

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

PHA Plans

Palacios Housing Authority

5 Year Plan for Fiscal Years 2000 - 2004
Annual Plan for Fiscal Year 2000

**NOTE: THIS PHA PLANS TEMPLATE (HUD 50075) IS TO BE COMPLETED IN ACCORDANCE WITH
INSTRUCTIONS LOCATED IN APPLICABLE PIH NOTICES**

HUD 50075
OMB Approval No: 2577-0226
Expires: 03/31/2002

PHA Plan Agency Identification

PHA Name: Palacios Housing Authority

PHA Number: TX - 378

PHA Fiscal Year Beginning: (10/01/00)

Public Access to Information

Information regarding any activities outlined in this plan can be obtained by contacting: (select all that apply)

- Main administrative office of the PHA – 45 Sea Shell, Palacios, TX 77465
- PHA development management offices
- PHA local offices

Display Locations For PHA Plans and Supporting Documents

The PHA Plans (including attachments) are available for public inspection at: (select all that apply)

- Main administrative office of the PHA – 45 Sea Shell, Palacios, TX 77465
- PHA development management offices
- PHA local offices
- Main administrative office of the local government
- Main administrative office of the County government
- Main administrative office of the State government
- Public library
- PHA website
- Other (list below)

A copy of this plan and supporting documents are available to agencies, institutions, organizations and political subdivisions which may refer clients.

PHA Plan Supporting Documents are available for inspection at: (select all that apply)

- Main business office of the PHA – 45 Sea Shell, Palacios, TX 77465
- PHA development management offices
- Other (list below)

5 -YEAR PLAN
PHA FISCAL YEARS 2000 - 2004

[24 CFR Part 903.5]

A. Mission

State the PHA's mission for serving the needs of low-income, very low income, and extremely low-income families in the PHA's jurisdiction. (select one of the choices below)

The mission of the PHA is the same as that of the Department of Housing and Urban Development: To promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.

The PHA's mission is: (state mission here)

The overall mission of the Palacios Housing Authority is to promote adequate and affordable housing, economic opportunity, and a suitable living environment without discrimination. Our strategic goals are: 1) to increase the availability of decent, safe and affordable housing in our communities; 2) to ensure equal opportunity in housing for all; 3) to promote self-sufficiency and asset development of families and individuals, and 4) to improve community quality of life and economic vitality.

This mission is consistent with the goals and objectives of HUD and QHWRA. It makes clear that the Palacios Housing Authority has a role that extends beyond simply housing assistance. The housing provided must support families, neighborhoods, and economic self-sufficiency. Among other matters, it means that the Palacios Housing Authority will not provide housing which concentrates poverty or fosters dependence.

B. Goals

The goals and objectives listed below are derived from HUD's strategic Goals and Objectives and those emphasized in recent legislation. PHAs may select any of these goals and objectives as their own, or identify other goals and/or objectives. Whether selecting the HUD-suggested objectives or their own, **PHAS ARE STRONGLY ENCOURAGED TO IDENTIFY QUANTIFIABLE MEASURES OF SUCCESS IN REACHING THEIR OBJECTIVES OVER THE COURSE OF THE 5 YEARS.** (Quantifiable measures would include targets such as: numbers of families served or PHAS scores achieved.) PHAs should identify these measures in the spaces to the right of or below the stated objectives.

HUD Strategic Goal: Increase the availability of decent, safe, and affordable housing.

PHA Goal: Expand the supply of assisted housing
Objectives:
 Apply for additional rental vouchers:

- Reduce public housing vacancies to 2% and maintain a percentage which is equaled to 2% or lower than 2% by 09/30/04: To accomplish this objective, the Palacios Housing Authority will take affirmative steps to insure that units are turned around as quickly as possible. Under “normal” circumstances, we propose to implement a turn around period that would not exceed 16 days. Further, we will expeditiously as possible screen applicants to assure timely admission. Our implementation schedule is as follows:
 Year 1: Reduce the vacancy rate to 2% or maintain a 2% vacancy rate.
 Year 2: Reduce the vacancy rate to 2 % or maintain a 2% vacancy rate.
 Year 3: Reduce the vacancy rate to 2% or maintain a 2% vacancy rate.
 Year 4: Reduce the vacancy rate to 2 % or maintain a 2% vacancy rate.
 Year 5: Reduce the vacancy rate to 2 % or maintain a 2% vacancy rate.
- Leverage private or other public funds to create additional housing opportunities:
- Acquire or build units or developments
- Other (list below)

PHA Goal: Improve the quality of assisted housing

Objectives:

- Improve public housing management: (PHAS score) to 99.5 by 09/30/04 The Palacios PHA has a current PHAS score of 86.5. To accomplish this objective, the Palacios Housing Authority will strictly enforce all policies governing management and maintenance including assuring timely unit turn around and reduce the number of vacancies, assure timely inspections of dwelling units and systems, assure timely response to work orders, assure timely response to resident requested services which will increase customer satisfaction, and assure sound financial management. We proposes our target scores to be as follows:
 Baseline (current score): 86.5
 Year 1: Achieve a PHAS score of 89.1
 Year 2: Achieve a PHAS score of 91.7
 Year 3: Achieve a PHAS score of 94.3
 Year 4: Achieve a PHAS score of 96.9
 Year 5: Achieve a PHAS score of 99.5
- Improve voucher management: (SEMAP score)

Increase customer satisfaction to 100% of program participants by improving response time to requests for services by 09/30/04: To accomplish this objective the Palacios Housing Authority will emphasize customer satisfaction as a top priority. Response time will be improved in areas of work orders for routine, non-routine and emergency calls, application taking, resident requested services, and PHA generated services. Our implementation schedule is proposed as follows:
 Year 1: Achieve 80% customer satisfaction.

Year 2: Achieve 85% customer satisfaction.
Year 3: Achieve 90% customer satisfaction.
Year 4: Achieve 95% customer satisfaction.
Year 5: Achieve 100% customer satisfaction.

- Concentrate on efforts to improve specific management functions by 09/30/04: To accomplish this objective the Palacios Housing Authority will assure that staff is adequately trained and possess the necessary skills to perform effectively and efficiently. Such management areas as financial management, Admissions and Continued Occupancy, unit inspections, voucher management, and maintenance service delivery will be scheduled on a regular basis to assure continued quality of services. Our implementation schedule is as follows:
Year 1: Attend at least 4 training sessions rotating staff attendance.
Year 2: Attend at least 4 training sessions rotating staff attendance.
Year 3: Attend at least 4 training sessions rotating staff attendance.
Year 4: Attend at least 4 training sessions rotating staff attendance.
Year 5: Attend at least 4 training sessions rotating staff attendance.

- Renovate or modernize public housing by 09/30/04: To accomplish this objective, the Palacios Housing Authority had a comprehensive needs assessment conducted which revealed that although much of our public housing has been renovated, there are still items which need improvements such as installing new kitchen cabinets, repair roof leaks, ceiling repairs, installing central air conditioning, purchasing stoves and refrigerators, correcting trip hazards at sidewalks, installing screen doors, landscaping, fencing , purchasing power tools, upgrading the management office, expanding parking areas, replacing toilets, upgrading thermostats, replacing wall furnaces, replacing hot water heaters, replacing garage door at maintenance building, excavation work at rear of office, concrete work, vinyl siding, installing a ramp at the office, and replacing the water fountain at the office. Our implementation schedule is reflected as follows:
Year 1: Comprehensive modernization work at TX 378.
Year 2: Comprehensive modernization work at TX 378.
Year 3: Comprehensive modernization work at TX 378.
Year 4: Comprehensive modernization work at TX 378.
Year 5: Comprehensive modernization work at TX 378.

- Demolish or dispose of obsolete public housing:
 Provide replacement public housing:
 Provide replacement vouchers:
 Other: (list below)

- PHA Goal: Increase assisted housing choices
Objectives:

- Provide voucher mobility counseling to 100% of participating families by 09/30/04: To accomplish this objective, the Palacios Housing Authority proposes to counsel all families on the waiting list and all families in possession of both the Low Rent program and the Section 8 program. This will be implemented as follows:
 - Year 1: Counsel 20% of Low Rent and Section 8 families on the waiting list and in possession
 - Year 2: Counsel 20% of Low Rent and Section 8 families on the waiting list and in possession
 - Year 3: Counsel 20% of Low Rent and Section 8 families on the waiting list and in possession
 - Year 4: Counsel 20% of Low Rent and Section 8 families on the waiting list and in possession
 - Year 5: Counsel 20% of Low Rent and Section 8 families on the waiting list and in possession
- Conduct outreach efforts to at least 15 potential voucher landlords by 09/30/04: To accomplish this objective the Palacios Housing Authority will implement the following:
 - Year 1: Outreach to 3 potential voucher landlords.
 - Year 2: Outreach to 3 additional potential voucher landlords
 - Year 3: Outreach to 3 additional potential voucher landlords
 - Year 4: Outreach to 3 additional potential voucher landlords
 - Year 5: Outreach to 3 additional potential voucher landlords
- Increase voucher payment standards
- Implement voucher homeownership program:
- Implement public housing or other homeownership programs by providing homeownership counseling to at least 100% of families in possession by 09/30/04: To accomplish this objective, the Palacios Housing Authority will link with a non-profit organization providing home ownership counseling to families. Topics will include but will not be limited to:
 1. Preparing for home ownership - advantages versus disadvantages, affordability, examining credit reports
 2. Shopping for a home - deciding new versus old, finding the right house, negotiating the purchase, submitting the offer, terms of the contract, conducting an appraisal, home inspection
 3. Obtaining a mortgage - shopping for a loan, the mortgage checklist, applying for a loan, loan processing
 4. Loan closing - preparing for closing, the actual closing documents
 5. Life as a home owner - settling in, maintenance, financial management, tax planning, home equity, re-financing, pre-paying the mortgage

We propose to implement as follows:

Year 1: Counsel 20% of Low Rent families on the waiting list and in possession
 Year 2: Counsel 20% of Low Rent families on the waiting list and in possession
 Year 3: Counsel 20% of Low Rent families on the waiting list and in possession
 Year 4: Counsel 20% of Low Rent families on the waiting list and in possession
 Year 5: Counsel 20% of Low Rent families on the waiting list and in possession

- Implement public housing site-based waiting lists:
- Convert public housing to vouchers:
- Other: (list below)

HUD Strategic Goal: Improve community quality of life and economic vitality

PHA Goal: Provide an improved living environment

Objectives:

Implement measures to deconcentrate poverty by bringing at least 15 higher income public housing households into lower income developments by 09/30/04: To accomplish this objective, the Palacios Housing Authority will revise its Admissions and Occupancy Policy to include steps to deconcentrate poverty and seek opportunities to increase the number of higher-income families in lower/extremely-low income properties and lower/extremely-low income families in higher-income properties. Based on analysis, the Palacios Housing Authority does not have properties with significant numbers of higher-income families. Rather, our PHA desires for all of its families properties to enjoy a greater percentage of working families. With this in mind, the Palacios Housing Authority intends to increase the number of working families over the next five years. This will afford a mix of income levels among the lower/extremely-low income families and the higher-income families. Our proposed implementation schedule is as follows:
 Year 1: House at least 3 higher income families in lower income communities and at least 3 lower income families in higher income communities.
 Year 2: House at least 3 higher income families in lower income communities and at least 3 lower income families in higher income communities.
 Year 3: House at least 3 higher income families in lower income communities and at least 3 lower income families in higher income communities.
 Year 4: House at least 3 higher income families in lower income communities and at least 3 lower income families in higher income communities.
 Year 5: House at least 3 higher income families in lower income communities and at least 3 lower income families in higher income communities.

Implement measures to promote income mixing in public housing by assuring access for at least 15 lower income families into higher income developments by 09/30/04: To accomplish this objective, the Palacios Housing Authority will revise its Admissions and Occupancy Policy to include steps to deconcentrate poverty and seek opportunities to increase the number of higher-income families in lower/extremely-low income properties

and lower-income families in higher-income properties. Based on analysis, the Palacios Housing Authority does not have properties with significant numbers of higher-income families. Rather, our PHA desires for all of its families properties to enjoy a greater percentage of working families. With this in mind, the Palacios Housing Authority intends to increase the number of working families to at least 15 over the next five years. This will afford a mix of income levels among the lower/extremely-low income families and the higher-income families. Our proposed implementation schedule is same as above.

- Implement public housing security improvements
- Designate developments or buildings for particular resident groups (elderly, persons with disabilities)
- Other: (list below)

HUD Strategic Goal: Promote self-sufficiency and asset development of families and individuals

- PHA Goal: Promote self-sufficiency and asset development of assisted households
Objectives:
 - Increase the number and percentage of employed persons in assisted families by at least 15 by 09/30/04: To accomplish this objective, the Palacios Housing Authority will take affirmative measures to assist those interested in working the opportunity to work. A combination of incentives will be implemented including ceiling rents, working preferences, improved collaboration with business partners in our community. We will identify and utilize resources to assist residents seek and obtain meaningful employment. Once employed, we will treat their income in compliance with section 12(d) of the U.S. Housing Act. Our implementation is as follows:
 - Year 1: Assist at least 3 resident to become employed
 - Year 2: Assist an additional 3 resident to become employed
 - Year 3: Assist an additional 3 resident to become employed
 - Year4: Assist an additional 3 resident to become employed
 - Year 5: Assist an additional 3 resident to become employed
 - Provide or attract supportive services to at least 15 assisted families to improve assistance recipients' employability by 09/30/04: To accomplish this objective, the Palacios Housing Authority will take affirmative measures to attract supportive services for those interested in employability. We will link with transportation providers, day care providers, health care providers, and social services agencies in an effort to provide the needed supportive services for job maintenance. Our implementation schedule is as follows:
 - Year 1: Assist at least 3 resident to acquire supportive services
 - Year 2: Assist an additional 3 resident to acquire supportive services

- Year 3: Assist an additional 3 resident to acquire supportive services
- Year4: Assist an additional 3 resident to acquire supportive services
- Year 5: Assist an additional 3 resident to acquire supportive services
- Provide or attract supportive services to increase independence for at least 15 elderly families and/or families with disabilities by 09/30/04. To accomplish this objective, the Palacios Housing Authority will take affirmative measures to attract supportive services for the elderly and those with disabilities. We will link with transportation providers, meals programs, health care providers, and social services agencies in an effort to provide the needed supportive services. Our implementation schedule is as follows:
 - Year 1: Assist at least 3 resident to acquire supportive services
 - Year 2: Assist an additional 3 resident to acquire supportive services
 - Year 3: Assist an additional 3 resident to acquire supportive services
 - Year4: Assist an additional 3 resident to acquire supportive services
 - Year 5: Assist an additional 3 resident to acquire supportive services
- Other: (list below)

HUD Strategic Goal: Ensure Equal Opportunity in Housing for all Americans

- PHA Goal: Ensure equal opportunity and affirmatively further fair housing
 - Objectives:
 - Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability for 100% of families in possession and 100% of families on the waiting list by 09/30/04: To accomplish this objective, the Palacios Housing Authority will implement the following:
 - Post in conspicuous places such as bulletin boards, churches, grocery stores, department stores, civic and other organizations, aspects of equal opportunity and fair housing as provided by the PLHA, distribute flyers about fair housing provided by our PHA, provide copies of fair housing literature to persons on the waiting list as well as those in possession, provide counseling to landlords about fair housing. Our implementation schedule is as follows:
 - Year 1: Distribute at least 50 flyers regarding fair housing
 - Year 2: Distribute at least 50 flyers regarding fair housing
 - Year 3: Distribute at least 50 flyers regarding fair housing
 - Year 4: Distribute at least 50 flyers regarding fair housing
 - Year 5: Distribute at least 50 flyers regarding fair housing
 - Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability :
 - Undertake affirmative measures to ensure accessible housing to 100% of persons with all varieties of disabilities regardless of unit size required by 09/30/04: To accomplish

this objective the Palacios Housing Authority will take affirmative steps to assure that persons with disabilities have access to housing. This will be accomplished by assuring that a minimum of 5% of our low rent units are in compliance with Section 504 of the American Disabilities Act, that where possible, units are equipped with devices for the visually and hearing impaired, and insuring that the office is equipped for accessibility, and pathways to the office provide a direct path for easy access.

Other: (list below)

Other PHA Goals and Objectives: (list below)

Annual PHA Plan PHA Fiscal Year 2000

[24 CFR Part 903.7]

i. Annual Plan Type:

Select which type of Annual Plan the PHA will submit.

Standard Plan

Streamlined Plan:

- High Performing PHA**
- Small Agency (<250 Public Housing Units)**
- Administering Section 8 Only**

Troubled Agency Plan

ii. Executive Summary of the Annual PHA Plan

[24 CFR Part 903.7 9 (r)]

Provide a brief overview of the information in the Annual Plan, including highlights of major initiatives and discretionary policies the PHA has included in the Annual Plan.

On October 8, 1998, Congress passed the Quality Housing and Work Responsibility Act (QHWRA) of 1998. It was attached to the 1999 HUD Appropriations Act and signed into law by the President on October 21, 1998. It amends, rather than repeals, the United States Housing Act of 1937.

In developing QHWRA, Congress found that there exists throughout the nation a need for decent, safe, and affordable housing. Further, it found that the inventory of public housing units owned, or operated by public housing agencies, an asset which the Federal Government has invested over \$90 billion dollars, has traditionally provided rental housing that is affordable to low-income persons. Despite

serving this critical function, the public housing system is plagued by a series of problems, including concentration of very poor people in very poor neighborhoods and lack of incentives for economic self-sufficiency. The Federal method of overseeing every aspect of public housing by detailed and complex statutes and regulations has aggravated the problem and has placed excessive administrative burdens on public housing agencies. Finally, Congress has concluded that the interests of low-income persons, and the public interest will best be served by a reformed public housing program which consolidates many public housing programs into programs for the operation and capital needs of public housing; streamlines program requirements; vests in public agencies that perform will in maximum feasible authority, discretion, and control with appropriate accountability to public housing residents, localities, and general public; and rewards employment and economic self-sufficiency for public housing residents.

The purpose of this Agency Plan is to provide guidance for the Palacios Housing Authority in promoting homes which are affordable to low-income families in safe and healthy environments, and thereby contributing to the supply of affordable housing for our fiscal years 2000 through 2004. Through implementation of this Agency Plan, the Palacios Housing Authority will be enabled to perform as a property and asset manager; have more flexible use of Federal assistance; be able to leverage and combine assistance amounts with amounts obtained from other sources; facilitate mixed income communities and decrease concentrations of poverty; create incentives and economic opportunities for residents.

Realizing that the U.S. Department of Housing and Urban Development has required that agency plans must be submitted to HUD at least 75 days prior to the start of our fiscal year; that we must conduct a public hearing to discuss the five year plan; that at least 45 days prior to the public hearing we must make our proposed plan available to the public; and that we must take into consideration any public comments received in regards to the plan before the Board of Commissioners formally adopts the plan, the Palacios Housing Authority performed the below listed process:

- A. Our PHA hired a local consulting firm to assist with the development of our plan. This firm assisted us in gathering all data required for the development of this plan and conducted a physical and management assessment of our agency.
- B. The consultants prepared a DRAFT of the plan and submitted to us for review and comment.
- C. We then submitted this DRAFT to our Board of Commissioners and Resident Advisory Board for review and comment. We also made available a copy for review in our office.
- D. We observed the 45 day waiting and comment period.
- E. We advertised for a public hearing by publishing in the local newspapers.
- F. We conducted the hearing and received no comments from the total public housing population and the general community.
- G. We then finalized our plan.
- H. We obtained Board of Commissioner approval for submission to HUD.

iii. Annual Plan Table of Contents

[24 CFR Part 903.7 9 (r)]

Provide a table of contents for the Annual Plan, including attachments, and a list of supporting documents available for public inspection.

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Attachments

Indicate which attachments are provided by selecting all that apply. Provide the attachment's name (A, B, etc.) in the space to the left of the name of the attachment. Note: If the attachment is provided as a **SEPARATE** file submission from the PHA Plans file, provide the file name in parentheses in the space to the right of the title.

Required Attachments:

- Admissions Policy for Deconcentration
- FY 2000 Capital Fund Program Annual Statement
- Most recent board-approved operating budget (Required Attachment for PHAs that are troubled or at risk of being designated troubled ONLY)

Optional Attachments:

- PHA Management Organizational Chart
- FY 2000 Capital Fund Program 5 Year Action Plan
- Public Housing Drug Elimination Program (PHDEP) Plan
- Comments of Resident Advisory Board or Boards (must be attached if not included in PHA Plan text)
- Other (List below, providing each attachment name)

Supporting Documents Available for Review

Indicate which documents are available for public review by placing a mark in the “Applicable & On Display” column in the appropriate rows. All listed documents must be on display if applicable to the program activities conducted by the PHA.

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
X	PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations	5 Year and Annual Plans
X	State/Local Government Certification of Consistency with the Consolidated Plan	5 Year and Annual Plans
X	Fair Housing Documentation: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions’ initiatives to affirmatively further fair housing that require the PHA’s involvement.	5 Year and Annual Plans
X	Consolidated Plan for the jurisdiction/s in which the PHA is located (which includes the Analysis of Impediments to Fair Housing Choice (AI)) and any additional backup data to support statement of housing needs in the jurisdiction	Annual Plan: Housing Needs
X	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources;
X	Public Housing Admissions and (Continued) Occupancy Policy (A&O), which includes the Tenant Selection and Assignment Plan [TSAP]	Annual Plan: Eligibility, Selection, and Admissions Policies
	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
X	Public Housing Deconcentration and Income Mixing Documentation: 1. PHA board certifications of compliance with deconcentration requirements (section 16(a) of the US Housing Act of 1937, as implemented in the 2/18/99 <i>Quality Housing and Work Responsibility Act Initial Guidance; Notice</i> and any further HUD guidance) and 2. Documentation of the required deconcentration and income mixing analysis	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public housing rent determination policies, including the methodology for setting public housing flat rents <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
X	Schedule of flat rents offered at each public housing development <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Rent Determination
X	Section 8 rent determination (payment standard) policies <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Rent Determination
X	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation)	Annual Plan: Operations and Maintenance
X	Public housing grievance procedures <input checked="" type="checkbox"/> check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures
X	Section 8 informal review and hearing procedures <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Grievance Procedures
X	The HUD-approved Capital Fund/Comprehensive Grant Program Annual Statement (HUD 52837) for the active grant year	Annual Plan: Capital Needs
X	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grant	Annual Plan: Capital Needs
X	Most recent, approved 5 Year Action Plan for the Capital Fund/Comprehensive Grant Program, if not included as an attachment (provided at PHA option)	Annual Plan: Capital Needs
	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans or any other approved proposal for development of public housing	Annual Plan: Capital Needs
	Approved or submitted applications for demolition and/or disposition of public housing	Annual Plan: Demolition and Disposition

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Applicable Plan Component
	Approved or submitted applications for designation of public housing (Designated Housing Plans)	Annual Plan: Designation of Public Housing
	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act	Annual Plan: Conversion of Public Housing
	Approved or submitted public housing homeownership programs/plans	Annual Plan: Homeownership
	Policies governing any Section 8 Homeownership program <input type="checkbox"/> check here if included in the Section 8 Administrative Plan	Annual Plan: Homeownership
	Any cooperative agreement between the PHA and the TANF agency	Annual Plan: Community Service & Self-Sufficiency
	FSS Action Plan/s for public housing and/or Section 8	Annual Plan: Community Service & Self-Sufficiency
	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports	Annual Plan: Community Service & Self-Sufficiency
X	The most recent Public Housing Drug Elimination Program (PHEDEP) semi-annual performance report for any open grant and most recently submitted PHDEP application (PHDEP Plan)	Annual Plan: Safety and Crime Prevention
X	The most recent fiscal year audit of the PHA conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U.S.C. 1437c(h)), the results of that audit and the PHA's response to any findings	Annual Plan: Annual Audit
	Troubled PHAs: MOA/Recovery Plan	Troubled PHAs
	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)

1. Statement of Housing Needs

[24 CFR Part 903.7 9 (a)]

A. Housing Needs of Families in the Jurisdiction/s Served by the PHA

Based upon the information contained in the Consolidated Plan/s applicable to the jurisdiction, and/or other data available to the PHA, provide a statement of the housing needs in the jurisdiction by completing the following table. In the "Overall" Needs column, provide the estimated number of renter families that have housing needs. For the remaining characteristics, rate the impact of that factor on the housing needs for each family type, from 1 to 5, with 1 being "no impact" and 5 being "severe impact." Use N/A to indicate that no information is available upon which the PHA can make this assessment.

Housing Needs of Families in the Jurisdiction by Family Type

Family Type	Overall	Afford-ability	Supply	Quality	Access-ibility	Size	Loca-tion
Income <= 30% of AMI	274	5	5	5	5	5	5
Income >30% but <=50% of AMI	108	4	3	4	3	4	3
Income >50% but <80% of AMI	69	3	2	2	2	2	2
Elderly	130	4	4	4	4	4	4
Families with Disabilities	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Race/Ethnicity – White	N/A	1	1	2	2	1	2
Race/Ethnicity – Black	N/A	4	3	4	3	4	3
Race/Ethnicity – Native American	N/A	3	3	3	3	3	3
Race/Ethnicity – Asian	N/A	3	3	3	3	3	3
Race/Ethnicity – Hispanic	N/A	3	4	3	4	3	4

What sources of information did the PHA use to conduct this analysis? (Check all that apply; all materials must be made available for public inspection.)

- Consolidated Plan of the Jurisdiction/s
Indicate year:
- U.S. Census data: the Comprehensive Housing Affordability Strategy (“CHAS”) dataset
- American Housing Survey data
Indicate year:
- Other housing market study
Indicate year:
- Other sources: (list and indicate year of information)
U.S. Census Bureau data for the 1990 census for Matagorda County and the City of Palacios.

B. Housing Needs of Families on the Public Housing and Section 8 Tenant- Based Assistance Waiting Lists

State the housing needs of the families on the PHA’s waiting list/s. **Complete one table for each type of PHA-wide waiting list administered by the PHA.** PHAs may provide separate tables for site-based or sub-jurisdictional public housing waiting lists at their option.

Housing Needs of Families on the Waiting List

Waiting list type: (select one)

- Section 8 tenant-based assistance
 Public Housing
 Combined Section 8 and Public Housing
 Public Housing Site-Based or sub-jurisdictional waiting list (optional)
 If used, identify which development/subjurisdiction:

	# of families	% of total families	Annual Turnover
Waiting list total	2		1
Extremely low income <=30% AMI	2	100%	
Very low income (>30% but <=50% AMI)	0	0%	
Low income (>50% but <80% AMI)	0	0%	
Families with children	2	100%	
Elderly families	0		
Families with Disabilities	0		
Race/ethnicity –Black	0	0%	
Race/ethnicity – White	0	0%	
Race/ethnicity – Hispanic	2	100%	
Race/ethnicity			
Characteristics by Bedroom Size (Public Housing Only)			
1BR	2	100%	1
2 BR	0	0%	0
3 BR	0	0%	0
4 BR	0	0%	0

Housing Needs of Families on the Waiting List			
5 BR	0	0%	0
5+ BR	0	0%	0
Is the waiting list closed (select one)? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If yes: How long has it been closed (# of months)? Does the PHA expect to reopen the list in the PHA Plan year? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes Does the PHA permit specific categories of families onto the waiting list, even if generally closed? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes			

Housing Needs of Families on the Waiting List			
Waiting list type: (select one) <input checked="" type="checkbox"/> Section 8 tenant-based assistance <input type="checkbox"/> Public Housing <input type="checkbox"/> Combined Section 8 and Public Housing <input type="checkbox"/> Public Housing Site-Based or sub-jurisdictional waiting list (optional) If used, identify which development/subjurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	1		1
Extremely low income <=30% AMI	1	100%	
Very low income (>30% but <=50% AMI)	0	0%	
Low income (>50% but <80% AMI)	0	0%	
Families with children	1	100%	
Elderly families	0	0%	
Families with Disabilities	0	0%	
Race/ethnicity –Black	0	0%	
Race/ethnicity – White	1	100%	

Housing Needs of Families on the Waiting List			
Race/ethnicity – Hispanic	0	0%	
Race/ethnicity			
Characteristics by Bedroom Size (Public Housing Only)			
1BR	1	100%	1
2 BR	0	0%	0
3 BR	0	0%	0
4 BR	0	0%	0
5 BR	0	0%	0
5+ BR	0	0%	0
Is the waiting list closed (select one)? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If yes: How long has it been closed (# of months)? Does the PHA expect to reopen the list in the PHA Plan year? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes Does the PHA permit specific categories of families onto the waiting list, even if generally closed? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes			

C. Strategy for Addressing Needs

Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list **IN THE UPCOMING YEAR**, and the Agency's reasons for choosing this strategy.

(1) Strategies

Need: Shortage of affordable housing for all eligible populations

Strategy 1. Maximize the number of affordable units available to the PHA within its current resources by:

Select all that apply

- Employ effective maintenance and management policies to minimize the number of public housing units off-line
- Reduce turnover time for vacated public housing units
- Reduce time to renovate public housing units
- Seek replacement of public housing units lost to the inventory through mixed finance development

- Seek replacement of public housing units lost to the inventory through section 8 replacement housing resources
- Maintain or increase section 8 lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction
- Undertake measures to ensure access to affordable housing among families assisted by the PHA, regardless of unit size required
- Maintain or increase section 8 lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration
- Maintain or increase section 8 lease-up rates by effectively screening Section 8 applicants to increase owner acceptance of program
- Participate in the Consolidated Plan development process to ensure coordination with broader community strategies
- Other (list below)

Strategy 2: Increase the number of affordable housing units by:

Select all that apply

- Apply for additional section 8 units should they become available
- Leverage affordable housing resources in the community through the creation of mixed - finance housing
- Pursue housing resources other than public housing or Section 8 tenant-based assistance.
- Other: (list below)

Need: Specific Family Types: Families at or below 30% of median

Strategy 1: Target available assistance to families at or below 30 % of AMI

Select all that apply

- Exceed HUD federal targeting requirements for families at or below 30% of AMI in public housing
- Exceed HUD federal targeting requirements for families at or below 30% of AMI in tenant-based section 8 assistance
- Employ admissions preferences aimed at families with economic hardships
- Adopt rent policies to support and encourage work
- Other: (list below)

Need: Specific Family Types: Families at or below 50% of median

Strategy 1: Target available assistance to families at or below 50% of AMI

Select all that apply

- Employ admissions preferences aimed at families who are working
- Adopt rent policies to support and encourage work
- Other: (list below)

Need: Specific Family Types: The Elderly

Strategy 1: Target available assistance to the elderly:

Select all that apply

- Seek designation of public housing for the elderly
- Apply for special-purpose vouchers targeted to the elderly, should they become available
- Other: (list below)

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to Families with Disabilities:

Select all that apply

- Seek designation of public housing for families with disabilities
- Carry out the modifications needed in public housing based on the section 504 Needs Assessment for Public Housing
- Apply for special-purpose vouchers targeted to families with disabilities, should they become available
- Affirmatively market to local non-profit agencies that assist families with disabilities
- Other: (list below)

Need: Specific Family Types: Races or ethnicities with disproportionate housing needs

Strategy 1: Increase awareness of PHA resources among families of races and ethnicities with disproportionate needs:

Select if applicable

- Affirmatively market to races/ethnicities shown to have disproportionate housing needs
- Other: (list below)

Strategy 2: Conduct activities to affirmatively further fair housing

Select all that apply

- Counsel section 8 tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units
- Market the section 8 program to owners outside of areas of poverty /minority concentrations
- Other: (list below)

Other Housing Needs & Strategies: (list needs and strategies below)

(2) Reasons for Selecting Strategies

Of the factors listed below, select all that influenced the PHA's selection of the strategies it will pursue:

- Funding constraints
- Staffing constraints
- Limited availability of sites for assisted housing
- Extent to which particular housing needs are met by other organizations in the community
- Evidence of housing needs as demonstrated in the Consolidated Plan and other information available to the PHA
- Influence of the housing market on PHA programs
- Community priorities regarding housing assistance
- Results of consultation with local or state government
- Results of consultation with residents and the Resident Advisory Board
- Results of consultation with advocacy groups
- Other: (list below)

2. Statement of Financial Resources

[24 CFR Part 903.7 9 (b)]

List the financial resources that are anticipated to be available to the PHA for the support of Federal public housing and tenant-based Section 8 assistance programs administered by the PHA during the Plan year. Note: the table assumes that Federal public housing or tenant based Section 8 assistance grant funds are expended on eligible purposes; therefore, uses of these funds need not be stated. For other funds, indicate the use for those funds as one of the following categories: public housing operations, public housing capital improvements, public housing safety/security, public housing supportive services, Section 8 tenant-based assistance, Section 8 supportive services or other.

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
1. Federal Grants (FY 2000 grants)		
a) Public Housing Operating Fund	116,590	
b) Public Housing Capital Fund	66,991	
c) HOPE VI Revitalization		
d) HOPE VI Demolition		
e) Annual Contributions for Section 8 Tenant-Based Assistance	334,193	

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
f) Public Housing Drug Elimination Program (including any Technical Assistance funds)		
g) Other local Sources for PHDEP		
h) Resident Opportunity and Self-Sufficiency Grants		
i) Community Development Block Grant		
j) HOME		
Other Federal Grants (list below)		
2. Prior Year Federal Grants (unobligated funds only) (list below)		
1999 CIAP	72,816	Modernization activities
3. Public Housing Dwelling Rental Income	45,130	Administrative expenses
Nondwelling Income	600	Investment
Excess Utilities		
4. Other income (list below)		
Interest	660	Investment
Other Income	3,670	Investment
4. Non-federal sources (list below)		
Total resources	640,650	PHA Operations

3. PHA Policies Governing Eligibility, Selection, and Admissions

[24 CFR Part 903.7 9 (c)]

A. Public Housing

Exemptions: PHAs that do not administer public housing are not required to complete subcomponent 3A.

(1) Eligibility

a. When does the PHA verify eligibility for admission to public housing? (select all that apply)

- When families are within a certain number of being offered a unit: (state number - First 5 families)
- When families are within a certain time of being offered a unit: (state time)
- Other: (describe)

b. Which non-income (screening) factors does the PHA use to establish eligibility for admission to public housing (select all that apply)?

- Criminal or Drug-related activity
- Rental history
- Housekeeping
- Other (describe)

c. Yes No: Does the PHA request criminal records from local law enforcement agencies for screening purposes?

d. Yes No: Does the PHA request criminal records from State law enforcement agencies for screening purposes?

e. Yes No: Does the PHA access FBI criminal records from the FBI for screening purposes? (either directly or through an NCIC-authorized source)

(2)Waiting List Organization

a. Which methods does the PHA plan to use to organize its public housing waiting list (select all that apply)

- Community-wide list
- Sub-jurisdictional lists
- Site-based waiting lists
- Other (describe)

b. Where may interested persons apply for admission to public housing?

