fiscal year may not in any case exceed the lesser of—

- (i) the number of dwelling units that is equivalent to 10 percent of the aggregate number of families initially provided tenant-based assistance under section 1437f of this title by the agency in such fiscal year; or
- (ii) the number of public housing dwelling units of the agency that—
 - (I) are in projects that are located in census tracts having a poverty rate of 30 percent or more; and
 - (II) are made available for occupancy during such fiscal year and are actually filled only by families whose incomes at the time of commencement of such occupancy exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families.

(D) Fungibility floor

Notwithstanding any authority under subparagraph (A), of the public housing dwelling units of a public housing agency made available for occupancy in any fiscal year by

eligible families, not less than 30 percent shall be occupied by families whose incomes at the time of commencement of occupancy do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families.

(E) Qualified family

For purposes of this paragraph, the term “qualified family” means a family having an income described in subsection (b)(1) of this section.

(b) Income eligibility for tenant-based section 1437f assistance

(1) In general

Of the families initially provided tenant-based assistance under section 1437f of this title by a public housing agency in any fiscal year, not less than 75 percent shall be extremely low-income families.

(2) Jurisdictions served by multiple PHAs

In the case of any 2 or more public housing agencies that administer tenant-based assistance under section 1437f of this title with respect solely to identical geographical areas, such agencies shall be treated as a single public housing agency for purposes of paragraph (1).

(c) Income eligibility for project-based section 1437f assistance

(1) Pre-1981 act projects

Not more than 25 percent of the dwelling units that were available for occupancy under section 8 [42 U.S.C. 1437f] housing assistance payments contracts under this chapter before October 1, 1981, and which will be leased on or after October 1, 1981, shall be available for leasing by low-income families other than very low-income families.

(2) Post-1981 act projects

Not more than 15 percent of the dwelling units which become available for occupancy under section 8 [42 U.S.C. 1437f] housing assistance payments contracts under this chapter on or after October 1, 1981, shall be available for leasing by low-income families other than very low-income families.

(3) Targeting

For each project assisted under a contract for project-based assistance, of the dwelling units that become available for occupancy in any fiscal year that are assisted under the contract, not less than 40 percent shall be available for leasing only by extremely low-income families.

(4) Prohibition of skipping

In developing admission procedures implementing paragraphs (1), (2), and (3), the Secretary shall prohibit project owners from selecting families for residence in an order different from the order on the waiting list for the purpose of selecting relatively higher income families for residence. Nothing in this paragraph or this subsection may be construed to prevent an owner of housing assisted under a contract for project-based assistance from establishing a preference for occupancy in

² So in original. Cl. (i) does not contain subclauses.

³ See References in Text note below.

such housing for families containing a member who is employed.

(5) Exception

The limitations established in paragraphs (1), (2), and (3) shall not apply to dwelling units made available under project-based contracts under section 1437f of this title for the purpose of preventing displacement, or ameliorating the effects of displacement.

(6) Definition

For purposes of this subsection, the term “project-based assistance” means assistance under any of the following programs:

(A) The new construction or substantial rehabilitation program under section 1437f(b)(2) of this title (as in effect before October 1, 1983).

(B) The property disposition program under section 1437f(b) of this title (as in effect before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998).

(C) The loan management set-aside program under subsections (b) and (v) of section 1437f of this title.

(D) The project-based certificate program under section 1437f(d)(2) of this title.

(E) The moderate rehabilitation program under section 1437f(e)(2) of this title (as in effect before October 1, 1991).

(F) The low-income housing preservation program under Low-Income Housing Preservation and Resident Homeownership Act of 1990 [12 U.S.C. 4101 et seq.] or the provisions of the Emergency Low Income Housing Preservation Act of 1987 (as in effect before November 28, 1990).

(G) Section 1437f of this title (as in effect before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998), following conversion from assistance under section 1701s of title 12 or section 1715z-1(f)(2) of title 12.

(d) Establishment of different standards

Notwithstanding subsection (a)(2) or (b)(1) of this section, if approved by the Secretary, a public housing agency may for good cause establish and implement, in accordance with the public housing agency plan, an admission standard other than the standard under such subsection.

