

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

Small PHA Plan Update
Annual Plan for Fiscal Year: 2002

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

PHA Plan Agency Identification

PHAName: Residential Housing Facilities Board of Desha County

PHANumber: AR37E266

PHAFiscalYearBeginning:(mm/yyyy) 10/2002

PHA Plan Contact Information:

Name: Deanna Mizell

Phone: (870) 222 -3732

TDD: (870) 222 -6457

Email (if available): mcarpha@ipa.net

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
- PHA development management 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
- PHA development management offices
- Main administrative office of the local, county or State government
- Public library
- PHA website
- Other (list below)

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

- Main business office of the PHA
- PHA development management offices
- Other (list below)

PHA Programs Administered :

- Public Housing and Section 8
- Section 8 Only
- Public Housing Only

Annual PHA Plan Fiscal Year 2001

[24CFR Part 903.7]

i. Table of Contents

Provide a table of contents for the Plan, including attachments, and a list of supporting documents available for public inspection. For 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. If the attachment is provided as a **SEPARATE** file submission from the PHA Plans file, provide the filename in parentheses in the space to the right of the title.

| Contents | <u>Page#</u> |
|--|--------------|
| Annual Plan | |
| i. Executive Summary (optional) | |
| ii. Annual Plan Information | |
| iii. Table of Contents | 1 |
| 1. Description of Policy and Program Changes for the Upcoming Fiscal Year 2 | |
| 2. Capital Improvement Needs | 2 |
| 3. Demolition and Disposition | 2 |
| 4. Homeownership: Voucher Homeownership Program | 3 |
| 5. Crime and Safety: PHDEP Plan | 4 |
| 6. Other Information: | |
| A. Resident Advisory Board Consultation Process | 4 |
| B. Statement of Consistency with Consolidated Plan | 5 |
| C. Criteria for Substantial Deviations and Significant Amendments | 5 |
| Attachments | |
| X Attachment A: Supporting Documents Available for Review | 1 |
| <input type="checkbox"/> Attachment__: Capital Fund Program Annual Statement | |
| <input type="checkbox"/> Attachment__: Capital Fund Program 5 Year Action Plan | |
| <input type="checkbox"/> Attachment__: Capital Fund Program Replacement Housing Factor Annual Statement | |
| <input type="checkbox"/> Attachment__: Public Housing Drug Elimination Program (PHDEP) Plan | |
| <input type="checkbox"/> Attachment B_: Resident Membership on PHA Board or Governing Body | 19 |
| <input type="checkbox"/> Attachment C_: Membership of Resident Advisory Board or Boards | 20 |
| <input type="checkbox"/> Attachment: Comments of Resident Advisory Board or Boards & Explanation of PHA Response (must be attached if not included in PHA Plan text) | |
| X Attachment D: Section 8 Homeownership plan (addition to administrative plan) | 21 |

ii. Executive Summary

[24CFR Part 903.79(r)]

At PHA option, provide a brief overview of the information in the Annual Plan

1.Summary of Policy or Program Changes for the Upcoming Year

In this section, briefly describe changes in policies or programs discussed in last year's PHA Plan that are not covered in other sections of this Update.

The PHA, upon HUD approval of the plan, will implement a Section 8 Homeownership Plan during the coming fiscal year. An application has been submitted for funding a Family Self Sufficiency Coordinator position. This program will also be implemented and will work in conjunction with the Homeownership program.

2.Capital Improvement Needs

[24CFR Part 903.79(g)]

Exemptions: Section 8 only PHAs are not required to complete this component.

A. Yes/No: Is the PHA eligible to participate in the CFP in the fiscal year covered by this PHA Plan?

B. What is the amount of the PHA's estimated or actual (if known) Capital Fund Program grant for the upcoming year? \$

C. Yes/No Does the PHA plan to participate in the Capital Fund Program in the upcoming year? If yes, complete the rest of Component 7. If no, skip to next component.

D. Capital Fund Program Grant Submissions

(1) Capital Fund Program 5 -Year Action Plan

The Capital Fund Program 5 -Year Action Plan is provided as Attachment

(2) Capital Fund Program Annual Statement

The Capital Fund Program Annual Statement is provided as Attachment

3.D Demolition and Disposition

[24CFR Part 903.79(h)]

Applicability: 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 next component; if "yes", complete one activity description for each development.)

2. Activity Description

| Demolition/Disposition Activity Description (Not including Activities Associated with HOPE VI or Conversion Activities) | |
|---|--|
| 1a. Development name: | |
| 1b. Development (project) number: | |
| 2. Activity type: Demolition <input type="checkbox"/> Disposition <input type="checkbox"/> | |
| 3. Application status (select one) Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/> | |
| 4. Date application approved, submitted, or planned for submission: (DD/MM/YY) | |
| 5. Number of units affected: | |
| 6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input type="checkbox"/> Total development | |
| 7. Relocation resources (select all that apply) <input type="checkbox"/> Section 8 for units <input type="checkbox"/> Public housing for units <input type="checkbox"/> Preference for admission to other public housing or section 8 <input type="checkbox"/> Other housing for units (describe below) | |
| 8. Timeline for activity: a. Actual or projected start date of activity: b. Actual or projected start date of relocation activities: c. Projected end date of activity: | |

4. Voucher Homeownership Program

[24CFR Part 903.79(k)]

A. 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 next component; if "yes", describe each program using the table below (copy and complete questions for each program identified.)

B. Capacity of the PHA to Administer a Section 8 Homeownership Program

The PHA has demonstrated its capacity to administer the program by (select all that apply):
 Establishing a minimum home ownership down payment requirement of at least 3 percent and requiring that at least 1 percent of the down payment comes from the family's resources

X Requiring that financing for purchase of a home under its section 8 home ownership will be provided, insured or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards

X Demonstrating that it has or will acquire other relevant experience (list PHA experience, or any other organization to be involved and its experience, below):

PHA staff has obtained training in the Section 8 Homeownership Program, and will be working with the Southeast Arkansas Community Housing Development Organization to provide the counseling required for participation.

5. Safety and Crime Prevention: PHDEP Plan

[24CFR Part 903.7(m)]

Exemptions Section 8 Only PHA's may skip to the next component PHA's eligible for PHDEP funds must provide a PHDEP Plan meeting specified requirements prior to receipt of PHDEP funds.

A. Yes No: Is the PHA eligible to participate in the PHDEP in the fiscal year covered by this PHA Plan?

B. What is the amount of the PHA's estimated or actual (if known) PHDEP grant for the upcoming year? \$ _____

C. Yes No Does the PHA plan to participate in the PHDEP in the upcoming year? If yes, answer question D. If no, skip to next component.