- PHA main administrative office – 45 Sea Shell, Palacios, TX 77465
- PHA development site management office
- Other (list below)

c. If the PHA plans to operate one or more site-based waiting lists in the coming year, answer each of the following questions; if not, skip to subsection **(3) Assignment**

1. How many site-based waiting lists will the PHA operate in the coming year?
2. Yes No: Are any or all of the PHA's site-based waiting lists new for the upcoming year (that is, they are not part of a previously-HUD-approved site based waiting list plan)?
If yes, how many lists?
3. Yes No: May families be on more than one list simultaneously
If yes, how many lists?
4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists (select all that apply)?
 - PHA main administrative office
 - All PHA development management offices
 - Management offices at developments with site-based waiting lists
 - At the development to which they would like to apply
 - Other (list below)

(3) Assignment

- a. How many vacant unit choices are applicants ordinarily given before they fall to the bottom of or are removed from the waiting list? (select one)
 - One
 - Two
 - Three or More
- b. Yes No: Is this policy consistent across all waiting list types?
- c. If answer to b is no, list variations for any other than the primary public housing waiting list/s for the PHA:

(4) Admissions Preferences

- a. Income targeting:
 - Yes No: Does the PHA plan to exceed the federal targeting requirements by targeting more than 40% of all new admissions to public housing to families at or below 30% of median area income?
- b. Transfer policies:
 - In PLHA circumstances will transfers take precedence over new admissions? (list below)
 - Emergencies

- Overhoused
- Underhoused
- Medical justification
- Administrative reasons determined by the PHA (e.g., to permit modernization work)
- Resident choice: (state circumstances below)
- Other: (list below)

c. Preferences

1. Yes No: Has the PHA established preferences for admission to public housing (other than date and time of application)? (If “no” is selected, skip to subsection (5))

Occupancy)

2. Which of the following admission preferences does the PHA plan to employ in the coming year? (select all that apply from either former Federal preferences or other preferences)

Former Federal preferences:

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden (rent is > 50 percent of income)

Other preferences: (select below)

- Working families and those unable to work because of age or disability
- Veterans and veterans’ families
- Residents who live and/or work in the jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below): 40% of families with incomes between 0% and 30% of area median income; 60% of families with incomes between 31% and 80% of area median income

3. If the PHA will employ admissions preferences, please prioritize by placing a “1” in the space that represents your first priority, a “2” in the box representing your second priority, and so on. If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use “1” more than once, “2” more than once, etc.

1 Date and Time

Former Federal preferences:

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition) – At the discretion of the Executive Director
- Victims of domestic violence – At the discretion of the Executive Director
- Substandard housing
- Homelessness
- High rent burden

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability
 - Unemployed residents of the jurisdiction
 - Veterans and veterans' families
 - Residents who live and/or work in the jurisdiction
 - Those enrolled currently in educational, training, or upward mobility programs
 - Households that contribute to meeting income goals (broad range of incomes)
 - Households that contribute to meeting income requirements (targeting)
 - Those previously enrolled in educational, training, or upward mobility programs
 - Victims of reprisals or hate crimes
 - 1 Other preference(s) (list below): 40% of families with incomes between 0% and 30% of area median income; 60% of families with incomes between 31% and 80% of area median income
4. Relationship of preferences to income targeting requirements:
- The PHA applies preferences within income tiers
 - Not applicable: the pool of applicant families ensures that the PHA will meet income-targeting requirements

(5) Occupancy

a. What reference materials can applicants and residents use to obtain information about the rules of occupancy of public housing (select all that apply)

- The PHA-resident lease
- The PHA's Admissions and (Continued) Occupancy policy
- PHA briefing seminars or written materials
- Other source (list)

b. How often must residents notify the PHA of changes in family composition? (select all that apply)

- At an annual reexamination and lease renewal
- Any time family composition changes
- At family request for revision
- Other (list)

(6) Deconcentration and Income Mixing

- a. Yes No: Did the PHA's analysis of its family (general occupancy) developments to determine concentrations of poverty indicate the need for measures to promote deconcentration of poverty or income mixing?
- b. Yes No: Did the PHA adopt any changes to its **admissions policies** based on the results of the required analysis of the need to promote deconcentration of poverty or to assure income mixing?
- c. If the answer to b was yes, PLHA changes were adopted? (select all that apply)
- Adoption of site-based waiting lists
If selected, list targeted developments below:
- Employing waiting list "skipping" to achieve deconcentration of poverty or income mixing goals at targeted developments
If selected, list targeted developments below:
TX 378
- Employing new admission preferences at targeted developments
If selected, list targeted developments below:
TX 378
- Other (list policies and developments targeted below)
- d. Yes No: Did the PHA adopt any changes to **other** policies based on the results of the required analysis of the need for deconcentration of poverty and income mixing?
- e. If the answer to d was yes, how would you describe these changes? (select all that apply)
- Additional affirmative marketing
- Actions to improve the marketability of certain developments
- Adoption or adjustment of ceiling rents for certain developments
- Adoption of rent incentives to encourage deconcentration of poverty and income mixing
- Other (list below)
- f. Based on the results of the required analysis, in which developments will the PHA make special efforts to attract or retain higher-income families? (select all that apply)
- Not applicable: results of analysis did not indicate a need for such efforts
- List (any applicable) developments below:

g. Based on the results of the required analysis, in which developments will the PHA make special efforts to assure access for lower-income families? (select all that apply)

- Not applicable: results of analysis did not indicate a need for such efforts
 List (any applicable) developments below:

B. Section 8

Exemptions: PHAs that do not administer section 8 are not required to complete sub-component 3B.

Unless otherwise specified, all questions in this section apply only to the tenant-based section 8 assistance program (vouchers, and until completely merged into the voucher program, certificates).

(1) Eligibility

a. What is the extent of screening conducted by the PHA? (select all that apply)

- Criminal or drug-related activity only to the extent required by law or regulation
 Criminal and drug-related activity, more extensively than required by law or regulation
 More general screening than criminal and drug-related activity (list factors below)
 Other (list below)

b. Yes No: Does the PHA request criminal records from local law enforcement agencies for screening purposes?

c. Yes No: Does the PHA request criminal records from State law enforcement agencies for screening purposes?

d. Yes No: Does the PHA access FBI criminal records from the FBI for screening purposes? (either directly or through an NCIC-authorized source)

e. Indicate What kinds of information you share with prospective landlords? (select all that apply)

- Criminal or drug-related activity
 Other (describe below)

PHA does not share this kind of information with landlords as this type of information will cause landlords to not want to participate on the program.

(2) Waiting List Organization

a. With which of the following program waiting lists is the section 8 tenant-based assistance waiting list merged? (select all that apply)

- None
 Federal public housing
 Federal moderate rehabilitation

- Federal project-based certificate program
- Other federal or local program (list below)

b. Where may interested persons apply for admission to section 8 tenant-based assistance? (select all that apply)

- PHA main administrative office: 45 Sea Shell, Palacios, TX 77465
- Other (list below)

(3) Search Time

a. Yes No: Does the PHA give extensions on standard 60-day period to search for a unit?

If yes, state circumstances below:

(4) Admissions Preferences

a. Income targeting

Yes No: Does the PHA plan to exceed the federal targeting requirements by targeting more than 75% of all new admissions to the section 8 program to families at or below 30% of median area income?

b. Preferences

1. Yes No: Has the PHA established preferences for admission to section 8 tenant-based assistance? (other than date and time of application) (if no, skip to subcomponent **(5) Special purpose section 8 assistance programs**)

2. Which of the following admission preferences does the PHA plan to employ in the coming year? (select all that apply from either former Federal preferences or other preferences)

Former Federal preferences

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden (rent is > 50 percent of income)

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability
- Veterans and veterans' families
- Residents who live and/or work in your jurisdiction

- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below): Extremely Low Income – 30% of area median income
Very Low Income – 50% of area median income; and Low Income – 80% of area median income

3. If the PHA will employ admissions preferences, please prioritize by placing a “1” in the space that represents your first priority, a “2” in the box representing your second priority, and so on. If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use “1” more than once, “2” more than once, etc.

1 Date and Time

Former Federal preferences

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition) – At the discretion of the Executive Director
- Victims of domestic violence – At the discretion of the Executive Director
- Substandard housing
- Homelessness
- High rent burden

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability
- Unemployed residents of the jurisdiction

Veterans and veterans’ families

Residents who live and/or work in your jurisdiction

- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below): Extremely Low Income – 30% of area median income
Very Low Income – 50% of area median income; and Low Income – 80% of area median income

4. Among applicants on the waiting list with equal preference status, how are applicants selected? (select one)

- Date and time of application
- Drawing (lottery) or other random choice technique

5. If the PHA plans to employ preferences for “residents who live and/or work in the jurisdiction” (select one)

- This preference has previously been reviewed and approved by HUD
- The PHA requests approval for this preference through this PHA Plan

6. Relationship of preferences to income targeting requirements: (select one)

- The PHA applies preferences within income tiers
- Not applicable: the pool of applicant families ensures that the PHA will meet income-targeting requirements

(5) Special Purpose Section 8 Assistance Programs

a. In which documents or other reference materials are the policies governing eligibility, selection, and admissions to any special-purpose section 8 program administered by the PHA contained? (select all that apply)

- The Section 8 Administrative Plan
- Briefing sessions and written materials
- Other (list below)

b. How does the PHA announce the availability of any special-purpose section 8 programs to the public?

- Through published notices
- Other (list below)

4. PHA Rent Determination Policies

[24 CFR Part 903.7 9 (d)]

A. Public Housing

Exemptions: PHAs that do not administer public housing are not required to complete sub-component 4A.

(1) Income Based Rent Policies

Describe the PHA’s income based rent setting policy/ies for public housing using, including discretionary (that is, not required by statute or regulation) income disregards and exclusions, in the appropriate spaces below.

a. Use of discretionary policies: (select one)

- The PHA will not employ any discretionary rent-setting policies for income based rent in public housing. Income-based rents are set at the higher of 30% of adjusted monthly income, 10% of unadjusted monthly income, the welfare rent, or minimum rent (less HUD mandatory deductions and exclusions). (If selected, skip to sub-component (2))

---or---

- The PHA employs discretionary policies for determining income-based rent (If selected, continue to question b.)

b. Minimum Rent

1. What amount best reflects the PHA's minimum rent? (select one)

- \$0
 \$1-\$25
 \$26-\$50 – PHA's minimum rent is \$50.00

2. Yes No: Has the PHA adopted any discretionary minimum rent hardship exemption policies?

3. If yes to question 2, list these policies below:

See Admissions and Occupancy Policy

c. Rents set at less than 30% than adjusted income

1. Yes No: Does the PHA plan to charge rents at a fixed amount or percentage less than 30% of adjusted income?

2. If yes to above, list the amounts or percentages charged and the circumstances under which these will be used below:

d. Which of the discretionary (optional) deductions and/or exclusions policies does the PHA plan to employ (select all that apply)

For the earned income of a previously unemployed household member

For increases in earned income

Fixed amount (other than general rent-setting policy)

If yes, state amount/s and circumstances below:

Fixed percentage (other than general rent-setting policy)

If yes, state percentage/s and circumstances below:

For household heads

For other family members

For transportation expenses

For the non-reimbursed medical expenses of non-disabled or non-elderly families

Other (describe below)

Elderly and handicapped

e. Ceiling rents

1. Do you have ceiling rents? (rents set at a level lower than 30% of adjusted income) (select one)

- Yes for all developments
 Yes but only for some developments
 No

2. For which kinds of developments are ceiling rents in place? (select all that apply)

- For all developments
 For all general occupancy developments (not elderly or disabled or elderly only)
 For specified general occupancy developments
 For certain parts of developments; e.g., the high-rise portion
 For certain size units; e.g., larger bedroom sizes
 Other (list below)

3. Select the space or spaces that best describe how you arrive at ceiling rents (select all that apply)

- Market comparability study
 Fair market rents (FMR)
 95th percentile rents
 75 percent of operating costs
 100 percent of operating costs for general occupancy (family) developments
 Operating costs plus debt service
 The "rental value" of the unit
 Other (list below)

f. Rent re-determinations:

1. Between income reexaminations, how often must tenants report changes in income or family composition to the PHA such that the changes result in an adjustment to rent? (select all that apply)

- Never
 At family option
 Any time the family experiences an income increase
 Any time a family experiences an income increase above a threshold amount or percentage: (if selected, specify threshold) \$40.00 per month
 Other (list below)

- g. Yes No: Does the PHA plan to implement individual savings accounts for residents (ISAs) as an alternative to the required 12 month disallowance of earned income and phasing in of rent increases in the next year?

(2) Flat Rents

1. In setting the market-based flat rents, What sources of information did the PHA use to establish comparability? (select all that apply.)

- The section 8 rent reasonableness study of comparable housing
 Survey of rents listed in local newspaper
 Survey of similar unassisted units in the neighborhood
 Other (list/describe below)

B. Section 8 Tenant-Based Assistance

Exemptions: PHAs that do not administer Section 8 tenant-based assistance are not required to complete sub-component 4B. **Unless otherwise specified, all questions in this section apply only to the tenant-based section 8 assistance program (vouchers, and until completely merged into the voucher program, certificates).**

(1) Payment Standards

Describe the voucher payment standards and policies .

- a. What is the PHA's payment standard? (select the category that best describes your standard)

- At or above 90% but below 100% of FMR
 100% of FMR
 Above 100% but at or below 110% of FMR
 Above 110% of FMR (if HUD approved; describe circumstances below)

- b. If the payment standard is lower than FMR, why has the PHA selected this standard? (select all that apply)

- FMRs are adequate to ensure success among assisted families in the PHA's segment of the FMR area
 The PHA has chosen to serve additional families by lowering the payment standard
 Reflects market or submarket
 Other (list below)

- c. If the payment standard is higher than FMR, why has the PHA chosen this level? (select all that apply)

- FMRs are not adequate to ensure success among assisted families in the PHA's segment of the FMR area

- Reflects market or submarket
- To increase housing options for families
- Other (list below)

d. How often are payment standards reevaluated for adequacy? (select one)

- Annually
- Other (list below)

e. What factors will the PHA consider in its assessment of the adequacy of its payment standard?
(select all that apply)

- Success rates of assisted families
- Rent burdens of assisted families
- Other (list below)

(2) Minimum Rent

a. What amount best reflects the PHA’s minimum rent? (select one)

- \$0
- \$1-\$25
- \$26-\$50 PHA’s minimum rent is \$50.00

b. Yes No: Has the PHA adopted any discretionary minimum rent hardship exemption policies? (if yes, list below)

5. Operations and Management

[24 CFR Part 903.7 9 (e)]

Exemptions from Component 5: High performing and small PHAs are not required to complete this section. Section 8 only PHAs must complete parts A, B, and C(2)

A. PHA Management Structure

Describe the PHA’s management structure and organization.

(select one)

- An organization chart showing the PHA’s management structure and organization is attached.
- A brief description of the management structure and organization of the PHA follows:

B. HUD Programs Under PHA Management

List Federal programs administered by the PHA, number of families served at the beginning of the upcoming fiscal year, and expected turnover in each. (Use “NA” to indicate that the PHA does not operate any of the programs listed below.)

Program Name	Units or Families Served at Year Beginning	Expected Turnover
Public Housing		
Section 8 Vouchers		
Section 8 Certificates		
Section 8 Mod Rehab		
Special Purpose Section 8 Certificates/Vouchers (list individually)		
Public Housing Drug Elimination Program (PHDEP)		
Other Federal Programs(list individually)		

C. Management and Maintenance Policies

List the PHA's public housing management and maintenance policy documents, manuals and handbooks that contain the Agency's rules, standards, and policies that govern maintenance and management of public housing, including a description of any measures necessary for the prevention or eradication of pest infestation (which includes cockroach infestation) and the policies governing Section 8 management.

(1) Public Housing Maintenance and Management: (list below)

(2) Section 8 Management: (list below)

6. PHA Grievance Procedures

[24 CFR Part 903.7 9 (f)]

Exemptions from component 6: High performing PHAs are not required to complete component 6. Section 8-Only PHAs are exempt from sub-component 6A.

A. Public Housing

1. Yes No: Has the PHA established any written grievance procedures in addition to federal requirements found at 24 CFR Part 966, Subpart B, for residents of public housing?

If yes, list additions to federal requirements below:

2. Which PHA office should residents or applicants to public housing contact to initiate the PHA grievance process? (select all that apply)

- PHA main administrative office: 45 Sea Shell, Palacios, TX 77465
 PHA development management offices
 Other (list below)

B. Section 8 Tenant-Based Assistance

1. Yes No: Has the PHA established informal review procedures for applicants to the Section 8 tenant-based assistance program and informal hearing procedures for families assisted by the Section 8 tenant-based assistance program in addition to federal requirements found at 24 CFR 982?

If yes, list additions to federal requirements below:

2. Which PHA office should applicants or assisted families contact to initiate the informal review and informal hearing processes? (select all that apply)

- PHA main administrative office: 45 Sea Shell, Palacios, TX 77465
 Other (list below)

7. Capital Improvement Needs

[24 CFR Part 903.7 9 (g)]

Exemptions from Component 7: Section 8 only PHAs are not required to complete this component and may skip to Component 8.

A. Capital Fund Activities

Exemptions from sub-component 7A: PHAs that will not participate in the Capital Fund Program may skip to component 7B. All other PHAs must complete 7A as instructed.

(1) Capital Fund Program Annual Statement

Using parts I, II, and III of the Annual Statement for the Capital Fund Program (CFP), identify capital activities the PHA is proposing for the upcoming year to ensure long-term physical and social viability of its public housing developments. This statement can be completed by using the CFP Annual Statement tables provided in the table library at the end of the PHA Plan template **OR**, at the PHA's option, by completing and attaching a properly updated HUD-52837.

Select one:

- The Capital Fund Program Annual Statement is provided as an attachment to the PHA Plan at Attachment (state name)

-or-

- The Capital Fund Program Annual Statement is provided below: (if selected, copy the CFP Annual Statement from the Table Library and insert here)

Component 7
Capital Fund Program Annual Statement
Parts I, II, and II

Annual Statement

Capital Fund Program (CFP) Part I: Summary

Capital Fund Grant Number FFY of Grant Approval: (10/01/00)

- Original Annual Statement

Line No.	Summary by Development Account	Total Estimated Cost
1	Total Non-CGP Funds	
2	1406 Operations	.00
3	1408 Management Improvements	.00
4	1410 Administration	.00
5	1411 Audit	
6	1415 Liquidated Damages	
7	1430 Fees and Costs	6,700.00
8	1440 Site Acquisition	
9	1450 Site Improvement	
10	1460 Dwelling Structures	60,291.00
11	1465.1 Dwelling Equipment-Nonexpendable	
12	1470 Nondwelling Structures	
13	1475 Nondwelling Equipment	
14	1485 Demolition	
15	1490 Replacement Reserve	
16	1492 Moving to Work Demonstration	
17	1495.1 Relocation Costs	
18	1498 Mod Used for Development	
19	1502 Contingency	
20	Amount of Annual Grant (Sum of lines 2-19)	66,991.00
21	Amount of line 20 Related to LBP Activities	
22	Amount of line 20 Related to Section 504 Compliance	
23	Amount of line 20 Related to Security	

Annual Statement
Capital Fund Program (CFP) Part II: Supporting Table

Development Number/Name HA-Wide Activities	General Description of Major Work Categories	Development Account Number	Total Estimated Cost
HA-Wide	Construction Design and Construction Administration Comprehensive Modernization @ units	1406	.00
HA-Wide		1408	.00
HA-Wide		1410	.00
HA-Wide		1430	6,700.00
TX 378		1460	60,291.00
TX 378		1470	.00
Total			

Annual Statement
Capital Fund Program (CFP) Part III: Implementation Schedule

Development Number/Name HA-Wide Activities	All Funds Obligated (Quarter Ending Date)	All Funds Expended (Quarter Ending Date)
HA-Wide		

HA-Wide	Advertisement and Program Administration 03/31/02	06/30/03
HA- Wide	Construction Design and Construction Administration 03/31/02	06/30/03
TX 395-1	Comprehensive modernization @ units - 03/31/02	06/30/03

(2) Optional 5-Year Action Plan

Agencies are encouraged to include a 5-Year Action Plan covering capital work items. This statement can be completed by using the 5-Year Action Plan table provided in the table library at the end of the PHA Plan template **OR** by completing and attaching a properly updated HUD-52834.

a. Yes No: Is the PHA providing an optional 5-Year Action Plan for the Capital Fund? (if no, skip to sub-component 7B)

b. If yes to question a, select one:

The Capital Fund Program 5-Year Action Plan is provided as an attachment to the PHA Plan at Attachment (state name

-or-

The Capital Fund Program 5-Year Action Plan is provided below: (if selected, copy the CFP optional 5-Year Action Plan from the Table Library and insert here)

Optional Table for 5-Year Action Plan for Capital Fund (Component 7)

Complete one table for each development in which work is planned in the next 5 PHA fiscal years. Complete a table for any PHA-wide physical or management improvements planned in the next 5 PHA fiscal year. Copy this table as many times as necessary. Note: PHAs need not include information from Year One of the 5-Year cycle, because this information is included in the Capital Fund Program Annual Statement.

Optional 5-Year Action Plan Tables				
Development Number	Development Name (or indicate PHA wide)	Number Vacant Units	% Vacancies in Development	
TX 378	PHA wide			
Description of Needed Physical Improvements or Management Improvements			Estimated Cost	Planned Start Date (HA Fiscal Year)
Construction Design and Administration @ \$6,700; Comprehensive Modernization @ \$60,291;			66,991	07/01/01
Construction Design and Administration @ \$6,700; Comprehensive Modernization @ \$60,291			66,991	07/01/02
Construction Design and Administration @ \$6,700; Comprehensive Modernization @ \$60,291			66,991	07/01/03
Construction Design and Administration @ \$6,700; Comprehensive Modernization @ \$60,291			66,991	07/01/04
Total estimated cost over next 5 years			334,955	

B. HOPE VI and Public Housing Development and Replacement Activities (Non-Capital Fund)

Applicability of sub-component 7B: All PHAs administering public housing. Identify any approved HOPE VI and/or public housing development or replacement activities not described in the Capital Fund Program Annual Statement.

- Yes No: a) Has the PHA received a HOPE VI revitalization grant? (if no, skip to question c; if yes, provide responses to question b for each grant, copying and completing as many times as necessary)
- b) Status of HOPE VI revitalization grant (complete one set of questions for each grant)

1. Development name:
2. Development (project) number:
3. Status of grant: (select the statement that best describes the current status)
 - Revitalization Plan under development

- Revitalization Plan submitted, pending approval
- Revitalization Plan approved
- Activities pursuant to an approved Revitalization Plan underway

Yes No: c) Does the PHA plan to apply for a HOPE VI Revitalization grant in the Plan year?
If yes, list development name/s below:

Yes No: d) Will the PHA be engaging in any mixed-finance development activities for public housing in the Plan year?
If yes, list developments or activities below:

Yes No: e) Will the PHA be conducting any other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement?
If yes, list developments or activities below:

8. Demolition and Disposition

[24 CFR Part 903.7 9 (h)]

Applicability of component 8: Section 8 only PHAs are not required to complete this section.

1. Yes No: Does the PHA plan to conduct any demolition or disposition activities (pursuant to section 18 of the U.S. Housing Act of 1937 (42 U.S.C. 1437p)) in the plan Fiscal Year? (If “No”, skip to component 9; if “yes”, complete one activity description for each development.)

2. Activity Description

Yes No: Has the PHA provided the activities description information in the **optional** Public Housing Asset Management Table? (If “yes”, skip to component 9. If “No”, complete the Activity Description table below.)

Demolition/Disposition Activity Description
1a. Development name:
1b. Development (project) number:
2. Activity type: Demolition <input type="checkbox"/>
Disposition <input type="checkbox"/>

<p>3. Application status (select one)</p> <p>Approved <input type="checkbox"/></p> <p>Submitted, pending approval <input type="checkbox"/></p> <p>Planned application <input type="checkbox"/></p>
<p>4. Date application approved, submitted, or planned for submission: (DD/MM/YY)</p>
<p>5. Number of units affected:</p> <p>6. Coverage of action (select one)</p> <p><input type="checkbox"/> Part of the development</p> <p><input type="checkbox"/> Total development</p>
<p>7. Timeline for activity:</p> <p>a. Actual or projected start date of activity:</p> <p>b. Projected end date of activity:</p>

9. Designation of Public Housing for Occupancy by Elderly Families or Families with Disabilities or Elderly Families and Families with Disabilities

[24 CFR Part 903.7 9 (i)]

Exemptions from Component 9; Section 8 only PHAs are not required to complete this section.

1. Yes No: Has the PHA designated or applied for approval to designate or does the PHA plan to apply to designate any public housing for occupancy only by the elderly families or only by families with disabilities, or by elderly families and families with disabilities or will apply for designation for occupancy by only elderly families or only families with disabilities, or by elderly families and families with disabilities as provided by section 7 of the U.S. Housing Act of 1937 (42 U.S.C. 1437e) in the upcoming fiscal year? (If “No”, skip to component 10. If “yes”, complete one activity description for each development, unless the PHA is eligible to complete a streamlined submission; PHAs completing streamlined submissions may skip to component 10.)

2. Activity Description

Yes No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? If “yes”, skip to component 10. If “No”, complete the Activity Description table below.

Designation of Public Housing Activity Description
<p>1a. Development name:</p> <p>1b. Development (project) number:</p>

<p>2. Designation type:</p> <p>Occupancy by only the elderly <input type="checkbox"/></p> <p>Occupancy by families with disabilities <input type="checkbox"/></p> <p>Occupancy by only elderly families and families with disabilities <input type="checkbox"/></p>
<p>3. Application status (select one)</p> <p>Approved; included in the PHA's Designation Plan <input type="checkbox"/></p> <p>Submitted, pending approval <input type="checkbox"/></p> <p>Planned application <input type="checkbox"/></p>
<p>4. Date this designation approved, submitted, or planned for submission: (DD/MM/YY)</p>
<p>5. If approved, will this designation constitute a (select one)</p> <p><input type="checkbox"/> New Designation Plan</p> <p><input type="checkbox"/> Revision of a previously approved Designation Plan?</p>
<p>6. Number of units affected:</p> <p>7. Coverage of action (select one)</p> <p><input type="checkbox"/> Part of the development</p> <p><input type="checkbox"/> Total development</p>

10. Conversion of Public Housing to Tenant-Based Assistance

[24 CFR Part 903.7 9 (j)]

Exemptions from Component 10; Section 8 only PHAs are not required to complete this section.

A. Assessments of Reasonable Revitalization Pursuant to section 202 of the HUD FY 1996 HUD Appropriations Act

1. Yes No: Have any of the PHA's developments or portions of developments been identified by HUD or the PHA as covered under section 202 of the HUD FY 1996 HUD Appropriations Act? (If "No", skip to component 11; if "yes", complete one activity description for each identified development, unless eligible to complete a streamlined submission. PHAs completing streamlined submissions may skip to component 11.)

2. Activity Description

- Yes No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? If "yes", skip to component 11. If "No", complete the Activity Description table below.

Conversion of Public Housing Activity Description
1a. Development name:
1b. Development (project) number:

<p>2. What is the status of the required assessment?</p> <p><input type="checkbox"/> Assessment underway</p> <p><input type="checkbox"/> Assessment results submitted to HUD</p> <p><input type="checkbox"/> Assessment results approved by HUD (if marked, proceed to next question)</p> <p><input type="checkbox"/> Other (explain below)</p>
<p>3. <input type="checkbox"/> Yes <input type="checkbox"/> No: Is a Conversion Plan required? (If yes, go to block 4; if no, go to block 5.)</p>
<p>4. Status of Conversion Plan (select the statement that best describes the current status)</p> <p><input type="checkbox"/> Conversion Plan in development</p> <p><input type="checkbox"/> Conversion Plan submitted to HUD on: (DD/MM/YYYY)</p> <p><input type="checkbox"/> Conversion Plan approved by HUD on: (DD/MM/YYYY)</p> <p><input type="checkbox"/> Activities pursuant to HUD-approved Conversion Plan underway</p>
<p>5. Description of how requirements of Section 202 are being satisfied by means other than conversion (select one)</p> <p><input type="checkbox"/> Units addressed in a pending or approved demolition application (date submitted or approved: _____)</p> <p><input type="checkbox"/> Units addressed in a pending or approved HOPE VI demolition application (date submitted or approved: _____)</p> <p><input type="checkbox"/> Units addressed in a pending or approved HOPE VI Revitalization Plan (date submitted or approved: _____)</p> <p><input type="checkbox"/> Requirements no longer applicable: vacancy rates are less than 10 percent</p> <p><input type="checkbox"/> Requirements no longer applicable: site now has less than 300 units</p> <p><input type="checkbox"/> Other: (describe below)</p>

B. Reserved for Conversions pursuant to Section 22 of the U.S. Housing Act of 1937

C. Reserved for Conversions pursuant to Section 33 of the U.S. Housing Act of 1937

11. Homeownership Programs Administered by the PHA

[24 CFR Part 903.7 9 (k)]

A. Public Housing

Exemptions from Component 11A: Section 8 only PHAs are not required to complete 11A.

1. Yes No: Does the PHA administer any homeownership programs administered by the PHA under an approved section 5(h) homeownership program (42 U.S.C. 1437c(h)), or an approved HOPE I program (42 U.S.C. 1437aaa) or has the

PHA applied or plan to apply to administer any homeownership programs under section 5(h), the HOPE I program, or section 32 of the U.S. Housing Act of 1937 (42 U.S.C. 1437z-4). (If “No”, skip to component 11B; if “yes”, complete one activity description for each applicable program/plan, unless eligible to complete a streamlined submission due to **small PHA** or **high performing PHA** status. PHAs completing streamlined submissions may skip to component 11B.)

2. Activity Description

Yes No: Has the PHA provided all required activity description information for this component in the **optional** Public Housing Asset Management Table? (If “yes”, skip to component 12. If “No”, complete the Activity Description table below.)

Public Housing Homeownership Activity Description (Complete one for each development affected)
1a. Development name: 1b. Development (project) number:
2. Federal Program authority: <input type="checkbox"/> HOPE I <input type="checkbox"/> 5(h) <input type="checkbox"/> Turnkey III <input type="checkbox"/> Section 32 of the USHA of 1937 (effective 10/1/99)
3. Application status: (select one) <input type="checkbox"/> Approved; included in the PHA’s Homeownership Plan/Program <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application
4. Date Homeownership Plan/Program approved, submitted, or planned for submission: (DD/MM/YYYY)
5. Number of units affected: 6. Coverage of action: (select one) <input type="checkbox"/> Part of the development <input type="checkbox"/> Total development

B. Section 8 Tenant Based Assistance

1. Yes No: Does the PHA plan to administer a Section 8 Homeownership program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982 ? (If “No”, skip to component 12; if “yes”, describe each program using the table below (copy and complete questions for each program identified), unless the PHA is eligible to complete a streamlined submission due

to high performer status. **High performing PHAs** may skip to component 12.)

2. Program Description:

a. Size of Program

Yes No: Will the PHA limit the number of families participating in the section 8 homeownership option?

If the answer to the question above was yes, which statement best describes the number of participants? (select one)

- 25 or fewer participants
- 26 - 50 participants
- 51 to 100 participants
- more than 100 participants

b. PHA-established eligibility criteria

Yes No: Will the PHA's program have eligibility criteria for participation in its Section 8 Homeownership Option program in addition to HUD criteria?
If yes, list criteria below:

12. PHA Community Service and Self-sufficiency Programs

[24 CFR Part 903.7 9 (l)]

Exemptions from Component 12: High performing and small PHAs are not required to complete this component. Section 8-Only PHAs are not required to complete sub-component C.

A. PHA Coordination with the Welfare (TANF) Agency

1. Cooperative agreements:

Yes No: Has the PHA has entered into a cooperative agreement with the TANF Agency, to share information and/or target supportive services (as contemplated by section 12(d)(7) of the Housing Act of 1937)?
If yes, What was the date that agreement was signed?

2. Other coordination efforts between the PHA and TANF agency (select all that apply)

- Client referrals
- Information sharing regarding mutual clients (for rent determinations and otherwise)
- Coordinate the provision of specific social and self-sufficiency services and programs to eligible families
- Jointly administer programs
- Partner to administer a HUD Welfare-to-Work voucher program

- Joint administration of other demonstration program
- Other (describe)

B. Services and programs offered to residents and participants

(1) General

a. Self-Sufficiency Policies

Which, if any of the following discretionary policies will the PHA employ to enhance the economic and social self-sufficiency of assisted families in the following areas? (select all that apply)

- Public housing rent determination policies
- Public housing admissions policies
- Section 8 admissions policies
- Preference in admission to section 8 for certain public housing families
- Preferences for families working or engaging in training or education programs for non-housing programs operated or coordinated by the PHA
- Preference/eligibility for public housing homeownership option participation
- Preference/eligibility for section 8 homeownership option participation
- Other policies (list below)

b. Economic and Social self-sufficiency programs

- Yes No: Does the PHA coordinate, promote or provide any programs to enhance the economic and social self-sufficiency of residents? (If “yes”, complete the following table; if “no” skip to sub-component 2, Family Self-Sufficiency Programs. The position of the table may be altered to facilitate its use.)

Services and Programs				
Program Name & Description (including location, if appropriate)	Estimated Size	Allocation Method (waiting list/random selection/specific criteria/other)	Access (development office / PHA main office / other provider name)	Eligibility (public housing or section 8 participants or both)

(2) Family Self Sufficiency program/s

a. Participation Description

Family Self Sufficiency (FSS) Participation		
Program	Required Number of Participants (start of FY 2000 Estimate)	Actual Number of Participants (As of: DD/MM/YY)
Public Housing		
Section 8		

b. Yes No: If the PHA is not maintaining the minimum program size required by HUD, does the most recent FSS Action Plan address the steps the PHA plans to take to achieve at least the minimum program size?
If no, list steps the PHA will take below:

C. Welfare Benefit Reductions

1. The PHA is complying with the statutory requirements of section 12(d) of the U.S. Housing Act of 1937 (relating to the treatment of income changes resulting from welfare program requirements) by:
(select all that apply)

- Adopting appropriate changes to the PHA’s public housing rent determination policies and train staff to carry out those policies
- Informing residents of new policy on admission and reexamination
- Actively notifying residents of new policy at times in addition to admission and reexamination.
- Establishing or pursuing a cooperative agreement with all appropriate TANF agencies regarding the exchange of information and coordination of services
- Establishing a protocol for exchange of information with all appropriate TANF agencies
- Other: (list below)

D. Reserved for Community Service Requirement pursuant to section 12(c) of the U.S. Housing Act of 1937

13. PHA Safety and Crime Prevention Measures

[24 CFR Part 903.7 9 (m)]

Exemptions from Component 13: High performing and small PHAs not participating in PHDEP and Section 8 Only PHAs may skip to component 15. High Performing and small PHAs that are participating in PHDEP and are submitting a PHDEP Plan with this PHA Plan may skip to sub-component D.

A. Need for measures to ensure the safety of public housing residents

1. Describe the need for measures to ensure the safety of public housing residents (select all that apply)

- High incidence of violent and/or drug-related crime in some or all of the PHA's developments
- High incidence of violent and/or drug-related crime in the areas surrounding or adjacent to the PHA's developments
- Residents fearful for their safety and/or the safety of their children
- Observed lower-level crime, vandalism and/or graffiti
- People on waiting list unwilling to move into one or more developments due to perceived and/or actual levels of violent and/or drug-related crime
- Other (describe below)

2. What information or data did the PHA use to determine the need for PHA actions to improve safety of residents (select all that apply).