(e) Repealed. Pub. L. 105-276, title V, § 576(d)(2), Oct. 21, 1998, 112 Stat. 2640

(f) Ineligibility of individuals convicted of manufacturing or producing methamphetamine on the premises

Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units and assistance under section 1437f of this title that—

(1) permanently prohibit occupancy in any public housing dwelling unit by, and assistance under section 1437f of this title for, any person who has been convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law; and

(2) immediately and permanently terminate the tenancy in any public housing unit of, and

the assistance under section 1437f of this title for, any person who is convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law.

(Sept. 1, 1937, ch. 896, title I, § 16, as added Pub. L. 97-35, title III, § 323, Aug. 13, 1981, 95 Stat. 404; amended Pub. L. 98-181, title I [title II, § 213], Nov. 30, 1983, 97 Stat. 1184; Pub. L. 100-242, title I, §§ 103, 112(b)(8), Feb. 5, 1988, 101 Stat. 1822, 1824; renumbered title I, Pub. L. 100-358, § 5, June 29, 1988, 102 Stat. 681; Pub. L. 100-628, title X, § 1001(a), Nov. 7, 1988, 102 Stat. 3263; Pub. L. 101-625, title V, §§ 511, 572(1), Nov. 28, 1990, 104 Stat. 4194, 4236; Pub. L. 102-550, title I, § 105, Oct. 28, 1992, 106 Stat. 3684; Pub. L. 104-99, title IV, § 402(d)(6)(A)(v), Jan. 26, 1996, 110 Stat. 42; Pub. L. 104-120, § 9(d), Mar. 28, 1996, 110 Stat. 837; Pub. L. 104-330, title V, § 501(b)(7), Oct. 26, 1996, 110 Stat. 4042; Pub. L. 105-276, title IV, § 428, title V, §§ 513(a), 576(d)(2), Oct. 21, 1998, 112 Stat. 2511, 2543, 2640; Pub. L. 105-277, div. A, § 123, Oct. 21, 1998, 112 Stat. 2681-546; Pub. L. 106-74, title II, § 205, Oct. 20, 1999, 113 Stat. 1069; Pub. L. 113-76, div. L, title II, § 238(b), Jan. 17, 2014, 128 Stat. 635.)

REFERENCES IN TEXT

Section 1437d(s) of this title, referred to in subsec. (a)(3)(B)(iii), probably should be a reference to section 1437d(r) of this title. Pub. L. 105-276, title V, §§ 525, 575(d), 576(d)(1)(B), Oct. 21, 1998, 112 Stat. 2568, 2637, 2640, amended section 1437d by adding a subsec. (s) relating to site-based waiting lists and a subsec. (t) relating to authority to require access to criminal records and then redesignated those subsections (s) and (t) as (r) and (s), respectively.

Section 503(a) of the Quality Housing and Work Responsibility Act of 1998, referred to in subsec. (c)(6)(B), (G), is section 503(a) of Pub. L. 105-276, which is set out as an Effective Date of 1998 Amendment note under section 1437 of this title.

The Low-Income Housing Preservation and Resident Homeownership Act of 1990, referred to in subsec. (c)(6)(F), is title II of Pub. L. 100-242, Feb. 5, 1988, 101 Stat. 1877, as amended, which is classified principally to chapter 42 (§ 4101 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see Short Title note set out under section 4101 of Title 12 and Tables.

The Emergency Low Income Housing Preservation Act of 1987, referred to in subsec. (c)(6)(F), is title II of Pub. L. 100-242, Feb. 5, 1988, 101 Stat. 1877, which, as amended by Pub. L. 101-625, is known as the Low-Income Housing Preservation and Resident Homeownership Act of 1990. Subtitles A and B of title II, which were formerly set out as a note under section 1715f of Title 12, Banks and Banking, and which amended section 1715z-6 of Title 12, were amended generally by Pub. L. 101-625 and are classified to subchapter I (§ 4101 et seq.) of chapter 42 of Title 12. Subtitles C and D of title II amended section 1715z-15 of Title 12 and sections 1437f, 1472, 1485, and 1487 of this title. Another subtitle C of title II of Pub. L. 100-242, as added by Pub. L. 102-550, is classified generally to subchapter II (§ 4141 et seq.) of chapter 42 of Title 12. For complete classification of this Act to the Code, see Short Title note set out under section 4101 of Title 12 and Tables.