D. Yes No: The PHDEP Plan is attached at Attachment _____

6. Other Information

[24CFR Part 903.79(r)]

A. Resident Advisory Board (RAB) Recommendations and PHA Response

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

2. If yes, the comments were: Support for the homeownership program.

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

The PHA changed portions of the PHA Plan in response to comments. A list of these changes is included

Yes No: below or

Yes No: at the end of the RAB Comments in Attachment _____.

Considered comments, but determined that no changes to the PHA Plan were necessary. An explanation of the PHA's consideration is included at the end of the RAB Comments in Attachment ____.

X Other: (list below)

The PHA is submitting a home ownership plan for approval with this PHA plan and will be implementing the Section 8 Home ownership program upon approval of this plan.

B. 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: State of Arkansas

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)

- X The PHA has based its statement of needs of families in the jurisdiction on the need expressed in the Consolidated Plan/s.
- X 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 specific initiatives contained in the Consolidated Plan. (list such initiatives below)
- Other: (list below)

3. PHA Requests for support from the Consolidated Plan Agency

Yes X No: Does the PHA request financial or other support from the State or local government agency in order to meet the needs of its public housing residents or inventory? If yes, please list the 5 most important requests below:

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

C. Criteria for Substantial Deviation and Significant Amendments

1. Amendment and Deviation Definitions

24 CFR Part 903.7(r)

PHAs are required to define and adopt their own standards of substantial deviation from the 5-year Plan and Significant Amendment to the Annual Plan. The definition of significant amendment is important because it defines when the PHA will subject a change to the policies or activities described in the Annual Plan to full public hearing and HUD review before implementation.

A. Substantial Deviation from the 5 -year Plan:

The PHA will consider any of the following to be changes in its agency plan necessary and sufficient to require a full review by the Resident Advisory Board before a corresponding change in the Agency Plan can be adopted:

1. Any alteration of the PHA's mission statement
2. Any change or amendment to a stated strategic goal
3. Any change or amendment to a stated strategic objective except in a case where the change results from the objective being met.
4. Any introduction of a new strategic goal or strategic objective

B. Significant Amendment or Modification to the Annual Plan:

The PHA considers the following changes to require a public process before amending said changes in the Agency Plan:

1. Changes to rent or admissions policies or organization of the waiting list.
2. Additions or deletions to plans offered or planned.

An exception to this definition will be made for any of the above that are adopted to reflect changes in HUD regulatory requirements, such changes will not be considered significant amendments by HUD.

Attachment A

Supporting Documents Available for Review

PHAs are to 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 | Related Plan Component |
| X | PHA Plan Certification of Compliance with the PHA Plans and Related Regulations | 5 Year and Annual Plans |
| | State/Local Government Certification of Consistency with the Consolidated Plan (not required for this update) | 5 Year and Annual Plans |
| | | |
| X | Fair Housing Documentation Supporting Fair Housing Certifications: 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 | Housing Needs Statement of the Consolidated Plan for the jurisdiction/s in which the PHA is located and any additional backup data to support statement of housing needs in the jurisdiction | Annual Plan: Housing Needs |
| | Most recent board -approved operating budget for the public housing program | Annual Plan: Financial Resources |
| | Public Housing Admissions and (Continued) Occupancy Policy (A&O/ACOP), which includes the Tenant Selection and Assignment Plan [TSAP] | Annual Plan: Eligibility, Selection, and Admissions Policies |
| | Any policy governing occupancy of Police Officers in Public Housing <input type="checkbox"/> check here if included in the public housing A&O Policy | Annual Plan: Eligibility, Selection, and Admissions Policies |
| X | Section 8 Administrative Plan | Annual Plan: Eligibility, Selection, and Admissions Policies |
| | Public housing rent determination policies, including the method for setting public housing flat rents <input type="checkbox"/> check here if included in the public housing A&O Policy | Annual Plan: Rent Determination |
| | Schedule of flat rents offered at each public housing development <input 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 |

| List of Supporting Documents Available for Review | | |
|--|--|---|
| Applicable & On Display | Supporting Document | Related Plan Component |
| | 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 |
| | Results of latest binding Public Housing Assessment System (PHAS) Assessment | Annual Plan: Management and Operations |
| | Follow-up Plan to Results of the PHAS Resident Satisfaction Survey (if necessary) | Annual Plan: Operations and Maintenance and Community Service & Self-Sufficiency |
| X | Results of latest Section 8 Management Assessment System (SEMAP) | Annual Plan: Management and Operations |
| X | Any required policies governing any Section 8 special housing types <input type="checkbox"/> check here if included in Section 8 Administrative Plan | Annual Plan: Operations and Maintenance |
| | 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 |
| | The HUD -approved Capital Fund/Comprehensive Grant Program Annual Statement (HUD 52837) for any active grant year | Annual Plan: Capital Needs |
| | Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grants | Annual Plan: Capital Needs |
| | Approved HOPEVI applications or, if more recent, approved or submitted HOPEVI Revitalization Plans, or any other approved proposal for development of public housing | Annual Plan: Capital Needs |
| | Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing §504 of the Rehabilitation Act and the Americans with Disabilities Act. See, PIH99 -52(HA). | Annual Plan: Capital Needs |
| | Approved or submitted applications for demolition and/or disposition of public housing | Annual Plan: Demolition and Disposition |
| | 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, Section 22 of the US Housing Act of 1937, or Section 33 of the US Housing Act of 1937 | Annual Plan: Conversion of Public Housing |
| | Approved or submitted public housing homeownership programs/plans | Annual Plan: Homeownership |
| | Policies governing any Section 8 Homeownership program (section _____ of the Section 8 Administrative Plan) | Annual Plan: Homeownership |