- Safety and security survey of residents
- Analysis of crime statistics over time for crimes committed "in and around" public housing authority
- Analysis of cost trends over time for repair of vandalism and removal of graffiti
- Resident reports
- PHA employee reports
- Police reports
- Demonstrable, quantifiable success with previous or ongoing anticrime/anti drug programs
- Other (describe below)

3. Which developments are most affected? (list below)

B. Crime and Drug Prevention activities the PHA has undertaken or plans to undertake in the next PHA fiscal year

1. List the crime prevention activities the PHA has undertaken or plans to undertake: (select all that apply)

- Contracting with outside and/or resident organizations for the provision of crime- and/or drug-prevention activities
- Crime Prevention Through Environmental Design
- Activities targeted to at-risk youth, adults, or seniors
- Volunteer Resident Patrol/Block Watchers Program
- Other (describe below)

2. Which developments are most affected? (list below)

C. Coordination between PHA and the police

1. Describe the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities: (select all that apply)

- Police involvement in development, implementation, and/or ongoing evaluation of drug-elimination plan
- Police provide crime data to housing authority staff for analysis and action
- Police have established a physical presence on housing authority property (e.g., community policing office, officer in residence)
- Police regularly testify in and otherwise support eviction cases
- Police regularly meet with the PHA management and residents
- Agreement between PHA and local law enforcement agency for provision of above-baseline law enforcement services
- Other activities (list below)

2. Which developments are most affected? (list below)

D. Additional information as required by PHDEP/PHDEP Plan

PHAs eligible for FY 2000 PHDEP funds must provide a PHDEP Plan meeting specified requirements prior to receipt of PHDEP funds.

- Yes No: Is the PHA eligible to participate in the PHDEP in the fiscal year covered by this PHA Plan?
- Yes No: Has the PHA included the PHDEP Plan for FY 2000 in this PHA Plan?
- Yes No: This PHDEP Plan is an Attachment. (Attachment Filename:)

14. RESERVED FOR PET POLICY

[24 CFR Part 903.7 9 (n)]

Pending

15. Civil Rights Certifications

[24 CFR Part 903.7 9 (o)]

Civil rights certifications will be included in the PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations.

16. Fiscal Audit

[24 CFR Part 903.7 9 (p)]

1. Yes No: Is the PHA required to have an audit conducted under section 5(h)(2) of the U.S. Housing Act of 1937 (42 U.S.C. 1437c(h))?
(If no, skip to component 17.)
2. Yes No: Was the most recent fiscal audit submitted to HUD?
3. Yes No: Were there any findings as the result of that audit?
4. Yes No: If there were any findings, do any remain unresolved?
If yes, how many unresolved findings remain? 0
5. Yes No: Have responses to any unresolved findings been submitted to HUD?
If not, when are they due (state below)?

17. PHA Asset Management

[24 CFR Part 903.7 9 (q)]

Exemptions from component 17: Section 8 Only PHAs are not required to complete this component. High performing and small PHAs are not required to complete this component.

1. Yes No: Is the PHA engaging in any activities that will contribute to the long-term asset management of its public housing stock, including how the Agency will plan for long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs that have **not** been addressed elsewhere in this PHA Plan?
2. What types of asset management activities will the PHA undertake? (select all that apply)
 - Not applicable
 - Private management
 - Development-based accounting
 - Comprehensive stock assessment
 - Other: (list below)
3. Yes No: Has the PHA included descriptions of asset management activities in the **optional** Public Housing Asset Management Table?

18. Other Information

[24 CFR Part 903.7 9 (r)]

A. Resident Advisory Board Recommendations

1. Yes No: Did the PHA receive any comments on the PHA Plan from the Resident Advisory Board/s?

The Palacios PHA did not receive any comments from our resident advisory board in the development of this Agency Plan.

2. If yes, the comments are: (if comments were received, the PHA **MUST** select one)

- Attached at Attachment (File name)
- Provided below:

3. In what manner did the PHA address those comments? (select all that apply)

- Considered comments, but determined that no changes to the PHA Plan were necessary.
- The PHA changed portions of the PHA Plan in response to comments
List changes below:

- Other: (list below)

B. Description of Election process for Residents on the PHA Board

- 1. Yes No: Does the PHA meet the exemption criteria provided section 2(b)(2) of the U.S. Housing Act of 1937? (If no, continue to question 2; if yes, skip to sub-component C.)

- 2. Yes No: Was the resident who serves on the PHA Board elected by the residents? (If yes, continue to question 3; if no, skip to sub-component C.)

3. Description of Resident Election Process

a. Nomination of candidates for place on the ballot: (select all that apply)

- Candidates were nominated by resident and assisted family organizations
- Candidates could be nominated by any adult recipient of PHA assistance
- Self-nomination: Candidates registered with the PHA and requested a place on ballot
- Other: (describe)

b. Eligible candidates: (select one)

- Any recipient of PHA assistance
- Any head of household receiving PHA assistance
- Any adult recipient of PHA assistance
- Any adult member of a resident or assisted family organization
- Other (list)

c. Eligible voters: (select all that apply)

- All adult recipients of PHA assistance (public housing and section 8 tenant-based assistance)
- Representatives of all PHA resident and assisted family organizations
- Other (list)

C. Statement of Consistency with the Consolidated Plan

For each applicable Consolidated Plan, make the following statement (copy questions as many times as necessary).

1. Consolidated Plan jurisdiction: Texas Department of Housing and Community Affairs, John Garvin, P.O. Box 13941, Austin, TX 78711

2. The PHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan for the jurisdiction: (select all that apply)

- The PHA has based its statement of needs of families in the jurisdiction on the needs expressed in the Consolidated Plan/s.
- The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
- The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.
- Activities to be undertaken by the PHA in the coming year are consistent with the initiatives contained in the Consolidated Plan. (list below)
Maintenance of a 2% vacancy rate; improvement in PHA management functions; Increased customer satisfaction; Increased voucher mobility counseling; increased outreach to landlords; Renovation of Public Housing; deconcentration of poverty and income mixing; increased employment for persons in assisted housing;; provision of supportive services for families, elderly, and persons with disabilities; provision of fair housing for all.
- Other: (list below)

4. The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments: (describe below)

The State of Texas has provided us with a certification indicating that our plan is in consistency with that of the State's Plan.

D. Other Information Required by HUD

Use this section to provide any additional information requested by HUD.

Attachments

Use this section to provide any additional attachments referenced in the Plans.

Table Library

PALACIOS HOUSING AUTHORITY

45 Sea Shell

Palacios, Texas 77465

Admissions and Continued Occupancy Policy

Revised May, 2000

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1.0 INTRODUCTION

The Palacios Housing Authority was established pursuant to the United States Housing Act of 1937, as amended, to provide decent, safe, sanitary and affordable housing to low income families. In accordance with this objective, the development of standard policies and procedures are necessary in order to ensure equitable treatment for all applicants and residents, as well as, to ensure the efficient operation of public housing units managed by the Palacios Housing Authority. In recognition thereof, the Palacios Housing Authority has developed Policies on Admission and Continued Occupancy, which implement federal and state regulations. Said policies are also based on a recognition that the provision of decent, safe, sanitary and affordable housing is dependent upon social and economic factors as well as physical factors.

This Admission and Continued Occupancy policy is intended to be consistent with the latest addition of the Code of Federal Regulations governing the Department of Housing and Urban Development, and all related HUD Transmittals and Notices. In the event of any inconsistencies, the provisions of that Code shall prevail.

The words PALACIOS PHA or Authority when used herein are intended to refer to the Palacios Housing Authority.

The programs administered by this PALACIOS PHA are:

Federal:

- Family Low income Public Housing
- Elderly Low Income Public Housing

A1.0 Authority

Eligibility for admission to and occupancy of Low-income public housing is governed by requirements of the Department of Housing and Urban Development, with some latitude for local policies and procedures. This Admissions and Continued Occupancy Policy incorporates these requirements and is binding upon applicants and residents alike, through inclusion of this Policy into the Dwelling Lease by reference. Notwithstanding the above, changes in applicable Federal law or regulations shall supersede this policy at any point in which they are in conflict.

A1.1 Objectives

The Objectives of this policy are to:

- A. Promote the overall goal of safe, decent and sanitary housing in good neighborhoods by:

1. Insuring a social and economic mix of low-income residents within each public housing neighborhood in order to foster social stability and upward mobility.
 2. Insuring the fiscal stability of the Palacios Housing Authority.
 3. Lawfully denying admissions or continued occupancy to families whose presence in a public housing neighborhood is likely to adversely affect the health, safety or welfare of other residents or the physical environment of the neighborhood.
- B. Facilitate the efficient management of the Palacios Housing Authority and compliance with Federal and State regulations by establishing the policy basis for management procedures, record keeping and auditing.
- C. Comply in letter and spirit with Title VI of the Civil Rights Act of 1964 and all other applicable Federal and State laws and regulations to insure that admission to and occupancy of public housing neighborhoods is conducted without regard to race, color, creed, age, sex, handicap, familial status or national origin.
- D. Prescribe standards and criteria for resident selection and annual re-examination of income and family composition.

Terminology - the term “He” or “She” used throughout this document is used in the generic sense to include male/female, singular/plural as appropriate. In addition, the term “Policy” used throughout this document is used in the generic sense for Admission and Continued Occupancy Policy.

A1.2 Applicability

The provisions of the Policy are applicable to all PALACIOS PHA administered developments and/or programs receiving financial assistance from either the Federal and or State governments. Applicants and residents will be treated with courtesy and consideration in all verbal and written communications.

A1.3 Sources of Standards

The pertinent laws of the Federal, State and Municipal Governments shall comprise the sources of standards for this Policy. These shall include:

The Contractual agreements pertaining to the various developments and/or programs between the PALACIOS PHA, State and/or Federal agencies. The provisions of Title 24, Sub-part B (Section 960.201 through 960.207), Sub-part D (Section 960.401 through 960.409) and Sub-part A (Section 966.1 through 966.6) as set fourth in the Code of Federal Regulations, Volume 40, Numbers 153, 154 and 188.

Policies established by the PALACIOS PHA’s Board of Commissioners by formal resolution.

Directives issued by the PALACIOS PHA’s administrative officers.

A1.4 Review of Policy

Annually, the Executive Director or his/her designee shall review the operations of this Policy and make changes as appropriate.

A1.5 Methods of Administration

The administration of the Policy is to provide each applicant the greatest opportunity for the exercise of his/her rights under this Policy; to avoid any discrimination in any manner or provisions of any service against any applicant because of race, creed, religion, color, national origin, age, sex, handicap, familial status or source of income; and to promote integrated developments and/or programs.

The PALACIOS PHA will post, in a conspicuous place in the Administration office where applications are received, a notice that the facilities and services of the PALACIOS PHA are provided on a non-discriminatory basis.

A copy of this Policy will be available to agencies, institutions, organizations and political subdivisions, which may refer applicants.

The PALACIOS PHA will instruct its staff concerning its and their obligations under the Civil Rights and Non-Discrimination laws and regulations of the Federal and State governments by conducting training, distributing copies of pertinent documents, and on-going supervisory review.

All applicants and residents will be treated with courtesy and consideration at all times in all verbal and written communications.

No applicant, resident or staff will be intimidated nor will any retaliatory action be taken, nor threats made by the PALACIOS PHA or its staff because of the applicant, resident or staff participation in Civil Rights activities or for having asserted any of his/her rights under the Civil Rights Acts, DOH, HUD's regulations and requirements pursuant thereto.

A1.6 Title VI Compliance

With the Authority's continuing efforts to provide voluntary compliance with Title VI, the PALACIOS PHA is adhering to the following general provisions regarding its public housing programs:

With respect to any housing accommodations, facilities, services, financial aid or other benefits involved in its federally funded public housing programs, the PALACIOS PHA, its officers, administrators, agents, servants, employees, successors, and all persons exercising governance over the PHS, and all persons in active concert or participation with any of them, agree to

refrain from any acts which, on the grounds of race, color, creed, age, sex, handicap, familial status or national origin such as to:

1. Deny a person such benefits.
2. Provide such benefits to a person which are different from those provided to others.
3. Subject a person to segregation or separate treatment in any matter related to such benefits.
4. Provide a preference for such benefits to any person, except as provided by this Policy.
5. Restrict a person in any way in access to such benefits or enjoyment of any advantage or privilege enjoyed by others in connection with such benefits.
6. Treat a person differently from others in determining whether he/she satisfies any occupancy, admission, enrollment, and eligibility, membership or other requirement or condition that the person must meet.
7. Deny a person an opportunity to participate in the program or activity through the use of biased preference criteria, or otherwise afford the person a different opportunity to participate from that afforded others.

A1.7 Non-Discrimination in Admission and Occupancy

The PALACIOS PHA hereby assures and certifies that is will comply with:

1. Title VI of the Civil Rights Act of 1964 (P.C. 88-352) and regulations pursuant thereto Title 24 CFR part I;
2. Title VIII of the Civil Rights Act of 1968 (P.L. 90-284) as amended, and administer its programs and activities relating to housing in a manner to affirmatively further fair housing;
3. Executive Order 11063 on Equal Opportunity in Housing and non-discrimination in the sale and rental of housing provided with Federal Financial Assistance;
4. Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination based upon handicap in programs receiving Federal Financial Assistance;
5. The Age Discrimination Act of 1975, which prohibits discrimination based upon age in programs receiving Federal Financial Assistance;

6. Title II of the Americans with Disabilities Act, to the extent that it applies.

MARKETING

The Palacios Housing Authority to conduct outreach as needed to maintain an adequate application pool representative of the eligible population in the area.

All marketing efforts will include outreach to those least likely to apply.

Outreach efforts will take into consideration:

1. The number of vacant units
2. Availability of units through turnover
3. Waiting List characteristics

The Authority will periodically assess the factors in order to determine the need for and scope of any marketing efforts.

All marketing and informational materials will:

1. comply with Fair Housing Act requirements with respect to the Equal Opportunity logo and use of nondiscrimination language (24 CFR 109.30 (a))
2. describe the housing units, application process, Waiting List, priority system and eligibility accurately
3. will be in plain language
4. will target agencies that serve and advocate for potential applicants
5. will make clear who is eligible: extremely low income individuals and families, low income individuals and families; working and non-working people, as well as elderly and disabled
6. will make clear that it is the Authority's responsibility to provide reasonable accommodations to people with disabilities.

B1.0 DEFINITIONS

Adjusted Income - Adjusted Income means annual income less the following:

- A. \$480 for each dependent;
- B. \$400 for any elderly family;
- C. For any family that is not an elderly family but has a handicapped or disabled member other than the head of household or spouse, handicapped assistance expenses in excess of three percent of annual income, but this allowance may not exceed the employment income received by family members who are 18 years or older as a result of the assistance to the handicapped or disabled person;
- D. Child care expenses - Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to be gainfully

employed or to further his/her education. The amount deducted shall reflect reasonable charges for child care necessary to permit employment. The amount deducted shall not exceed the amount of income received from such employment.

- E. Disability Assistance Expense Deduction – (for families not considered a “disabled family” but which have a member, other than the head or spouse, who is disabled) a deduction of the cost of all un-reimbursed expenses for Disability Assistance less three percent (3%) of Annual Income, provided the amount so calculated does not exceed the employment income earned.
- F. For any elderly family:
 - 1. That has not disability assistance expense, an allowance for medical expenses equal to the amount by which the medical expenses exceed three percent of annual income;
 - 2. That has disability assistance expenses greater than or equal to three percent of annual income, an allowance for disability assistance expenses computed in accordance with paragraph three (3) of this section, plus an allowance for medical expenses that is equal to the family’s medical expenses;
- G. That has disability assistance expenses that are less than three percent of annual income, an allowance for combined disability assistance expenses and medical expenses that is equal to the amount by which the sum of these expenses exceeds three percent of annual income.

In determining adjusted income, the PALACIOS PHA shall prohibit resident rent increases as a result of increased income due to employment during the 12 month period beginning on the date the employment began, when the earned income increase is the result of a family member who 1) was unemployed for at least 12 months, 2) is participating in a self-sufficiency program or job training program, or 3) is, or was in the past 6 months, receiving welfare totaling \$500 during that period. During the year after the 12 month period, the PALACIOS PHA shall phase in not more than 50 percent of the amount of the total rent increase that otherwise would be applicable.

Affordable Housing - Housing where the occupant is paying no more than 30 percent of gross income for gross housing costs, including utility costs.

Annual Income - Annual income is the anticipated Total Income from all sources received by the family head and spouse (even if temporarily absent) and by each additional member of the family including all Net Income derived for assets, for the 12-month period following the effective date of initial determination or re-examination of income, exclusive of income that is temporary, non-recurring or sporadic, and exclusive of certain types of income specified in this Policy.

Annual Income includes, but is not limited to:

1. The full amount, before any payroll deduction, of wages and salaries, overtime pay, commissions, fees, tips and bonuses and other compensation for personal services;
2. The Net Income from operation of business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness and an allowance for depreciation of capital assets shall not be deducted to determine the net income from real property or personal property. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is a reimbursement of cash assets invested by the family. Where the family has net family assets in excess of \$5,000 annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate as determined by HUD;
4. The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including a lump-sum payment for the delayed start of a periodic payment except from SSI and Social Security pay, per Notice PIH 93-11;
5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (but see "lump sum additions" of this Policy);
6. Welfare assistance;
8. Scholarship payments specifically designated from room and board or a computed amount remaining after the expenses of books, tuition or travel;
9. Periodic and determination allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling unit.
10. All regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling, but see paragraph 5 in the next sub-section regarding special pay; and

11. Annual income does not include such temporary, non-recurring or sporadic income as the following:
- A. Temporary, non recurring or sporadic income (including gifts);
 - B. Amounts that are specifically for or in reimbursement of the cost of medical expenses;
 - C. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, lump sum payments of deferred periodic payments from SSI and Social Security and settlement for personal or property losses (but see payments in lieu of earnings in this Policy;
 - D. Amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the Government to a Veteran, for use in meeting the costs of tuition, fees, books and equipment. Any amounts of such scholarships, or payments to Veterans, not used for the above purposes that are available for subsistence are to be included in income; and
 - E. The special pay to a family member in the Armed Forces away from home and exposed to hostile fire.
 - F. Amounts received under training programs funded by HUD;
 - G. Amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain self-sufficiency; or
 - H. Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
 - I. Monies received for performing census data collection;
 - J. Income from employment of children (including foster children) under the age of 18 years;
 - K. Payments received for the care of foster children;
 - L. Income of a Live-in Aide, as defined in 24 CFR 913.102;

- M. Any earned income tax credit refunds, per Notice PIH 91-10;
- N. Amounts specifically excluded by any other federal statute from consideration as income for the purpose of determining eligibility or benefits under a category of assistance programs that includes assistance under the 1937 Housing Act. The following types of income are subject to such exclusion:
1. Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3050(f));
 2. The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b));
 3. Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058);
 4. Payments received under the Alaska Native Claims Settlement Act of 1973 (43 U.S.C. 1626 (a));
 5. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e);
 6. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f));
 7. Payments received under programs funded whole or in part under the Job Training Partnership Act (29 U.S.C. 1552 (b));
 8. Income derived from the disposition of funds of the Grand River Band of Ottawa Indians (Pub. L. 540, 90 Statue. 2503-2504);
 9. The first \$2,000 of per capita shares received from judgment funds awarded by the Indians Claims Commission or Court of Claims (25 U.S.C. 1407-1408) or from funds held in trust for an Indian tribe by the Secretary of Interior (25 U.S.C. 117);
 10. Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 that are used to cover the cost of attendance at an educational institution (See 24 CFR 215.1 (c) (6), 236.3 (c)(6), 813.106(c)(6), and 913.106(c)(6));
 11. Payment received after January 1, 1989, from the Agent Orange Settlement Fund or any fund established pursuant to the settlement in

the In Re Agent Orange product Liability Litigation M.D.L. no 381 (EDNY); and

12. Payments received under the Maine Indian Claims Settlement Act of 1980 (Pub. L 96-240, 94 Statute. 1785),
- O. Per the final rule published in the Federal register, dated November 18, 1996, the following nine exclusions to annual income are:
1. Resident Service Stipends - but only if it does not exceed \$200 per month
 2. Adoption Assistance Payments- payments received for the care of adopted children in excess of \$480
 3. Full Amount of Student Financial Assistance - all amounts received from student financial assistance
 4. Earned Income of full-time Students - exempts earnings in excess of \$480 for each full-time student 18 years or older
 5. Adult Foster Care Payments - usually individuals with disabilities unrelated to the resident family who are unable to live alone
 6. State or local training programs and training of resident management staff
 7. State tax credits and rebates for property taxes paid on a dwelling unit
 8. Home care Payments - exempts amounts paid by a State agency to families that have developmentally disabled children or adult family members living at home
 9. Deferred periodic payments of SSI and Social Security;

If it is not feasible to anticipate a level of income over a 12-month period, the income anticipated for a shorter period may be annualized, subject to a re-determination at the end of the shorter period.

Appliances - Appliances are stoves and refrigerators.

Asian or Pacific Islander - Includes persons who report in one of the Asian groups (e.g.) Chinese, Filipino, Japanese, Asian Indian, Korean, Vietnamese or Other Asian) Pacific Islander classifications include: Hawaiian, Samoan, Guamanian, and Other Pacific Islander, Polynesian, Micronesian or Melanesian. This definition also Include responses such as Thai, Nepal, or Tongan.

Awaiting Occupancy or Held - If any rent has been paid or agreed upon, but the new renter has not moved in as of the date of enumeration, the vacant unit is classified as “awaiting occupancy or held”.

Assets - The value of equity in real property, savings, stocks, bonds, checking, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is not to be considered as an asset.

Black (Non-Hispanic) - Includes persons who indicate their race as “Black or negro” or report entries such as African American, Afro-American, Black Puerto Rican, Jamaican, Nigerian, West Indian or Haitian.

Ceiling Rent – A maximum total tenant payment amount established by the Authority, which may be tied to one or more individual communities, sites or unit sizes.

Child Care Expenses - Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a family member to be gainfully employed or to further his or her education. The amount deducted shall reflect reasonable charges for child care, and, in cases of the child care necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment. Reasonable Child Care expenses as defined by the Palacios Housing Authority are as follows:

Not to exceed \$ 50.00 per week per child

Community Service – The performance of voluntary work or duties in the public benefit that serve to improve the quality of life and/or enhance resident self-sufficiency, and/or increase the self-responsibility of the resident within the community in which the resident resides. Political activity is excluded.

Cost Burden > 30% - The extent to which gross housing costs, including utility costs, exceed 30% of gross income.

Cost Burden > 50% - The extent to which gross housing costs, including utility costs, exceed 50% of gross income.

De-concentration - De-concentration assures that there is no concentration of very low-income families (or other families with relatively low incomes) in specific public housing dwelling units, developments and/or buildings.

Dependent - A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a disabled person or handicapped person, or is a full-time student. An unborn child shall not be considered a dependent.

Disability Assistance Expense –Amounts paid for attendant care or auxiliary apparatus expenses for family members with disabilities where such expenses are necessary to permit a family member or members, including the disabled person, to be employed. Equipment and auxiliary apparatus may include but are not limited to: wheelchairs, lifts, reading devices for the visually impaired, and equipment added to cars and vans to permit their use by the handicapped or disabled family member. Also included would be the annualized cost differential between a car and the cost of a van required by the family member with disabilities.

Disabled Family - A family whose head or spouse or sole member is a person with disabilities. It may include two or more persons with disabilities living together, and one or more persons with disabilities living with one or more persons who are determined to be essential to the care or well being of the person or persons with disabilities.

Disabled Person - A person under a disability as defined in Section 223 of the Social Security Act (42 U.S.C. 423) or in Section 102 of the Developmental Disabilities Services Facilities Construction Amendments of 1970 (42 US 2691 (1)).

Displaced Person - A displaced person means a person or a family displaced by governmental action, or a family or person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared, or otherwise formally recognized, pursuant to Federal Disaster Relief laws.

Economic Independence and self-sufficiency Programs - Programs undertaken by Public Housing Agencies (PHAs) to promote economic independence and self-Sufficiency for participating families. Such programs may include Project Self Sufficiency which originated under earlier Section 8 rental voucher initiatives, as well as Family Self-Sufficiency Program. In addition, PHAs may operate locally developed programs or conduct a variety of special projects designated to promote economic independence and self-sufficiency.

Elderly Family - A family whose head or spouse (or sole member) is a person who is an elderly, disabled or handicapped person. It may include two or more elderly, disabled or handicapped persons living together, or one or more such persons living with one or more persons who is determined to be essential to their care or well being.

Elderly Person - A person who is at least 62 years of age.

Eviction - The dispossession of the resident from the leased unit as a result of the

Termination of the lease prior to the end of the term, for serious or repeated violations of material terms of the lease or to fulfill the resident's obligations set forth in HUD regulations, Federal, State, or local laws or for other good cause.

Extremely Low-Income – Families whose income does not exceed 30% of areas median income.

Familial Status - A single, pregnant person which is considered as a family of two people. The pregnancy requires verification from a doctor that specifies the name of the applicant and must be furnished to the HA. In addition, single persons in the process of securing custody through adoption and other means should be treated identically as a single pregnant woman but must provide evidence of a reasonable likelihood of success to be admitted for occupancy prior to obtaining custody by the following:

- Adoption Agency
- Court order
- Certified legal document

Family

1. The term "Family" as used in this Policy means:
 - A. A group of two or more people related by blood, marriage or legal adoption, who live together in the same dwelling unit in the neighborhood (including foster children and members of the family who are temporarily absent). There must be some concept of family living beyond the mere sharing or intention to share housing accommodations by two or more persons to constitute them as a family within the meaning of this Policy. Some recognized and acceptable basis of family relationship must exist as a condition of eligibility. By definition, a family must contain a competent adult who is capable of functioning as the head of household.
 - B. A single person who has attained at least age 62; or
 - C. A person who is under a disability as defined in Section 223 of the Social Security Act or who has a developmental disability as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)). Section 223 of the Social Security Act defines disability as:
 1. Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; or
 2. In the case of an individual who has attained the age of 55 and is blind (within the meaning of "blindness" as defined in Section 416 (i) (1) of the title, inability by reason of such blindness to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in

which he has previously engaged with some regularity of a substantial period of time; or

D. A handicapped person who has a physical or mental impairment which (1) is expected to be of long continued or indefinite duration, (2) substantially impeded their ability to live independently, and (3) is of such nature that such ability could be improved by more suitable housing conditions (Note: all three conditions must be met to qualify as handicapped; or

E. Two or more elderly, disabled or handicapped persons living together, or one or more of these persons living with one or more Live-in Aides; or

F. For continued occupancy purposes only, the remaining member of a resident family who meets all the requirements for continued occupancy; or

G. A single person who has been displaced by governmental action or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under Federal Disaster relief laws; or

H. Other single persons who are not 62 years or older, disabled, handicapped, displaced, or the remaining member of a resident family; or

I. Single pregnant women with no other children, provided verification of pregnancy is furnished from a physician; or

J. A single person with other children, who is in the process of securing legal custody of an individual under the age of 18 years.

2. Elderly Family A family whose head or spouse (or sole member) is an elderly, disabled or handicapped person. It may include two or more elderly, disabled or handicapped persons living together, or one or more persons living with one or more Live-in Aides.
3. The above definitions of “family” do not exclude a person living alone during the temporary absence of a family member who will later live regularly as part of the family.
4. A person necessarily residing with a family by reason of employment by or for such family (a) to permit the employment of a sole wage earner, or (b) for the health

and welfare of a sick or incapacitated member of the family, need not be considered as a member for eligibility or establishing the Total Tenant Payment. However, the necessity for such an arrangement must be evidenced by a doctor's certificate when health-related reasons are given for the arrangement. In all cases, the presence of such as person must be determined essential and so certified by the PALACIOS PHA. Under no circumstances may such an arrangement be either continued longer than necessary or permitted only for the convenience of the resident or such employee. This provision is applicable both for admission and continued occupancy and is not restricted to elderly families.

Flat Rents – total Tenant Payments as set by the Authority, that are based on market rate rents and comparable to rents in the private sector for similar type and size units.

Full-Time Student - A person who is carrying a subject load that is considered full-time for day students under standards and practices for the educational institution attended. An education institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

Handicap Assistance Expense - Reasonable expenses that are anticipated during the period for which annual income is computed, for care attendants and auxiliary apparatus for handicapped and disabled family members which enable a family member to work, provided that the expenses are neither paid to a member of the family or reimbursed by an outside source.

Handicapped Person - A person with disabilities who:

1. Has a disability as defined in Section 223 of the Social Security Act (42 U.S.C. 423) or
2. Is determined to have a physical or mental impairment that
 - A. Is expected to be of long-continued and indefinite duration,
 - B. Substantially impedes his or her ability to live independently, and
 - C. Is of such a nature that such ability could be improved by more suitable housing conditions.
3. Has a developmental disability as defined in Section 102 of the Developmental Disabilities Assistance and Bill of rights Act (42 U.S.C. 6001 (5))

A person with disabilities does not exclude persons who have disease of acquired immune-deficiency syndrome or any conditions arising from the etiologic agent for acquired immune-deficiency syndrome.

Hardship Waiver (Minimum Rent) – A family may apply for a waiver for the minimum rent if one of the following situations occurs:

1. Family has lost eligibility for or is awaiting approval of federal, state or local assistance.
7. Family's income has decreased because of changes in circumstances, including loss of employment.
3. A family member has died.

Head of Household - The head of household is that adult member of the group who is held primarily responsible and accountable for the family, particularly in regard to lease obligations.

Hispanic (All Races) - Those responding as Spanish, Mexican, Cuban, or Puerto Rican.

Homeless Family - Any individual or family who:

1. Lacks a fixed, regular, and adequate nighttime residence; and
2. Has primary nighttime residence that is:
 - A. A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
 - B. An institution that provides a temporary residence for individuals intended to be institutionalized; or
 - C. A public or private place not designed for or ordinarily used as, a regular sleeping accommodation for human beings.

Household - One or more persons occupying a housing unit.

Housing Unit - An occupied or vacant house, apartment or a single room (SRO housing) that is intended as separate living quarters.

Income for Eligibility - Income for eligibility for purposes of determining eligibility for statistical reporting, means annual income.

Income for Rent - For the purpose of determining rents and for statistical reporting means adjusted income: except that annual income is to be used in determining the 10 percent minimum rent.

Income Targeting - For the purpose of specifying income levels, Income targeting Specifies that not less than forty percent (40%) of all new applicants will have

incomes, which are less than thirty percent (30%) of the area median income.

Involuntary Displacement - For the purposes of determining whether an applicant is entitled to a priority for public housing admission, an applicant is or will be involuntarily displaced if he or she was vacated or will have to vacate his or her housing unit as a result of one or more of the following actions:

1. A natural disaster, such as a fire or flood, that results in the applicant's unit being uninhabitable;
2. Activity carried on by an agency of the United States or by any State or local governmental body or agency in connection with code enforcement or a public improvement or development program; or
3. Action by a housing owner that results in an applicant's having to vacate his/her unit, where:
 - A. The reason for the owner's action is beyond an applicant's ability to control or prevent;
 - B. The action occurs despite an applicant's having met all previously imposed conditions of occupancy; and
 - C. The action taken is other than a rent increase.
4. An applicant has vacated a housing unit because of domestic violence or the applicant is currently living in a housing unit with a person who engages in domestic violence.
5. To avoid reprisals because a family member provides information or criminal activities to a law enforcement agency.
6. If one or more members of the applicants family have been the victim of one or more hate crimes and the applicant has vacated a housing unit because of such crime, or the fear associated with such crime has destroyed the applicant's peaceful enjoyment of the unit.
7. If a member of the family has a mobility or other impairment that makes the person unable to use critical elements of the housing unit.
8. If the family is displaced because of HUD disposition of a multi-family development.

For purposes of this definition reasons for an applicant's having to vacate a housing unit include, but are not limited to: conversion of an applicant's housing unit to non-rental or non-residential use; closure of an applicant's housing unit for rehabilitation or for any other reasons; notice to an

applicant that he/she must vacate a unit because the owner wants the unit for the owner's personal or family use or occupancy; sale of a housing unit in which the applicant resides under an agreement that the unit must be vacant when possession is transferred; or some other legally authorized act that results or will result in the withdrawal by the owner of the unit or structure from the rental market. Such reasons do not include the vacating of a unit by a resident as a result of actions taken because of the resident's refusal to comply with applicable program policies and procedures with respect to occupancy of under occupied and overcrowded units or to accept a transfer to another housing unit in accordance with court decree or in accordance with such policies and procedures under a HUD approved desegregation plan. Eviction for non-payment of rent or for other lease violations will not be considered involuntary displacement.

An applicant also is involuntarily displaced if the applicant has vacated his/her unit as a result of actual or threatened physical violence directed against the applicant or one or more members of the applicant's family by a spouse or other member of the applicant's household; or the applicant lives in a housing unit with such an individual who engages in such violence. For the purposes of this paragraph, the actual or threatened violence must, as determined by the PALACIOS PHA in accordance with HUD's administrative instructions, have occurred recently or be of continuing nature.

In order to qualify for the priority based on involuntary displacement, a family must either have been involuntarily displaced as defined above and not living in Standard Permanent Replacement Housing, or it must be verifiable that the family will be involuntarily displaced within the next six months.

Live-In Aide - A person who resides with an elderly, disabled or handicapped person or persons and who:

1. Is determined by the PALACIOS PHA to be essential to the care and well-being of the person(s);
2. Is not obligated for support of the person(s); and
3. Would not be living in the unit except to provide supportive services.

Lower Income Family - A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its findings that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

Medical Expenses - Medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by

insurance. Medical expenses, in excess of 3% of annual income, are deductible from annual income for elderly families and handicapped assistance expense as previously outlined.

Middle Income Family - Households whose incomes are from 96 to 120% of the median income for the area, as determined by HUD with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 120 percent of the median income for the area on the basis of its findings that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes. If income adjustments are made by HUD and the low-income limit for the area is set at higher or lower than 80% of the median income, the middle income limits must be adjusted by multiplying the adjusted low-income limit by 1.5. Example:

With a median income for the area of \$10,000 and a low-income limit adjusted by HUD to \$7,500, the adjusted middle income limit would be computed as: $\$7,500 \times 1.5 = \$11,250$ adjusted middle income limit.

Military Service - Military service means the active military service of the United States which includes the Army, Air Force, Marine Corps, Coast Guard, and since July 29, 1945, the commissioned corps of the United States Public Health Service.

Minimum Rent – A family will pay whichever is highest: 10% of annual or gross income; 30% of adjusted income or a \$50.00 minimum rent. Minimum rent includes the mandatory exceptions for payment of rent. Federal regulations require that PHAs may set minimum monthly rent amounts of not more than \$50.00. Exceptions will apply to any family unable to pay because of financial hardship which include: 1) the family has lost eligibility for or is awaiting an eligibility determination for Federal, State, or local assistance, including a family that includes a member who is an alien lawfully admitted for permanent residents; 2) the family would be evicted as a result of the imposition of the minimum rent requirement; 3) the income of the family has decreased because of changed circumstances, including loss of employment; 4) a death in the family has occurred, and 5) other circumstances determined by the PALACIOS PHA.