CODIFICATION

October 1, 1981, referred to in subsec. (c)(1), (2), was in the original “the effective date of the Housing and Community Development Amendments of 1981” and “such effective date”, meaning the effective date of subtitle A of title III of Pub. L. 97-35, Aug. 13, 1981, 95 Stat. 384, which was generally effective Oct. 1, 1981. See Effective Date note below.

AMENDMENTS

2014—Subsec. (a)(2)(A). Pub. L. 113-76, § 238(b)(1), substituted “extremely low-income families” for “families whose incomes at the time of commencement of occupancy do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families; except that the Secretary may establish income ceilings higher or lower than 30 percent of the area median income on the basis of the Secretary’s findings that such variations are necessary because of unusually high or low family incomes”.

Subsec. (b)(1). Pub. L. 113-76, § 238(b)(2), substituted “extremely low-income families” for “families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families; except that the Secretary may establish income ceilings higher or lower than 30 percent of the area median income on the basis of the Secretary’s findings that such variations are necessary because of unusually high or low family incomes”.

Subsec. (c)(3). Pub. L. 113-76, § 238(b)(3), substituted “extremely low-income families” for “families whose incomes at the time of commencement of occupancy do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families; except that the Secretary may establish income ceilings higher or lower than 30 percent of the area median income on the basis of the Secretary’s findings that such variations are necessary because of unusually high or low family incomes”.

1999—Subsecs. (a)(2)(A), (c)(3). Pub. L. 106-74, § 205(1), inserted before the period at end “; except that the Secretary may establish income ceilings higher or lower than 30 percent of the area median income on the basis of the Secretary’s findings that such variations are necessary because of unusually high or low family incomes”.

1998—Subsecs. (a) to (d). Pub. L. 105-276, § 513(a), as amended by Pub. L. 105-277, § 123, added subsecs. (a) to (d) and struck out former subsecs. (a) to (d). Prior to amendment, subsec. (a) related to percentage availability under contracts prior to Oct. 1, 1981, subsec. (b) related to percentage availability under contracts on or after Oct. 1, 1981, subsec. (c) related to admission procedures implementing subsec. (b), and subsec. (d) related to applicability of admission procedures limitations.

Subsec. (e). Pub. L. 105-276, § 576(d)(2), struck out heading and text of subsec. (e), which directed public housing agency to establish standards to prohibit occupancy by and terminate tenancy of any person illegally using controlled substance or whose use of controlled substance or abuse of alcohol might interfere with peaceful enjoyment of premises by other residents, and authorized agency to consider rehabilitation of person in making determination to deny occupancy.

Subsec. (f). Pub. L. 105-276, § 428, added subsec. (f).

1996—Pub. L. 104-120, § 9(d)(1), substituted “Eligibility” for “Income eligibility” in section catchline.

Subsec. (c). Pub. L. 104-99 temporarily substituted “the written system of preferences for selection established by the public housing agency pursuant to section 1437d(c)(4)(A)” for “the system of preferences established by the agency pursuant to section 1437d(c)(4)(A)(ii)”. See Effective and Termination Dates of 1996 Amendments note below.

Subsec. (d). Pub. L. 104-330, § 501(b)(7)(A), redesignated par. (1) as entire subsec. and struck out par. (2) which read as follows: “The limitations established in subsections (a) and (b) of this section shall not apply to dwelling units assisted by Indian public housing agencies, to scattered site public housing dwelling units sold or intended to be sold to public housing tenants under section 1437c(h) of this title..”

Subsec. (e). Pub. L. 104-120, § 9(d)(2), added subsec. (e).

Subsec. (e)(3). Pub. L. 104-330, § 501(b)(7)(B), struck out heading and text of par. (3). Text read as follows: “This subsection does not apply to any dwelling unit assisted by an Indian housing authority.”

1992—Subsec. (c). Pub. L. 102-550, § 105(a), substituted “very low-income families and shall” for “very low-income families, shall” and “. In developing such admission procedures, the Secretary shall” for “, and shall” and inserted “; except that such prohibition shall not apply with respect to families selected for occupancy in public housing under the system of preferences established by the agency pursuant to section 1437d(c)(4)(A)(ii) of this title” after “higher income families for residence”.