| List of Supporting Documents Available for Review | | |
|--|---|---|
| Applicable & On Display | Supporting Document | Related Plan Component |
| | Cooperation agreement between the PHA and the TANF agency and between the PHA and local employment and training service agencies | Annual Plan: Community Service & Self-Sufficiency |
| | FSSA ction Plan/s for public housing and/or Section 8 | Annual Plan: Community Service & Self-Sufficiency |
| | Section 3 documentation required by 24 CFR Part 135, Subpart E | 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 |
| | The most recent Public Housing Drug Elimination Program (PHDEP) semi -annual performance report | Annual Plan: Safety and Crime Prevention |
| | PHDEP-related documentation: <ul style="list-style-type: none"> · Baseline law enforcement services for public housing developments assisted under the PHDEP plan; · Consortium agreement/s between the PHAs participating in the consortium and a copy of the payment agreement between the consortium and HUD (applicable only to PHAs participating in a consortium as specified under 24 CFR 761.15); · Partnership agreements (indicating specific leveraged support) with agencies/organizations providing funding, services or other in -kind resource s for PHDEP -funded activities; · Coordination with other law enforcement efforts; · Written agreement(s) with local law enforcement agencies (receiving any PHDEP funds); and · All crime statistics and other relevant data (including Part I and specified Part II crimes) that establish need for the public housing sites assisted under the PHDEP Plan. | Annual Plan: Safety and Crime Prevention |
| | Policy on Ownership of Pets in Public Housing Family Developments (as required by regulation at 24 CFR Part 960, Subpart G) X check here if included in the public housing A&O Policy | Pet Policy |
| X | The result of 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 result 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) |

| Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary | | | | | |
|---|---|--|---------|-------------------------------------|----------|
| PHAName: | | Grant Type and Number Capital Fund Program: Capital Fund Program Replacement Housing Factor Grant No: | | Federal FY of Grant: 1999 | |
| <input type="checkbox"/> Original Annual Statement Performance and Evaluation Report for Period Ending: | | | | | |
| <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision on:) | | | | | |
| <input type="checkbox"/> Final Performance and Evaluation Report | | | | | |
| Line No. | Summary by Development Account | Total Estimated Cost | | Total Actual Cost | |
| | | Original | Revised | Obligated | Expended |
| 1 | Total Non -CFP Funds | | | | |
| 2 | 1406 Operations | | | | |
| 3 | 1408 Management Improvements | | | | |
| 4 | 1410 Administration | | | | |
| 5 | 1411 Audit | | | | |
| 6 | 1415 Liquidated Damages | | | | |
| 7 | 1430 Fees and Costs | | | | |
| 8 | 1440 Site Acquisition | | | | |
| 9 | 1450 Site Improvement | | | | |
| 10 | 1460 Dwelling Structures | | | | |
| 11 | 1465.1 Dwelling Equipment — Nonexpendable | | | | |
| 12 | 1470 Non Dwelling Structures | | | | |
| 13 | 1475 Non Dwelling 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) | | | | |
| 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/Performance and Evaluation Report | | | | |
|--|---|--|--|-------------------|
| Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part 1: Summary | | | | |
| PHAName: | | Grant Type and Number Capital Fund Program: Capital Fund Program Replacement Housing Factor Grant No: | | |
| | | Federal FY of Grant: 1999 | | |
| <input type="checkbox"/> Original Annual Statement | | <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) | | |
| Performance and Evaluation Report for Period Ending: | | <input type="checkbox"/> Final Performance and Evaluation Report | | |
| Line No. | Summary by Development Account | Total Estimated Cost | | Total Actual Cost |
| 24 | Amount of line 20 Related to Energy Conservation Measures | | | |

Capital Fund Program 5 - Year Action Plan

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.

| CFP5 - Year Action Plan | | |
|--|---|-------------------------------------|
| <input type="checkbox"/> Original statement <input type="checkbox"/> Revised statement | | |
| Development Number | Development Name (or indicate PHA wide) | |
| Description of Needed Physical Improvements or Management Improvements | Estimated Cost | Planned Start Date (HA Fiscal Year) |
| Total estimated cost over next 5 years | | |

PHA Public Housing Drug Elimination Program Plan

Note: THIS PHDEP Plan template (HUD 50075 - PHDEP Plan) is to be completed in accordance with Instructions located in applicable PIH Notices.

Section 1: General Information/History

A. Amount of PHDEP Grant \$ _____

B. Eligibility type (Indicate with an "x") **N1** _____ **N2** _____ **R** _____

C. FFY in which funding is requested _____

D. Executive Summary of Annual PHDEP Plan

In the space below, provide a brief overview of the PHDEP Plan, including highlights of major initiatives or activities undertaken. It may include a description of the expected outcomes. This summary must not be more than five (5) sentences long.

E. Target Areas

Complete the following table by indicating each PHDEP Target Area (development or site where activities will be conducted), the total number of units in each PHDEP Target Area, and the total number of individuals expected to participate in PHDEP sponsored activities in each Target Area. Unit count information should be consistent with that available in PIC.

| PHDEP Target Areas (Name of development(s) or site) | Total # of Units within the PHDEP Target Area(s) | Total Population to be Served within the PHDEP Target Area(s) |
|--|--|--|
| | | |
| | | |
| | | |

F. Duration of Program

Indicate the duration (number of months funds will be required) of the PHDEP Program proposed under this Plan (place an "x" to indicate the length of program by # of months. For "Other", identify the # of months).

12 Months _____ **18 Months** _____ **24 Months** _____

G. PHDEP Program History

Indicate each FY that funding has been received under the PHDEP Program (place an "x" by each applicable Year) and provide amount of funding received. If previously funded programs havenot been closed out at the time of this submission, indicate the fund balance and anticipated completion date. The Fund Balance should reflect the balance as of Date of Submission of the PHDEP Plan. The Grant Term End Date should include any HUD -approved extensions or waivers. For grant extensions received, place "GE" in column or "W" for waivers.

| Fiscal Year of Funding | PHDEP Funding Received | Grant# | Fund Balance as of Date of this Submission | Grant Extensions or Waivers | Grant Start Date | Grant Term End Date |
|------------------------|------------------------|--------|--|-----------------------------|------------------|---------------------|
| FY1995 | | | | | | |
| FY1996 | | | | | | |
| FY1997 | | | | | | |
| FY1998 | | | | | | |
| FY1999 | | | | | | |

Section 2: PHDEP Plan Goals and Budget

A. PHDEP Plan Summary

In the space below, summarize the PHDEP strategy to address the needs of the target population/target area(s). Your summary should briefly identify: the broad goals and objectives, the role of plan partners, and your system or process for monitoring and evaluating PHDEP -funded activities. This summary should not exceed 5 -10 sentences.