Minor - Minor means a person (other than the head of household or the spouse) less than eighteen (18) years of age. (An unborn child may not be counted as a minor but is counted for eligibility of a single, pregnant female).

Mixed Population Project – A public housing project for elderly and disabled families. The Authority is not required to designate this type of project under 24 CFR 945 or prepare an allocation plan.

Moderate Income Family - Households whose incomes are from 81 to 95% of the median income for the area, as determined by HUD with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 95 percent of

the median income for the area on the basis of its findings that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes. If income adjustments are made by HUD and the low-income limit for the area is set at higher or lower than 80% of the median income, the moderate-income limits must be adjusted by multiplying the adjusted low-income limit by 1.1875. Example: With a median income for the area of \$10,000 and a low-income limit adjusted by HUD to \$7,500, the adjusted moderate income limit would be computed as: $\$7,500 \times 1.1875 = \$8,906$ adjusted moderate income limit.

Monthly Adjusted Income - One twelfth of adjusted income.

Monthly Income - On twelfth of annual income. For purposes of determining priorities based on an applicant's rent as a percentage of monthly income.

Native American - Includes persons who indicate their race as "American Indian" enter the name of an Indian tribe, or report such entries as Canadian Indian, French-American Indian, or Spanish-American Indian.

Needing Rehab - Dwelling units that do not meet standard conditions but are both financially and structurally feasible for rehabilitation. This does not include units that require only cosmetic work, correction or minor livability problems or maintenance work.

Near Elderly Income - A family whose head or spouse (or sole member) is at least 50 years of age but below the age of 62.

Neighborhood or Community - Any lower income public housing site as established in a development program, except that when sites are adjacent or within a block of each other, such sites collectively shall be considered one location.

Net Family Assets - Value of equity in real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trusts land and excluding equity accounts in HUD home-ownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded. (In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under 24 CFR 913.106.). In determining Net family assets, the Authority shall include the value of any assets disposed of by an applicant or tenant for less than fair market value including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or re-examination, as applicable, in excess of the consideration receive thereof. In the case of a disposition as part of the separation or divorce settlement, the disposition will not be considered to be for less than

fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

Non-Rehabable - Dwelling units that are determined to be in such poor conditions as to be neither structurally or financially feasible for rehabilitation.

Non-citizen – A person who is neither a United States citizen nor a national of the United States (24 CFR 5.504)

Occupied Housing Unit - A housing unit that is the usual place of residence of the occupant(s)

Other Low Income - Households whose incomes are from 51 to 80% of the median Income for the area, as determined by HUD with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its findings that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

Other Persons With Special Needs - Includes frail elderly persons, persons with AIDS, disabled families and families participating in organized programs to achieve economic self-sufficiency. This category does not include homeless.

Overcrowding - A housing unit containing more than the specified number of persons per room as defined by the PALACIOS PHA.

Public Housing Agency (PALACIOS PHA) - Any State, Parish, municipality or other government entity or public body (or agency or instrumentality thereof) that is authorized to engage in or assist in the development or operation of housing for lower income families.

Ranking Applicant Family - Is that eligible family within any particular rent range with the highest priority as defined in this Policy, or priority being equal, the earliest date and time of application.

Ranking Rentable Unit - The ranking rentable unit is that rentable dwelling unit which is located in the neighborhood having the greatest number of the same bedroom size and type of rentable vacant units. A rentable unit is a vacant unit that has been prepared for occupancy that is not encumbered by an offer that has been made but not yet accepted or rejected.

Rent - For purposes of determining whether an applicant is entitled to a priority for public housing admission based on current rent as a percentage of monthly income, rent is defined as the actual amount due, calculated on a monthly basis, under a lease

or rental agreement between a family and the family's current landlord, plus any monthly payments that a family makes toward resident purchased utilities (except telephone). In calculating a family's payments toward utilities, the PALACIOS PHA will use its reasonable estimate of resident-purchased utilities and other housing services that are normally included in rent; or if the family chooses, the family's average monthly utility costs, based on the family's utility bills furnished by the family, for the most recent 132-month period, or, where bills are not obtainable for the entire period, for an appropriate recent period.

For the purposes of calculating rent under this paragraph, amounts paid to or on behalf of a family under any energy assistance program must be subtracted from the otherwise applicable rental amount to the extent that they are not included in the family's income.

Resident Rent - The amount payable monthly by the family as rent to the PALACIOS PHA. Where all utilities (except telephone) and other essential housing services are supplied by the PALACIOS PHA, resident rent equals total resident payment. Where some or all utilities (except telephone) and other essential housing services are not supplied by the PALACIOS PHA and the cost thereof is not included in the amount paid as rent, resident rent equals total payment less the utility allowance. (Resident rent is a term established and defined by 24 CFR Part 913) and as such, is occasionally awkward in ordinary usage. For this reason, the term resident rent is used interchangeably with rent as defined elsewhere in this Policy to refer to the net monthly payment by the family to the PALACIOS PHA. The only exception is the term rent as defined in this Policy in reference to Admission priorities based on an applicant's rent as a percentage of monthly income.

Service Needs - The particular services identified for special needs populations, which typically may include transportation, personal care, housekeeping, counseling, meals, case management, personal emergency response and other services to prevent premature institutionalization and assist individuals to continue living independently.

Single Person - A person living alone or intending to live alone and who does not qualify as an elderly family or displaced person as defined in this section or as the remaining member of a tenant family.

Spouse - The husband or wife of the head of the household.

Standard Permanent Replacement Housing - For purposes of determining if a family is entitled to a priority for admission based on involuntarily displacement, Standard Permanent Replacement Housing is housing that is decent, safe and sanitary, is adequate for the family size, and the family is occupying pursuant to a lease or occupancy agreement, but does not include transient facilities such as motels, hotels or temporary shelters for victims of domestic violence or homeless families, and in the case of domestic violence referred to in the section above, does not include the

housing unit in which the applicant and the applicant's spouse or other member of the household who engages in such violence live.

Substandard Housing - A unit is substandard if it:

1. Is dilapidated;
2. Does not have operable indoor plumbing;
3. Does not have a flush toilet inside the unit for the exclusive use for a family;
4. Does not have usable bathtub or shower inside the unit for the exclusive use of a family
5. Does not have electricity, or has inadequate or unsafe electrical service;
6. Does not have a safe or adequate source of heat;
7. Should, but does not, have a kitchen; or
8. Has been declared unfit for habitation by an agency or unit of government.

A housing units is dilapidated if it does not provide safe and adequate shelter, and its present condition endangers the health, safety, or well-being of a family, or it has one or more critical defects, or a combination of intermediate defects in sufficient number or extent to require considerable repair or re-building.

The defects may involve original construction, or they may result from continued neglect or lack of repair or from serious damage to the structure.

Verification procedures for applicants living in substandard housing: Verification that an applicant is living in substandard housing shall consist of a written statement or notice from a unit or agency of government or from an applicant's present landlord that the applicant's unit has one or more of the deficiencies listed in, or the unit's condition is as described above.

For the purpose of administering this policy, such housing shall be any house or building that does not meet the Palacios Housing Authority, La. minimum housing codes and has been declared substandard by the PALACIOS PHA.

For the purposes of this paragraph, Single Room Occupancy (SRO) Housing (as defined in 24 CFR 882.102) is not substandard solely because it does not contain sanitary or food preparation facilities (or both).

Tenant Assistance - Rental assistance payments provided as either project-based

rental assistance or tenant based rental assistance.

Total Resident Payment - The monthly amount calculated under A through C below. Total tenant payment does not include charges for excess utility consumption or miscellaneous charges.

1. Total Tenant Payment for families whose initial lease is effective on or after August 1, 1982 shall be the highest of the following, rounded to the nearest dollar:
 1. 30 percent of monthly adjusted income
 2. 10 percent of monthly income; or
 3. If the family receives welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing cost, the monthly portion of such payment which is designated. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph A.3 shall be the amount resulting from one application of the percentage.
 4. The flat or ceiling rent amount established by the PALACIOS PHA.

Total Resident Payment does not include charges for excess utility consumption or other miscellaneous charges, such as maintenance charges, late charges, etc.

Uniform Federal Accessibility Standards – Standards for the design, construction and alteration of publicly owned residential structures to insure that physically handicapped persons will have ready access to and use of such structures.

Utilities - Means water, electricity, gas and other heating, refrigeration, and cooking fuels, trash collection, and sewerage services. Telephone service is not included as a utility.

Utility Allowance - If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, and amount equal to the estimate made or approved by the Authority or HUD, under 25 CFR 965 of the monthly cost of a reasonable consumption of such utilities and the services for the unit by and energy-conservative household of modest circumstances consistent with the requirement of a safe, sanitary and healthful living environment. The schedule of utility allowance is attached.

Utility Reimbursement - The amount, if any, which the utility allowance for the unit, if applicable, exceeds the total resident payment for the family occupying the unit. (NOTE: Utility Reimbursements shall not be paid to residents who have chosen the flat rent payment method)

Vacant Housing Unit - Unoccupied housing units that are available or intended for occupancy at anytime during the year.

Very Low-Income Family - A lower family whose annual income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits or lower than 50 percent of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

Veteran - Any person honorably discharged from the Armed Forces of the United States who served in World War I between April 6, 1917 and November 11, 1918, both dates inclusive, or in World War II on or after December 7, 1941 until final cessation of all hostilities or in the Korean Conflict, Lebanon crisis, Berlin crisis, Quemoy and Matsu, Taiwan Straits, Cuban Crisis, the Congo, the Dominican Republic and Vietnam. Veteran does not include a person enlisted and accepted for a time training only for a period of six months or less.

Welfare Assistance - Payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, State or local governments.

White (Non-Hispanic) - Includes persons who indicate their race as "White" or report entries such as Canadian, German, Italian, Lebanese, Near Easterner, Arab, or Polish.

ADMISSION PROCESS

C1.0 Application Taking

The PALACIOS PHA maintains a waiting list for applicants interested in the various public housing programs. All admissions to public housing shall be made on the basis of a pre-application in such form as the PALACIOS PHA shall prescribe. The application for admission shall constitute the basic record of each family applying for admission. All supplemental materials pertaining to eligibility shall also be considered a part of the application record and carefully recorded. This includes verification of income and family composition and such other data as may be required. The PALACIOS PHA does not provide emergency housing and cannot modify the order of assignments otherwise prescribed because of emergency considerations.

The following conditions shall govern the taking and processing of applications:

1. The PALACIOS PHA will not, on account of race, color, creed, religion, familial status, age, handicap, sex or national origin, deny or hinder any applicant family

the opportunity to make application or lease a dwelling unit suitable to its needs in any of its developments.

2. The PALACIOS PHA reserves the right to suspend taking applications for its lists when the current supply of applicants exceeds the number of families that could be reasonably expected to be housed within the next eighteen months. However, applicants who claim a preference will not be denied the opportunity to make an application, unless the PALACIOS PHA determines that a sufficient pool of applicants who qualify for a preference exists.
3. A responsible adult member of the applicant must make all pre-applications family, who will reside in the household. H/she shall sign the pre-application and certify, subject to civil and criminal penalties, to the accuracy of all statements made therein. The PALACIOS PHA reserves the right to require the signature of any or all-adult members of the applicant household.
4. The PALACIOS PHA will normally take applications from a central location, but reserves the right to establish, satellite locations for application taking, so long as all processing is done in a central location.
5. The PALACIOS PHA reserves the right to establish times for taking applications, including by appointment. The PALACIOS PHA staff may at its discretion, provide for application interviews outside of normal hours when necessary for hardship reasons.
6. Insofar as possible, application interviews shall be conducted in private.
7. In addition to income, family composition and information unique to reach applicant, each application shall be hand dated upon time of receipt and the PALACIOS PHA's determination of an applicant's position will be based upon the date/time of receipt. All information regarding application and eligibility will be filed and as such, considered part of their permanent record. When the family is eligible, the application shall also record the correct unit size and type; the priority rating; the date, unit location and reason for rejection for any offers refused by the applicant.
8. Applications shall be updated as applicants report changes in income and family circumstances. All such communications from the applicant must be in writing and signed by the applicant. All modifications to applications shall be properly documented on hard copy and to the computer systems and the transaction initialed by the staff member making the change.
8. Every six (6) months, the PALACIOS PHA shall purge the application pool no longer actively seeking housing. Normally, this shall be performed by removing applicants from the waiting list that fails to respond to a "still interested" notice mailed to the last known

address on the application. It shall be the sole responsibility of the applicant to inform the PALACIOS PHA in writing of changes in address or other family circumstances which might affect the status of the application.

10. The PALACIOS PHA shall maintain such records as are necessary to document the disposition of all applications to meet Department of Housing and Urban Development audit requirements as well as regulations of Louisiana State Agencies.
11. Applicants will have thirty (30) days to provide all necessary information as requested to document their application for eligibility. Failure to provide this information at the end of this period will result in the withdrawal of their application by the PALACIOS PHA.
12. The PALACIOS PHA will employ waiting list “skipping” to achieve de-concentration of poverty or income mixing goals at all developments.
13. The PALACIOS PHA will reserve a minimum of 40% of public housing new admissions each FY for families whose income does not exceed 30% of the area median income. Families whose income does not exceed 30% of area median income are extremely low-income families.

C2.0 Admissions - Eligibility Criteria

1. All families who are admitted to public housing must be individually determined eligible under the terms of this Policy. In order to be determined eligible, an applicant must meet ALL of the following requirements:
 - A. The applicant family must qualify as a family as defined in B1.0.
 - B. The applicant family’s annual income as defined in HUD Secretary’s definition must not exceed income limits established by HUD for public housing in the PALACIOS PHA’s jurisdiction.
 - C. The applicant family must conform to the occupancy standards contained in Policy C5.0 regarding units’ size and type.
 - D. The applicant family must have a satisfactory record in meeting past financial obligations, especially in payment of rent.
 - E. The applicant family must have no record of disturbance of neighbors, destruction of property, unsafe living habits, unsanitary house keeping practices, substance abuse, sexual deviation or any other history which

may be reasonably expected to adversely affect:

1. The health, safety, or welfare of other residents;
 2. The peaceful enjoyment of the neighborhood by other residents;
 3. The physical environment and fiscal stability of the neighborhood.
- F. The applicant family must not have a record of grossly unsanitary or hazardous house keeping. This includes the creation of a fire hazard through act such as the hoarding of rags and papers; severe damage to premises and equipment, if it is established that the family is responsible for the condition; seriously affecting neighbors by causing infestation, foul odors, depositing garbage improperly; or serious neglect of the premises. In case where a qualified agency is working with the applicant to improve its house keeping and the agency reports the applicant family shows potential for improvement, decision as to eligibility shall be reached after referral to and recommendation by the Executive Director or his/her designee. This category does not include applicant families whose house keeping is found to be superficially unclean or lacks orderliness, where such condition does not create a problem for the neighbors.
- G. The applicant family must have no history of criminal activity that, if continued, could adversely affect the health, safety or welfare of other residents.
- H. The applicant family must be able to demonstrate capacity to discharge all lease obligations. This determination shall be made on a case by case basis and shall not be used to exclude a particular group by age, handicap, etc., in determining the applicant family's capacity to discharge all lease obligations. The PALACIOS PHA must consider the family's ability to secure outside assistance in meting those obligations.
- I. If a prior resident of public housing or other housing programs administered by the PALACIOS PHA, the applicant family must have a satisfactory record in meeting financial and other lease obligations. A former resident who owes a move out balance to the PALACIOS PHA **WILL NOT BE CONSIDERED FOR RE-ADMISSION UNTIL THE ACCOUNT IS PAID IN FULL** and reasonable assurance in obtained of the applicant's ability to meet his/her rent obligations. In

addition, persons evicted from public housing, Indian housing, Section 23, or any Section 8 program because of drug-related criminal activity, are ineligible for admission to public housing for a three (3) year period beginning on the date of such eviction.

- J. The applicant family must have properly completed all application requirements, including verifications. Misrepresentation of income, family composition or any other information affecting eligibility, rent, unit size, neighborhood assignment, etc., will result in the family being declared ineligible. In the event the misrepresentation is discovered after admission, the family may be subsequently evicted, even if the family meets current eligibility criteria at that time.
2. Substance abuse as used in E above and criminal activity as used in G above shall include, but not limited to: the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance as defined in section 102 of the Controlled Substance Act (21 U.S.C. 802).
 3. Sources of information of eligibility determination may include, but are not limited to: the applicant, by means of interviews or home visits, landlords, employers, family social workers, parole officers, court records, drug treatment centers, clinics, physicians, or police departments where warranted by the particular circumstances. Information relative to the acceptance or rejection of an applicant shall be documented in accordance with C3.0 (section below) and placed in the applicant's file. Such documentation may include reports of interviews, letters or written summaries of telephone conversations with reliable sources. At a minimum, such reports shall indicate the date, the source of information, including the name and title of the individual contacted, and a summary of the information received.
 4. In the event of the receipt of unfavorable information with respect to an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct or to factors that might indicate a reasonable probability of favorable future conduct or financial prospects. For example:
 - A. Evidence of rehabilitation;
 - B. Evidence of the applicant family's participation or willingness to participate in social services or other appropriate counseling programs and the availability of such programs;
 - C. Evidence of the applicant family's willingness to attempt to increase

family income and the availability of training or employment programs in the locality;

- D. In the case of applicants whose capacity for independent living and discharge of lease obligations is in question, the resources actually available in support of the family, such as visiting nurses, home makers or live-in caretakers.

C3.0 **Verification of Income and Circumstances**

No applicant family shall be admitted to public housing without thorough verification of income, family composition and all other factors pertaining to the applicant's eligibility, rent, unit size and type, priority rating, etc. The same type of verifications is required to process any interim or regular re-examination for public housing residents. Complete and accurate verification documentation shall be maintained for each applicant and resident. Such documentation may include, but is not limited to, the following:

1. Letters or other statements from employers and other pertinent sources giving authoritative information concerning all items and amounts of income and deduction, together with other eligibility and preference determinations.
2. Verification forms supplied by the PALACIOS PHA and returned properly completed by employers, public welfare agencies, etc.
3. Originals, photocopies, or carbon copies of documents in the applicant's possession that substantiates his statements, or a brief summary of pertinent contents of such documents signed and dated by the staff member who view them.
4. Statements from self-employed persons, and from persons whose earnings are irregular, such as salesmen, etc., sworn to before a Notary, setting forth gross receipts, itemized expenses and net income (n expenses incurred for business expansion or amortization of capital indebtedness are to be included in net income).
5. Memoranda of verification data obtained by personal interview, home visit, telephone, or other means, with source, date received, name and title of person receiving the information clearly indicated, and a summary of information received.
6. Certified birth certificates, or other substantial proof of age, to support claims to the various entitlements in these policies for each member of the household.

7. Verification of evidence of citizenship and/or eligible immigration status. A family is not eligible for full housing assistance unless every member of the family in the unit is determined to be either a U.S. citizen or have eligible immigrant status as defined by the regulations.
8. Social Security Card or legal documents verifying the Social Security number for the applicant and each member of the applicant's household who is at least six (6) years old. If the applicant cannot provide the proper documentation requirements, he/she must submit to the PALACIOS PHA the individual SSN(s) and a certification executed by the individual that SSN(s) submitted has been assigned to the individual(s) but that acceptable documentation to verify the SSN(s) cannot be provided.
9. Proof of disability, or of physical impairment, if necessary to determine the applicant's eligibility as a family or entitlement consideration under the criteria established in these Policies, provided in written form by the appropriate government agency.
10. Statements from landlords, family social workers, parole officers, court records, drug treatment centers, clinics, physicians, or police departments, where warranted in individual cases.
11. Receipts for utility services.
12. In addition to such other verification as the PALACIOS PHA may require, verification that an applicant is living in substandard housing shall consist of a written statement or notice from a unit or agency of government or from an applicant's landlord that the applicant's unit has one or more of the deficiencies listed in, or the unit's condition is as described in, the definition of Substandard Housing. In case of a homeless family, verification consists of certification, in form prescribed by the Secretary of HUD or as developed by the PALACIOS PHA, of this status from a public or private facility that provides shelter for such individuals, or from the local police department or social service agency.
13. In addition to such other verification as the PALACIOS PHA normally requires of applicants, a family who desires a priority based on paying more than fifty percent of income for rent must supply documentation of the amounts due to the landlord under lease or rental agreement and the amounts the family pays for utilities of the family's income in accordance with appropriate regulatory and HUD handbook provisions. Information or documentation shall be determined to be necessary if it is required for purposes of determining a family's eligibility for a preference for paying more than 50 percent of the family's income for rent. The use or disclosure of information obtained from a family or from another

source pursuant to this release and consent shall be limited to purpose directly connected with determining eligibility for the preference. The PALACIOS PHA shall verify the amount due to the family's landlord under the lease or rental agreement by requiring the family to furnish copies of its most recent rental receipts or a copy of the family's current lease or rental agreement. To verify the amount a family pays for utilities the PALACIOS PHA may require a family to provide copies of the family's most recent bills/receipts for such services or it may use its Utility Allowance Schedule as documentation.

An applicant may not qualify for a priority for paying more than 50 percent of the family income to rent a unit because the applicant's housing assistance under the United States Housing Act of 1937 or section 101 of the Housing and Urban Development Act of 1965 with respect to that unit has been terminated as a result of the applicant's refusal to comply with applicable program policies and procedures with respect to the occupancy of under occupied or overcrowded units.

14. In addition to such other verification as the PALACIOS PHA shall require, verification of an applicant's involuntary displacement status is established by the following documentation in a form prescribed by the Secretary of HUD or developed by the PALACIOS PHA:
 - A. Written notice from a unit or agency of government that an applicant has been or will be displaced as a result of a disaster as defined in B1.0.
 - B. Written notice from an owner or owner's agent that an applicant had to or will have to vacate a unit by certain date because of an owner action referred to in the definition of involuntary displacement contained in B1.0.
 - C. Written notice from the local police department, social service agency, or court of competent jurisdiction, or a clergyman, physician, or public or private facility that provides shelter or counseling to the victims of domestic violence when a claim is made for a priority due to domestic violence.

15. The PALACIOS PHA shall require the family head, head of household, members 18 years or older, or legal appointed designee to execute a HUD-approved release and consent authorizing any local or private source of income, or and Federal, State, or local agency to furnish or release to the PALACIOS PHA and to HUD such information as the PALACIOS PHA or HUD determines to be necessary.

Because eligibility for Federal housing assistance is not based on a “declaration system” but upon verification of actual income and family circumstances, the PALACIOS PHA is not limited to verification of data supplied by applicants or residents. Failure of an applicant to cooperate with the PALACIOS PHA in obtaining verifications will result in the application being declared incomplete and inactive. A resident who fails to cooperate or to release information may be evicted. In addition, interim rent reductions will not be made for residents until after receipt of all required verifications. In consideration of the privacy rights of residents and applicants, the PALACIOS PHA shall restrict its requests to those matters of income, family composition and other family circumstances which are related to eligibility, rent, unit size and type, admission priority rating, or other lawful determinations made by the PALACIOS PHA. If the verified data as listed in this Policy are not more than one hundred twenty days old at the time an applicant is selected for admission, the data will be considered as reflecting the applicant’s family status at the time of admission.

C4.0 **Determination and Notification of Eligibility**

As soon as possible after receipt of an application, the PALACIOS PHA will determine the applicant family’s eligibility for public housing in accordance with provisions of C2.0 and send a letter signifying the status of the applicant. In the event the applicant family is determined to be eligible, it shall be informed of the time estimated before an offer of a dwelling unit will be made. If this period is estimated to be longer than one year, the applicant family shall be informed of this fact in addition to its place on the current waiting list. In the event an applicant family is determined to be ineligible, it shall also be informed in writing of the basis for this determination. An applicant family does not have the right to use the Resident Grievance Procedure, but will be given, upon request, the opportunity for an Informal hearing to present such facts as it wishes. In circumstances when waiting lists are very long, thorough investigation of each application may not be practical until such application approaches selection. In such cases, apparently eligible applicant families will be notified of its eligibility determination is tentative in nature, being largely based on declarations made by the applicant family, and is subject to further reviews prior to admission. In all cases, the PALACIOS PHA reserves the right to withdraw any determination of eligibility, tentative or otherwise, when additional information indicates that the prior determination was inappropriate.

C4.1 **Notification Procedure**

Upon completion of the application, a prompt decision of initial eligibility or ineligibility will be made, and the appropriate notification mailed to the applicant.

Eligible Applicants

All applicants will be notified in writing of initial eligibility and the basis of that determination.

The notification will include:

Client number, application status, program and unit size.

A re-determination of eligibility and suitability will be undertaken prior to the offer of a dwelling unit.

Ineligible Applicants

All applicants will be notified in writing of initial ineligibility and the basis of that determination.

The notification will include:

Client number, application status, and reason for ineligibility.

Any applicants notified of his/her initial ineligibility will be afforded the right to resubmit information that may result in the applicant being re-determined initially eligible.

C5.0 Occupancy Standards

To avoid overcrowding and prevent wasted space, units are to be leased in accordance with the occupancy standards set forth below. However, in the event that these are units which cannot be filled with families of appropriate size after all possible efforts have been made to stimulate applications, eligible families of the most nearly appropriate size will be transferred to units of the proper size at the earliest possible date.

1. Dwellings shall be so assigned that persons of opposite sex, other than husband and wife, will not occupy the same bedroom, except for minors under the age of six. Minors over the age of six may share the same bedroom with an adult of the same sex at the discretion of the family.
2. Dwellings shall be so assigned as not to require the use of the living room for sleeping purposes.
3. Every family member regardless of age is to be counted as a person. An unborn child is not counted as a family member.
4. PALACIOS PHA will assign a separate bedroom to any family member with a documented medical need.

5. PALACIOS PHA will treat a single pregnant woman as a two- person family.
6. In no case should residents be assigned to bedroom sizes outside of the minimum and maximum constraints listed below and in addition, and single person shall not be assigned a unit with two or more bedrooms:

<u>Number of Bedrooms</u>	<u>Number of Persons</u>	
	<u>Minimum</u>	<u>Maximum</u>
1	1	2
2	2	4
3	3	6
4	5	8
5	7	10

These standards regarding the minimum and maximum number of persons who will occupy the unit will be applied within the restraints of financial solvency and program stability. Assignments of families within the unit ranges indicated above will be determined by the authority based on individual family needs. When it is found that size of the dwelling is no longer suitable for the family in accordance with these standards, the family will be required to move as soon as a dwelling of appropriate size becomes available. To the maximum extent possible, needed transfers will take precedence over new admissions.

The PALACIOS PHA reserves the right to over house in its conventional public housing programs in an effort to correct unacceptably high vacancy rates. An unacceptably high vacancy rate is when a development or the PALACIOS PHA wide vacancy rate is 2% or more. Families placed into larger than needed units will sign a waiver agreeing to be transferred to a smaller, but appropriate sized unit, should the larger unit be needed in the future by an applicant family or a tenant family.

When it is found that the size of the dwelling is no longer suitable for the family in accordance with these standards, the family will be required to move as soon as a dwelling of appropriate size becomes available. These families will be transferred in accordance with the Transfer Policy (E1.0).

C6.0 **Broad Income Ranges**

The Authority will employ a system of income ranges in order to maintain a resident body in each project composed of families with a range of incomes and rent-paying abilities representative of the range of income of lower income family in the authority's area of operation and will take into account the average rent the authority should receive to maintain financial solvency. This authority 's selection procedures are designed so that

selections of new residents will bring the authority's actual distribution of rents closer to the schedule of projected distribution of rents. Ranges of income are developed separately for elderly and non elderly families.

The Authority's broad range of incomes will be updated annually and the most current policy will be included in this document.

C7.0 **Applicant Selection and Assignment Plan**

Applicants are given one vacant unit choice before they fall to the bottom of or are removed from the waiting list.

Applications will be filed and selected in the following order:

1. By unit type (regularly, elderly, special handicapped) and in unit size by bedrooms.
2. By priority rating:

First Priority – 40% of families with 30% of area median income; 30% of families with 50% of area median income; and 30% of families with 80% of area median income.

The priorities above, are by date and time of application.

C7.1 **Applicant Assignment**

Selection of an applicant family for making offers of dwelling units shall be performed by matching the ranking unit to the applicant as follows:

1. The ranking rentable unit is that rentable dwelling unit which is located in the neighborhood having the greatest number of the same bedroom size and type of rentable vacant units. A rentable unit is a vacant unit which has been prepared for re-occupancy, and which is not encumbered by an offer that has been made but not yet accepted or rejected.
2. The ranking applicant family is that eligible family with the highest priority as defined in this Policy, or, priority being equal, the earliest date and time of application.

C7.2 **De-concentration**

Under the Quality Housing Work Responsibility Act, the PALACIOS PHA has an affirmative obligation to de-concentrate poverty and to seek opportunities to increase the number of higher-income families in lower-income properties and lower-income families in higher-income properties. To accomplish this objective, the PALACIOS PHA will employ waiting list “skipping” to achieve de-concentration of poverty or income mixing goals at all developments, the utilization of appropriate marketing efforts, the provision of additional supportive services, consultation, information and/or amenities, and rent incentives. The PALACIOS PHA will target new admissions as follows: 40% if new admissions will be families with 30% of area median income; 30% of new admissions will be families with 50% of area median income, and 30% of new admissions will be families with 80% of area median income. The PALACIOS PHA will affirmatively use the above means to achieve this goal.

C7.3 **Dwelling Unit Offers**

When the ranking applicant is matched to the specific ranking units, that dwelling unit becomes unrentable until the offer made is accepted or rejected. In order to reduce vacancy loss, it is necessary that processing from this point move as quickly as possible. To that end, the following conditions shall apply to dwelling unit offers:

1. As an application becomes within the top five on the waiting list, the PALACIOS PHA will contact the applicant family to determine continued interest, to update the application for final processing, to alert the applicant that an offer is likely in the near future, and to inform the applicant about requirements for move-in, such as utility company verifications, security deposits, etc. For an applicant on a short waiting list, these steps enumerated above may be included in the process of taking the complete application.
2. Upon receipt of the initial offer, where the applicant is given one vacant unit choice, the applicant shall have three business days to accept or reject the apartment. Failure to give answer within the prescribed time period shall be counted as rejection of the offer. Failure to respond to an offer, will result in a withdrawal of the offer and the applicant will be removed from the waiting list.
3. Upon acceptance of the offer, the applicant will then be assigned a deadline for move-in. Before the end of this period, the applicant must complete all outstanding pre-occupancy requirements, such as joint inspection, establishment of utility services, leasing interview, and lease execution. Normally, this deadline will be within three working days of acceptance of the offer, but may be extended a maximum of five additional days at the discretion of the PALACIOS PHA when necessary to alleviate hardship. Failure to complete move-in requirements within the assigned period will result in withdrawal of the offer and inactivation of the application.

4. The PALACIOS PHA only has a certain number of apartments modified for handicapped accessibility. When an accessible apartment becomes available, before the unit is offered to a non-handicapped applicant, the PALACIOS PHA must first offer it to an existing resident having a handicap condition and occupying a non-accessible apartment. If no such resident exists, the apartment must be offered to an applicant on the waiting list having a handicap condition requiring those features. If the accessible unit must be offered to an applicant who does not nor does any family member have an impairment, the PALACIOS PHA may require the applicant to agree to move to a non-accessible unit when such unit is available.

C7.4 **Unit Refusal**

When an applicant refuses an offer of an apartment, the application shall be returned to the waiting list, being assigned (for processing only) the lowest priority and an application date and time which corresponds to the date of refusal. Upon return to the top of the waiting list, such an applicant would be made an offer in accordance with the provisions of this Policy.

If the applicant is willing to accept the unit offered by is unable to move at the time of the offer and presents clear evidence of this/her inability to move to the PALACIOS PHA's satisfaction, the refusal of the offer shall not count as one of the number of allowable refusals permitted the applicant before placing his/her name at the bottom of the eligible applicant list, or placing the application in the inactive status.

If an applicant presents, to the satisfaction of the PALACIOS PHA, clear evidence that acceptance of a given offer of a suitable vacancy will result in undue hardship or handicap condition not related to considerations of race, color, creed, age, handicap, familial status or national origin, such as inaccessibility to source of employment, children's day care and the like, refusal of such an offer shall not be counted as one of the number of allowable refusals permitted the applicant before placing his/her name at the bottom of the eligible list or placing the application in the inactive status.

C8.0 **Leasing of Dwelling Units**

The head of household of each family accepted as a resident is required to execute a lease agreement in such form as the PALACIOS PHA shall require prior to actual admission. All remaining adult members who are 18 years of age or older in the household are also required to sign the lease. One copy of the lease will be given to the lessee, while the original will be filed as part of the permanent records established for the family in the PALACIOS PHA Central office as part of the tenant's records.

Each lease shall specify the unit to be occupied, the date of admission, the size of the unit to be occupied, all family members who will live in the unit, the rent to be charged, the date rent is due and payable, other charges under the lease, and the terms of occupancy. It shall be explained in detail to the head of household or other responsible adult before execution of the lease.

The lease shall be kept current at all times. If a resident family transfers to a different unit in the same or another community, the existing lease will be canceled. A new lease will be executed for the unit to which the family is to move by the head of household. If any other change in the resident's status results in the need to change or amend any provisions of the lease, or if the PALACIOS PHA desires to waive a provision with respect to the resident, (1) the existing lease is to be canceled and a new lease executed, or (2) an appropriate rider is to be prepared and executed and made part of the existing lease.

In the case of an inter programmatic or inter development transfer, the tenant file shall follow the tenant to his/her new place of residency.

Certain documents are made part of the dwelling lease by reference. These include, but are not limited to the Admission and Continued Occupancy Policy, and the posted Resident Rules and Regulations.

Cancellation of a resident's lease is to be in accordance with the provisions of the lease. Generally, the lease shall not be canceled or not renewed except for serious or repeated violations of its terms by the resident. Written records shall be maintained containing the pertinent details of each eviction.

C9.0 **Admission of Additional Members to a Current Household**

1. Purpose - Population in excess of then umber of persons for which a neighborhood or unit was designed is often the cause of many serious management problems including crime, vandalism, excessive maintenance costs, and low resident satisfaction. It is with this in mind that this section of the Policy is established. The purpose is not to establish an alternate means of Admissions.
2. Application Procedure - The resident of a household who wishes to add additional members with the exception of a new born child to their households must first submit a written application, in the form prescribed by management, for approval by the Executive Director or his/her designee.
3. Eligibility Criteria:
 - A. All new members must be determined eligible in accordance with

Section C2.0 eligibility criteria.

- B. The unit in which new members are requesting admission shall not be overcrowded and shall be maintained in accordance with Section C5.0, Occupancy Standards.
4. Application Denial - The PALACIOS PHA may deny the application for inclusion of additional family members for any of the following reasons:
- A. The dwelling unit is overcrowded or would exceed the Occupancy Standards as outlined in Section C5.0.
 - B. Additional members are not related to resident by blood, marriage or legal adoption.
 - C. Additional members are prior tenants with balances owed.
 - D. Additional members are prior tenants whom have been evicted for criminal or illegal activities.
 - E. Other reasons as determined from time to time by the Executive Director.
5. Additional members who do not require approval of the PALACIOS PHA:
- A. Newborn infants of members of currently on the lease.
 - B. Minor children of members currently on the lease who were removed from their care by court action and are being returned.

