

PHA Plans

Streamlined 5-Year/Annual Version

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

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This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937 that introduced 5-year and annual PHA Plans. The full PHA plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form allows eligible PHAs to make a streamlined annual Plan submission to HUD consistent with HUD's efforts to provide regulatory relief to certain PHAs. Public reporting burden for this information collection is estimated to average 11.7 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Information in PHA plans is publicly available.

Streamlined 5-Year Plan for Fiscal Years 2005 - 2009

Streamlined Annual Plan for Fiscal Year 2005

NOTE: This PHA Plan template (HUD-50075-SA) is to be completed in accordance with instructions contained in previous Notices PIH 99-33 (HA), 99-51 (HA), 2000-22 (HA), 2000-36 (HA), 2000-43 (HA), 2001-4 (HA), 2001-26 (HA), 2003-7 (HA), and any related notices HUD may subsequently issue. Full reporting for each component listed in the streamlined Annual Plan submitted with the 5-year plan is required.

Streamlined Five-Year PHA Plan Agency Identification

PHA Name: Municipality of Peñuelas

PHA Number: RQ019

PHA Fiscal Year Beginning: (mm/yyyy) 07/2005

PHA Programs Administered:

Public Housing and Section 8

Section 8 Only

Public Housing Only

Number of public housing units:

Number of S8 units: 170

Number of public housing units:

Number of S8 units:

PHA Consortia: (check box if submitting a joint PHA Plan and complete table)

Participating PHAs	PHA Code	Program(s) Included in the Consortium	Programs Not in the Consortium	# of Units Each Program
Participating PHA 1:				
Participating PHA 2:				
Participating PHA 3:				

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
- PHA local offices

Display Locations For PHA Plans and Supporting Documents

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

- Main administrative office of the PHA
- PHA development management offices
- PHA local offices
- Main administrative office of the local government-**Mayor's Office**
- Main administrative office of the County government
- Main administrative office of the 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)

Streamlined Five-Year PHA Plan

PHA FISCAL YEARS 2005 - 2009

[24 CFR Part 903.12]

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)

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:
 - 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)
 - Improve voucher management: (SEMAP score) 77%
 - Increase customer satisfaction:
 - Concentrate on efforts to improve specific management functions: (list; e.g., public housing finance; voucher unit inspections)
 - Renovate or modernize public housing units:
 - 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:
- Conduct outreach efforts to potential voucher landlords
- Increase voucher payment standards
- Implement voucher homeownership program:
- Implement public housing or other homeownership programs:
- 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 higher income public housing households into lower income developments:
- Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments:
- 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:
- Provide or attract supportive services to improve assistance recipients' employability:
- Provide or attract supportive services to increase independence for the elderly or families with disabilities.
- 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:
- 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 persons with all varieties of disabilities regardless of unit size required:
- Other: (list below)

Other PHA Goals and Objectives: (list below)

Streamlined Annual PHA Plan

PHA Fiscal Year 2005

[24 CFR Part 903.12(b)]

Table of Contents

Provide the following table of contents for the streamlined Annual Plan submitted with the Five-Year Plan, including all streamlined plan components, and additional requirements, together with the list of supporting documents available for public inspection.

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B. SEPARATE HARD COPY SUBMISSIONS TO LOCAL HUD FIELD OFFICE

Form HUD-50077, PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans;

Certification by State or Local Official of PHA Plan Consistency with Consolidated Plan.

For PHAs APPLYING FOR CAPITAL FUND PROGRAM (CFP) GRANTS:

Form HUD-50070, Certification for a Drug-Free Workplace;

**Form HUD-50071, *Certification of Payments to Influence Federal Transactions*;
Form SF-LLL & SF-LLLa, *Disclosure of Lobbying Activities*.**

Executive Summary (optional)

[903.7(r)]. If desired, provide a brief overview of the contents of the streamlined 5-Year/Annual Plan.

The Municipality of Peñuelas' Section 8 Office has adopted the following mission statement:

- **To assist families during distress and gradually reduce the amount paid by the Program in an efficient manner, while at the same time motivating these same families to become self-sufficient.**

Moreover, the plans, statements, and policies set forth and/or referenced in this same Five-Year/Annual Plan lead towards accomplishing the Municipality's goals and objectives. It is for this purpose that the Municipality of Peñuelas established a Section 8 Office to administer the Housing Choice Voucher Program, as well as any other Tenant-Based Subsidized Housing Program in order to assist financially disadvantaged families in meeting their housing needs. Peñuelas firmly believes that there are two major philosophy components, which is the foundation of the tenant-based housing program:

- ❖ **To afford extremely low-income families the opportunity of choice and mobility in selecting where they chose to live;**
- ❖ **Maintain the essential elements of a private relationship between the tenant and the landlord on matters other than rent.**

As a result of this philosophy the Housing Choice Voucher Program is tenant-based, which does not tie the participant to any particular housing unit. Furthermore, there is an undeniable need for low-income housing within the PHA jurisdiction as evidenced by the waiting list as well as the latest U.S. Census. There also exists a need for quality housing units available for program participants, but there is not an abundance of affordable housing for low income families within this same Municipality. Being cognizant of this, our Municipality has established realistic and attainable goals, whereby, particular thought has been given to the number of families which can be expected to need and want better housing. By setting attainable goals, the PHA intends to provide a vehicle for those-in-need and for those who have available units by coming together in a manner beneficial to both. This is in direct relation to both the major commitments and priorities of the U. S. Department of Housing and Urban Development (HUD). **The Municipality of Peñuelas is a tenant-based (Section 8) only PHA.**

This Municipality also administers various tenant-based subsidized housing programs geared towards certain sectors of the population in general to afford them the same opportunities as other extremely low-income and low-income families within the general population. The following program is administered by the Municipality of Peñuelas:

- a) **Family Self Sufficiency** – a program whereby strategies are developed to coordinate the use of housing assistance under the auspices of the Housing Choice Voucher Program (Section 8) with public and private resources. Hence, enabling extremely low-income and low-income families, who are eligible to receive said assistance to achieve economic independence, and self -sufficiency.
- b) **Housing Conversation Voucher Program** - The Municipality has been assigned 70 conversion vouchers for the Alturas de Peñuelas housing project from HUD. It will be the responsibility of the PHA to relocate these families within a reasonable amount of time.

The Five-Year/Annual Plan of Peñuelas as presented herein furthers HUD's statutory goal of merging the Certificate and Voucher Program, respectively, in accordance with the Quality Housing and Work Responsibility Act of 1998, 24 CFR 903, Section 545, as amended. This same Plan will afford Peñuelas an opportunity to shape the various programs presented herein into effective, viable, and coordinated strategies by involving citizen participation. **The Five-Year/Annual Plan provides a framework for local accountability and an easily identifiable source by which public housing residents, participants in the tenant-based program, and other members of the public may locate basic PHA policies, rules, and requirements concerning its operations, programs and services.**

1. Statement of Housing Needs [24 CFR Part 903.12 (b), 903.7(a)]

A. 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 PHA's Waiting Lists			
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	100		5
Extremely low income <=30% AMI	80	80%	
Very low income (>30% but <=50% AMI)	20	20%	
Low income (>50% but <80% AMI)	0		
Families with children	92	92%	
Elderly families	4	4%	
Families with Disabilities	4	4%	
Race/ethnicity	100	100%	
Race/ethnicity			
Race/ethnicity			
Race/ethnicity			
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			
Is the waiting list closed (select one)? <input type="checkbox"/> No <input checked="" 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 type="checkbox"/> Yes			
Does the PHA permit specific categories of families onto the waiting list, even if generally closed?			
<input type="checkbox"/> No <input type="checkbox"/> Yes			

B. Strategy for Addressing Needs

Provide a brief description of the PHA's strategy for addressing the housing needs of families on the PHA's public housing and Section 8 waiting lists **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 903.12 (b), 903.7 (c)]

List on the following table 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 20__ grants)		
a) Public Housing Operating Fund		
b) Public Housing Capital Fund		
c) HOPE VI Revitalization		
d) HOPE VI Demolition		
e) Annual Contributions for Section 8 Tenant-Based Assistance	\$764,501.00*	
f) Resident Opportunity and Self-Sufficiency Grants		
g) Community Development Block Grant		
h) HOME		
Other Federal Grants (list below)		
Family Self-Sufficiency	\$42,736.00*	
Portability	\$24,098.00+	
2. Prior Year Federal Grants (unobligated funds only) (list below)		
3. Public Housing Dwelling Rental Income		
4. Other income (list below)		
Administrative Fees	\$82,569.00	
4. Non-federal sources (list below)		
Total resources	\$913,904.00	
* 161 – HAP – HCV Units		
** 9 – HAP – FSS Units		
+ 5 – Portability – HAP Units		

3. PHA Policies Governing Eligibility, Selection, and Admissions

[24 CFR Part 903.12 (b), 903.7 (b)]

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)
- 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
- PHA development site management office
- Other (list below)

c. Site-Based Waiting Lists-Previous Year

1. Has the PHA operated one or more site-based waiting lists in the previous year? If yes, complete the following table; if not skip to d.