B. PHDEP Budget Summary

Enter the total amount of PHDEP funding allocated to each line item.

| FFY _____ PHDEP Budget Summary | |
|---|----------------------|
| Original statement | |
| Revised statement dated: | |
| Budget Line Item | Total Funding |
| 9110 – Reimbursement of Law Enforcement | |
| 9115 -Special Initiative | |
| 9116 -Gun Buyback TAMatch | |
| 9120 -Security Personnel | |
| 9130 -Employment of Investigators | |
| 9140 -Voluntary Tenant Patrol | |
| 9150 -Physical Improvements | |
| 9160 -Drug Prevention | |
| 9170 -Drug Intervention | |
| 9180 -Drug Treatment | |
| 9190 -Other Program Costs | |
| TOTAL PHDEP FUNDING | |

C. PHDEP Plan Goals and Activities

In the tables below, provide information on the PHDEP strategy summarized above by budget line item. Each goal and objective should be numbered sequentially for each budget line item (where applicable). Use as many rows as necessary to list proposed activities (additional rows may be inserted in the tables). PHAs are not required to provide information in shaded boxes. Information provided must be concise—no to exceed two sentences in any column. Tables for line items in which the PHA has no planned goals or activities may be deleted.

| 9110 – Reimbursement of Law Enforcement | Total PHDEP Funding: \$ |
|--|--------------------------------|
| Goal(s) | |
| Objectives | |

| Proposed Activities | #of Persons Served | Target Population | Start Date | Expected Complete Date | PHEDE P Funding | Other Funding (Amount/ Source) | Performance Indicators |
|---------------------|--------------------|-------------------|------------|------------------------|-----------------|--------------------------------|------------------------|
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |

| 9115 -Special Initiative | | | | | Total PHDEP Funding:\$ | | |
|---------------------------------|--------------------|-------------------|------------|------------------------|-------------------------------|--------------------------------|------------------------|
| Goal(s) | | | | | | | |
| Objectives | | | | | | | |
| Proposed Activities | #of Persons Served | Target Population | Start Date | Expected Complete Date | PHEDEP Funding | Other Funding (Amount/ Source) | Performance Indicators |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |

| 9116 -Gun Buyback TAMatch | | | | | Total PHDEP Funding:\$ | | |
|----------------------------------|--------------------|-------------------|------------|------------------------|-------------------------------|-------------------------------|------------------------|
| Goal(s) | | | | | | | |
| Objectives | | | | | | | |
| Proposed Activities | #of Persons Served | Target Population | Start Date | Expected Complete Date | PHEDEP Funding | Other Funding (Amount/Source) | Performance Indicators |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |

| 9120 -SecurityPersonnel | | | | | TotalPHDEPFund ing:\$ | | |
|--------------------------------|--------------------|-------------------|------------|------------------------|------------------------------|------------------------------|-----------------------|
| Goal(s) | | | | | | | |
| Objectives | | | | | | | |
| ProposedActivities | #of Persons Served | Target Population | Start Date | Expected Complete Date | PHEDEP Funding | OtherFunding (Amount/Source) | PerformanceIndicators |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |

| 9130 –EmploymentofInves tigators | | | | | TotalPHDEPFunding:\$ | | |
|---|--------------------|-------------------|------------|------------------------|-----------------------------|------------------------------|-----------------------|
| Goal(s) | | | | | | | |
| Objectives | | | | | | | |
| ProposedActivities | #of Persons Served | Target Population | Start Date | Expected Complete Date | PHEDEP Funding | OtherFunding (Amount/Source) | PerformanceIndicators |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |

| 9140 – Voluntary Tenant Patrol | | | | | Total PHDEP Funding: \$ | | |
|---------------------------------------|--------------------|-------------------|------------|------------------------|--------------------------------|-------------------------------|------------------------|
| Goal(s) | | | | | | | |
| Objectives | | | | | | | |
| Proposed Activities | #of Persons Served | Target Population | Start Date | Expected Complete Date | PHEDEP Funding | Other Funding (Amount/Source) | Performance Indicators |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |

| 9150 - Physical Improvements | | | | | Total PHDEP Funding: \$ | | |
|-------------------------------------|--------------------|-------------------|------------|------------------------|--------------------------------|-------------------------------|------------------------|
| Goal(s) | | | | | | | |
| Objectives | | | | | | | |
| Proposed Activities | #of Persons Served | Target Population | Start Date | Expected Complete Date | PHEDEP Funding | Other Funding (Amount/Source) | Performance Indicators |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |

| 9160 - Drug Prevention | | | | | Total PHDEP Funding: \$ | | |
|-------------------------------|--------------------|-------------------|------------|------------------------|--------------------------------|-------------------------------|------------------------|
| Goal(s) | | | | | | | |
| Objectives | | | | | | | |
| Proposed Activities | #of Persons Served | Target Population | Start Date | Expected Complete Date | PHEDEP Funding | Other Funding (Amount/Source) | Performance Indicators |
| | | | | | | | |

| | | | | | | | |
|----|--|--|--|--|--|--|--|
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |

| 9170 -DrugIntervention | | | | | TotalPHDEPFunding:\$ | | |
|-------------------------------|--------------------|-------------------|------------|------------------------|-----------------------------|------------------------------|-----------------------|
| Goal(s) | | | | | | | |
| Objectives | | | | | | | |
| ProposedActivities | #of Persons Served | Target Population | Start Date | Expected Complete Date | PHEDEP Funding | OtherFunding (Amount/Source) | PerformanceIndicators |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |

| 9180 -DrugTreatment | | | | | TotalPHDEPFunding:\$ | | |
|----------------------------|--------------------|-------------------|------------|------------------------|-----------------------------|-------------------------------|-----------------------|
| Goal(s) | | | | | | | |
| Objectives | | | | | | | |
| ProposedActivities | #of Persons Served | Target Population | Start Date | Expected Complete Date | PHEDEP Funding | Other Funding (Amount/Source) | PerformanceIndicators |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |

| | | | | | | | |
|--------------------------------|------------------------------|----------------------|---------------|------------------------------|---------------------------|---------------------------------|-----------------------|
| 9190 -OtherProgramCosts | | | | | TotalPHDEPFunds:\$ | | |
| Goal(s) | | | | | | | |
| Objectives | | | | | | | |
| ProposedActivities | #of Person s Served | Target Population | Start Date | Expected Complete Date | PHEDEP Funding | OtherFunding (Amount/Source) | PerformanceIndicators |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |

Required Attachment B: Resident Member on the PHA Governing Board

1. Yes X No: Does the PHA governing board include at least one member who is directly assisted by the PHA this year? (if no, skip to #2)

A. Name of resident member(s) on the governing board:

B. How was the resident board member selected: (select one)?

- Elected
- Appointed

C. The term of appointment is (include the date a term expires):

2. A. If the PHA governing board does not have at least one member who is directly assisted by the PHA, why not?

- the PHA is located in a State that requires the members of a governing board to be salaried and serve on a full-time basis
- X the PHA has less than 300 public housing units, has provided reasonable notice to the resident advisory board of the opportunity to serve on the governing board, and has not been notified by any resident of their interest to participate in the Board.