C10.0 Approval Process for Residents Requesting Permission to Operate a Business in the Unit

Prior to making a determination, the resident shall request the PALACIOS PHA's permission in writing and include in the request a complete outline of business activities and other data as may be requested by the PALACIOS PHA. When a resident desires to operate a legal profit making business from the leased unit, the PALACIOS PHA shall use the following factors in determining whether or not such activities are incidental to the primary use of the leased unit:

- A. Local building health codes, requirements for license or governmental approval.

- B. Local zoning ordinances.
- C. The effect on PALACIOS PHA insurance coverage.
- D. Utility consumption.
- E. Possible damage to the leased unit.
- F. Estimated traffic and parking.
- G. Disturbance of other residents.
- H. Attraction of non-residents to the neighborhoods.
- I. Possible use of resident business as a cover for drug-related activities.

In addition, the PALACIOS PHA shall take into consideration the may benefits to be found in small-scale in-home businesses such as: supplying necessary services to the developments; opportunities for individual economic and personal development; increased feeling of self-worth and a positive sense of community; and potential increased resident income.

C11.0 Family Choice of Rental Payment

Resident who occupy dwelling units within the PALACIOS PHA will be afforded a choice, annually, whether to pay rent based on their income (generally up to 30% of the adjusted income, or to pay a flat rent, based on the rental value of the unit. Families experiencing hardships may switch from paying flat rents to income based rents. Incomes of families paying flat rents will be reviewed no less than once every three years; incomes families paying income-based rents will continue to be reviewed once a year. The schedule of flat rents for the PALACIOS PHA is as follows:

Bedroom Size	Flat Rent
1 Bedroom	\$171.00
2 Bedroom	\$213.00
3 Bedroom	\$295.00

NOTE: The PALACIOS PHA has not, nor does it intend to implement a ceiling rent schedule.

CONTINUED OCCUPANCY

D1.0 Eligibility for Continued Occupancy

There is to be eligible for continued occupancy in the PALACIOS PHA communities only those residents:

1. Who qualify as a family as defined by requirements contained in this Policy (see definition in B1.0).
2. Who conform to the Occupancy Standards established for lower income housing (see C5.0).
3. Whose past performance in meeting financial obligations, especially rent, is satisfactory; and
4. Who have no record of disturbance of neighbors, destruction of property, unsafe living habits, unsanitary house keeping practices, substance abuse, sexual deviation, or any other history which may be reasonably expected to adversely affect the health, safety, or welfare of other residents; the peaceful enjoyment of the neighborhood by other residents, and the physical environment and fiscal stability of the neighborhood.
5. Whose family does not have a record of grossly unsanitary or hazardous housekeeping. This includes the creation of fire hazard through acts such as the hoarding of rags and papers; severe damage to premises and equipment, if it is established that the family is responsible for the condition; seriously affecting neighbors by causing infestation, foul odors, depositing garbage improperly; or serious neglect of the premises. In cases where a qualified agency is working with the family to improve its house keeping and the agency reports that the family shows potential for improvement, a decision as the eligibility shall be reached after a referral with the Executive Director or his/her designee. This category does not include families whose housekeeping is found to be superficially unclean or lacks orderliness, where such conditions do not create a problem for the neighbors.
6. Who do not have a history of criminal activity, which, if continued, could adversely affect the health, safety, or welfare of other residents.
7. Who continues to occupy the apartment on a full time basis. Ownership or occupancy of another dwelling unit or failure to occupy the unit for a period greater than thirty (30) days shall be grounds for termination of the lease.
11. Who are, with the aide of such assistance is actually available to the family, physically and mentally able to care for themselves and their apartment and to discharge all lease obligations. A person or persons remaining as a resident of a family may be permitted to remain in occupancy provided that the PALACIOS PHA in its sole judgment, determines that the remaining person(s) is (are):
 - A. Otherwise eligible for continued occupancy; and

- B. Capable of carrying out all lease obligations, including but not limited to: rent payment, care of apartment, and proper conduct; and
- C. Willing to assume all lease obligations of the prior lessee, including all payments under the lease; and
- D. Legally competent to execute a lease in his/her own name. The PALACIOS PHA will not execute a lease with a minor.

D2.0 **Re-examination**

Re-examination of income and family circumstances are conducted for the following purposes:

1. To comply with the Federal and State requirements relating to annual re-examinations.
2. To determine if each family remains eligible for continued occupancy under the terms of the lease and this Policy.
3. To determine if the unit size and type are still appropriate to the family's needs and in compliance with the Occupancy Standards.
4. To establish the total Resident Payment and the Resident Rent to be charged to the family.
5. Interim re-examination shall be conducted within 30 days of a change in income or family composition. It is the family's responsibility to initiate the process.
6. Interim re-examination is required for the following: transfers; interim rent adjustments; changes in names of head of household or other adult members in the household; and in other special circumstances which affect family composition or income.

D2.1 **Annual Re-examination**

Annual re-examinations are necessary to comply with the Federal requirement that each family have its eligibility re-examined at least every twelve months. Residents will be notified in writing of the requirements for re-examination in sufficient time to allow for the complete processing and verification of data. Failure to complete re-examination is a serious lease violation that will result in the termination of tenancy. Failure to complete re-examination includes:

1. Failure to appear for a scheduled re-certification interview without making prior alternative arrangements with the PALACIOS PHA.
2. Failure to supply or cooperate in the verification process pertaining to income, family composition and eligibility.
3. Refusal to properly execute requirement documents.

Community Service and Self-Sufficiency

In accordance with 24 CFR part 960, effective for each family at the family's next regularly scheduled annual reexamination on or after October 1, 1999, and for families admitted after October 1, 1999, all adult residents must:

1. Contribute 8 hours per month of community service or
2. Participate in an economic self-sufficiency program for 8 hours per month

Exemptions

1. Elderly
2. Blind or disabled defined under law and who is unable to comply with the community service requirement, or
3. Caretaker of such an individual
4. Working/exempted from work by State
5. Receiving assistance and not in noncompliance with State or TANF requirements

The PALACIOS PHA will develop policies and procedures for determining and documenting residents' exemptions.

Generally, the PALACIOS PHA will re-verify exemption status annually.

The PALACIOS PHA shall permit residents to change exemption status during the year.

Persons with a disability are not necessarily automatically exempt from community service requirement.

1. A person is exempt only to the extent the disability makes the person "unable to comply".

Community Services include:

1. Improving the physical environment of the resident's development,
2. Volunteer work in a local school, hospital, child care center, homeless shelter, or other community service organization,
3. Working with youth organizations
4. Helping neighborhood groups on special projects,
5. Participating in drug and alcohol counseling programs, budget and credit counseling programs, and English proficiency programs,
6. Apprenticeship and job readiness training

Non-compliance with community service requirements will result in eviction.

D2.2 **Special Re-examinations**

If at the time of admission, annual re-examination or interim re-examination, it is not possible to make an estimate of the Family Income with any reasonable degree of accuracy because:

1. Family members are unemployed and there are not anticipated prospects of employment; or
2. The conditions of employment and/or income are so unstable as to invalidate usual and normal standards of determination;

Then a special re-examination will be scheduled on a date determined by the PALACIOS PHA's estimate of the time required for the family's circumstances to stabilize. If at the time of the scheduled special re-examination, it is still not possible to make a reasonable estimate of family income, special re-examinations will continue to be scheduled until such time as a reasonable estimate of family income can be made and the re-examination completed. The special re-examinations are not to replace the annual re-examination.

D2.3 **Interim Reexaminations**

Interim re-examinations are performed to allow residents to comply with the dwelling lease requirements to report changes in income and family circumstances. The following are specific changes that must be reported in writing within thirty (30) day of their occurrence. No adjustment of rent either upward or downward is to be made except at the time of a regular or special re-examination unless:

1. There is a change in family composition. (Additions to the family, other than through birth of a child to a family member on the least, must be approved by management in advance as established in this Policy).

2. There is a new source of family income. Changes in family income resulting from increases or periodic increases in government benefits do not have to be reported to on-site management until annual re-examination, unless the amount of increase is equal to or greater than \$40 per month. However, a family who has had an income reduction between annual re-examinations must report all changes in income regardless of the amount or source within thirty (30) day of their occurrence.
3. A hardship occurs. A hardship is interpreted to mean the occurrence of a situation that would warrant a reduction in rent based on the current definition in income and maximum rent-to-income ratio.
4. There is a need to correct an error. The rent increase or decrease will be made as appropriate based on the circumstances.

Rent increases shall be made effective the first day of the second month following the month in which the change actually occurred, after having given the resident a written thirty (30) day notice.

Rent decreases resulting from changes specified in items 1, 2, and 3 above shall be made effective the first day of the month following the month in which the change was REPORTED IN WRITING, provided that no decrease shall be made until proof of changes, as outlined above, has been furnished and deemed sufficient by management. When rent is reduced between re0-examinations, the resident must report all changes in income regardless of amount or source and rent shall be adjusted accordingly. It is the responsibility of the resident to report in writing all changes as outlined within thirty (30) days of their occurrence.

D2.4 **Processing Re-examinations**

All re-examinations - annuals, specials and interims - shall be processed under the following conditions:

1. All data must be verified and documented as required in C3.0. The PALACIOS PHA WILL NOT ADJUST RENTS downward until satisfactory verification is received.
2. Lease terminations resulting from re-examinations shall be conducted in accordance with the terms of the lease.
3. Families who are determined to be in an incorrect size or type of unit will be placed on the Transfer List in accordance with the Transfer Policy contained in

this Policy, or be allowed to remain if over housed in accordance with PALACIOS PHA's vacancy reduction policy.

4. All interim changes in resident's rent are to be made by a copy of Notice of Rent Adjustment that shall become part of the lease. Changes in rent resulting from an annual re-certification shall be incorporated into the lease by a Notice of Rent Adjustment.
5. Interim decreases in rent shall be effective on the first day of the month following the month in which the change was reported in writing and verification is completed to the satisfaction of the PALACIOS PHA.
6. Interim increases in rent are to be effective on the first day of the month following the month in which the change actually occurred. For employment, this is the date employment began, not the date income was first received. For government benefits, this date is the beginning of the period covered by payment. The PALACIOS PHA shall give a thirty (30) day written notice of the increase.
7. If it is found that a resident has misrepresented or failed to report facts upon which his/her rent is based so that he/she is paying less than he/she should be paying, the increase in rent shall be made retroactively to the date that the increase would have taken effect. The resident may be required to pay within seven (7) days of official notification by the PALACIOS PHA or be required to sign and abide by a repayment agreement, the difference between the rent he/she had paid and the amount he/she should have paid. In addition, misrepresentation is a serious lease violation that may result in termination of the lease.

D3.0 **Re-examination Dates**

The re-examination date(s) is the effective date of rent changes resulting from the annual re-examination. The re-examination will commence sufficiently in advance to obtain signed application for Continued Occupancy as may be appropriate and to process to completion.

D4.0 **Temporary Rents**

If , at the time of admission or re-examination, the PALACIOS PHA can satisfy itself that a family is of low income and within the approved income limits, but cannot make a determination of income for purposes of determining rent with a necessary degree of accuracy because of the inability to secure adequate verification or instability of income, a temporary rent may be established based on data supplied by the resident family in its

application for continued occupancy. The resident will be notified of this action by a temporary rent notice or such other method determined to be legally and administratively sufficient and that his/her appropriate rent, when determined, will be effective retroactively to the date of re-examination. The resident will be required to pay any balance due or the PALACIOS PHA will credit his/her account with any overpayment that results from a temporary rent. The PALACIOS PHA will schedule special re-examination of all factors relating to both rent and eligibility of each resident established on a temporary rent at intervals established by the PALACIOS PHA until a permanent determination can be made as to rent and eligibility status of the family.

All families whose Total Resident Payment is \$0 based on their report of no family income may be placed on temporary rent based on income reported and may receive re-certifications at one month intervals.

D5.0 **SECURITY DEPOSITS**

Each tenant is required to pay a security deposit as stipulated by the PALACIOS PHA.

Payments must be made prior to occupancy, unless other arrangements are made. The security deposit will be returned to the tenant within 15 days after move-out if the following conditions are met:

1. There is not unpaid rent or other charges for which the tenant is liable.
2. The apartment and all equipment are left reasonably clean and all trash and debris have been removed by the tenant.
3. There is no breakage or damage beyond that expected from normal use.
4. All keys issued to the tenant are turned in to the management office when the tenant vacates the apartment.

The security deposit may not be used to pay charges during occupancy. The amount of the security deposit is contained in this document.

D6.0 **Eviction of Families Based on Income**

PALACIOS PHA shall not commence eviction proceedings, or refuse to renew a lease, based on income of the resident family unless:

1. It has identified, for possible rental by the family, a unit of decent, safe and sanitary housing of suitable size available at a rent not exceeding the Resident Rent as Defined in B1.0; or

2. It is required to do so by Local Law.

D6.1 **Eviction of Families for Drug-Related and/or Criminal Activities**

PALACIOS PHA shall commence eviction proceedings of the resident family for:

1. Any drug-related activities of the resident, household member of guests;
2. Any criminal activities occurring on or of the premises;
3. Alcohol abuse is grounds for termination if it is determined that such abuse interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.

The PALACIOS PHA has a “one strike” or “zero tolerance” policy with respect to violations of lease terms regarding drug-related and other criminal activities.

TRANSFERS

E1.0 Transfer Policy

Objectives of the Transfer Policy:

To fully utilize available housing resources while avoiding overcrowding by insuring that each family occupies the appropriate sized unit.

To facilitate humane relocation when required for modernization or other management purposes.

To facilitate relocation of families with complete and permanent inability to continue in a multiple-story apartment.

To eliminate vacancy loss and other expenses due to unnecessary transfers.

E1.1 Types of Transfers

1. PALACIOS PHA initiated - The PALACIOS PHA may at its discretion, transfer residents because of an uninhabitable unit, major repairs, or other actions initiated by management as follows:
 - a. In the event of a fire, accident or natural disaster that results in

the dwelling unit becoming uninhabitable, the resident will be offered alternative accommodations within the neighborhood if a rentable unit in the appropriate size is available. The option to transfer fire or disaster victims is open to the PALACIOS PHA: project management may review rent paying history, housekeeping, illegal or criminal activity, and/or social dysfunction and use these criteria for making the determination to re-house. The Executive Director of PALACIOS PHA has ultimate responsibility for providing shelter for victims of fire or disaster. If the appropriate unit size is not available within the same neighborhood, the family may be transferred to an appropriate size unit at another PALACIOS PHA-owned neighborhood. If the move is to a site where residents purchase all or some utilities, the resident will pay the cost of any deposit required by the utility company. If an appropriate size unit is not available, PALACIOS PHA-wide then the family may be over-housed but placed on the transfer list with the transfer being accomplished at the appropriate time. The resident will be required to pay all relocation expenses.

- b. If a neighborhood is undergoing modernization type work that necessitates vacating apartments, the affected residents will be relocated at the PALACIOS PHA's expense in available vacant units within the PALACIOS PHA.
- c. To protect a family from reprisals because family members provided information on criminal activities to a law enforcement agency.
- d. To protect a family whose member(s) have been the victim of a hate crime.
- e. To accommodate a member of a family who has a mobility or other impairment that makes the person unable to use critical elements of the unit.
- f. It there is involuntary disposition of the multi-family rental housing development by HUD under Section 203 of the Housing and Community Development Amendments of 1978.
- g. If determined feasible by management, the PALACIOS PHA will attempt to relocate affected residents into vacant units within the site. Other decisions related to modernization transfers will be made by the Executive Director or his/her designee. The PALACIOS PHA may suspend normal transfer procedures to facilitate modernization type

activities.

2. Transfers for Approved Medical Reasons - Resident may be transferred from their current apartment in order to obtain reasonable accommodations of the needs of any resident with disabilities. The PALACIOS PHA may require medical documentation of a resident's condition from a physician or service provider and reserves the right to make its own evaluation of such documentation. Normally such transfers will be within the resident's original neighborhood unless the appropriate size, reasonable accommodations and type does not exist on the site. All other medical related transfer requests shall be determined solely by the Executive Director or his/her designee.

A resident who desires to relocate on advice of a physician or service provider for reasons other than inability to negotiate stairs may file an application for an apartment with the project manager.

3. Transfers to Appropriately Sized Unit - Section 5, Paragraph (a) (2) of the dwelling lease states:

Resident's family composition no longer conforms to management's occupancy standards for the unit occupied, management may require the resident to move into a unit of appropriate size.

This section establishes both that the PALACIOS PHA has an obligation to transfer residents to the appropriately sized unit and that residents are obligated to accept such transfers. These will be made in accordance with the following principles:

- A. Determination of the correctly sized apartment shall be in accordance with the PALACIOS PHA's Occupancy Standards.
- B. Single persons, elderly and handicapped residents who occupy a one bedroom apartment will not be required to relocate into an efficiency (0-Bedroom) unit.
- C. Transfers into the appropriately sized unit will be made within the same neighborhood unless that size unit does not exist on the site.
- D. Management may, at its discretion, separate a single household into multiple households if sufficiently large units are not available or if management and the family determine this to be in the interest of both the family and the neighborhood. Based on the selection criteria for new admissions, management shall determine that each smaller family unit is

eligible by HUD definition and contains a leaseholder capable of discharging lease obligations. The new household must apply to the PALACIOS PHA for occupancy and be processed through the regular waiting list procedures.

4. Transfers for Non-handicapped families living in handicapped designated units Section 1(a) of the dwelling lease states what type of unit, as designated by management, that the resident family is residing in. Section 5(e) of the dwelling lease states: if the unit leased is a handicapped designated unit as checked in Section 1 (a) and the resident family occupying the unit is not a family with handicapped individuals, the resident agrees to transfer to a non-handicapped unit if and when the unit is needed for a handicapped family.

The PALACIOS PHA may from time to time have an excess of handicapped accessible units. In an effort to get the best use of all units, the PALACIOS PHA may from time to time rent a handicapped designated unit to a family who has no handicapped members. The PALACIOS PHA will advise the family of the requirements to transfer if and when a handicapped designated family is determined eligible. If the family selected for the unit decides not to accept the unit because of the requirement to move at some date in the future, the refusal shall not count against the family.

This section establishes both that the PALACIOS PHA has an obligation to transfer non-handicapped residents residing in handicapped designated units to non-handicapped designated units and that non-handicapped families are obligated to accept such transfers. These will be made in accordance with the following principles:

- A. Transfers to a non-handicapped designated unit will be made within the same neighborhood unless that size unit does not exist.
- B. Transfers to a non-handicapped designated unit will be made outside of the same neighborhood if that size unit does not exist on the site.
- C. Management, may at it's discretion, separate a single household into multiple households if sufficiently large units are not available or if management and the family determine this to be in the interest of both the family and the neighborhood. Based on the selection criteria for new admissions, management shall determine that each smaller family unit is eligible by HUD definition and contain a legal leaseholder capable of discharging lease obligations. For the purposes of determining the priorities for transfers, this type of transfer shall be considered an PALACIOS PHA initiated transfer.

E1.2 **Priorities for Transfers**

All transfers must be either for approved medical reasons, for relocation to an appropriately sized unit or be initiated by the PALACIOS PHA. No other reasons for transfers will be considered. Within the eligible types, transfers shall be performed according to the following priorities:

1. PALACIOS PHA initiated transfers;
2. Transfers to a single-level apartment for approved medical reasons;
3. Residents who are under-housed by one or more bedrooms as is consistent with HQS and Housing Code enforcement for Matagorda County, TX;
4. Residents who are over-housed by one or more bedrooms and not over-housed by the PALACIOS PHA to remedy vacancy rate;

PALACIOS PHA initiated transfers always have priority over new move-ins. The remainder shall be mixed with new move-ins in a ratio of one transfer to five new move-ins. Within each priority type, transfers will be ranked by date. In transfers requested by residents for approved health reasons or to move to a larger apartment, the date shall be that on which the changed family circumstances are verified by management. In case of an involuntary transfer, the date will be that on which management verifies that the change occurred. Management reserves the right to immediately transfer any family who has misrepresented family circumstances or composition.

E.13 **Transfer Procedures**

The PALACIOS PHA staff shall:

1. Determine whether a vacancy is used for transfer or move-ins based on priorities and established ratios.
2. Coordinate actual transfers with other PALACIOS PHA staff.
3. Maintain transfer logs and records for audit.
4. Notify residents with pending transfers as their name approaches the top of the list.
5. Counsel with residents experiencing problems with transfers, assisting hardship cases to find assistance.

6. Issue final offer of vacant apartment as soon as vacant apartment is identified.
7. Issue notice to transfer as soon as vacant apartment is available for occupancy. This notice will give the resident four (4) working days to complete transfer.
8. Process transfer documents.
9. Participate in planning and implementation of special transfer systems for modernization and other similar programs.
10. Inspect both apartments involved in the transfer, charging for any resident abuse.

Only one offer of an apartment will be made to each resident being transferred within his/her own neighborhood. A resident being transferred outside his/her own neighborhood will be allowed to refuse one offer only. In the case of a family being transferred from a unit which is uninhabitable, incorrectly sized, or scheduled for major repairs, failure to accept the unit offered, or the second unit offered in the case of a transfer outside the neighborhood, will be grounds for termination of the lease. When a person has requested a single-level apartment for approved medical reasons declines the offer of such an apartment, the PALACIOS PHA will notify the resident in such cases that the PALACIOS PHA has discharged its obligations to the resident, that he/she remains in the apartment as his/her own risk, and that the PALACIOS PHA assumes no liability for his/her condition.

E1.4 **Right of Management to Make Exceptions**

This Section of the Policy is to be used as a guide to insure fair and impartial means of assigning units for transfer. It is not intended that this Policy shall create a property right or any other type of right for a resident to transfer or refuse transfer. Management reserves the right to make exceptions to this Policy as circumstances require, consistent with applicable regulations of the Department of Housing and Urban Development.

FRAUD

F1.0 **Fraud**

The PALACIOS PHA takes the position that:

Any person who obtains or attempts to obtain or who establishes or attempts to establish or, and any person who knowingly or intentionally aids or abets such person in obtaining or attempting to obtain or in establishing or attempting to establish eligibility for

any public housing or a reduction in public housing rental charges or may rent subsidy or payment from a resident in connection with public housing to which such person would not otherwise be entitled, by means of a false statement, failure to disclose information, impersonation, or other fraudulent scheme or device shall be guilty of a fraud.

The PALACIOS PHA considers the misrepresentation of income and family circumstances to be a serious lease and policy violation as well as a crime and will take appropriate action if apparent fraud is discovered. Specifically:

1. An applicant family who has misrepresented income or family circumstances may be declared ineligible for housing assistance.
2. If any examination of the resident's file discloses that the resident made any misrepresentation at the time of admission or any previous re-certification date, which resulted in his/her being classified as eligible when in fact he/she was ineligible, the resident may be required to vacate the apartment even though he/she may be currently eligible.
3. A resident family who has made misrepresentation of income or family circumstances is subject to both eviction and being declared ineligible for future housing assistance.
4. If it is found that the resident's misrepresentation resulted in his/her paying a lower resident rent than he/she should have paid, he/she will be required to pay the difference between rent owed and the amount that should have been paid. This amount shall be paid whether or not the resident remains in occupancy, but failure to pay under terms established by the PALACIOS PHA shall always result in immediate termination of the lease. The PALACIOS PHA reserves the right to demand full payment within seven days.
4. The PALACIOS PHA shall report apparent cases of resident or applicant fraud to the appropriate government agency. It shall be the policy of the PALACIOS PHA to press State and Federal authorities for prosecution of cases which, in the PALACIOS PHA's judgment, appear to constitute willful and deliberate misrepresentation.

RENT COLLECTION POLICY

G1.0 General Selection

Rent is due on or before the 1st day of each month and is delinquent after the sixth (6th) calendar of the month.

Excess utilities are due the fifteenth day after the notice of the charge.

Maintenance charges and all other charges are due the fifteenth day after notification of the charge. (i.e. Work Order copy, letter, etc.) Maintenance charges and other charges, not otherwise mentioned in this policy, appearing on the rental accounts are due the fifteenth day following written notification of the charge.

All payments received shall be applied to the oldest debt first, unless written instructions are received from the resident to the contrary or unless some charges are currently contested under a written grievance.

No amount shall be considered too small to issue a dispossessory warrant.

Management reserves the right to waive late charges or to accept payments after the delinquency dates as determined on a case by case basis.

Rental Payments After the Delinquency Date

The PALACIOS PHA may assess a late charge to all residents, except those residents who have received a waiver, on the delinquency date. The late charge is \$25.00.

Payments tendered by residents after the delinquency will not be accepted by management. No partial payments will be accepted after the delinquency date.

A resident will be allowed to tender rent and other charges then due in full after termination of the dwelling lease only once, and then only after completion of rent counseling by the Executive Director.

Failure to make payments when due and before expiration of the dwelling lease termination, shall result in an issuance of a dispossessory warrant upon expiration of all legal notices.

G1.1 Procedures After the Expiration of the Termination of the Dwelling Lease

- A. Immediately after the expiration of the lease termination notice, management will issue a demand notice.
- B. No payments will be accepted after the demand notice is issued except from residents who have an approved request for late payment or complete a rent counseling interview as outlined in G1.1 (D), provided the rent counseling interview is completed prior to the issuance of a dispossessory warrant.

G1.2 Retroactive Rent Charges

Retroactive Rent charges will be due and payable within 7 days of written notice unless arrangements are made to this day to make installment payments. Normally retroactive rent installment payments must be computed not to exceed three (3) month pay off. If the amounts are large and the resident will not be able to pay off the retroactive rent charge within three (3) months, a repayment schedule may be established allowing a longer period, provided the resident agrees to pay the principal plus 12% interest.

G1.3 Vacated Residents With Balances

Vacated residents will have seven (7) days from the date of the statement of Refund of Security Deposit and Unearned Rent to pay the account or make arrangements for payment. Accounts will be reported to the Credit Bureau and collection action will be taken after the expiration of this time period.

G1.4 Dispossessory Warrants Issued For the Second Time

If a resident has a disposition warrant for non-payment of rent issued against him/her a second time within a twelve month period, tender of rent will not be accepted and the resident will be required to vacate the premises. This action does not relieve the amount owed. The resident will be required to pay any balance owing plus any costs associated with the amount owed.

G1.5 Welfare Recipients' Income Changes

Families will not have their rent reduced if welfare assistance reduced due to:

1. Fraud
2. Failure to participate in economic self-sufficiency programs
3. Failure to comply with work activities requirements.

Not applicable if the welfare reduction is:

1. Result of the expiration of a life time limit of welfare benefits; or
2. Where the family has complied with welfare program requirements but cannot find a job.

Hardship Exceptions

Generally financial hardships include the following situations:

1. The family has lost eligibility for or is awaiting an eligibility determination for a Federal, State or local assistance program;
2. The family would be evicted as a result of applying the minimum rent requirement;
3. The income of the family has decreased because of changed circumstance, including loss of employment;
4. A death in the family has occurred; and
5. Other circumstances determined by the PALACIOS PHA or HUD

Family Request for Hardship Exception

If the family requests a hardship exemption, the minimum rent requirement is immediately suspended.

The minimum rent is suspended until the PALACIOS PHA determines whether there is a hardship covered by the statute, and whether the hardship is temporary or long-term.

If the PALACIOS PHA determines that there is not hardship covered by the statute, minimum rent is imposed (including back payment for minimum rent from the time of suspension).

Temporary Hardship

A Hardship exemption may not be provided if the hardship is determined temporary.

However, the PALACIOS PHA will not evict the family for nonpayment of rent on the basis of hardship if the hardship is determined by the PALACIOS PHA to be temporary during the 90-day period beginning upon the date of the family's request for exemption.

During this 90-day period, the family must demonstrate that the financial hardship is long-term.

If the family demonstrates that the hardship is long-term, the PALACIOS PHA will retroactively exempt the family from the minimum rent requirement for the 90-day period.

A reasonable repayment agreement must be offered for any rent not paid during that period.

Long-Term Hardship

If the family demonstrates that the hardship is long-term, the PALACIOS PHA will retroactively exempt the family from the minimum rent requirement.

Effective Retroactive to October 21, 1998

If a tenant has qualified for a hardship exemption since that date and was charged minimum rent, the PALACIOS PHA will reimburse the tenant.

The PALACIOS PHA will notify all families who were charged the Minimum Rent at that time and offer them an opportunity to request a hardship exemption.

Switching Rent Determination Methods Because of Hardship Circumstances

Upon a determination that the family is unable to pay the flat rent because of financial hardship, the PALACIOS PHA shall immediately provide for the family to pay rent in the amount determined under income-based rent

Hardship includes:

Income of the family has decreased because of changed circumstances, loss of or reduction of employment, death in the family, and reduction in or loss of income of other assistance;

An increase, because of changed circumstances, in the family's expenses for medical costs, child care, transportation, education, or similar items; and

Other situations as determined by the PALACIOS PHA.

Permissive Deductions

“Permissive deductions” replace current “Optional income exclusions” .

Examples of permissive deductions include:

Excessive travel expenses not to exceed \$25 per family per week for travel related to employment, education or training

An amount of a family's earned income, based on any of the following:

All the earned income of the family

The amount earned by particular members of the family

The amount earned by families having certain characteristics

The amount earned by families, which could include payroll deductions such as social security taxes, income taxes, and medical insurance premiums.

PALACIOS HOUSING AUTHORITY

POLICY ON DECONCENTRATION OF POVERTY AND INCOME-MIXING

PURPOSE:

The purpose of this policy is to assure that the Palacios Housing Authority establishes and implements an affirmative policy on deconcentrating poverty and assuring income-mixing within its developments and buildings.

POLICY:

In accordance with the Quality Housing and Work Responsibility Act of 1998, the Palacios Housing Authority will take affirmative steps to deconcentrate poverty which will allow for extremely low and low income families to reside next to high income families, and to seek opportunities to insure income-mixing where high income families reside next to extremely low and low income families.

PROCEDURE:

To accomplish this policy, the Palacios Housing Authority will employ waiting list “skipping” to achieve deconcentration of poverty, the utilization of appropriate marketing efforts, the provision of additional supportive services, the provision of consultation, information and/or new admissions as follows:

The Palacios Housing Authority will admit 40% of its families whose incomes are 30% of the area median income; 30% of its families will be admitted with 50% of area median income; and 30% of its families with 80% of the area median income. The Executive Director of the Palacios Housing Authority will assure that this policy is implemented.

Palacios Housing Authority Grievance Policy and Procedures

Definitions.

Directive Number: 966.53

For the purpose of this subpart, the following definitions are applicable:

- (a) Grievance shall mean any dispute which a tenant may have with respect to the Palacios Housing Authority's action or failure to act in accordance with the individual tenant's lease or Palacios Housing Authority regulations which adversely affect the individual tenant's rights, duties, welfare or status.
- (b) Complainant shall mean any tenant whose grievance is presented to the Palacios Housing Authority or at the project management office in accordance with Sec. 966.54 and 966.55(a)
- (c) Elements of due process shall mean an eviction action or a termination of tenancy in a State or local court in which the following procedural safeguards are required:
 - (1) Adequate notice to the tenant of the grounds for terminating the tenancy and for eviction;
 - (2) Right of the tenant to be represented by counsel;
 - (3) Opportunity for the tenant to refute the evidence presented by the Palacios Housing Authority including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense which the tenant may have;
 - (4) A decision on the merits.
- (d) Hearing officer shall mean a person selected in accordance with Sec. 966.55 of 24 CFR to hear grievances and render a decision with respect thereto.
- (e) Hearing panel shall mean a panel selected in accordance with Sec. 966.55 of 24 CFR to hear grievances and render a decision with respect thereto.
- (f) Tenant shall mean the adult person (or persons) (other than a live-in aide):
 - (1) Who resides in the unit, and who executed the lease with the Palacios Housing Authority as lessee of the dwelling unit, or, if no such person now resides in the unit,
 - (2) Who resides in the unit, and who is the remaining head of household of the tenant family residing in the dwelling unit.

Informal settlement of grievance.

Directive Number: 966.54

Purpose: The purpose of this policy is to assure that the Palacios Housing Authority has a sound program regarding the appeal rights of residents of the Housing Authority.

Procedure: Any grievance shall be personally presented, either orally or in writing, to the Palacios Housing Authority office or to the office of the project in which the complainant resides so that the grievance may be discussed informally and settled

without a hearing. A summary of such discussion shall be prepared within a reasonable time and one copy shall be given to the tenant and one retained in the PHA's tenant file. The summary shall specify the names of the participants, dates of meeting, the nature of the proposed disposition of the complaint and the specific reasons therefor, and shall specify the procedures by which a hearing under Sec. 966.55 may be obtained if the complainant is not satisfied.

Procedures to obtain a hearing.

Directive Number: 966 55

- (a) Request for hearing. The complainant shall submit a written request for a hearing to the Palacios Housing Authority within 5 days after receipt of the summary of discussion pursuant to Sec. 966.54. For a grievance under the expedited grievance procedure pursuant to Sec. 966.55(g) (for which Sec. 966.54 is not applicable), the complainant shall submit such request at such time as is specified by the Palacios Housing Authority for a grievance under the expedited grievance procedure. The written request shall specify:
 - (1) The reasons for the grievance; and
 - (2) The action or relief sought.
- (b) Selection of Hearing Officer or Hearing Panel. (1) A grievance hearing shall be conducted by an impartial person or persons appointed by the Palacios Housing Authority, other than a person who made or approved the Palacios Housing Authority action under review or a subordinate of such person.
 - (2) The Palacios Housing Authority may use either of the following methods to appoint a hearing officer or panel:
 - (i) A method approved by the majority of tenants (in any building, group of buildings or project, or group of projects to which the method is applicable) voting in an election or meeting of tenants held for the purpose.
 - (ii) Appointment of a person or persons (who may be an officer or employee of the PHA) selected in the manner required under the Palacios Housing Authority's grievance procedure.
 - (3) The Palacios Housing Authority shall consult the resident organizations before PHA appointment of each hearing officer or panel member. Any comments or recommendations submitted by the tenant organizations shall be considered by the Housing Authority before the appointment.
- (c) Failure to request a hearing. If the complainant does not request a hearing in accordance with this paragraph, then the Palacios Housing Authority's disposition of the grievance under Sec. 966.54 shall become final:
Provided, That failure to request a hearing shall not constitute a waiver by the complainant of his right thereafter to contest the Palacios Housing Authority's action in disposing of the complaint in an appropriate judicial proceeding.
- (d) Hearing prerequisite. All grievances shall be personally presented either orally or in writing pursuant to the informal procedure prescribed in Sec. 966.54 as a condition precedent to a hearing under this section:
Provided, That if the complainant shall show good cause why he failed to proceed in accordance with Sec. 966.54 to the hearing officer or hearing panel, the provisions of this subsection may be waived by the hearing officer or hearing panel.