Subsec. (d)(2). Pub. L. 102-550, § 105(b), inserted before period at end “, to scattered site public housing dwelling units sold or intended to be sold to public housing tenants under section 1437c(h) of this title.”

1990—Subsec. (a). Pub. L. 101-625, § 572(1), substituted “low-income families” for “lower income families”.

Subsec. (b). Pub. L. 101-625, § 572(1), substituted “low-income families” for “lower income families” in par. (1).

Pub. L. 101-625, § 511, designated existing provisions as par. (1), substituted “15 percent” for “5 per centum”, and added par. (2).

Subsecs. (c), (d)(1). Pub. L. 101-625, § 572(1), substituted “low-income families” for “lower income families” wherever appearing.

1988—Subsec. (b). Pub. L. 100-242, § 112(b)(8), struck out “annual” before “contributions”.

Subsec. (c). Pub. L. 100-628 substituted “shall establish an appropriate specific percentage of lower income families other than very-low income families that may be assisted in each assisted housing program” for “and shall establish, as appropriate, differing percentage limitations on admission of lower income families in separate assisted housing programs” and inserted before period at end of first sentence “, and shall prohibit project owners from selecting families for residence in an order different from the order on the waiting list for the purpose of selecting relatively higher income families for residence”.

Pub. L. 100-242, § 103, added subsec. (c).

Subsec. (d). Pub. L. 100-242, § 103, added subsec. (d).

1983—Subsec. (a). Pub. L. 98-181 increased to 25 from 10 the percentage of dwelling units available for leasing.

EFFECTIVE DATE OF 1998 AMENDMENTS

Pub. L. 105-277, div. A, § 123, Oct. 21, 1998, 112 Stat. 2681-546, provided that the amendment made by section 123 of Pub. L. 105-277 is effective upon enactment of Pub. L. 105-276.

Amendment by title V of Pub. L. 105-276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105-276, set out as a note under section 1437 of this title.

Pub. L. 105-276, title V, § 513(b), Oct. 21, 1998, 112 Stat. 2547, provided that: “This section [amending this section] shall take effect on, and the amendments under this section are made on, and shall apply beginning upon, the date of the enactment of this Act [Oct. 21, 1998].”

EFFECTIVE AND TERMINATION DATES OF 1996 AMENDMENTS

Amendment by Pub. L. 104-330 effective Oct. 1, 1997, except as otherwise expressly provided, see section 107 of Pub. L. 104-330, set out as an Effective Date note under section 4101 of Title 25, Indians.

Amendment by Pub. L. 104-120 to be construed to have become effective Oct. 1, 1995, notwithstanding the effective date of any regulations issued by Secretary of Housing and Urban Development to implement amendments by sections 9 and 10 of Pub. L. 104-120 or any failure by Secretary to issue any such regulations, see section 13 of Pub. L. 104-120, set out as a note under section 1437d of this title.

Amendment by Pub. L. 104-99 effective Jan. 26, 1996, only for fiscal years 1996, 1997, and 1998, and to cease to

be effective Oct. 21, 1998, see section 402(f) of Pub. L. 104-99, as amended, and section 514(f) of Pub. L. 105-276, set out as notes under section 1437a of this title.

EFFECTIVE DATE

Section effective Oct. 1, 1981, see section 371 of Pub. L. 97-35, set out as a note under section 3701 of Title 12, Banks and Banking.

§ 1437o. Repealed. Pub. L. 101-625, title II, § 289(b), Nov. 28, 1990, 104 Stat. 4128