Other (explain):

B. Date of next term expiration of a governing board member: 11 /2003

C. Name and title of appointing official(s) for governing board (indicate appointing official for the next position):

Board of commissioners makes appointment

**Required Attachment C: Membership of the Resident Advisory Board
or Boards**

List members of the Resident Advisory Board or Boards: (If the list would be unreasonably long, list organizations represented or otherwise provide a description sufficient to identify how members are chosen.)

Lillie Verser
Nisa Williams

ATTACHMENT D – ADDITION TO SECTION 8 ADMINISTRATIVE PLAN**Chapter 21****SECTION 8 HOMEOWNERSHIP PROGRAM****1. GENERAL PROVISIONS**

The Section 8 Homeownership Program of the Desha County Residential Housing Facilities Board "RHFB" permits eligible participants in the Section 8 housing choice voucher program, including participants with portable vouchers, the option of purchasing a home with their Section 8 assistance rather than renting. The homeownership option is limited to five percent (5%) of the total Section 8 voucher program administered by RHFB in any fiscal year, provided that disabled families shall not be subject to the 5% limit. Eligible applicants for the Section 8 homeownership program must have completed an initial Section 8 lease term, may not owe the RHFB or any other Housing Authority an outstanding debt, and must meet the eligibility criteria set forth herein. Section 8 homeownership assistance may be used to purchase the following type of homes within the County of Desha: new or existing single-family, condominium, planned use developments, cooperatives, lofts, live/work units, or manufactured homes. The RHFB also will permit portability of Section 8 homeownership assistance to another jurisdiction, provided that the receiving jurisdiction operates a Section 8 homeownership program for which the Section 8 homeownership applicant qualifies or authorizes RHFB to administer the homeownership assistance in their jurisdiction.

2. FAMILY ELIGIBILITY REQUIREMENTS.

Participation in the Section 8 homeownership program is voluntary. Each Section 8 homeownership participant must meet the general requirements for admission to the Section 8 housing choice voucher program set forth in RHFB's Administrative Plan. Such Section 8 family also must be "eligible" to participate in the homeownership program. The additional eligibility requirements for participation in RHFB's Section 8 homeownership program include that the family must: (A) be a first-time homeowner or have a member who is a person with disabilities; (B) with the exception of elderly and disabled households, meet a minimum income requirement without counting income from "welfare assistance" sources; (C) with the exception of elderly and disabled households, meet the requisite employment criteria; (D) have completed an initial lease term in the Section 8 housing choice voucher program; (E) have fully repaid any outstanding debt owed to RHFB or any other Housing Authority; (F) not defaulted on a mortgage securing debt to purchase a home under the homeownership option; and (G) not have any member who has a present ownership interest in a residence at the commencement of homeownership assistance.

A. First-Time Homeowner.

Each Section 8 family, except families with a disabled member, must be a first-time homeowner. A "first-time homeowner" means that no member of the household has had an ownership interest in any residence during the three years preceding commencement of homeownership assistance. However, a single parent or displaced

homemaker who, while married, owned a home with a spouse (or resided in a home owned by a spouse) is considered a "first-time homeowner" for purposes of the Section 8 homeownership option; and the right to purchase title to a residence under a lease-purchase agreement is not considered an "ownership interest". A member of a cooperative (as defined in §982.4) also qualifies as a "first-time homeowner".

B. Minimum Income Requirement.

(1) Amount of Income.

At the time the family begins receiving homeownership assistance, the head of the household, spouse, and/or other adult household members who will own the home, must have a gross annual income at least equal to the Federal minimum hourly wage multiplied by 2000 hours.

(2) Exclusion of Welfare Assistance Income.

With the exception of elderly and disabled families, the RHFB will disregard any "welfare assistance" income in determining whether the family meets the minimum income requirement. Welfare assistance includes assistance from Temporary Assistance for Needy Families ("TANF"); Supplemental Security Income ("SSI") that is subject to an income eligibility test; food stamps, general assistance; or other welfare assistance specified by HUD. The disregard of welfare assistance income under this section affects the determination of minimum monthly income in determining initial qualification for the homeownership program. It does not affect the determination of income-eligibility for admission to the Section 8 housing choice voucher program, calculation of the family's total tenant payment, or calculation of the amount of homeownership assistance payments.

C. Employment History.

With the exception of disabled and elderly households, each family must demonstrate that one or more adult members of the family who will own the home at commencement of homeownership assistance is employed full-time (an average of 30 hours per week) and has been so continuously employed for one year prior to execution of the sales agreement. In order to reasonably accommodate a family's participation in the program, RHFB will exempt families that include a person with disabilities from this requirement. RHFB's Executive Director may also consider whether and to what extent an employment interruption is considered permissible in satisfying the employment requirement. The Executive Director may also consider successive employment during the one-year period and self-employment in a business.

D. Completion of Initial Lease Term.

Applicants for and new participants in the Section 8 housing choice voucher program shall be ineligible for participation in the Section 8 homeownership program until completion of an initial Section 8 lease term and the participant's first annual recertification in the Section 8 housing choice voucher program. Nothing in this provision will preclude Section 8 participants that have completed an initial lease term

in another jurisdiction from participating in the Section 8 homeownership program.

E. Repayment of Any Housing Authority Debts.

Participants in the Section 8 housing choice voucher program shall be ineligible for participation in the Section 8 homeownership program in the event any debtor portion of a debt remains owed to the RHF or any other Housing Authority. Nothing in this provision will preclude Section 8 participants that have fully repaid such debt(s) from participating in the Section 8 homeownership program.

F. Additional Eligibility Factors.

(1) ELDERLY AND DISABLED HOUSEHOLDS

Elderly and disabled families are exempt from the employment requirements set forth in Section 2.C. above. In the case of an elderly or disabled family, RHF will consider income from all sources, including welfare assistance in evaluating whether the household meets the minimum income required to purchase a home through the Section 8 homeownership program.

(2) PREFERENCE FOR PARTICIPATION IN FSS PROGRAM

Applicants for the homeownership program are not required to participate in RHF's Family Self Sufficiency ("FSS") program in order to participate in the homeownership program. However, in the event the applications for home ownership assistance exceed five percent (5%) of RHF's total voucher program in any fiscal year, FSS participants shall have a preference for participation in the homeownership program. Participants in an Individual Development Account ("IDA") program approved by the RHF also will receive a preference for home ownership assistance in the event applicants for home ownership assistance exceed the 5% limitation. If a head of household, spouse, or other adult household member who will execute the contract of sale, mortgage and loan documents has previously defaulted on a mortgage obtained through the Section 8 homeownership program, the family will be ineligible to participate in the homeownership program.