- (e) Escrow deposit. Before a hearing is scheduled in any grievance involving the amount of rent as defined in Sec. 966.4(b) of subpart A of 24 CFR which the Palacios Housing Authority claims is due, the complainant shall pay to the Palacios Housing Authority an amount equal to the amount of the rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. The complainant shall thereafter deposit the same amount of the monthly rent in an escrow account monthly until the complaint is resolved by decision of the hearing officer or hearing panel. The Housing Authority in extenuating circumstances may waive these requirements. Unless so waived, the failure to make such payments shall result in a termination of the grievance procedure:
 Provided, That failure to make payment shall not constitute a waiver of any right the complainant may have to contest the Palacios Housing Authority's disposition of his grievance in any appropriate judicial proceeding.
- (f) Scheduling of hearings. Upon complainant's compliance with paragraphs (a), (d) and (e) of this section, a hearing shall be scheduled by the hearing officer or hearing panel promptly for a time and place reasonably convenient to both the complainant and the Housing Authority. A written notification specifying the time, place and the procedures governing the hearing shall be delivered to the complainant and the appropriate Palacios Housing Authority official.
- (g) Expedited grievance procedure. (1) The Palacios Housing Authority may establish an expedited grievance procedure for any grievance concerning a termination of tenancy or eviction that involves:
 - (i) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the Palacios Housing Authority's public housing premises by other residents or employees of the Housing Authority, or
 - (ii) Any drug-related criminal activity on or near such premises.
- (2) In the case of a grievance under the expedited grievance procedure, Sec. 966.54 (informal settlement of grievances) is not applicable.
- (3) Subject to the requirements of this policy, the Palacios Housing Authority may adopt special procedures concerning a hearing under the expedited grievance procedure, including provisions for expedited notice or scheduling, or provisions for expedited decision on the grievance.

Procedures governing the hearing.

Directive Number: 966 56

- (a) The hearing shall be held before a hearing officer or hearing panel, as appropriate.
- (b) The complainant shall be afforded a fair hearing, which shall include:
 - (1) The opportunity to examine before the grievance hearing any Palacios Housing Authority documents, including records and regulations that are directly relevant to the hearing. (For a grievance hearing concerning a termination of tenancy or eviction, see also Sec. 966.4(m).) The tenant shall be allowed to copy any such document at the tenant's expense. If the Housing Authority does not make the document available for examination upon request by the complainant, the Housing Authority may not rely on such document at the grievance hearing.
 - (2) The right to be represented by counsel or other person chosen as the tenant's representative, and to have such person make statements on the tenant's behalf;

- (3) The right to a private hearing unless the complainant requests a public hearing;
 - (4) The right to present evidence and arguments in support of the tenant's complaint, to controvert evidence relied on by the Housing Authority, and to confront and cross-examine all witnesses upon whose testimony or information the Palacios Housing Authority relies; and
 - (5) A decision based solely and exclusively upon the facts presented at the hearing.
- (c) The hearing officer or hearing panel may render a decision without proceeding with the hearing if the hearing officer or hearing panel determines that the issue has been previously decided in another proceeding.
 - (d) If the complainant or the Palacios Housing Authority fails to appear at a scheduled hearing, the hearing officer or hearing panel may make a determination to postpone the hearing for not to exceed five business days or may make a determination that the party has waived his right to a hearing. The hearing officer or hearing panel shall notify both the complainant and the Palacios Housing Authority of the determination:
 Provided, That a determination that the complainant has waived his right to a hearing shall not constitute a waiver of any right the complainant may have to contest the Palacios Housing Authority's disposition of the grievance in an appropriate judicial proceeding.
 - (e) At the hearing, the complainant must first make a showing of entitlement to the relief sought and thereafter the Housing Authority must sustain the burden of justifying the Housing Authority or failure to act against which the complaint is directed.
 - (f) The hearing shall be conducted informally by the hearing officer or hearing panel and oral or documentary evidence pertinent to the facts and issues raised by the complaint may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings. The hearing officer or hearing panel shall require the Housing Authority, the complainant, counsel and other participants or spectators to conduct themselves in an orderly fashion. Failure to comply with the directions of the hearing officer or hearing panel to obtain order may result in exclusion from the proceedings or in a decision adverse to the interests of the disorderly party and granting or denial of the relief sought, as appropriate.
 - (g) The complainant or the Palacios Housing Authority may arrange, in advance and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript.
 - (h) Accommodation of persons with disabilities. (1) The Palacios Housing Authority must provide reasonable accommodation for persons with disabilities to participate in the hearing. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations, or attendants.
 - (2) If the tenant is visually impaired, any notice to the tenant, which is required under this policy, must be in an accessible format.

Decision of the hearing officer or hearing panel.

Directive Number: 966.57

- (a) The hearing officer or hearing panel shall prepare a written decision, together with the reasons therefor, within 5 days after the hearing. A copy of the decision shall be sent to the complainant and the Housing Authority. The Palacios Housing Authority shall retain a copy of the decision in the tenant's folder. A copy of such decision, with all names and identifying references deleted, shall also be maintained on file by the Housing Authority and made available for inspection by a prospective complainant, his representative, or the hearing panel or hearing officer.
- (b) The decision of the hearing officer or hearing panel shall be binding on the Housing Authority which shall take all actions, or refrain from any actions, necessary to carry out the decision unless the Housing Authority Board of Commissioners determines within 15 days, and promptly notifies the complainant of its determination, that
 - (1) The grievance does not concern Housing Authority action or failure to act in accordance with or involving the complainant's lease on Housing Authority regulations, which adversely affect the complainant's rights, duties, welfare or status;
 - (2) The decision of the hearing officer or hearing panel is contrary to applicable Federal, State or local law, HUD regulations or requirements of the annual contributions contract between HUD and the Housing Authority.
- (c) A decision by the hearing officer, hearing panel, or Board of Commissioners in favor of the Housing Authority or which denies the relief requested by the complainant in whole or in part shall not constitute a waiver of, nor affect in any manner whatever, any rights the complainant may have to a trial de novo or judicial review in any judicial proceedings, which may thereafter be brought in the matter.

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- Section 20 Approval by Board of Commissioners or other Authorized officials to charge Administrative Fee Reserve
- Section 21 Performance standards for conducting HQS inspections
 - I. Terminating HAP contract when unit is too small (982.403)
 - II. Maintenance: Owner and family responsibility: Remedies ((82.404)
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IV. Enforcement of HQS (982.451)

Section 22 Screening of applicants for family behavior or suitability for tenancy (982.307)

Definitions

ADMINISTRATIVE PLAN FOR THE PALACIOS HOUSING AUTHORITY

SECTION 8 VOUCHER PROGRAM

This Administrative Plan provides the guidelines for the operation of the Section 8 Housing Choice Voucher Program for the Palacios Housing Authority.

This Plan is designed with the objective of encouraging the freedom of housing choice. Its purpose is to establish discretionary policies for matters which are not covered under Federal Regulation for the Section 8 Housing Choice Voucher Programs. This program should allow very low income families the opportunity for obtaining community wide housing, by improving their living conditions while providing affordable rent payments. The goal of this Housing Authority (hereinafter referred to as 'Palacios PHA*') is to assist as many very low income families as possible, therefore providing them the opportunity of improving their lifestyles and becoming more self sufficient.

The Section 8 Office is staffed by the Executive Director who is responsible for the overall operation of the Housing Assistance Program.

This Administrative Plan shall be in accordance with HUD regulations and other requirements. The Palacios PHA shall revise this Administrative Plan, if needed, to comply with HUD requirements. The Palacios PHA shall give HUD a copy of the Administrative Plan, and shall administer its program in accordance with this Administrative Plan. The Administrative Plan will be approved by the Board of Commissioners.

The Palacios PHA Administrative Office is located at: 627 West George Street, # 174, Palacios, Texas 77979.

The Palacios PHA office hours are: Mondays thru Fridays from 8:00 a.m. until 2:00 p.m. Application for assistance can be made: Tuesdays and Wednesdays from 8:30 a.m. until 11:00 a.m.

SECTION 1: SELECTION AND ADMISSION OF APPLICANTS FROM THE Palacios PHA WAITING LIST

I. Eligibility. (982.201)

a) Applicant eligibility: The Palacios PHA will only admit an eligible family to the program. To be eligible, the applicant shall be a 'family*', shall be income-eligible, and shall be a citizen or a non-citizen who has eligible immigration status as determined in accordance with 24 CFR part 5.

(b) Income

1) Income-eligibility: To be income-eligible, the applicant shall be a family in any

of the following categories:

- i) A 'very low income* family;
 - (ii) Low-income family that is 'continuously assisted* under the 1937 Housing Act;
 - (iii) Low-income family that meets additional eligibility criteria specified in the Palacios PHA Administrative Plan. Such additional criteria shall be consistent with the Palacios PHA plan and with the consolidated plans for local governments in the Palacios PHA jurisdiction;
 - (iv) A low-income family that qualifies for Voucher assistance as a non-purchasing family residing in a HOPE 1 (HOPE for Public Housing homeownership) or HOPE 2 (HOPE for homeownership of multifamily units) project. (Section 8(o)(4)(D) of the 1937 Act (42 U.S.C. 1437f(o)(4)(D));
 - (v) A low-income or moderate-income family that is displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing as defined in 248.101 of this title
 - (vi) A low-income family that qualifies for Voucher assistance as a non-purchasing family residing in a project subject to a resident home ownership program under 248.173 of this title.
- (2) Income-targeting.
- (i) Not less than 75 percent of the families admitted to the Palacios PHA*s tenant-based Voucher Program during the Palacios PHA's fiscal year shall be targeted to families whose annual income does not exceed the following amounts as determined by HUD:
 - (A) 30 percent of the area median income, with adjustments for smaller and larger families; or
 - (B) A higher or lower percent of the area median income, if HUD determines that a higher or lower percent is necessary because of unusually high or low family incomes.
 - (ii) Admission of families as described in paragraphs (b)(1)(ii) or (b)(1)(v) of this section is not subject to targeting under paragraph (b)(2)(i) of this section.
- (3) The annual income (gross income) of an applicant family is used both for determination of income-eligibility under paragraph (b)(1) of this section, and for targeting under paragraph (b)(2)(i) of this section.

- (4) The applicable income limit for issuance of a Voucher when a family is selected for the program is the highest income limit (for the family unit size) for areas in the Palacios PHA's jurisdiction. The applicable income limit for admission to the program is the income limit for the area where the family is initially assisted in the program. The family may only use the Voucher to rent a unit in an area where the family is income eligible at admission to the program.
- (c) Family composition.
- (1) A 'family*' may be a single person or a group of persons.
 - (2) A 'family*' includes a family with a child or children.
 - (3) A group of persons consisting of two or more elderly persons or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides is a family. The Palacios PHA determines if any other group of persons qualifies as a 'family*.
 - (4) A single person family may be:
 - (i) An elderly person.
 - (ii) A displaced person.
 - (iii) A disabled person.
 - (iv) Any other single person.
 - (5) A child who is temporarily away from the home because of placement in foster care is considered a member of the family.
- (d) Continuously assisted family--An applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Act program when the family is admitted to the Voucher Program.
- (e) Period of Eligibility: The Palacios PHA shall receive information verifying that an applicant is eligible within the period of 60 days before the Palacios PHA issues a Voucher to the applicant.
- (f) Decision to deny assistance.
- (1) Notice to applicant: The Palacios PHA shall give an applicant prompt written notice of a decision denying admission to the program (including a decision that the applicant is not eligible, or denying assistance for other reasons). The notice shall give a brief statement of the reasons for the decision. The notice shall also state that the applicant may request

an informal review of the decision, and state how to arrange for the informal review.

- (2) The Palacios PHA may at any time deny program assistance for an applicant, or terminate program assistance for a participant family for any of the following grounds:
- (i) If the family violates any family obligations under the program (see 982.551). See 982.553 concerning denial or termination of assistance for crime by family members.
 - (ii) If any member of the family has ever been evicted from Public Housing.
 - (iii) If the Palacios PHA has ever terminated assistance under the program for any member of the family.
 - (iv) If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program.
 - (v) If the family currently owes rent or other amounts to the Palacios PHA or to another PHA in connection with Section 8 or Public Housing assistance under the 1937 Act.
 - (vi) If the family has not reimbursed the Palacios PHA or any other PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
 - (vii) If the family breaches an agreement with the Palacios PHA to pay amounts owed, or amounts paid to an owner by the Palacios PHA. (The Palacios PHA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to the Palacios PHA or amounts paid to an owner by the Palacios PHA. The Palacios PHA may prescribe the terms of the agreement.)
 - (viii) If the family has engaged in or threatened abusive or violent behavior toward Palacios PHA personnel.

II. Applicant Selection: General requirements. (982.202)

- (a) Waiting list admissions and special admissions: The Palacios PHA may admit an applicant for participation in the program either as a waiting list admission or a special admission.
- (b) Prohibited admission criteria:
 - (1) Admission to the program may not be based on where the family lives before admission to the program. However, the Palacios PHA may target assistance for families who live in Public Housing or other federally assisted housing, or may adopt a HUD-approved

residency preference.

(2) Admission to the program may not be based on where the family will live with assistance under the program.

(c) Applicant status: An applicant does not have any right or entitlement to be listed on the Palacios PHA waiting list, to any particular position on the waiting list, or to admission to the programs. The preceding sentence does not affect or prejudice any right, independent of this rule, to bring a judicial action challenging a Palacios PHA violation of a constitutional or statutory requirement.

(d) Admission policy.

The Palacios PHA shall admit applicants for participation in accordance with HUD regulations and other requirements, and with Palacios PHA policies stated in this Administrative Plan. (The Palacios PHA's admission policy shall state the system of admission preferences that the Palacios PHA uses to select applicants from the waiting list, including any residency preference or other local preference.

III. Waiting list: Administration (982.204)

(a) Admission from waiting list: Except for special admissions, participants shall be selected from the Palacios PHA's waiting list. The Palacios PHA shall select participants from the waiting list in accordance with admission policies in this Administrative Plan.

(b) Organization of waiting list: The Palacios PHA shall maintain information that permits the Palacios PHA to select participants from the waiting list in accordance with the admission policies. The waiting list shall contain the following information for each applicant listed:

(1) Applicant name;

(2) Family unit size (number of bedrooms for which family qualifies under Palacios PHA occupancy standards);

(3) Date and time of application;

(4) Qualification for any local preference; and

(5) Racial or ethnic designation of the head of household.

(c) Removing applicant names from the waiting list:

(1) The Palacios PHA shall determine when applicant names may be removed from the waiting list, usually for those applicants who do not respond to Palacios

PHA requests for information or updates.

- (2) The Palacios PHA's decision to withdraw from the waiting list the name of an applicant family that includes a person with disabilities is subject to reasonable accommodation in accordance with 24 CFR part 8. If the applicant did not respond to the Palacios PHA request for information or updates because of the family member's disability, the Palacios PHA shall reinstate the applicant in the family's former position on the waiting list.
- (d) Family size.
- (1) The order of admission from the waiting list may not be based on family size, or on the family unit size for which the family qualifies under the Palacios PHA occupancy policy.
 - (2) If the Palacios PHA does not have sufficient funds to subsidize the family unit size of the family at the top of the waiting list, the Palacios PHA may not skip the top family to admit an applicant with a smaller family unit size. Instead, the family at the top of the waiting list will be admitted when sufficient funds are available.
- (e) Funding for specified category of waiting list families: When HUD awards the Palacios PHA program funding for a specified category of families on the waiting list, the Palacios PHA shall select applicant families in the specified category.
- (f) Number of waiting lists: The Palacios PHA shall use a single waiting list for admission to its Section 8 tenant-based assistance program.

IV. Waiting list: Different programs (982.205)

- (a) Merger and cross-listing.
- (1) Merged waiting list: The Palacios PHA reserves the right to merge the waiting list for tenant-based assistance with the Palacios PHA waiting list for admission to its Public Housing Program. Admission from each federal program is subject to federal regulations and requirements for the particular program.
 - (2) Non-merged waiting list: Cross-listing: If the Palacios PHA decides not to merge the waiting list for tenant-based assistance with the waiting list for the Palacios PHA's Public Housing Program:
 - (i) If the Palacios PHA's waiting list for tenant-based assistance is open when an applicant is placed on the waiting list for the Palacios PHA's Public Housing

Program, the Palacios PHA shall offer to place the applicant on its waiting list for tenant-based assistance.

- (ii) If the Palacios PHA*s waiting list for its Public Housing Program, is open when an applicant is placed on the waiting list for its tenant-based program, and if the Public Housing Program includes units suitable for the applicant, the Palacios PHA shall offer to place the applicant on its waiting list for the Public Housing Program.

(b) Other housing assistance: Effect of application for, receipt or refusal.

(1) For purposes of this section, 'other housing assistance* means a federal, State or local housing subsidy, as determined by HUD, including Public Housing.

(2) The Palacios PHA may not take any of the following actions because an applicant has applied for, received, or refused other housing assistance:

- (i) Refuse to list the applicant on the Palacios PHA waiting list for tenant-based assistance

- (ii) Deny any admission preference for which the applicant is currently qualified;

- (iii) Change the applicant*s place on the waiting list based on preference, date and time of application, or other factors affecting selection under the Palacios PHA selection policy; or

Remove the applicant from the waiting list, except when the applicant refused such offers of assistance notwithstanding hardship.

(3) Notwithstanding paragraph (b)(2) of this section, the Palacios PHA may remove the applicant from the waiting list for tenant-based assistance if the Palacios PHA has offered the applicant assistance under the Voucher Program.

V. Waiting list: Opening and closing; public notice. (982.206)

(a) Public notice.

(1) When the Palacios PHA opens its waiting list, the Palacios PHA shall give public notice that families may apply for tenant-based assistance. The public notice shall state where and when to apply.

(2) The Palacios PHA shall give the public notice by publication in a local newspaper of general circulation, and also by minority media and other suitable means. The notice shall comply with HUD fair housing requirements.

- (3) The public notice shall state any limitations on who may apply for available slots in the program.
- (b) Criteria defining which families may apply.
- (1) The Palacios PHA may adopt criteria defining which families may apply for assistance under a public notice.
- Example A*
The Palacios PHA decides that applications will only be accepted from families that qualify for local preference.
- Example B*
In admission to the program, the Palacios PHA shall give preference to elderly families, displaced families and displaced persons over other single persons. The Palacios PHA decides that applications from other single persons will not be accepted.
- (2) If the waiting list is open, the Palacios PHA shall accept applications.
- (c) Closing waiting list: If the Palacios PHA determines that the existing waiting list contains an adequate pool for use of available program funding, the Palacios PHA may stop accepting new applications, or may accept only applications meeting criteria adopted by the Housing Authority.

VI. Waiting List: Local preferences in admission (982.207)

The Palacios PHA does not have any local preferences under 24 CFR 982.207.

VII. Consent by assistance applicants and participants. (5.230)

- (a) Required consent by assistance applicants and participants: Each member of the family of an assistance applicant or participant who is at least 18 years of age, and each family head and spouse regardless of age, shall sign one or more consent forms.
- (b) Consent authorization.
 - (1) To whom and when: The assistance applicant shall submit the signed consent forms to the processing entity when eligibility under a covered program is being determined. A participant shall sign and submit consent forms at the next regularly scheduled income reexamination. Assistance applicants and participants shall be responsible for the signing and submitting of consent forms by each applicable family member.
 - (2) Subsequent consent forms-special cases. Participants are required to sign and

submit consent forms at the next interim or regularly scheduled income reexamination under the following circumstances:

- (i) When any person 18 years or older becomes a member of the family;
 - (ii) When a member of the family turns 18 years of age; and
 - (iii) As required by HUD or the Palacios PHA in administrative instructions.
- (c) Consent form-contents: The consent form required by this section shall contain, at a minimum, the following:
- (1) A provision authorizing HUD and the Palacios PHA to obtain from SWICAs any information or materials necessary to complete or verify the application for participation and to maintain continued assistance under a covered program; and
 - (2) A provision authorizing HUD, Palacios PHAs, or the owner responsible for determining eligibility for or the level of assistance to verify with previous or current employers income information pertinent to the assistance applicant*s or participant*s eligibility for or level of assistance under a covered program;
 - (3) A provision authorizing HUD to request income return information from the IRS and the SSA for the sole purpose of verifying income information pertinent to the assistance applicant*s or participant*s eligibility or level of benefits; and
 - (4) A statement that the authorization to release the information requested by the consent form expires 15 months after the date the consent form is signed.

VIII. Penalties for failing to sign consent forms. (5.532)

- (a) Denial or termination of benefits: In accordance with the provisions governing the program involved, if the assistance applicant or participant, or any member of the assistance applicant*s or participant*s family, does not sign and submit the consent form as required in § 5.230, then:
 - (1) The processing entity shall deny assistance to and admission of an assistance applicant;
 - (2) Assistance to, and the tenancy of, a participant may be terminated.
- (b) Cross references. Individuals should consult the regulations and administrative instructions for the programs covered under this subpart B for further information on the use of income information in determinations regarding eligibility.

SECTION 2: ISSUING OR DENYING VOUCHERS

I. Conversion to Voucher Program. (982.502)

- (a) New HAP contracts: On and after October 1, 1999, the Palacios PHA may only enter into a HAP contract for a tenancy under the Voucher Program.
- (b) Voucher tenancy: If the Palacios PHA had entered into any HAP contract for a Voucher tenancy prior to the merger date, on and after the merger date such tenancy shall continue to be considered and treated as a tenancy under the Voucher Program, and shall be subject to the Voucher Program requirements under this part, including calculation of the Voucher Housing Assistance Payment.

II. Family Selection Information (982.301)

- (a) Palacios PHA's briefing of family.
 - (1) When the Palacios PHA selects a family to participate in the tenant-based program, the Palacios PHA shall give the family an oral briefing. The briefing shall include information on the following subjects:
 - (i) A description of how the program works;
 - (ii) Family and owner responsibilities; and
 - (iii) Where the family may lease a unit, including renting a dwelling unit inside or outside the Palacios PHA's jurisdiction.
 - (2) For a family that qualifies to lease a unit outside the Palacios PHA's jurisdiction under portability procedures, the briefing shall include an explanation of how portability works. The Palacios PHA may not discourage the family from choosing to live anywhere in the Palacios PHA's jurisdiction, or outside the Palacios PHA's jurisdiction under portability procedures.
 - (3) If the family is currently living in a high poverty census tract in the Palacios PHA's jurisdiction, the briefing shall also explain the advantages of moving to an area that does not have a high concentration of poor families.
 - (4) In briefing a family that includes any disabled person, the Palacios PHA shall take appropriate steps to ensure effective communication in accordance with.
- (b) Information packet: When a family is selected to participate in the program, the Palacios PHA shall give the family a packet that includes information on the following subjects:
 - (1) The term of the Voucher, and Palacios PHA policy on any extensions or suspensions of

the term, including an explanation of how the family can request an extension;

- (2) How the Palacios PHA determines the amount of the Housing Assistance Payment for a family, including:
 - (i) How the Palacios PHA determines the payment standard for a family; and
 - (ii) How the Palacios PHA determines the total tenant payment for a family.
- (3) How the Palacios PHA determines the maximum rent for an assisted unit;
- (4) Where the family may lease a unit: For a family that qualifies to lease a unit outside the Palacios PHA's jurisdiction under portability procedures, the information packet shall include an explanation of how portability works;
- (5) The HUD-required 'tenancy addendum* that shall be included in the lease;
- (6) The form that the family uses to request Palacios PHA approval of the assisted tenancy, and an explanation of how to request such approval;
- (7) A statement of the Palacios PHA's policy on providing information about a family to prospective owners;
- (8) Palacios PHA subsidy standards, including when the Palacios PHA will consider granting exceptions to the standards;
- (9) The HUD brochure on how to select a unit;
- (10) The HUD-required lead-based paint (LBP) brochure;
- (11) Information on federal, State and local equal opportunity laws, and a copy of the housing discrimination complaint form;
- (12) A list of landlords or other parties known to the Palacios PHA who may be willing to lease a unit to the family, or help the family find a unit;
- (13) Notice that if the family includes a disabled person, the family may request a current listing of accessible units known to the Palacios PHA that may be available;
- (14) Family obligations under the program;
- (15) The grounds on which the Palacios PHA may terminate assistance for a participant family because of family action or failure to act; and
- (16) Palacios PHA informal hearing procedures: This information shall describe when the Palacios PHA is required to give a participant family the opportunity for an informal hearing, and how to

request a hearing.

III. Voucher Issuance (982.302)

- (a) When a family is selected, or when a participant family wants to move to another unit, the Palacios PHA issues a Voucher to the family. The family may search for a unit.
- (b) If the family finds a unit, and the owner is willing to lease the unit under the program, the family may request Palacios PHA approval of the tenancy. The Palacios PHA has the discretion whether to permit the family to submit more than one request a time.
- (c) The family shall submit to the Palacios PHA a request for approval of the tenancy and a copy of the lease, including the HUD-prescribed tenancy addendum. The request shall be submitted during the term of the Voucher.
- (d) The Palacios PHA specifies the procedure for requesting approval of the tenancy. The family shall submit the request for approval of the tenancy in the form and manner required by the Palacios PHA.

IV. Voucher Term (982.303)

- (a) Initial term: The initial term of a Voucher shall be at least 60 calendar days.

The initial term shall be stated on the Voucher.
- (b) Extensions of term.
 - (1) At its discretion the Palacios PHA will grant a family one or more extensions of the initial term in accordance with Palacios PHA policy as described in this Administrative Plan. Except as provided in paragraph (b)(2)(ii) of this section, the initial term plus any extensions may not exceed a total period of 120 calendar days from the beginning of the initial term. Any extension of the term is granted by Palacios PHA notice to the family.
 - (2) If the family needs and requests an extension of the initial Voucher term as a reasonable accommodation, to make the program accessible to and usable by a family member with a disability:
 - (i) The Palacios PHA shall extend the term of the Voucher up to 120 days from the beginning of the initial term;
 - (ii) The HUD field office may approve an additional extension of the term.
- (c) Suspension of term:

The Palacios PHA will suspend Vouchers when the landlord has taken time for repairs and not completed them in the provided time period. The length of the suspension will be the number of days taken by the landlord for making repairs. The length of time will begin on the date of the inspection letter to the landlord and will end on the deadline date stated on the letter or the date the landlord refuses to complete the repairs.

V. Illegal discrimination (982.304)

A family may claim that illegal discrimination because of race, color, religion, sex, national origin, age, familial status or disability prevents the family from finding or leasing a suitable unit with assistance under the program. The Palacios PHA shall give the family information on how to fill out and file a housing discrimination complaint.

VI. Approval of assisted tenancy. (982.305)

(a) Program requirements: The Palacios PHA may not give approval for the family of the assisted tenancy, or execute a HAP contract, until the Palacios PHA has determined that all the following meet program requirements:

- (1) The unit is eligible;
- (2) The unit has been inspected by the Palacios PHA and passes HQS;
- (3) The lease includes the tenancy addendum; and
- (4) The rent to owner is reasonable.

(b) Actions before lease term.

(1) All of the following shall always be completed before the beginning of the initial term of the lease for a unit:

(i) The Palacios PHA has inspected the unit and has determined that the unit satisfies the HQS;

(ii) The landlord and the tenant have executed the lease (including the HUD-prescribed tenancy addendum); and

(iii) The Palacios PHA has approved leasing of the unit in accordance with program requirements.

(2) (i) The Palacios PHA shall inspect the unit, determine whether the unit satisfies the HQS, and notify the family and owner of the determination within fifteen days after the family and the owner submit a request for approval of the tenancy.

- (ii) The fifteen day clock (under paragraph (b)(2)(i)(A) or paragraph (b)(2)(i)(B) of this section) is suspended during any period when the unit is not available for inspection.
- (c) When HAP contract is executed.
 - (1) The Palacios PHA shall use best efforts to execute the HAP contract before the beginning of the lease term. The HAP contract shall be executed no later than 60 calendar days from the beginning of the lease term.
 - (2) The Palacios PHA may not pay any Housing Assistance Payment to the owner until the HAP contract has been executed.
 - (3) If the HAP contract is executed during the period of 60 calendar days from the beginning of the lease term, the Palacios PHA will pay Housing Assistance Payments after execution of the HAP contract (in accordance with the terms of the HAP contract), to cover the portion of the lease term before execution of the HAP contract (a maximum of 60 days).
 - (4) Any HAP contract executed after the 60 day period is void, and the Palacios PHA may not pay any Housing Assistance Payment to the owner.
- (d) Notice to family and owner: After receiving the family*s request for approval of the assisted tenancy, the Palacios PHA shall promptly notify the family and owner whether the assisted tenancy is approved.
- (e) Procedure after Palacios PHA approval: If the Palacios PHA has given approval for the family of the assisted tenancy, the owner and the Palacios PHA execute the HAP contract.

VII. Lease and tenancy (982.308)

- (a) Tenant*s legal capacity to enter lease: The tenant shall have legal capacity to enter a lease under State and local law.
- (b) Owner lease: The tenant and owner shall enter a lease for the unit. The HAP contract shall contain owner*s certification that:
 - (1) The lease between the tenant and the owner is in a standard form used in the locality by the owner and that is generally used for other unassisted tenants in the premises.
 - (2) The terms and conditions of the lease are consistent with State and local law.
- (c) State and local law: The Palacios PHA will not review the lease to determine if the lease complies with State and local law.

- (d) Utilities and appliances: The lease shall specify what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family.
- (e) Reasonable rent: The rent to owner shall be reasonable.
- (f) Tenancy addendum: The HAP contract form required by HUD shall include an addendum (the 'tenancy addendum*'), that set forth tenancy requirements for the program. All provisions of the HUD-required tenancy addendum shall be added word-for-word to the owner's standard form lease that is used by the owner for unassisted tenants. The tenant shall have the right to enforce the tenancy addendum against the owner, and the terms of the tenancy addendum shall prevail over any other provisions of the lease.

VIII. Term of assisted tenancy (982.309)

- (a) Initial term of lease.
 - (1) Except as provided in paragraph (a)(2) of this section, the initial lease term shall be for at least one year.
 - (2) The Palacios PHA may approve a shorter initial lease term if the Palacios PHA determines that:
 - (i) Such shorter term would improve housing opportunities for the tenant; and
 - (ii) Such shorter term is the prevailing local market practice.
 - (3) During the initial term of the lease, the owner may not raise the rent to owner.
 - (4) The Palacios PHA may execute the HAP contract even if there is less than one year remaining from the beginning of the initial lease term to the end of the last expiring funding increment under the consolidated ACC.
- (b) Term of HAP contract.
 - (1) The term of the HAP contract begins on the first day of the lease term and ends on the last day of the lease term.
 - (2) The HAP contract terminates if any of the following occurs:
 - (i) The lease is terminated by the owner or the tenant;
 - (ii) The Palacios PHA terminates the HAP contract; or

- (iii) The Palacios PHA terminates assistance for the family.
- (c) Family responsibility.
 - (1) If the family terminates the lease on notice to the owner, the family shall give the Palacios PHA a copy of the notice of termination at the same time. Failure to do this is a breach of family obligations under the program.
 - (2) The family shall notify the Palacios PHA and the owner before the family moves out of the unit. Failure to do this is a breach of family obligations under the program.

IX. Owner termination of tenancy (982.310)

- (a) Grounds. During the term of the lease, the owner may not terminate the tenancy except on the following grounds:
 - (1) Serious violation (including but not limited to failure to pay rent or other amounts due under the lease) or repeated violation of the terms and conditions of the lease;
 - (2) Violation of federal, State, or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or
 - (3) Other good cause.
- (b) Nonpayment by Palacios PHA: Not grounds for termination of tenancy.
 - (1) The family is not responsible for payment of the portion of the rent to owner covered by the Housing Assistance Payment under the HAP contract between the owner and the Palacios PHA.
 - (2) The Palacios PHA's failure to pay the Housing Assistance Payment to the owner is not a violation of the lease between the tenant and the owner. During the term of the lease the owner may not terminate the tenancy of the family for nonpayment of the Palacios PHA's Housing Assistance Payment.
- (c) Criminal activity: Any of the following types of criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control shall be cause for termination of tenancy:
 - (1) Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents;

(2) Any criminal activity that threatens the health, safety or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises; or

(3) Any drug-related criminal activity on or near the premises.

(d) Other good cause.

(1) 'Other good cause* for termination of tenancy by the owner may include, but is not limited to, any of the following examples:

(i) Failure by the family to accept the offer of a new lease or revision

(ii) A family history of disturbance of neighbors or destruction of property, or of living or housekeeping habits resulting in damage to the unit or premises;

(iii) The owner*s desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or

(iv) A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rental).

(2) During the initial lease term, the owner may not terminate the tenancy for 'other good cause*', unless the owner is terminating the tenancy because of something the family did or failed to do. For example, during this period, the owner may not terminate the tenancy for 'other good cause* based on any of the following grounds: failure by the family to accept the offer of a new lease or revision; the owner*s desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or a business or economic reason for termination of the tenancy (see paragraph (d)(1)(iv) of this section).

(e) Owner notice.--

(1) Notice of grounds.

(i) The owner shall give the tenant a written notice that specifies the grounds for termination of tenancy. The notice of grounds shall be given at or before commencement of the eviction action.

(ii) The notice of grounds may be included in, or may be combined with, any owner eviction notice to the tenant.

(2) Eviction notice.

- (i) Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used under State or local law to commence an eviction action.
 - (ii) The owner shall give the Palacios PHA a copy of any owner eviction notice to the tenant.
- (f) Eviction by court action. The owner may only evict the tenant from the unit by instituting a court action.

X. Paying Assistance (982.311)

- (a) Payments under HAP contract. Housing Assistance Payments are paid to the owner in accordance with the terms of the HAP contract. Housing Assistance Payments may only be paid to the owner during the lease term, and while the family is residing in the unit.
- (b) Termination of payment: When owner terminates the lease. Housing Assistance Payments terminate when the lease is terminated by the owner in accordance with the lease. However, if the owner has commenced the process to evict the tenant, and if the family continues to reside in the unit, the Palacios PHA shall continue to make Housing Assistance Payments to the owner in accordance with the HAP contract until the owner has obtained a court judgment or other process allowing the owner to evict the tenant. The Palacios PHA shall continue such payments until the family moves from or is evicted from the unit, provided the owner is following the eviction procedure in a timely manner.
- (c) Termination of payment: Other reasons for termination. Housing Assistance Payments terminate if:
 - (1) The lease terminates
 - (2) The HAP contract terminates; or
 - (3) The Palacios PHA terminates assistance for the family.
- (d) Family move-out.
 - (1) If the family moves out of the unit, the Palacios PHA may not make any Housing Assistance Payment to the owner for any month after the month when the family moves out. The owner may keep the Housing Assistance Payment for the month when the family moves out of the unit.
 - (2) If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin

during the month the family moves out of the first assisted unit. Overlap of the last Housing Assistance Payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit, is not considered to constitute a duplicative housing subsidy.