Site-Based Waiting Lists				
Development Information: (Name, number, location)	Date Initiated	Initial mix of Racial, Ethnic or Disability Demographics	Current mix of Racial, Ethnic or Disability Demographics since Initiation of SBWL	Percent change between initial and current mix of Racial, Ethnic, or Disability demographics

2. What is the number of site based waiting list developments to which families may apply at one time? ____

3. How many unit offers may an applicant turn down before being removed from the site-based waiting list? ____

4. Yes No: Is the PHA the subject of any pending fair housing complaint by HUD or any court order or settlement agreement? If yes, describe the order, agreement or complaint and describe how use of a site-based waiting list will not violate or be inconsistent with the order, agreement or complaint below:

d. Site-Based Waiting Lists – Coming Year

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 what circumstances will transfers take precedence over new admissions? (list below)

- Emergencies
- Over-housed
- Under-housed
- 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)

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.

- Date and Time

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

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 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)

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: Does the PHA have any general occupancy (family) public housing developments covered by the deconcentration rule? If no, this section is complete. If yes, continue to the next question.

b. Yes No: Do any of these covered developments have average incomes above or below 85% to 115% of the average incomes of all such developments? If no, this section is complete. If yes, list these developments on the following table:

Deconcentration Policy for Covered Developments			
Development Name	Number of Units	Explanation (if any) [see step 4 at §903.2(c)(1)(iv)]	Deconcentration policy (if no explanation) [see step 5 at §903.2(c)(1)(v)]

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):
- 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)

It is the position of the Municipality of Peñuelas, that if requested, to only provide prospective owners with the address of the participant and the names and addresses of current and previous owners, if known. The Municipality will make exceptions to this policy if the family's whereabouts must be protected due to domestic violence or witness protection programs. The Municipality will inform owners that this is the owner's responsibility to determine the family's suitability as a tenant.

(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

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:

Reason for Granting Extension

If a member of the family is a disabled person, or is suffering from a serious illness, the PHA may contingent upon individual circumstances, grant the required extensions up to a maximum of 120 days. The search record is not part of the required verification.

Likewise, should there be a death or other serious impediments within the immediate family, which would preclude this same family from participating both actively and freely in the location and selection of suitable, safe, decent, and sanitary housing,

the PHA may at its discretion grant extension up to a total of some 130 calendar days including the initial term of some 60 calendar days. Verification is required.

If the PHA is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the PHA, throughout the initial sixty-day period. A completed search record is not required.

(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)

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.

Date and Time

Former Federal preferences:

- 1 Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
- 1 Victims of domestic violence
- 2 Substandard housing
- 1 Homelessness
- 3 High rent burden

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)

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)

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 903.12(b), 903.7(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 of the following two)

- 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))
- 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

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

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

c. Rents set at less than 30% of 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)

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) _____
- 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

a. 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)

Budget restrictions imposed by Congress

Available housing units and willingness of owners to participate in the Section 8 Program

(2) Minimum Rent

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

- \$0
- \$1-\$25
- \$26-\$50

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

a. Hardship exemption:

Should a family request a hardship exemption, said request will be honored upon determination of whether there is a qualifying financial hardship. The suspension of the minimum rent requirement will begin the month following the family's hardship request.

The following will be considered as financial hardship:

1. When the family has lost eligibility for, or is waiting an eligibility determination for a Federal, State or, Local assistance;
2. When the family would be evicted as a result of the imposition of the minimum rent requirement;
3. When the income of the family has decreased because of changed circumstances, including loss of employment;
4. When a death has occurred in the family;
5. Other circumstances as determined by the Municipality of Peñuelas.

a. Request for Hardship Exemption

1. If a family requests a hardship exemption, the Municipality of Peñuelas will suspend the minimum rent requirement beginning the month following the family's hardship request until the Municipality of Peñuelas determines whether there is a qualifying financial hardship and whether it is temporary or long-term.
2. If the Municipality of Peñuelas determines that there is a qualifying financial hardship, but that it is temporary, the Municipality of Peñuelas will not impose a minimum rent for a period of any more than 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 will be afforded a responsible repayment agreement for the amount of back rent owed.
3. If the Municipality of Peñuelas has determined that there is no qualifying hardship exemption, the Municipality of Peñuelas will reinstate the minimum rent including the back payment for minimum rent from the time of suspension on terms and conditions established by the Municipality.
4. If the Municipality of Peñuelas determines that there is a qualifying long-term financial hardship, the family will be exempted from the minimum rent requirement in compliance with 24 CFR Part 5, Section 5.616.

b. Appeal of financial hardship

Should the family appeal the financial hardship determination through the Municipality of Peñuelas's grievance procedure, it will be exempt from any escrow deposit that may be required in accordance with 24 CFR Art 5, Section 5.616.