3. FAMILY PARTICIPATION REQUIREMENTS.

Once a family is determined to be eligible to participate in the program, it must comply with the following additional requirements: (A) complete a home ownership counseling program approved by RHF prior to commencement of home ownership assistance; (B) be willing to participate in any down-payment assistance, mortgage reduction or IDA programs available and for which family is eligible. (C) within a specified time, locate the home it proposes to purchase; (D) submit a sales agreement containing specific components to RHF for approval; (E) allow RHF to inspect the proposed home ownership dwelling to assure that the dwelling meets appropriate housing quality standards; (F) obtain an independent inspection covering major building systems; (G) obtain RHF approval of the proposed mortgage (which must comply with generally accepted mortgage underwriting requirements); and (H) enter into a written agreement with RHF to comply with all of its obligations under the Section 8 program.

A. Home Ownership Counseling Program.

A family's participation in the home ownership program is conditioned on the family attending and successfully completing a home ownership and housing counseling program provided through partnerships of the McGehee Residential Housing Facilities Board with the McGehee Housing Authority and the Southeast Arkansas Community Housing Development Organization prior to commencement of home ownership assistance. The home ownership and counseling program will cover home maintenance; budgeting and money management; credit counseling; negotiating purchase price; securing mortgage financing; finding a home; and the advantages of purchasing and locating homes in areas that do not have a high concentration of low-income families.

[Note: §982.620(b) provides 'suggested topics' for the PHA required pre-assistance counseling program, which are, for the most part, included here. RHFBOmitted suggested topics regarding fair housing, RESPA obligations and predatory lending issues. These topics should also be included in the home ownership counseling program.]

The counseling will be provided by a counselor certified through the American Homeowners Education Counseling Institute and curriculum will comply with HUD's Housing Counseling Program. HUD approved counselor will be sought upon length of experience requirements being met. The RHFBO may require families to participate in a RHFBO approved home ownership counseling program on a continuing basis.

B. Locating and Purchasing a Home

(1) Locating a Home

Upon approval for the Section 8 home ownership program, a family shall have twelve months to locate a home to purchase. A home shall be considered located if the family submits a proposed sales agreement with the requisite components to RHFBO. For good cause, RHFBO may extend a Section 8 family's time to locate the home for additional thirty (30) day increments not to exceed eighteen (18) months total. During a Section 8 participant's search for a home to purchase, their Section 8 Rental assistance shall continue pursuant to the Administrative Plan. If a Section 8 participant family is unable to locate a home within the time approved by RHFBO, their Section 8 rental assistance through the Section 8 housing choice voucher program shall continue.

(2) Type of Home.

A family approved for Section 8 home ownership assistance may purchase the following types of homes within the County of Desha: a new or existing home, a single family home, a condominium, a home in a planned development, a cooperative, a loft for live/work unit, or a manufactured home to be situated on a privately owned lot or on a leased pad in a mobile home park. The home must be already existing or under construction at the time

RHFB determines the family eligible for homeownership assistance [to purchase the unit (Part 982.628(a)(2)).]. The family also may purchase a home in a jurisdiction other than the County of Desha, provided the Housing Authority in the receiving jurisdiction operates a Section 8 homeownership program for which the Section 8 homeownership applicant qualifies or authorizes RHFB to administer the homeownership assistance in their jurisdiction. In the former case, a family's participation in the Section 8 homeownership program will be subject to the Section 8 homeownership program policies of the receiving jurisdiction.

(3) Purchasing a Home

Once a home is located and a sales agreement approved by RHFB is signed by the family, the family shall have up to six (6) months, or such other time as is approved by RHFB's Executive Director or set forth in the RHFB approved sales agreement, to purchase the home.

(4) Failure to Complete Purchase

If a Section 8 participant is unable to purchase the home within the maximum time permitted by RHFB, RHFB shall continue the family's participation in the Section 8 housing choice voucher program. The family may not re-apply for the Section 8 homeownership program until they have completed an additional year of participation in the Section 8 housing choice voucher program following the initial determination of their eligibility for the homeownership option.

(5) Lease –Purchase

Families may enter into lease-purchase agreements while receiving Section 8 rental assistance. All requirements of the housing choice voucher program apply to lease-purchase agreements, except that families are permitted to pay an extra amount out-of-pocket to the owner for purchaser related expenses --a "homeownership premium," defined as an increment of value attributable to the value of the lease purchase right or agreement is excluded from RHFB's rent reasonableness determination and subsidy calculation, and must be absorbed by the family. When a lease-purchase participant family is ready to exercise their option, they must notify the Home Ownership Counselor at RHFB and apply for the homeownership option. If determined eligible for homeownership assistance, the family may be admitted to the homeownership program and must meet all the requirements of these policies.

C. Sales Agreement

Prior to execution of the offer to purchase or sales agreement, the financing terms must be provided by the family to RHFB for approval. The sales agreement must provide for inspection by RHFB and the independent inspection referred to in Section 3(E) and must state that the purchaser is not obligated to purchase unless such inspections are satisfactory to RHFB. The contract also must provide that the purchaser is not obligated to pay for any necessary repairs without approval by RHFB. The sales agreement must provide that the purchaser is not obligated to purchase if the mortgage financing

terms are not approved by RHFB pursuant to Section 3(F). The sales agreement must also contain a seller certification that the seller is not debarred, suspended, or subject to a limited denial of participation under 24CFR part 24.

D. Independent Initial Inspection Conducted.

To assure the home complies with the housing quality standards of the Section 8 program, home ownership assistance payments may not commence until RHFB first inspects the home. An independent inspection of existing homes covering major building systems also must be completed by a professional selected by the family and approved by RHFB. RHFB will not pay for the independent inspection. The independent inspection report must be provided to RHFB. RHFB may disapprove the unit due to information contained in the report or for failure to meet federal housing quality standards.

E. Financing Requirements.

The proposed financing terms must be submitted to and approved by RHFB prior to close of escrow. RHFB shall determine the affordability of the family's proposed financing. In making such determination, RHFB may take into account other family expenses, including but not limited to childcare, unreimbursed medical expenses, education and training expenses and the like. Certain types of financing, including but not limited to, balloon payment mortgages, unless convertible to a variable rate mortgage, are prohibited and will not be approved by RHFB. Seller-financing mortgages shall be considered by RHFB on a case-by-case basis. If a mortgage is not FHA-insured, RHFB will require the lender to comply with generally accepted mortgage underwriting standards consistent with those of HUD/FHA, Ginnie Mae, Fannie Mae, Freddie Mac, Arkansas Development Finance Authority (ADFA), USDA Rural Housing Services, the Federal Home Loan Bank, or other private lending institution.