XI. Security deposit (982.313)

- (a) The owner may collect a security deposit from the tenant.
- (b) The Palacios PHA will prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

XII. Leasing under tenant-based assistance. (982.353)

- (a) Assistance in the initial Palacios PHA jurisdiction: The family may receive tenant-based assistance to lease a unit located anywhere in the jurisdiction (as determined by State and local law) of the initial Palacios PHA. HUD may nevertheless restrict the family's right to lease such a unit anywhere in such jurisdiction if HUD determines that limitations on a family's opportunity to select among available units in that jurisdiction are appropriate to achieve desegregation goals in accordance with obligations generated by a court order or consent decree.
- (b) Portability: Assistance outside the initial Palacios PHA's jurisdiction. Subject to paragraph (c) of this section, and Section 1, a voucher-holder or participant family has the right to receive tenant-based Voucher assistance in accordance with requirements of this part to lease a unit outside the Palacios PHA's jurisdiction, anywhere in the United States, in the jurisdiction of another PHA with a tenant-based program under this part. The Palacios PHA shall not provide such portable assistance for a participant if the family has moved out of its assisted unit in violation of the lease.
- (c) Nonresident applicants.
 - (1) This paragraph (c) applies if neither the household head or spouse of an assisted family already had a 'domicile' (legal residence) in the jurisdiction of the Palacios PHA at the time when the family first submitted an application for participation in the program to the Palacios PHA.
 - (2) The following apply during the 12 month period from the time when a family described in paragraph (c)(1) of this section is admitted to the program:
 - (i) The family may lease a unit anywhere in the jurisdiction of the Palacios PHA;
 - (ii) The family does not have any right to portability;
 - (iii) The Palacios PHA may choose to allow portability during this period.

- (3) If both the Palacios PHA and a receiving PHA agree, the family may lease a unit outside the Palacios PHA jurisdiction under portability procedures.
- (d) Income eligibility.
- (1) For admission to the program, a family shall be income eligible in the area where the family initially leases a unit with assistance under the program.
 - (2) If a portable family is a participant in the Palacios PHA Section 8 tenant-based program, income eligibility is not redetermined when the family moves to the receiving PHA program under portability procedures.
 - (3) Except as provided in paragraph (d)(2) of this section, a portable family shall be income eligible for admission to the Voucher Program in the area where the family leases a unit under portability procedures.
- (e) Leasing in-place: If the dwelling unit is approvable, a family may select the dwelling unit occupied by the family before selection for participation in the program.
- (f) Freedom of choice: The Palacios PHA may not directly or indirectly reduce the family's opportunity to select among available units except as provided in paragraph (a) of this section, or elsewhere in this part 982 (e.g. prohibition on use of ineligible housing, housing not meeting HQS, or housing for which the rent to owner exceeds a reasonable rent).

XIII. Portability: Administration by Receiving PHA (982.355)

- (a) When a family moves under portability to an area outside the Palacios PHA jurisdiction, another PHA (the 'receiving PHA*') shall administer assistance for the family if a PHA with a tenant-based program has jurisdiction in the area where the unit is located.
 - (b) In the conditions described in paragraph (a) of this section, a PHA with jurisdiction in the area where the family wants to lease a unit shall issue a Voucher to the family. If there is more than one such PHA, the Palacios PHA may choose the receiving PHA.
- (C) Portability procedures.
- (1) The receiving PHA does not redetermine eligibility for a portable family that was already receiving assistance in the Palacios PHA Voucher Program. However, for a portable family that was not already receiving assistance in the PHA tenant-based program, the Palacios PHA shall determine whether the family is eligible for admission to the receiving PHA Voucher Program.
 - (2) The Palacios PHA shall advise the family how to contact and request

assistance from the receiving PHA. The Palacios PHA shall promptly notify the receiving PHA to expect the family.

- (3) The family shall promptly contact the receiving PHA, and comply with receiving PHA procedures for incoming portable families.
 - (4) The Palacios PHA shall give the receiving PHA the most recent HUD Form 50058 (Family Report) for the family, and related verification information. If the receiving PHA opts to conduct a new reexamination, the receiving PHA may not delay issuing the family a Voucher or otherwise delay approval of a unit unless the recertification is necessary to determine income eligibility.
 - (5) When the portable family requests assistance from the receiving PHA, the receiving PHA shall promptly inform the Palacios PHA whether the receiving PHA will bill the Palacios PHA for assistance on behalf of the portable family, or will absorb the family into its own program.
 - (6) The receiving PHA shall issue a Voucher to the family. The term of the receiving PHA Voucher may not expire before the expiration date of any Palacios PHA Voucher. The receiving PHA shall determine whether to extend the Voucher term. The family shall submit a request for approval of the tenancy to the receiving PHA during the term of the receiving PHA Voucher.
 - (7) The receiving PHA shall determine the family unit size for the portable family. The family unit size is determined in accordance with the subsidy standards of the receiving PHA.
 - (8) The receiving PHA shall promptly notify the Palacios PHA if the family has leased an eligible unit under the program, or if the family fails to submit a request for approval of the tenancy for an eligible unit within the term of the Voucher.
 - (9) To provide tenant-based assistance for portable families, the receiving PHA shall perform all program functions, such as reexaminations of family income and composition. At any time, either the Palacios PHA or the receiving PHA may make a determination to deny or terminate assistance to the family in accordance with Section 2.
- (d) Absorption by the receiving PHA.
- (1) If funding is available under the consolidated ACC for the receiving PHA Voucher Program when the portable family is received, the receiving PHA may absorb the family into the receiving PHA Voucher Program. After absorption, the family is assisted with funds available under the consolidated ACC for the receiving PHA tenant-based program.
 - (2) HUD may require that the receiving PHA absorb all or a portion of the portable

families.

(e) Portability Billing.

- (1) To cover assistance for a portable family, the receiving PHA may bill the Palacios PHA for Housing Assistance Payments and administrative fees. This paragraph (e) describes the billing procedure.
- (2) The Palacios PHA shall promptly reimburse the receiving PHA for the full amount of the Housing Assistance Payments made by the receiving PHA for the portable family. The amount of the Housing Assistance Payment for a portable family in the receiving PHA program is determined in the same manner as for other families in the receiving PHA program.
- (3) The Palacios PHA shall promptly reimburse the receiving PHA for 80 percent of the Palacios PHA on-going administrative fee for each unit month that the family receives assistance under the tenant-based programs from the receiving PHA. If both PHA*s agree, the PHA*s may negotiate a different amount of reimbursement.
- (4) HUD may reduce the administrative fee to an initial or receiving PHA if the PHA does not comply with HUD portability requirements.
- (5) In administration of portability, the Palacios PHA and the receiving PHA shall comply with financial procedures required by HUD, including the use of HUD-required billing forms. The Palacios PHA and receiving PHA shall comply with billing and payment deadlines under the financial procedures.
- (6) PHAs shall manage the PHA tenant-based program in a manner that ensures that the PHAs have the financial ability to provide assistance for families that move out of the Palacios PHA program under the portability procedures that have not been absorbed by the receiving PHA, as well as for families that remain in the Palacios PHA program.
- (7) When a portable family moves out of the tenant-based program of a receiving PHA that has not absorbed the family, the PHA in the new jurisdiction to which the family moves becomes the receiving PHA, and the first receiving PHA is no longer required to provide assistance for the family.

(f) Portability funding.

- (1) HUD may transfer funds for assistance to portable families to the receiving PHA from funds available under the Palacios PHAs ACC.
- (2) HUD may provide additional funding (e.g., funds for incremental units) to the Palacios PHA for funds transferred to a receiving PHA for portability purposes.

- (3) HUD may provide additional funding (e.g., funds for incremental units) to the receiving PHA for absorption of portable families.
- (4) HUD may require the receiving PHA to absorb portable families.

XIV. Participant Obligations (982.551)

- (a) Purpose: This section states the obligations of a participant family under the program.
- (b) Supplying required information:
 - (1) The family shall supply any information that the Palacios PHA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status. 'Information' includes any requested certification, release or other documentation.
 - (2) The family shall supply any information requested by the Palacios PHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
 - (3) The family shall disclose and verify social security numbers (as provided by part 5, subpart B, of this title) and shall sign and submit consent forms for obtaining information in accordance with part 5, subpart B, of this title.
 - (4) Any information supplied by the family shall be true and complete.
- (c) HQS breach caused by family: The family is responsible for an HQS breach caused by the family.
 - (d) Allowing Palacios PHA inspection: The family shall allow the Palacios PHA to inspect the unit at reasonable times and after reasonable notice.
 - (e) Violation of lease: The family may not commit any serious or repeated violation of the lease.
 - (f) Family notice of move or lease termination: The family shall notify the Palacios PHA and the owner before the family moves out of the unit, or terminates the lease on notice to the owner.
 - (g) Owner eviction notice: The family shall promptly give the Palacios PHA a copy of any owner eviction notice.
 - (h) Use and occupancy of unit-

- (1) The family shall use the assisted unit for residence by the family. The unit shall be the family's only residence.
 - (2) The composition of the assisted family residing in the unit shall be approved by the Palacios PHA. The family shall promptly inform the Palacios PHA of the birth, adoption or court-awarded custody of a child. The family shall request Palacios PHA approval to add any other family member as an occupant of the unit. No other person, example: nobody but members of the assisted family may reside in the unit (except for a foster child or live-in aide as provided in paragraph (h)(4) of this section).
 - (3) The family shall promptly notify the Palacios PHA if any family member no longer resides in the unit.
 - (4) If the Palacios PHA has given approval, a foster child or a live-in-aide may reside in the unit. The Palacios PHA has the discretion to adopt reasonable policies concerning residence by a foster child or a live-in-aide, and defining when Palacios PHA consent may be given or denied.
 - (5) Members of the household may engage in legal profit making activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family.
 - (6) The family shall not sublease or let the unit.
 - (7) The family shall not assign the lease or transfer the unit.
- (i) **Absence from unit:** The family shall supply any information or certification requested by the Palacios PHA to verify that the family is living in the unit, or relating to family absence from the unit, including any Palacios PHA-requested information or certification on the purposes of family absences. The family shall cooperate with the Palacios PHA for this purpose. The family shall promptly notify the Palacios PHA of absence from the unit.
 - (j) **Interest in unit:** The family shall not own or have any interest in the unit.
 - (k) **Fraud and other program violation:** The members of the family shall not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.
 - (l) **Crime by family members:** The members of the family may not engage in drug-related criminal activity, or violent criminal activity.
 - (m) **Other housing assistance:** An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

XV. Denial or termination of assistance (982.552)

(a) Action or inaction by family.-

- (1) The Palacios PHA will deny assistance for an applicant or terminate assistance for a participant under the programs because of the family*s action or failure to act as described in this section. The provisions of this section do not affect denial or termination of assistance for grounds other than action or failure to act by the family.
- (2) Denial of assistance for an applicant will include any or all of the following: denying listing on the Palacios PHA waiting list, denying or withdrawing a Voucher, refusing to enter into a HAP contract or approve a lease, and refusing to process or provide assistance under portability procedures.
- (3) Termination of assistance for a participant will include any or all of the following: refusing to enter into a HAP contract or approve a lease, terminating Housing Assistance Payments under an outstanding HAP contract, and refusing to process or provide assistance under portability procedures.

(b) Requirement to deny admission or terminate assistance.

- (1) During a three year period as determined by the Palacios PHA, the Palacios PHA will not admit a family to the program if any member of the family has been evicted from federally assisted housing for serious violation of the lease.
- (2) The Palacios PHA shall terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease.
- (3) The Palacios PHA shall deny admission to the program for an applicant, or terminate program assistance for a participant, if any member of the family fails to sign and submit consent forms for obtaining information in accordance with part 5, subpart B and F of this title.
- (4) The family shall submit required evidence of citizenship or eligible immigration status. See part 5 of this title for a statement of circumstances in which the Palacios PHA shall deny admission or terminate program assistance because a family member does not establish citizenship or eligible immigration status, and the applicable informal hearing procedures.

(c) Authority to deny admission or terminate assistance.

- (1) Grounds for denial or termination of assistance: The Palacios PHA will deny program assistance for an applicant, or terminate program assistance for a participant, for any of the

following grounds:

- (a) If the family violates any family obligations under the program.
- (b) If any member of the family has ever been evicted from Public Housing.
- (c) If a Palacios PHA has ever terminated assistance under the program for any member of the family.
- (d) If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program.
- (e) If the family currently owes rent or other amounts to the Palacios PHA or to another PHA in connection with Section 8 or Public Housing assistance under the 1937 Act.
- (f) If the family has not reimbursed the Palacios PHA or any other PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

If the family breaches an agreement with the Palacios PHA to pay amounts owed to the Palacios PHA, or amounts paid to an owner by the Palacios PHA. (The Palacios PHA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to the Palacios PHA or amounts paid to an owner by the Palacios PHA. The Palacios PHA may prescribe the terms of the agreement.)

- (h) If a family participating in the FSS Program fails to comply, without good cause, with the family*s FSS contract of participation.
- (i) If the family has engaged in or threatened abusive or violent behavior toward Palacios PHA personnel.
- (j) If the family fails to fulfill its obligations under the Section 8 Welfare-to-Work Voucher Program.

(2) Palacios PHA discretion to consider circumstances: In deciding whether to deny admission or terminate assistance because of action or failure to act by members of the family, the Palacios PHA has discretion to consider all of the circumstances in each case, including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

(3) Exclusion of family members. In determining whether to deny admission or terminate assistance, the Palacios PHA may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in or were culpable for the action or failure will not reside in the

unit. The Palacios PHA may permit the other members of a participant family to continue receiving assistance.

- (d) Information for family: The Palacios PHA shall give the family a written description of:
 - (1) Family obligations under the program.
 - (2) The grounds on which the Palacios PHA will deny or terminate assistance because of family action or failure to act.
 - (3) The Palacios PHA informal hearing procedures.

XVI. Crime by family members. (982.553)

a) At any time, the Palacios PHA will deny assistance to an applicant, or terminate assistance to a participant family if any member of the family commits:

- (1) Drug-related criminal activity; or
- (2) Violent criminal activity.

(b) If the Palacios PHA seeks to deny or terminate assistance because of illegal use, or possession for personal use, of a controlled substance, such use or possession shall have occurred within one year before the date that the Palacios PHA provides notice to the family of the Palacios PHA determination to deny or terminate assistance. The Palacios PHA may not deny or terminate assistance for such use or possession by a family member, if the family member can demonstrate that he or she:

- (1) Has an addiction to a controlled substance, has a record of such an impairment, or is regarded as having such an impairment; and
- (2) Is recovering, or has recovered from, such addiction and does not currently use or possess controlled substances. The Palacios PHA may require a family member who has engaged in the illegal use of drugs to submit evidence of participation in, or successful completion of, a treatment program as a condition to being allowed to reside in the unit.

- (c) Evidence of criminal activity. In determining whether to deny or terminate assistance based on drug-related criminal activity or violent criminal activity, the Palacios PHA may deny or terminate assistance if the preponderance of evidence indicates that a family member has engaged in such activity, regardless of whether the family member has been arrested or convicted.

SECTION 3 SPECIAL RULES FOR SPECIAL PURPOSE FUNDING

Any use of funding for special purposes, (e.g. desegregation), including funding for specified families or a specified category of families, will be used in accordance with:

- (a) Any written HUD regulation;
- (b) Any state or local law;
- (c) Palacios PHA Board approval.

SECTION 4 OCCUPANCY POLICIES

I. Family income and composition: Regular and interim examinations. (982.516)

- (a) Palacios PHA responsibility for reexamination and verification.
 - (1) The Palacios PHA*s responsibilities for reexamining family income and composition are specified in 24 CFR part 5, subpart F.
 - (2) The Palacios PHA shall obtain and document in the tenant file third party verification of the following factors, or shall document in the tenant file why third party verification was not available:
 - (i) Reported family annual income
 - (ii) The value of assets;
 - (iii) Expenses related to deductions from annual income; and
 - (iv) Other factors that affect the determination of adjusted income.
- (b) Accuracy of family income data: The Palacios PHA shall establish procedures that are appropriate and necessary to assure that income data provided by applicant or participant families is complete and accurate.

II Minimum rent and hardships (5.616)

- (a) The Palacios PHA establishes a minimum rent of \$50.
- (b) The Palacios PHA will grant an exemption from payment of this minimum rent if the family is unable to pay that rent as a result of financial hardship, as described below.
 - (1) Financial hardship: The financial hardships that shall be included are the following:
 - (i) When the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State, or local assistance program;

- (ii) When the family would be evicted as a result of the imposition of the minimum rent requirement;
- iii) When the income of the family has decreased because of changed circumstances, including loss of employment;
- (iv) When a death has occurred in the family; and
- (v) Other circumstances determined by the Palacios PHA or HUD.

(2) Request for hardship exemption.

(i) For Section 8 Voucher Program.

- (A) If a family requests a hardship exemption, the responsible entity shall suspend the minimum rent requirement beginning the month following the family's hardship request until the responsible entity determines whether there is a qualifying financial hardship and whether it is temporary or long term.
- (B) If the Palacios PHA determines there is a qualifying financial hardship, but that it is temporary, the Palacios PHA may not impose a minimum rent for a period of 90 days from the date of the family's request. At the end of the 90-day suspension period, a minimum rent is imposed retroactively to the time of suspension. The family shall be offered a responsible repayment agreement for the amount of back rent owed.

(ii) For all programs.

- (A) If the Palacios PHA determines there is no qualifying hardship exemption, the Palacios PHA will reinstate the minimum rent including the back payment for minimum rent from the time of suspension on terms and conditions established by the Palacios PHA.
- (B) If the Palacios PHA determines there is a qualifying long-term financial hardship, the responsible entity shall exempt the family from the minimum rent requirements.

III. Utility allowance schedule. (982..517)

(a) Maintaining schedule.

- (1) The Palacios PHA shall maintain a utility allowance schedule for all tenant-paid utilities (except telephone), for cost of tenant-supplied refrigerators and ranges, and for other tenant-paid housing services (e.g., trash collection (disposal of

waste and refuse)).

- (2) The Palacios PHA shall give HUD a copy of the utility allowance schedule. At HUD's request, the Palacios PHA also shall provide any information or procedures used in preparation of the schedule.

(b) How allowances are determined.

- (1) The utility allowance schedule shall be determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, the Palacios PHA shall use normal patterns of consumption for the community as a whole and current utility rates.
- (2) The Palacios PHA's utility allowance schedule, and the utility allowance for an individual family, shall include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards. However, the Palacios PHA may not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.
- (3) In the utility allowance schedule, the Palacios PHA shall classify utilities and other housing services according to the following general categories: space heating; air conditioning; cooking; water heating; water; sewer; trash collection (disposal of waste and refuse); other electric; refrigerator (cost of tenant-supplied refrigerator); range (cost of tenant-supplied range); and other specified housing services. The Palacios PHA shall provide a utility allowance for tenant-paid air-conditioning costs if the majority of housing units in the market provide centrally air-conditioned units or there is appropriate wiring for tenant-installed air conditioners.

- (4) The cost of each utility and housing service category shall be stated separately. For each of these categories, the utility allowance schedule shall take into consideration unit size (by number of bedrooms), and unit types (e.g., apartment, row-house, town house, single-family detached, and manufactured housing) that are typical in the community.

- (5) The utility allowance schedule shall be prepared and submitted in accordance with HUD requirements on the form prescribed by HUD.

(c) Revisions of utility allowance schedule.

- (1) The Palacios PHA shall review its schedule of utility allowances each year, and shall revise its allowance for a utility category if there has been a change of 10 percent or more in the utility rate since the last time the utility allowance schedule was revised. The Palacios PHA shall maintain information supporting its annual review of utility allowances and any revisions made in its utility allowance schedule.

- (2) At HUD*s direction, the Palacios PHA shall revise the utility allowance schedule to correct any errors, or as necessary to update the schedule.
- (d) Use of utility allowance schedule.
 - (1) The Palacios PHA shall use the appropriate utility allowance for the size of dwelling unit actually leased by the family (rather than the family unit size as determined under the Palacios PHA subsidy standards).
 - (2) At reexamination, the Palacios PHA shall use the current utility allowance schedule.
- (e) Higher utility allowance as reasonable accommodation for a person with disabilities. On request from a family that includes a person with disabilities, the Palacios PHA shall approve a utility allowance which is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation in accordance with 24 CFR part 8 to make the program accessible to and usable by the family member with a disability.

IV. Calculating housing assistance payment (982.505)

- (a) Use of payment standard: A payment standard is used to calculate the monthly Housing Assistance Payment for a family. The ‘payment standard* is the maximum monthly subsidy payment.
- (b) Amount of monthly Housing Assistance Payment: The Palacios PHA shall pay a monthly Housing Assistance Payment on behalf of the family that is equal to the lower of:
 - (1) The payment standard minus the total tenant payment; or
 - (2) The gross rent minus the total tenant payment.
- (c) Payment standard for family.
 - (1) The payment standard is the lower of:
 - (i) The payment standard amount for the family unit size; or
 - (ii) The payment standard amount for the size of the dwelling unit rented by the family.
 - (2) If the dwelling unit is located in an exception area, the Palacios PHA shall use the appropriate payment standard amount for the exception area.

- (3) During the HAP contract term, the payment standard for a family is the higher of:
- (i) The initial payment standard (at the beginning of the HAP contract term), as determined in accordance with paragraphs (c)(1) and (c)(2) of this section, minus any amount by which the initial rent to owner exceeds the current rent to owner; or
 - (ii) The payment standard, as determined in accordance with paragraphs (c)(1) and (c)(2) of this section, as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.
- 4) At the next regular reexamination following a change in family size or composition that causes a change in family unit size during the HAP contract term, and for any examination thereafter during the term:
- (i) Paragraph (c)(3)(i) of this section does not apply; and
 - (ii) The new family unit size shall be used to determine the payment standard.

**SECTION 5 ENCOURAGING PARTICIPATION BY OWNERS OF
SUITABLE UNITS LOCATED OUTSIDE AREAS OF
LOW INCOME OR MINORITY CONCENTRATION**

Advertisements in the newspaper and on the radio will be made as well as contacts by phone or personal visits to inform the real estate community about the availability of funding for program participants. Landlords or property owners will be encouraged to call our office and list any available rental property they would consider putting on the Section 8 Program.

**SECTION 6 ASSISTING A FAMILY THAT CLAIMS THAT ILLEGAL
DISCRIMINATION T**

Illegal discrimination: Palacios PHA assistance to family. *(982.304)*

A family may claim that illegal discrimination because of race, color, religion, sex, national origin, age, familial status or disability prevents the family from finding or leasing a suitable unit with assistance under the program. The Palacios PHA shall give the family information on how to fill out and file a housing discrimination complaint.

SECTION 7 PROVIDING INFORMATION ABOUT A FAMILY TO PROSPECTIVE OWNERS

The Palacios PHA shall give the owner the following information about the tenant::

- (a) The family*s current and prior address (as shown in the Palacios PHA records); and
- (b) The name and address (if known to the Palacios PHA) of the landlord at the family*s current and prior address.

SECTION 8 DISAPPROVAL OF OWNERS

Palacios PHA disapproval of owner. (982.306)

- (a) The Palacios PHA shall not approve an assisted tenancy if the Palacios PHA has been informed (by HUD or otherwise) that the owner is debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.
- (b) When directed by HUD, the Palacios PHA shall not approve an assisted tenancy if:
 - (1) The federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements, and such action is pending; or
 - (2) A court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.
- (C) In its Administrative discretion, the Palacios PHA will deny approval to lease a unit from an owner for any of the following reasons:
 - (1) The owner has violated obligations under a Housing Assistance Payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f);
 - (2) The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
 - (3) The owner has engaged in any drug-related criminal activity or any violent criminal activity;
 - (4) The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs, or with applicable housing standards for units leased with Section 8 assistance or leased under any other federal housing program;
 - (5) The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
 - (i) Threatens the right to peaceful enjoyment of the premises by other residents*

- (ii) Threatens the health or safety of other residents, of employees of the Palacios PHA, or of owner employees or other persons engaged in management of the housing;
- (iii) Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or
- (iv) Is engaged in drug-related criminal activity or violent criminal activity; or
- (6) The owner has a history or practice of renting units that fail to meet State or local housing codes; or
- (7) The owner has not paid State or local real estate taxes, fines or assessments.
- (d) The Palacios PHA shall not approve a unit if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless the Palacios PHA determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities.
- (e) Nothing in this rule is intended to give any owner any right to participate in the program.
- (f) For purposes of this section, 'owner*' includes a principal or other interested party.

SECTION 9 SUBSIDY STANDARDS

Subsidy standards. (982.402)

- (a) Purpose.
 - (1) The Palacios PHA shall establish subsidy standards that determine the number of bedrooms needed for families of different sizes and compositions.
 - (2) For each family, the Palacios PHA determines the appropriate number of bedrooms under the Palacios PHA subsidy standards (family unit size).
 - (3) The family unit size number is entered on the Voucher issued to the family. The Palacios PHA issues the family a Voucher for the family unit size when a family is selected for participation in the program.
- (b) Determining family unit size. The following requirements apply when the Palacios PHA determines family unit size under the Palacios PHA subsidy standards:
 - (1) The subsidy standards shall provide for the smallest number of bedrooms needed to house a family without overcrowding.

- (2) The subsidy standards shall be consistent with space requirements under the housing quality standards.
 - (3) The subsidy standards shall be applied consistently for all families of like size and composition.
 - (4) A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size.
 - (5) A family that consists of a pregnant woman (with no other persons) shall be treated as a two-person family.
 - (6) Any live-in aide (approved by the Palacios PHA to reside in the unit to care for a family member who is disabled or is at least 50 years of age) shall be counted in determining the family unit size;
 - (7) Unless a live-in-aide resides with the family, the family unit size for any family consisting of a single person shall be either a zero or one-bedroom unit, as determined under the Palacios PHA subsidy standards.
 - (8) In determining family unit size for a particular family, the Palacios PHA may grant an exception to its established subsidy standards if the Palacios PHA determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances. (For a single person other than a disabled or elderly person or remaining family member, such Palacios PHA exception may not override the limitation in paragraph (b)(7) of this section.)
- (c) Effect of family unit size: maximum subsidy in Voucher Program. The family unit size as determined for a family under the Palacios PHA subsidy standard is used to determine the maximum rent subsidy for a family assisted in the Voucher Program. For a Voucher tenancy, the Palacios PHA establishes payment standards by number of bedrooms. The payment standard for a family shall be the lower of:
- (1) The payment standard amount for the family unit size; or
 - (2) The payment standard amount for the unit size of the unit rented by the family.
- (d) Size of unit occupied by family.
- (1) The family may lease an otherwise acceptable dwelling unit with fewer bedrooms than the family unit size. However, the dwelling unit shall meet the applicable HQS space requirements.
 - (2) The family may lease an otherwise acceptable dwelling unit with more bedrooms than

the family unit size.

Voucher Bedroom Size	Min. No. In Household	Max. No. in Household
0 - Bedroom	1	2
1 - Bedroom	1	2
2 - Bedroom	2	4
3 - Bedroom	3	6
4 - Bedroom	4	8
5 - Bedroom	5	10

- (e) The HQS rule for no more than 2 persons per living sleeping room will be followed. The following criteria will be used in accordance with the occupancy guidelines:
- (1) The bedroom size assigned will not require persons of the opposite sex other than husband and wife to occupy the same bedroom with the exception of infants and very young children under the age of three (3).
 - (2) A two bedroom unit may be used by a two member family which consists of a single parent and child (over the age of three) or by a couple who, due to medical reasons shall have separate bedrooms, as approved by the Palacios PHA.

Live-in aide. (982.316)

- (a) A family that consists of one or more elderly, near-elderly or disabled persons may request that the Palacios PHA approve a live-in aide to reside in the unit and provide necessary supportive services for a family member who is a person with disabilities. The Palacios PHA shall approve a live-in aide if needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability.
- (b) At any time, the Palacios PHA may refuse to approve a particular person as a live-in aide, or may withdraw such approval, if:
 - (1) The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
 - (2) The person commits drug-related criminal activity or violent criminal activity; or
 - (3) The person currently owes rent or other amounts to the Palacios PHA or to another Palacios PHA in connection with Section 8 or Public Housing assistance under the 1937 Act.

SECTION 10 FAMILY ABSENCE FROM THE DWELLING UNIT . (982.312)

- (a) The family may be absent from the unit for brief periods, not to exceed fourteen days

without proper notice to the Palacios PHA. For longer absences, the family may not be absent from the unit for a period of more than 90 consecutive calendar days in any circumstance, or for any reason.

- (b) Housing Assistance Payments terminate if the family is absent for longer than the maximum period permitted. The term of the HAP contract and assisted lease also terminate. (The owner shall reimburse the Palacios PHA for any Housing Assistance Payment for the period after the termination.)
- (c) Absence means that no member of the family is residing in the unit.
 - (1) The family shall supply any information or certification requested by the Palacios PHA to verify that the family is residing in the unit, or relating to family absence from the unit. The family shall cooperate with the Palacios PHA for this purpose. The family shall promptly notify the Palacios PHA of absence from the unit, including any information requested on the purposes of family absences.
 - (2) The Palacios PHA may adopt appropriate techniques to verify family occupancy or absence, including letters to the family at the unit, phone calls, visits or questions to the landlord or neighbors.

SECTION 11 DETERMINING FAMILY REMAINDERS AFTER FAMILY BREAK UP

(982.3 15)

- (a) For a family with children;

The family member who will be responsible for children will remain on the program with continued assistance. If both head and spouse have custody of the children from previous marriages, the person who receives continued assistance shall be decided by the head and spouse prior to program participation.

- (b) For a couple without children;

The person who receives continued assistance shall be decided prior to program participation.

- (c) If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, the Palacios PHA is bound by the court's determination of which family members continue to receive assistance in the program.

SECTION 12 INFORMAL REVIEW PROCEDURES FOR APPLICANTS

Informal review for applicant. *(982.554)*

- (a) Notice to applicant. The Palacios PHA shall give an applicant for participation prompt notice of a decision denying assistance to the applicant. The notice shall contain a brief statement of the reasons for the Palacios PHA decision. The notice shall also state that the applicant may request an informal review of the decision and shall describe how to obtain the informal review.
- (b) Informal review process. The Palacios PHA shall give an applicant an opportunity for an informal review of the Palacios PHA decision denying assistance to the applicant. This Administrative Plan shall state the Palacios PHA procedures for conducting an informal review. The Palacios PHA review procedures shall comply with the following:
 - (1) The review may be conducted by any person or persons designated by the Palacios PHA, other than a person who made or approved the decision under review or a subordinate of this person.
 - (2) The applicant shall be given an opportunity to present written or oral objections to the Palacios PHA decision.
 - (3) The Palacios PHA shall notify the applicant of the Palacios PHA final decision after the informal review, including a brief statement of the reasons for the final decision.
- (c) When informal review is not required. The Palacios PHA is not required to provide the applicant an opportunity for an informal review for any of the following:
 - (1) Discretionary administrative determinations by the Palacios PHA.
 - (2) General policy issues or class grievances.
 - (3) A determination of the family unit size under the Palacios PHA subsidy standards.
 - (4) A Palacios PHA determination not to approve an extension or suspension of a Voucher term.
 - (5) A Palacios PHA determination not to grant approval of the tenancy.
 - (6) A Palacios PHA determination that a unit selected by the applicant is not in compliance with HQS
 - (7) A Palacios PHA determination that the unit is not in accordance with HQS because of the family size or composition.
- (d) Restrictions on assistance for noncitizens. The informal hearing provisions for the denial of assistance on the basis of ineligible immigration status are contained in 24 CFR part 5.

SECTION 13 INFORMAL HEARING PROCEDURES FOR PARTICIPANTS

Informal hearing for participant. (982.555)

- (a) When hearing is required.-
 - (1) The Palacios PHA shall give a participant family an opportunity for an informal hearing to consider whether the following Palacios PHA decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations and Palacios PHA policies:
 - (i) A determination of the family*s annual or adjusted income, and the use of such income to compute the Housing Assistance Payment.
 - (ii) A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the Palacios PHA utility allowance schedule.
 - (iii) A determination of the family unit size under the Palacios PHA subsidy standards.
 - (iv) A determination that a Certificate Program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the Palacios PHA subsidy standards, or the Palacios PHA determination to deny the family*s request for an exception from the standards.
 - (v) A determination to terminate assistance for a participant family because of the family*s action or failure to act.
 - (vi) A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under Palacios PHA policy and HUD rules.
 - (2) In the cases described in paragraphs (a)(1)(iv), (v) and (vi) of this section, the Palacios PHA shall give the opportunity for an informal hearing before the Palacios PHA terminates Housing Assistance Payments for the family under an outstanding HAP contract.
- (b) When hearing is not required. The Palacios PHA is not required to provide a participant family an opportunity for an informal hearing for any of the following:
 - (1) Discretionary administrative determinations by the Palacios PHA.
 - (2) General policy issues or class grievances.

- (3) Establishment of the Palacios PHA schedule of utility allowances for families in the program.
 - (4) A Palacios PHA determination not to approve an extension or suspension of a Voucher term.
 - (5) A Palacios PHA determination not to approve a unit or lease.
 - (6) A Palacios PHA determination that an assisted unit is not in compliance with HQS. (However, the Palacios PHA shall provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family as described in
 - (7) A Palacios PHA determination that the unit is not in accordance with HQS because of the family size.
 - (8) A determination by the Palacios PHA to exercise or not to exercise any right or remedy against the owner under a HAP contract.
- (c) Notice to family.
- (1) In the cases described in paragraphs (a)(1)(i), (ii) and (iii) of this section, the Palacios PHA shall notify the family that the family may ask for an explanation of the basis of the Palacios PHA determination, and that if the family does not agree with the determination, the family may request an informal hearing on the decision.
 - (2) In the cases described in paragraphs (a)(1)(iv), (v) and (vi) of this section, the Palacios PHA shall give the family prompt written notice that the family may request a hearing. The notice shall:
 - (i) Contain a brief statement of reasons for the decision,
 - (ii) State that if the family does not agree with the decision, the family may request an informal hearing on the decision, and
 - (iii) State the deadline for the family to request an informal hearing.
- (d) Expeditious hearing process. Where a hearing for a participant family is required under this section, the Palacios PHA shall proceed with the hearing in a reasonably expeditious manner upon the request of the family.
- (e) Hearing procedures--

- (1) Hearings and reviews will be conducted solely by the hearing officer. The Hearing Officer will be someone who is not directly involved in the day-to-day administration of the Voucher Program.
- (2) Any tenant or applicant entitled to a hearing or review shall request the hearing or review within 10 working days of receipt of their letter or no later than 14 days from the date of their letter.
- (3) Hearings and reviews shall be scheduled and held no later than 14 days from the deadline date on the tenant*s or applicant*s letter.
- (4) The tenant or applicant may obtain counsel or other representation at their own expense. The tenant and any counsel or representative will have access to the tenant file and may present any evidence and testimony in their favor. They will be allowed to ask any questions concerning their termination of assistance. Families will also be given the opportunity to examine and copy (at the family*s expense) relevant Palacios PHA documents before the hearing. The Palacios PHA may also request examination of relevant documents in the family*s possession.
- (5) Members of the staff will reply to the tenant*s questions at the request of the Hearing Officer and will only respond concerning specific reasons for termination of assistance.
- (6) The Hearing Officer will base his decision solely on the evidence presented at the hearing. The decision will be in writing and will be mailed to the tenant no later than 15 days from the date of the hearing. The letter to the tenant will state the grounds for the decision that was made.
- (7) Discover--
 - (i) By family: The family shall be given the opportunity to examine before the Palacios PHA hearing any Palacios PHA documents that are directly relevant to the hearing. The family shall be allowed to copy any such document at the family*s expense. If the Palacios PHA does not make the document available for examination on request of the family, the Palacios PHA may not rely on the document at the hearing.
 - (ii) By Palacios PHA: The Palacios PHA hearing procedures may provide that the Palacios PHA shall be given the opportunity to examine at Palacios PHA offices before the Palacios PHA hearing any family documents that are directly relevant to the hearing. The Palacios PHA shall be allowed to copy any such document at the Palacios PHA*s expense. If the family does not make the document available for examination on request of the Palacios PHA, the family may not rely on the document at the hearing.
 - (iii) Documents: The term ‘documents*’ includes records and regulations.