Section, act Sept. 1, 1937, ch. 896, title I, § 17, as added Nov. 30, 1983, Pub. L. 98-181, title I [title III, § 301], 97 Stat. 1196; amended Oct. 17, 1984, Pub. L. 98-479, title I, § 103, 98 Stat. 2223; Oct. 18, 1986, Pub. L. 99-500, § 101(g), 100 Stat. 1783-242, and Oct. 30, 1986, Pub. L. 99-591, § 101(g), 100 Stat. 3341-242; Dec. 22, 1987, Pub. L. 100-202, §§ 101(f) [title I, § 101], 106, 101 Stat. 1329-187, 1329-189, 1329-433; Feb. 5, 1988, Pub. L. 100-242, title I, §§ 150, 151, 170(e), 101 Stat. 1853, 1854, 1867; renumbered title I, June 29, 1988, Pub. L. 100-358, § 5, 102 Stat. 681; Nov. 7, 1988, Pub. L. 100-628, title X, § 1007, 102 Stat. 3266; June 30, 1989, Pub. L. 101-45, title I, 103 Stat. 112; Dec. 15, 1989, Pub. L. 101-235, title III, § 304, 103 Stat. 2044; May 25, 1990, Pub. L. 101-302, title II, 104 Stat. 238; Nov. 5, 1990, Pub. L. 101-507, title II, 104 Stat. 1369; Nov. 28, 1990, Pub. L. 101-625, title V, § 572(1), 104 Stat. 4236; Apr. 10, 1991, Pub. L. 102-27, title II, 105 Stat. 150; Oct. 28, 1992, Pub. L. 102-550, title VI, § 625(a)(4), 106 Stat. 3820, authorized Secretary to make rental rehabilitation and development grants.

EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 1991, and except with respect to projects and programs for which binding commitments have been entered into prior to Oct. 1, 1991, no new grants or loans to be made after Oct. 1, 1991, under this section, see section 12839(a)(1), (b)(1) of this title.

§ 1437p. Demolition and disposition of public housing

(a) Applications for demolition and disposition

Except as provided in subsection (b) of this section, upon receiving an application by a public housing agency for authorization, with or without financial assistance under this subchapter, to demolish or dispose of a public housing project or a portion of a public housing project (including any transfer to a resident-supported nonprofit entity), the Secretary shall approve the application, if the public housing agency certifies—

(1) in the case of—

(A) an application proposing demolition of a public housing project or a portion of a public housing project, that—

(i) the project or portion of the public housing project is obsolete as to physical condition, location, or other factors, making it unsuitable for housing purposes; and

(ii) no reasonable program of modifications is cost-effective to return the public housing project or portion of the project to useful life; and

(B) an application proposing the demolition of only a portion of a public housing project, that the demolition will help to ensure the viability of the remaining portion of the project;

(2) in the case of an application proposing disposition by sale or other transfer of a public housing project or other real property subject to this subchapter—

(A) the retention of the property is not in the best interests of the residents or the public housing agency because—

(i) conditions in the area surrounding the public housing project adversely affect the health or safety of the residents or the feasible operation of the project by the public housing agency; or

(ii) disposition allows the acquisition, development, or rehabilitation of other properties that will be more efficiently or effectively operated as low-income housing;

(B) the public housing agency has otherwise determined the disposition to be appropriate for reasons that are—

(i) in the best interests of the residents and the public housing agency;

(ii) consistent with the goals of the public housing agency and the public housing agency plan; and

(iii) otherwise consistent with this subchapter; or

(C) for property other than dwelling units, the property is excess to the needs of a public housing project or the disposition is incidental to, or does not interfere with, continued operation of a public housing project;

(3) that the public housing agency has specifically authorized the demolition or disposition in the public housing agency plan, and has certified that the actions contemplated in the public housing agency plan comply with this section;

(4) that the public housing agency—

(A) will notify each family residing in a project subject to demolition or disposition 90 days prior to the displacement date, except in cases of imminent threat to health or safety, consistent with any guidelines issued by the Secretary governing such notifications, that—

(i) the public housing project will be demolished or disposed of;

(ii) the demolition of the building in which the family resides will not commence until each resident of the building is relocated; and

(iii) each family displaced by such action will be offered comparable housing—

(I) that meets housing quality standards;

(II) that is located in an area that is generally not less desirable than the location of the displaced person's housing; and

(III) which may include—

(aa) tenant-based assistance, except that the requirement under this clause regarding offering of comparable housing shall be fulfilled by use of tenant-based assistance only upon the relocation of such family into such housing;

(bb) project-based assistance; or

(cc) occupancy in a unit operated or assisted by the public housing agency at a rental rate paid by the family that is comparable to the rental rate applicable to the unit from which the family is vacated;