F. Compliance With Family Obligations.

A family must agree, in writing, to comply with all family obligations under the Section 8 program and RHFB's home ownership policies. These obligations include (1) attending ongoing home ownership counseling, if required by RHFB; (2) complying with the mortgage terms; (3) not selling or transferring the home to anyone other than a member of the assisted family who resides in the home while receiving home ownership assistance; (4) not refinancing or adding debt secured by the home without prior approval by RHFB; (5) not obtaining a present ownership interest in another residence while receiving home ownership assistance; and (6) supplying all required information to RHFB, including but not limited to annual verification of household income, notice of change in home ownership expenses, notice of move-out, and notice of mortgage default. RHFB's Home Ownership Family Obligation policies are set forth in Appendix A hereto.

G. Compliance Lien

Upon purchase of a home, the family must execute documentation as required by HUD and RHF B, consistent with State and local law, securing RHF B's right to recapture the home ownership assistance in accordance with Section 5.C. below. The lien securing the recapture of home ownership subsidy may be subordinated to a refinanced mortgage.

[Note: Moving to another home in times same PHA jurisdiction, as well as buying a nother home in another PHA jurisdiction, is permitted with continued use of home ownership assistance. See §§982.636, & -637.14 .

4. AMOUNT OF ASSISTANCE.

The amount of the monthly assistance payment will be based on three factors: the voucher payment standard for which the family is eligible; the monthly home ownership expense; and the family's household income. RHF B will pay the lower of either the payment standard minus the total family contribution ("TFC") or the family's monthly home ownership expenses minus the TFC. The Section 8 family will pay the difference.

A. Determining the Payment Standard.

The voucher payment standard is the fixed amount the RHF B annually establishes as the "fair market" rent for a unit of a particular size located within the RHF B jurisdiction. In the home ownership program, the initial payment standard will be the lower of either (1) the payment standard for which the family is eligible based on family size; or (2) the payment standard which is applicable to the size of the home the family decides to purchase. The payment standard for subsequent years will be based on the higher of: (1) the payment standard in effect at commencement of the home ownership assistance; or (2) the payment standard in effect at the most recent regular reexamination of the family's income and size. The initial payment standard, for purposes of this comparison, shall not be adjusted even if there is a subsequent decrease in family size. RHF B will request HUD approval of a higher payment standard, up to 12 % of the published Fair Market Rent limit, where warranted as a reasonable accommodation for a family that includes a person with disabilities.

B. Determining the Monthly Home Ownership Expense.

Monthly home ownership expense includes all of the following: principal and interest on the initial mortgage and any mortgage insurance premium (MIP) incurred to finance the purchase and any refinancing of such debt; real estate taxes and public assessments; homeowner's insurance; maintenance expenses per RHF B allowance; costs of major repairs and replacements per RHF B allowance (replacement reserves); utility allowance per RHF B's schedule of utility allowances; principal and interest on mortgage debt incurred to finance major repairs, replacements or improvements for the home including changes needed to make the home accessible; and homeowner association dues, fees or regular charges assessed, if any. Home ownership expenses for a cooperative member may only include RHF B approved amounts for the cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home; principal and interest on initial

debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt; home insurance; the allowances for maintenance expenses, major repairs and replacements and utilities; and principal and interest on debt incurred to finance major repairs, replacements, or improvements, including changes needed to make the home accessible.

C. Determining the Total Family Contribution

The TFC is that portion of the home ownership expense that the family must pay. It is generally 30% percent of the family's adjusted income, plus any gap between the payment standard and the actual housing cost. All family income (including public assistance), will be counted to determine the family's adjusted monthly income for purposes of determining the amount of assistance.

D. Payment to Family or Lender

RHFB will provide the lender with notice of the amount of the housing assistance payment prior to close of escrow and will pay RHFB's contribution toward the family's home owner expense directly to the family, unless otherwise required by the lender. The family will be responsible to submit the entire mortgage payment to the lender unless the lender requires direct payment of RHFB's contribution.

5. TERMINATION OF SECTION 8 HOME OWNERSHIP ASSISTANCE.

A. Grounds for Termination of Home Ownership Assistance

(1) Failure to Comply with Family Obligations Under Section 8 Program or RHFB's Home Ownership Policies.

A family's home ownership assistance may be terminated if the family fails to comply with its obligations under the Section 8 program, RHFB home ownership policies, or if the family defaults on the mortgage. If required, the family must attend and complete ongoing home ownership and housing counseling classes. The family must comply with the terms of any mortgage incurred to purchase and/or refinance the home. The family must provide RHFB with written notice of any sale or transfer of any interest in the home; any plan to move out of the home prior to the move; the family's household income and home ownership expenses on an annual basis; any notice of mortgage default received by the family; and any other notices which may be required pursuant to RHFB home ownership policies. Except as otherwise provided in this Section, the family may not convey or transfer the home to any entity or person other than a member of the assisted family while receiving home ownership assistance.

(2) Occupancy of Home

Home ownership assistance will only be provided while the family resides in the home. If the family moves out of the home, RHFB will not continue home ownership assistance commencing with the month after the family moves out. Neither the family nor the lender is obligated to reimburse the RHFB for home

ownership assistance paid for the month the family moves out.

(3) Changes in Income Eligibility

A family's home ownership assistance may be changed in the month following annual recertification of the household income, but participation in the Section 8 Home Ownership program shall continue until such time as the assistance payment amount is \$0 for a period of six (6) consecutive months.

(4) Maximum Term of Home Ownership Assistance.

Notwithstanding the provisions of Section 5(A), subparagraphs 1 through 3, except for disabled and elderly families, a family may receive Section 8 home ownership assistance for not longer than ten (10) years from the date of closing of escrow unless the initial mortgage incurred to finance purchase of the home has a term that is 20 years or longer, in which case the maximum term is 15 years. Families that qualify as elderly at the commencement of home ownership assistance are not subject to a maximum term limitation. Families that qualify as disabled families at the commencement of home ownership assistance or at any time during the provision of home ownership assistance are not subject to a maximum term limitation. If a disabled family or elderly family ceases to qualify as disabled or elderly, the appropriate maximum term becomes applicable from the date home ownership assistance commenced; provided, however, that such family shall be eligible for at least six additional months of home ownership assistance after the maximum term becomes applicable. The time limit applies to any member of the household who has an ownership interest in the unit during any time that home ownership payments are made, or is a spouse of any member of the household who has an ownership interest.