- (8) Representation of family: At its own expense, the family may be represented by a lawyer or other representative.
- (9) Hearing officer: Appointment and authority.
 - (i) The hearing may be conducted by any person or persons designated by the Palacios PHA, other than a person who made or approved the decision under review or a subordinate of this person.
 - (ii) The person who conducts the hearing may regulate the conduct of the hearing in accordance with the Palacios PHA hearing procedures.
- (10) Evidence: The Palacios PHA and the family shall be given the opportunity to present evidence, and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.
- (11) Issuance of decision: The person who conducts the hearing shall issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing. A copy of the hearing decision shall be furnished promptly to the family.
 - (f) Effect of decision: The Palacios PHA is not bound by a hearing decision:
 - (1) Concerning a matter for which the Palacios PHA is not required to provide an opportunity for an informal hearing under this section, or that otherwise exceeds the authority of the person conducting the hearing under the Palacios PHA hearing procedures.
 - (2) Contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.
 - (3) If the Palacios PHA determines that it is not bound by a hearing decision, the Palacios PHA shall promptly notify the family of the determination, and of the reasons for the determination.
 - (g) Restrictions on assistance to noncitizens. The informal hearing provisions for the denial of assistance on the basis of ineligible immigration status are contained in 24 CFR part 5.

SECTION 14 ESTABLISHING AND REVISING VOUCHER PAYMENT STANDARDS

(982.503)

- (a) Payment standard schedule.

- (1) HUD publishes the fair market rents for each market area in the United States. The Palacios PHA shall adopt a payment standard schedule that establishes Voucher payment standard amounts for each FMR area in the Palacios PHA jurisdiction. For each FMR area, the Palacios PHA shall establish payment standard amounts for each 'unit size.* Unit size is measured by number of bedrooms (zero-bedroom, one-bedroom, and so on).
 - (2) The payment standard amounts on the Palacios PHA schedule are used to calculate the monthly Housing Assistance Payment for a family.
 - (3) The Palacios PHA Voucher payment standard schedule shall establish a single payment standard for each unit size in an FMR area and, if applicable, in an exception payment standard area within an FMR area.
- (b) Establishing payment standard amounts.
- (1) The Palacios PHA may establish the payment standard amount for a unit size at 100 percent of the published FMR for that unit size.
 - (2) The Palacios PHA may establish a separate payment standard within the basic range for a designated part of an FMR area.
 - (3) The Palacios PHA shall request HUD approval to establish a payment standard amount that is higher or lower than the basic range. HUD has sole discretion to grant or deny approval of a higher or lower payment standard amount. Paragraph (c) of this section describes the requirements for approval of a higher payment standard amount ('exception payment standard amount*).
- (c) HUD approval of exception payment standard amount.
- (1) HUD discretion. At HUD*s sole discretion, HUD may approve a payment standard amount that is higher than the basic range for a designated part of the fair market rent area (called an 'exception area*). HUD may approve an exception payment standard amount in accordance with this paragraph (c) of this section for all units, or for all units of a given unit size, leased by program families in the exception area. Any PHA with jurisdiction in the exception area may use the HUD-approved exception payment standard amount.
 - (2) Above 110 percent of FMR to 120 percent of FMR. The HUD Field Office may approve an exception payment standard amount from above 110 percent of the published FMR to 120 percent of the published FMR if such office determines that such approval is justified by either the median rent method or the 40th percentile rent as described below (and that such approval is also supported by an appropriate program justification in accordance with paragraph (c)(4) of this section).

- (i) Median rent method. In the median rent method, HUD determines the exception payment standard amount by multiplying the FMR times a fraction of which the numerator is the median gross rent of the exception area and the denominator is the median gross rent of the entire FMR area. In this method, HUD uses median gross rent data from the most recent decennial United States census, and the exception area may be any geographic entity within the FMR area (or any combination of such entities) for which median gross rent data is provided in decennial census products.
 - (ii) 40th percentile rent method. In this method, HUD determines that the area exception rent equals the 40th percentile of rents to lease standard quality rental housing in the exception area. HUD determines the 40th percentile rent in accordance with the methodology described in 888.113 of 24 CFR for determining fair market rents. The Palacios PHA shall present statistically representative rental housing survey data to justify HUD approval.
- (3) Above 120 percent of FMR.
 - (i) At the request of the Palacios PHA, the Assistant Secretary for Public and Indian Housing may approve an exception payment standard amount for the total area of a county, Palacios PHA jurisdiction, or place if the Assistant Secretary determines that
 - (A) Such approval is necessary to prevent financial hardship for families
 - (B) Such approval is supported by statistically representative rental housing survey data to justify HUD approval in accordance with the methodology described in 888.113 of 24 CFR; and
 - (C) Such approval is also supported by an appropriate program justification in accordance with paragraph (c)(4) of this section.
 - (ii) For purposes of paragraph (c)(3) of this section, the term ‘place* is an incorporated place or a U.S. Census designated place. An incorporated place is established by State law and includes cities, boroughs, towns, and villages. A U.S. Census designated place is the statistical counterpart of an incorporated place.
- (4) Program justification.
 - (i) HUD will only approve an exception payment standard amount (pursuant to paragraph (c)(2) or paragraph (c)(3) of this section) if HUD determines that approval of such higher amount is needed either:
 - (A) To help families find housing outside areas of high poverty, or

- (B) Because Voucher holders have trouble finding housing for lease under the program within the term of the Voucher.
 - (ii) HUD will only approve an exception payment standard amount (pursuant to paragraph (c)(3) of this section) after six months from the date of HUD approval of an exception payment standard pursuant to paragraph (c)(2) of this section for the area.
- (5) Population. The total population of HUD-approved exception areas in an FMR area may not include more than 50 percent of the population of the FMR area.
- (6) Withdrawal or modification. At any time, HUD may withdraw or modify approval to use an exception payment standard amount.
- (7) Transition: Area exception rents approved prior to merger date. Subject to paragraph (c)(6) of this section, the Palacios PHA may establish an exception payment standard amount up to the amount of a HUD-approved area exception rent in effect at the merger date.

Palacios PHA's payment Standards are as follows:

Number of Bedrooms	Payment Standards
1	\$332.00
2	\$416.00
3	\$557.00

SECTION 15 RENT REASONABLENESS

I. Rent to owner: Re rent. (982..507)

- (a) Palacios PHA determination.
 - (1) The Palacios PHA may not approve a lease until it determines that the initial rent to owner is a reasonable rent.
 - (2) The Palacios PHA shall redetermine the reasonable rent:
 - (i) Before any increase in the rent to owner;
 - (ii) If there is a five percent decrease in the published FMR in effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary; or
 - (iii) If directed by HUD.

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- (3) The Palacios PHA may also redetermine the reasonable rent at any other time.
 - (4) At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or redetermined by the Palacios PHA.
- (b) Comparability. The Palacios PHA shall determine whether the rent to owner is a reasonable rent in comparison to rent for other comparable unassisted units. To make this determination, the Palacios PHA shall consider:
- (1) The location, quality, size, unit type, and age of the contract unit; and
 - (2) Any amenities, housing services, maintenance and utilities to be provided by the owner in accordance with the lease.
- (c) Owner certification of rents charged for other units. By accepting each monthly Housing Assistance Payment from the Palacios PHA, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner shall give the Palacios PHA information requested by the Palacios PHA on rents charged by the owner for other units in the premises or elsewhere.

II Rent to owner: maximum rent at initial occupancy. (982.508)

At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, the family share may not exceed 40 percent of the family's monthly adjusted income.

III. Rent to owner in subsidized projects. (982.509)

In addition to the rent reasonableness limit under this subpart, the amount of rent to owner also may be subject to rent control limits under State or local law.

IV. Other fees and charges. (982.510)

- (a) The cost of meals or supportive services may not be included in the rent to owner, and the value of meals or supportive services may not be included in the calculation of reasonable rent.
- (b) The lease may not require the tenant or family members to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.
- (c) The owner may not charge the tenant extra amounts for items customarily included in rent

in the locality, or provided at no additional cost to unsubsidized tenants in the premises.

SECTION 16 SPECIAL POLICIES CONCERNING SPECIAL HOUSING TYPES IN THE PROGRAM (E.G., USE OF SHARED HOUSING)

This Palacios PHA has no Special Housing Types. When Special Housing types are obtained, they will be administered according to HUD written regulations and rules, and/or if applicable any State or Local Laws. Changes in this Administration Plan will be reviewed and approved by the Board of Commissioners.

SECTION 17 POLICIES CONCERNING PAYMENTS OWED BY FAMILY

- (a) Program participants who owe the Palacios PHA a balance will not be allowed to relocate until their balance is paid in full. The Palacios PHA will not accept a new lease or enter into a landlord contract for any tenant who owes a balance of any kind.
- (b) The Palacios PHA will allow repayment agreements for program participants not to exceed 24 months maximum time period. Agreements will be for participants who owe the Palacios PHA for income that was not reported in a timely manner, and/or any funds paid by the Palacios PHA on the program participants* behalf.
 - (1) This Palacios PHA will consider timely manner to be within 30 days.
 - (2) This Palacios PHA will only allow repayment agreements with program participants.

SECTION 18 INTERIM REDETERMINATION OF FAMILY INCOME AND COMPOSITION

- (a) **When** Palacios PHA conducts interim reexamination.
 - (1) The Palacios PHA will conduct an interim reexamination of family income when the increase is greater than \$100 monthly. Any change of family composition shall be reported to the Palacios PHA within 30 days.
 - (2) At any time, the family may request an interim determination of family income or composition because of any changes since the last determination. The Palacios PHA shall make the interim determination within a reasonable time after the family request.
- (b) Effective date of reexamination.

Changes in income shall be reported and verification in the Palacios PHA office no later

than the 25th of the month preceding the effective date of the rent change.

- (c) Family member income. Family income shall include income of all family members, including family members not related by blood or marriage. If any new family member is added, family income shall include any income of the additional family member. The Palacios PHA shall conduct a reexamination to determine such additional income, and shall make appropriate adjustments in the Housing Assistance Payment.

SECTION 19 RESTRICTIONS ON THE NUMBER OF MOVES BY A PARTICIPANT FAMILY (982.314)

- (a) Applicability. This section states when a participant family may move to a new unit with continued tenant-based assistance:
- (b) When family may move. A family may move to a new unit if:
 - (1) The assisted lease for the old unit has terminated. This includes a termination because:
 - (i) The Palacios PHA has terminated the HAP contract for the owner*s breach; or
 - (ii) The lease has terminated by mutual agreement of the owner and the tenant.
 - (2) The owner has given the tenant a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the tenant.
 - (3) The tenant has given notice of lease termination (if the tenant has a right to terminate the lease on notice to the owner, for owner breach or otherwise).
- (c) How many moves.
 - (1) A participant family may move one or more times with continued assistance under the program, either inside the Palacios PHA jurisdiction, or under the portability procedures.
 - (2) The Palacios PHA policy on moves:
 - (i) Palacios PHA prohibits any move by the family during the initial year of assisted occupancy, unless;
 - (A) Move would provide for a verified medical need.
 - (B) Move would provide employment or educational opportunity.

- (ii) Palacios PHA prohibits more than one move by the family during any one year period, unless;
 - (A) Move would provide for a verified medical need.
 - (B) Move would provide employment or educational opportunity.
- (3) This policies applies to moves within the Palacios PHA jurisdiction by a participant family, and to moves by a participant family outside the Palacios PHA jurisdiction under portability procedures.
- (d) Notice that family wants to move.
 - (1) If the family terminates the lease on notice to the owner, the family shall give the Palacios PHA a copy of the notice at the same time.
 - (2) If the family wants to move to a new unit, the family shall notify the Palacios PHA and the owner before moving from the old unit. If the family wants to move to a new unit that is located outside the initial Palacios PHA jurisdiction, the notice to the initial Palacios PHA shall specify the area where the family wants to move.
- (e) When Palacios PHA may deny permission to move.
 - (1) The Palacios PHA may deny permission to move if the Palacios PHA does not have sufficient funding for continued assistance.
 - (2) At any time, the Palacios PHA may deny permission to move in accordance with Section 2 of this plan.

SECTION 20 APPROVAL BY THE BOARD OF COMMISSIONERS OR OTHER AUTHORIZED OFFICIALS TO CHARGE THE ADMINISTRATIVE FEE RESERVE;

- (b) The Palacios PHA Board of Commissioners shall approve any request for expenditures which may be made from the operating reserve, for other housing purposes, on a case by case basis.
- (b) For operating reserve expenditures, for other housing purposes, the Palacios PHA Board, as part of its approval, will make an affirmative determination that the expenditures are necessary and reasonable for purposes consistent with the Palacios PHA*s authorities under State and local law.

SECTION 21 PERFORMANCE STANDARDS FOR CONDUCTING HQS INSPECTIONS;

I. Terminating HAP contract when unit is too small. (982.403)

- (a) Violation of HQS space standards.
 - (1) If the Palacios PHA determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, the Palacios PHA shall issue the family a new Voucher, and the family and Palacios PHA shall try to find an acceptable unit as soon as possible.
 - (2) If an acceptable unit is available for rental by the family, the Palacios PHA shall terminate the HAP contract in accordance with its terms.
 - (3) The Palacios PHA shall notify the family that exceptions to the subsidy standards may be granted, and the circumstances in which the grant of an exception will be considered by the Palacios PHA.
 - 4) If an acceptable unit is available for rental by the family, the Palacios PHA shall terminate the HAP contract in accordance with its terms.
- (c) Termination. When the Palacios PHA terminates the HAP contract under paragraph (a) of this section:
 - (1) The Palacios PHA shall notify the family and the owner of the termination; and
 - (2) The HAP contract terminates at the end of the calendar month that follows the calendar month in which the Palacios PHA gives such notice to the owner.
 - (3) The family may move to a new unit in accordance with Section 2.

II Maintenance:Owner and family responsibility; Remedies. (982.404)

- (a) Owner obligation.
 - (1) The owner shall maintain the unit in accordance with HQS.
 - (2) If the owner fails to maintain the dwelling unit in accordance with HQS, the Palacios PHA shall take prompt and vigorous action to enforce the owner obligations. Palacios PHA remedies for such breach of the HQS include termination, suspension or reduction of Housing Assistance Payments and termination of the HAP contract.
 - (3) The Palacios PHA shall not make any Housing Assistance Payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the Palacios PHA and the Palacios PHA verifies the correction. If a defect is life threatening, the owner shall correct the defect within no more than 24 hours. For

other defects, the owner shall correct the defect within no more than 30 calendar days (or any Palacios PHA-approved extension).

- (4) The owner is not responsible for a breach of the HQS that is not caused by the owner, and for which the family is responsible (as provided later in this section). However, the Palacios PHA may terminate assistance to a family because of HQS breach caused by the family.
- (b) Family obligation.
 - (1) The family is responsible for a breach of the HQS that is caused by any of the following:
 - (i) The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;
 - (ii) The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or
 - (iii) Any member of the household or guest damages the dwelling unit or premises (damages beyond ordinary wear and tear).
 - (2) If an HQS breach caused by the family is life threatening, the family shall correct the defect within no more than 24 hours. For other family-caused defects, the family shall correct the defect within no more than 30 calendar days (or any Palacios PHA-approved extension).
 - (3) If the family has caused a breach of the HQS, the Palacios PHA shall take prompt and vigorous action to enforce the family obligations. The Palacios PHA may terminate assistance for the family in accordance with Section 2.

III. Initial and periodic unit inspection. (982.405)

- (a) The Palacios PHA shall inspect the unit leased to a family prior to the initial term of the lease, at least annually during assisted occupancy, and at other times as needed, to determine if the unit meets the HQS.
- (b) The Palacios PHA shall conduct supervisory quality control HQS inspections.
- (c) In scheduling inspections, the Palacios PHA shall consider complaints and any other information brought to the attention of the Palacios PHA.
- (d) The Palacios PHA shall notify the owner of defects shown by the inspection.
- (e) The Palacios PHA may not charge the family or owner for initial inspection or

reinspection of the unit.

(f) Initial Inspections

- (1) Owners will be allowed 30 days or any extension approved by the Palacios PHA to correct deficiencies.
- (2) If unit fails to pass inspection by the deadline on the inspection letter, the family will have to find another unit in order to receive assistance on the program.
- (3) Extensions may be given for medical emergencies or for extensive rehabilitation of the unit.
- (4) The Palacios PHA will inspect the unit within 15 days after the family and the owner submit the request for lease approval.
- (5) Rental assistance will not begin until the unit has passed inspection.

(g) Reexamination Inspections

- (1) Owners will be allowed 30 days, or any extension approved by the Palacios PHA to correct deficiencies.
- (2) If unit fails to pass inspection by the deadline on the inspection letter, the rent will be abated.
- (3) The contract will be terminated if unit has not passed by the end of the re-examination period,

(h) Special Inspections

- (1) Special inspections may be requested by the tenant at any time during the lease term.
- (2) The tenant shall first notify the owner by letter of the repairs needed at the unit and provide the Palacios PHA office with a copy of the letter.
- (3) If the owner has not taken action within 10 working days, the Palacios PHA will send an inspector to check the deficiencies and if necessary will then send the owner a letter advising him/her of the needed repairs and the deadline for completing them.

(i) Quality Control Inspections

Quality control inspections will be conducted and performed as per federal regulations at 5 plus I for each fifty (or part of 50) over 50.

IV. Enforcement of HQS. (982.408)

Part 982 does not create any right of the family, or any party other than HUD or the Palacios PHA, to require enforcement of the HQS requirements by HUD or the Palacios PHA, or to assert any claim against HUD or the Palacios PHA, for damages, injunction or other relief, for alleged failure to enforce the HQS.

SECTION 22 SCREENING OF APPLICANTS FOR FAMILY BEHAVIOR OR SUITABILITY FOR TENANCY.

Tenant screening. (982.307)

- (a) Palacios PHA option and owner responsibility.
 - (1) The Palacios PHA may opt to screen family behavior or suitability for tenancy. However, the Palacios PHA has no liability or responsibility to the owner or other persons for the family*s behavior or the family*s conduct in tenancy.
 - (2) The owner is responsible for screening and selection of the family to occupy the owner*s unit. At or before Palacios PHA approval of the tenancy, the Palacios PHA shall inform the owner that screening and selection for tenancy is the responsibility of the owner.
 - (3) The owner is responsible for screening of families on the basis of their tenancy histories. An owner may consider a family*s background with respect to such factors as:
 - (i) Payment of rent and utility bills;
 - (ii) Caring for a unit and premises;
 - (iii) Respecting the rights of other residents to the peaceful enjoyment of their housing;
 - (iv) Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others; and
 - (v) Compliance with other essential conditions of tenancy.
- (b) Palacios PHA information about tenant.
 - (I) The Palacios PHA shall give the owner:
 - (i) The family*s current and prior address (as shown in the Palacios PHA records); and
 - (ii) The name and address (if known to the Palacios PHA) of the landlord at the

family's current and prior address.

- (2) When a family wants to lease a dwelling unit, the Palacios PHA may offer the owner other information in the Palacios PHA possession, about the family, including information about the tenancy history of family members, or about drug-trafficking by family members.
- (3) The Palacios PHA shall give the family a statement of the Palacios PHA policy on providing information to owners. The statement shall be included in the information packet that is given to a family selected to participate in the program. The Palacios PHA policy shall provide that the Palacios PHA will give the same types of information to all families and to all owners.

Definitions

The following definitions apply as noted in the respective program regulations:

1937 Act

Means the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.)

Absorption

In portability (under subpart H of 24 CFR Part 982): the point at which a receiving PHA stops billing the Palacios PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

ADA

The Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

Administrative Fee

Fee paid by HUD to the Palacios PHA for administration of the program. See 982.152.

Administrative Plan

The plan that describes Palacios PHA policies for administration of the Voucher Program. See 982.54.

Admission

The point when the family becomes a participant in the program. The date used for this purpose is the effective date of the first HAP contract for a family (first day of initial lease term) in the Voucher Program.

ALJ

An administrative law judge appointed to HUD pursuant to 5 U.S.C. 3105 or detailed to HUD pursuant to 5 U.S.C. 3344.

Annual Contributions Contract(ACC)

The written contract between HUD and the Palacios PHA under which HUD agrees to provide funding for a program under the 1937 Act, and the Palacios PHA agrees to comply with HUD requirements for the program.

Applicant (applicant family)

A family that has applied for admission to a program but is not yet a participant in the program.

Assistance applicant

Except as excluded pursuant to 42 U.S.C. 3543(b) and 3544(a)(2), this term means the following:

1. For any program under 24 CFR parts 215, 221, 236, 290, or 891, or any program under Section 8 of the 1937 Act: A family or individual that seeks rental assistance under the

program.

2. For any program under 24 CFR parts 904, 950, and 960: A prospective tenant or homebuyer seeking the benefit of the program.
3. For any program under 24 CFR part 235: A homeowner or cooperative member seeking homeownership assistance (including where the individual seeks to assume an existing mortgage).

Budget authority

An amount authorized and appropriated by the Congress for payment to Palacios PHA under the program. For each funding increment in the Palacios PHA program, budget authority is the maximum amount that may be paid by HUD to the Palacios PHA over the ACC term of the funding increment.

Child

Means a member of the family other than the family head or spouse who is under 18 years of age

Child care expenses

Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges or child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

Citizen

Means a citizen or national of the United States.

Computer match

The automated comparison of data bases containing records about individuals. Computer matching agreement means the agreement that describes the responsibilities and obligations of the parties participating in a computer match.

Consent form

Any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs; return information from the Social Security Administration (including wages, net earnings from self-employment, and payments of retirement income), as referenced at 26 U.S.C. 61 03(l)(7)(A); and return information for unearned income from the Internal Revenue Service, as referenced at 26 U.S.C. 61 03(l)(7)(B). The consent forms expire after a certain time and may authorize the collection of other information from assistance applicants or participants to determine eligibility or level of benefits as provided in § 81 3.109, 91 3.109, and 950.315 of 24 CFR.

Contiguous MSA

In portability (under subpart H of this part 982): An MSA that shares a common boundary with the MSA in which the jurisdiction of the Palacios PHA is located.

Continuously assisted

An applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Act program when the family is admitted to the Voucher Program.

Contract authority

The maximum annual payment by HUD to the Palacios PHA for a funding.

Increment Consent form

Means any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs; return information from the Social Security Administration (including wages, net earnings from self-employment, and payments of retirement income), as referenced at 26 U.S.C. 6103(I)(7)(A); and return information for unearned income from the Internal Revenue Service, as referenced at 26 U.S.C. 6103(I)(7)(B). The consent forms expire after a certain time and may authorize the collection of other information from assistance applicants or participants to determine eligibility or level of benefits as provided in § 81.3.109, 91.3.109, and 950.315 of 24 CFR.

Department

The Department of Housing and Urban Development

Dependent

A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

Disability assistance expenses

Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Displaced family

A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged

or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Domicile

The legal residence of the household head or spouse as determined in accordance with State and local law.

Drug-related criminal activity

As defined in 42 U.S.C. 1437f(f)(5)

Drug-trafficking

The illegal manufacture, sale, or distribution, or the possession with intent to manufacture, sell, or distribute, of a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

Elderly family

A family whose head, spouse, or sole member is a person who is at least 62 years of age; or two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides.

Elderly Person

Means an individual who is at least 62 years of age.

Employer Identification Number (EIN)

Means the nine-digit taxpayer identifying number that is assigned to an individual, trust, estate, partnership, association, company, or corporation pursuant to sections 6011(b), or corresponding provisions of prior law, or 6109 of the Internal Revenue Code.

Entity applicant

(1) Except as excluded pursuant to 42 U.S.C. 3543(b), 3544(a)(2), and paragraph (2) of this definition, this term means a partnership, corporation, or any other association or entity, other than an individual owner applicant, that seeks to participate as a private owner in any of the following:

- The project-based assistance programs under Section 8 of the 1937 Act;
- The programs in 24 CFR parts 215, 221, or 236; or
- The other mortgage and loan insurance programs in 24 CFR parts 201 through 267, except that the term 'entity applicant* does not include a mortgagee or lender.

The term does not include a public entity, such as a Palacios PHA, IHA, or State Housing Finance Agency.

Evidence of citizenship or eligible status

The documents which shall be submitted to evidence citizenship or eligible immigration status.

Fair Housing Act

Means title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601 et seq.).

Fair Market Rent (FMR)

The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that shall be paid in the housing market area to rent privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. See periodic publications in the Federal Register in accordance with 24 CFR part 888.

Family

1. Includes but is not limited to: A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);
2. An elderly family;
3. A near-elderly family;
4. A disabled family;
5. A displaced family;
6. The remaining member of a tenant family; and
7. A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

Family Self-Sufficiency Program (FSS Program)

The program established by a Palacios PHA in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).

Family share

The portion of rent and utilities paid by the family. For calculation of family share, see 24 CFR § 982.51 5(a).

Family unit size

The appropriate number of bedrooms for a family, as determined by the Palacios PHA under the Palacios PHA subsidy standards.

Federal agency

A department of the executive branch of the Federal Government.

Full-time student

A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or Certificate Program, as well as an institution offering a college degree.

General Counsel

The General Counsel of HUD

Grantee

The person or legal entity to which a grant is awarded and that is accountable for The use of the funds provided.

Gross rent

The sum of the rent to owner plus any utility allowance

HAP contract

Housing Assistance Payments contract

Head of household

The adult member of the family who is the head of the household for purposes of determining income eligibility and rent

Housing agency (HA)

Means a State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing. (“Palacios PHA” and “HA” mean the same thing.)

Housing Assistance Payment

The monthly assistance payment by a Palacios PHA, which includes:

- 1) A payment to the owner for rent to the owner under the family*s lease; and
- 1) An additional payment to the family if the total assistance payment exceeds the rent to owner.

Housing covered programs

Means the following programs administered by the Assistant Secretary for Housing:

- 1) Section 235 of the National Housing Act (12 U.S.C. 1715z) (the Section 235 Program);
- 2) Section 236 of the National Housing Act (12 U.S.C. 1715z-1) (tenants paying below market rent only) (the Section 236 Program); and
- 3) Section 101 of the Housing and Urban Development Act of 1965(12 U.S.C.701s) (the Rent Supplement Program).

Housing quality standards (HQS)

The HUD minimum quality standards for housing assisted under the Voucher Program. See 24 CFR § 982.401.

HUD

The same as Department -

- (1) Is authorized to engage or assist in the development or operation of low-income housing for Indians under the 1937 Act; and
- (2) Is established (i) By exercise of the power of self-government of an Indian Tribe independent of State law; or (ii)By operation of State law providing specifically for housing authorities for Indians, including regional housing authorities in the State of Alaska.

Income information

Information relating to an individual's income, including:

- (1) All employment income information known to current or previous employers or other income sources that HUD or the processing entity determines is necessary for purposes of determining an assistance applicant's or participant's eligibility for, or level of assistance in, a covered program;
- (2) All information about wages, as defined in the State's unemployment compensation law, including any Social Security Number; name of the employee; quarterly wages of the employee; and the name, full address, telephone number, and, when known, Employer Identification Number of an employer reporting wages under a State unemployment compensation law;
- (3) With respect to unemployment compensation:
 - (i) Whether an individual is receiving, has received, or has applied for unemployment compensation;
 - (ii) The amount of unemployment compensation the individual is receiving or is entitled to receive; and
 - (iii) The period with respect to which the individual actually received such compensation;
- (4) Unearned IRS income and self-employment, wages and retirement income as described in the Internal Revenue Code, 26 U.S.C. 6103(l)(7); and
- (5) Wage, social security (Title II), and supplemental security income (Title XVI) data obtained from the Social Security Administration.

Individual owner applicant

Except as excluded pursuant to 42 U.S.C. 3543(b), 3544(a)(2), or paragraph (2) of this definition, this term means:

- (1) An individual who seeks to participate as a private owner in any of:
 - (i) The project-based assistance programs under Section 8 of the 1937 Act; or
 - (ii) The programs in 24 CFR parts 215,221,235 (without homeownership assistance), or 236, including where the individual seeks to assume an existing mortgage; or (2) An individual who: Either:
Applies for a mortgage or loan insured or coinsured under any of the programs referred to in paragraph (1)(iii) of the definition of 'entity applicant' in this section; or Seeks to assume an existing mortgage or loan; and (ii) Intends to hold the mortgaged property in his or her individual right.

Initial HA (Palacios PHA)

In portability, the term refers to both:

- 1.) An HA that originally selected a family that later decides to move out of the jurisdiction of the selecting HA; and
2. An HA that absorbed a family that later decides to move out of the jurisdiction of the absorbing HA.

Initial payment standard

The payment standard at the beginning of the HAP contract term. Initial rent to owner.

The rent to owner at the beginning of the HAP contract term

INS

The U.S. Immigration and Naturalization Service

IRS

Internal Revenue Service

Jurisdiction

The area in which the Palacios PHA has authority under State and local law to administer the program.

Lease

- 1) A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with Housing Assistance Payments under a HAP contract between the owner and the Palacios PHA.
- 2) In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement establishes the conditions for occupancy of the member*s cooperative dwelling unit by the member*s family with Housing Assistance Payments to the cooperative under a HAP contract between the cooperative and the Palacios PHA. For purposes of 24 CFR part 982, the cooperative is the Section 8 “owner” of the unit, and the cooperative member is the Section 8 “tenant.”

Lease Addendum

In the lease between the tenant and the owner, the lease language required by HUD.

Live-in aide

Means a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- 1) Is determined to be essential to the care and well-being of the persons;
- 2). Is not obligated for the support of the persons; and 3). Would not be living in the unit except to provide the necessary supportive services.

Manufactured home

A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS. A special housing type: see 24 CFR § 982.620 and § 982.621.

Manufactured home space

In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See 24 CFR §982.622 to §982.624.

Medical expenses

Medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance.

Mixed family

Means a family whose members include those with citizenship or eligible immigration

status, and those without citizenship or eligible immigration status.

Monthly adjusted income

One twelfth of adjusted annual income

Monthly income

One twelfth of annual income

MSA

A metropolitan statistical area.

NAHA

The Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12701 et seq.).

National

A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

Near-elderly family

A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

NEPA

National Environmental Policy Act of 1969 (42 U.S.C. 4321)

Net family assets

- 1). Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.
- 2). In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall counted when determining annual income under 24 CFR§ .609. 3). In determining net family assets, Palacios PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

NOFA

Notice of Funding Availability

Noncitizen

A person who is neither a citizen nor national of the United States

OMB

The Office of Management and Budget.

Organizational Unit

The jurisdictional area of each Assistant Secretary, and each office head or field administrator reporting directly to the Secretary.

Owner

Means the person or entity (or employee of an owner) that leases an assisted dwelling unit to an eligible family and includes, when applicable, a mortgagee. Owner: Any person or entity with the legal right to lease or sublease a unit to a participant.

Participant

Except as excluded pursuant to 42 U.S.C. 3543(b) and 3544(a)(2), this term has the following meaning:

- (1) For any program under 24 CFR Part 891, or Section 8 of the 1937 Act: A family receiving rental assistance under the program;
- (2) For 24 CFR parts 904, 950, 960: A tenant or homebuyer under the program;
- (3) For 24 CFR parts 215, 221, 236, and 290: A tenant or qualified tenant under any of the programs; and
- (4) For 24 CFR part 235: A homeowner or a cooperative member receiving homeownership assistance.

Participant

A family that has been admitted to the Palacios PHA program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the Palacios PHA for the family (first day of initial lease term).

Payment standard

In a Voucher, the maximum subsidy payment for a family (before deducting the family contribution). For a Voucher tenancy, the Palacios PHA sets a payment standard in the range from 90 percent to 110 percent of the current FMR/exception rent limit. For payment standard over 110 percent to 120 percent the Palacios PHA shall have written permission from HUD.

Portability

Renting a dwelling unit with Section 8 tenant-based assistance outside the Jurisdiction of the Palacios PHA.

Processing entity

Means the person or entity that, under any of the programs covered under this Plan, is responsible for making eligibility and related determinations and any

income reexamination.

Public Housing Agency

Means any State, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act; also referred to as HA. (Palacios PHA)

Reasonable rent

A rent to owner that is not more than rent charged:

- (1) For comparable units in the private unassisted market; and
- (2) For comparable unassisted units in the premises.

Receiving PHA

In portability: A PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a Voucher and provides program assistance to the family.

Rent to owner

The total monthly rent payable to the owner under the lease for the unit. Rent to owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.

Section 8

Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f)

Shared housing

A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family. A special housing type: see 24 CFR § 982.615 to § 982.618.

Single room occupancy housing (SRO)

A unit that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities. A special housing type: see 24 CFR §982.602 to § 982.605.

Social Security Number (SSN)

The nine-digit number that is assigned to a person by the Social Security Administration and that identifies the record of the person's earnings reported to the Social Security Administration. The term does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary.

Special admission

Admission of an applicant that is not on the Palacios PHA waiting list or without considering the applicant's waiting list position.

Special housing types

See subpart M of 24 CFR part 982. Subpart M of this part states the special regulatory requirements for: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

SSA

The Social Security Administration

State Wage Information Collection Agency (SWICA)

The State agency, including any Indian tribal agency, receiving quarterly wage reports from employers in the State, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

Subsidy standards

Standards established by a Palacios PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

Suspension

Stopping the clock on the term of a family's Voucher, for such period as determined by the Palacios PHA, from the time when the family submits a request for Palacios PHA approval to lease a unit, until the time when the Palacios PHA approves or denies the request.

Tenant

Means an individual or a family renting or occupying an assisted dwelling unit. For purposes of this Plan, the term tenant will also be used to include a homebuyer, where appropriate; Tenant: The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

Tenant rent

The amount payable monthly by the family as rent to the Palacios PHA or owner, as applicable. Where all utilities (except telephone) and other essential housing services are supplied by the Palacios PHA or owner, tenant rent equals total tenant payment. Where some or all utilities (except telephone) and other essential housing services are supplied by the Palacios PHA or owner and the cost thereof is not included in the amount paid as rent, tenant rent equals total tenant payment less the utility allowance.

Utility reimbursement

The amount, if any, by which the utility allowance for the unit, if applicable, exceeds the total tenant payment for the family occupying the unit.

Violent criminal activity

Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another

Voucher

A document issued by the Palacios PHA to a family selected for admission to the Voucher Program. This document describes the program and the procedures for Palacios PHA approval of a unit selected by the family. The Voucher also states obligations of the family under the program.

Voucher Program

The Rental Voucher Program.

Welfare assistance

Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, State or local governments.

Waiting list admission

An admission from the Palacios PHA waiting list.