B. Procedure for Termination of Home Ownership Assistance

A participant in the Section 8 Home Ownership program shall be entitled to the same termination notice and informal hearing procedures as set forth in the Administrative Plan of the RHFB for the Section 8 housing choice voucher program.

C. Recapture of Home Ownership Assistance

In certain circumstances the home ownership assistance provided to the family is subject to total or partial recapture upon the sale or refinancing of the home. Sales proceeds that are used by the family to purchase a new home with Section 8 home ownership assistance are not subject to recapture. Further, a family may refinance to take advantage of better terms without any recapture penalty, provided that no proceeds are realized ("cash -out"). Only "cash -out" proceeds from refinancing and sales proceeds not used to purchase a new home with Section 8 assistance less those amounts provided for in § 982.640 are subject to recapture. Further, the amount of home ownership assistance subject to recapture shall automatically be reduced in annual increments of 10% beginning one year from the purchase date. At the end of 10 years the amount of home ownership assistance subject to recapture will be zero.

6. CONTINUED PARTICIPATION IN SECTION 8 HOUSING CHOICE VOUCHER

PROGRAM

A. Default on FHA -Insured Mortgage.

If the family defaults on an FHA -insured mortgage, RHF B may permit the family to move with continued Section 8 housing choice rental assistance if the family demonstrates that it has (a) conveyed title to the home to HUD or its designee, as required by HUD; and (b) moved from the home within the period established or approved by HUD.

B. Default on non -FHA-insured Mortgage,

If the family defaults on a mortgage that is not FHA -insured, RHF B may permit the family to move with continued Section 8 housing choice voucher rental assistance if the family demonstrates that it has (a) conveyed title to the home to the lender, to RHF B or to its designee, as may be permitted or required by the lender; and (b) moved from the home within the period established or approved by the lender and/or RHF B

7. RHF B ADMINISTRATIVE FEE.

For each month that home ownership assistance is paid by RHF B on behalf of the family, RHF B shall be paid the ongoing administrative fee described in 24 C.F.R. §982.152(b).

8. WAIVER OR MODIFICATION OF HOME OWNERSHIP POLICIES.

The Executive Director of RHF B shall have the discretion to waive or modify any provision of the Section 8 home ownership program or policies not governed by statute, or regulation for good cause or to comply with changes in HUD regulations or directives.

APPENDIX A: SECTION 8 HOME OWNERSHIP OBLIGATIONS

This form is to be signed by the homebuyer(s) in the presence of the McGehee Residential Housing Facilities Board's (RHFB) Home Ownership Program Coordinator. The Coordinator will explain any and all clauses which you, the homebuyer(s), may not understand. The following paragraphs describe your responsibilities under the Section 8 Home Ownership Program. If you or members of your household do not meet these responsibilities, through your actions or your failure to act, you may be terminated from the Section 8 Home Ownership Program.

1. **Family Obligations:** You must comply with all Family Obligations of the Section 8 Housing Choice Voucher Program, excepting only the prohibition against stowning or having an interest in the unit. Family Obligations §§ 982.551(c), (d), (e), (f), (g) and (j) do not apply to the Section 8 Home Ownership Program.
2. **Housing Counseling:** All participating family members (i.e. those signing the purchase offer and loan documents) must satisfactorily complete a RHFB provided or approved counseling program prior to commencement of home ownership assistance. RHFB may require any or all participating family members to attend additional housing counseling classes as a condition of continued assistance.
3. **Purchase Contract:** You must include contract conditions in any Offer to Purchase that give RHFB a reasonable time (a) to inspect the home for compliance with HUD's Housing Quality Standards; (b) to review and approve a professional home inspection report obtained by you from a RHFB approved inspector; and (c) to approve the terms of your proposed financing. Advise your Realtor of these requirements.
4. **Mortgage Obligations.** - You must comply with the terms of any mortgage incurred in the purchase of the property and must notify RHFB's Home Ownership Program Counselor within five (5) days of receipt of any late payment or default notice.
5. **Occupancy:** You must occupy the unit as your principal residence. You may not transfer, sell, or assign any interest in the property without RHFB's prior written consent. You may not rent or lease any part of the premises without RHFB's prior written consent. You must notify RHFB in writing at least 30 days prior to moving out of the house for a period of 30 days or longer or prior to any sale, transfer, assignment, lease or other form of alienation of the assisted property.
6. **Maintenance:** You must maintain the property in a decent, safe and sanitary manner. You must allow RHFB to inspect the property within one week of a demand by RHFB to conduct an inspection. You must correct any notice of deficiency issued by RHFB within the time limit specified in the notice. If you fail to adequately maintain the property, RHFB may divert the maintenance and replacement reserves portions of the Home Ownership Assistance Payment to an escrow account to be used to pay for reasonable and necessary maintenance expenses.
7. **Annual Re-examination:** You must annually provide RHFB with current information regarding family income and composition in a format required by RHFB.

- 8. *Refinancing: You must notify RHFBI in writing of any proposal to refinance the original purchase mortgage or of any proposal to encumber the property with secondary financing and obtain RHFBI's written approval of such financing prior to executing any loan documents.*
- 9. **Default:** In the event of a default on your mortgage obligation, you must cooperate with RHFBI and the lender to minimize any loss to the lender in order to maintain your eligibility to continue as a participant in the Section 8 Housing Choice Voucher Program.
- 10. **Recapture:** You must sign and have recorded a lien, in a form required by HUD, securing RHFBI's right to recapture a percentage of home ownership assistance provided to you upon your sale or refinancing of the home within a ten (10) year period after the purchase date. The amount of recapture shall be calculated in accordance with HUD regulations and shall be subject to automatic reduction in 10% increments annually beginning one year from the purchase date.

BYSIGNINGBELOW,IATTESTTHATIHAVE READANDUNDERSTAND MYOBLIGATIONSASAPARTICIPANTINTHESECTION8HOME OWNERSHIPPROGRAMANDIAGREETOABIDEBYTHESE RESPONSIBILITIES.IUNDERSTANDTHATRHFBMAYTERMINATEMY HOMEOWNERSHIPASSISTANCEIFIVIOLATEANYOF THESE OBLIGATIONS,BUTTHATIMAYREQUESTANINFORMALREVIEW OFANYPROPOSEDNOTICEOFTERMINATIONPRIORTOIT BECOMING EFFECTIVE

Homebuyer: _____ **date:** _____

Homebuyer: _____ **date:** _____

RHFB: _____