5. Capital Improvement Needs

[24 CFR Part 903.12(b), 903.7 (g)]

Exemptions from Component 5: Section 8 only PHAs are not required to complete this component and may skip to Component 6.

A. Capital Fund Activities

Exemptions from sub-component 5A: PHAs that will not participate in the Capital Fund Program may skip to component 5B. All other PHAs must complete 5A as instructed.

(1) Capital Fund Program

- a. Yes No Does the PHA plan to participate in the Capital Fund Program in the upcoming year? If yes, complete items 12 and 13 of this template (Capital Fund Program tables). If no, skip to B.
- b. Yes No: Does the PHA propose to use any portion of its CFP funds to repay debt incurred to finance capital improvements? If so, the PHA must identify in its annual and 5-year capital plans the development(s) where such improvements will be made and show both how the proceeds of the financing will be used and the amount of the annual payments required to service the debt. (Note that separate HUD approval is required for such financing activities.).

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

Applicability of sub-component 5B: 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.

(1) Hope VI Revitalization

- a. Yes No: Has the PHA received a HOPE VI revitalization grant? (if no, skip to next component; if yes, provide responses to questions on chart below for each grant, copying and completing as many times as necessary)
- b. Yes No: Status of HOPE VI revitalization grant (complete one set of questions for each grant)
Development name:
Development (project) number:
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

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

d. Yes No: 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:

e. Yes No: 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:

6. Demolition and Disposition

[24 CFR Part 903.12(b), 903.7 (h)]

Applicability of component 6: Section 8 only PHAs are not required to complete this section.

a. Yes No: Does the PHA plan to conduct any demolition or disposition activities (pursuant to section 18 or 24 (Hope VI) of the U.S. Housing Act of 1937 (42 U.S.C. 1437p) or Section 202/Section 33 (Mandatory Conversion) in the plan Fiscal Year? (If “No”, skip to component 7; if “yes”, complete one activity description for each development on the following chart.)

Demolition/Disposition Activity Description	
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. Timeline for activity: a. Actual or projected start date of activity: b. Projected end date of activity:	

7. Section 8 Tenant Based Assistance--Section 8(y) Homeownership Program

[24 CFR Part 903.12(b), 903.7(k)(1)(i)]

- (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 the next component; if “yes”, complete each program description below (copy and complete questions for each program identified.)

(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, what is the maximum number of participants this fiscal year? 17

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:

c. What actions will the PHA undertake to implement the program this year (list)?

The Municipality of Peñuelas has decided to delay, until further notice, the implementation of the Section 8 Homeownership Program pursuant to Section 8(y) of the USHA of 1937, as implemented by CFR part 982. The Municipality currently utilizes State resources such as those provided by the State Housing Department as well as the Commonwealth of Puerto Rico Housing Development Bank. Moreover, the State is running a program to assist first-time home buyers called “Llave para tu hogar” or A Key for Your Home. This program provides a grant upto \$15,000 to be used as part of package to bring the cost of the home down. The dwelling may not be selling for more than \$70,000.00. Also the State runs a program called Ley 124, which also assist low income families purchase their home. Another program available to first-time homebuyers is the Homebuyer Program sponsored by the US Department of Agriculture, Rural Development Administration. The Municipality is contemplating implementing HUD’s homeownership program at some future date.

(3) 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):

- a. Establishing a minimum homeowner downpayment requirement of at least 3 percent of purchase price and requiring that at least 1 percent of the purchase price comes from the family’s resources.
- b. Requiring that financing for purchase of a home under its Section 8 homeownership 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.

c. Partnering with a qualified agency or agencies to administer the program (list name(s) and years of experience below).

d. Demonstrating that it has other relevant experience (list experience below).

8. Civil Rights Certifications

[24 CFR Part 903.12 (b), 903.7 (o)]

Civil rights certifications are included in the *PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans*, which is submitted to the Field Office in hard copy—see Table of Contents.

9. Additional Information

[24 CFR Part 903.12 (b), 903.7 (r)]

A. PHA Progress in Meeting the Mission and Goals Described in the 5-Year Plan

(Provide a statement of the PHA's progress against the goals and objectives established in the previous 5-Year Plan for the period FY 2000 - 2005.)

Within its 5-Year Plan, the Municipality of Peñuelas has achieved the following:

- Consolidated the Section 8 Voucher and Certificate Program, respectively, into a single market-driven program.
- Has been actively promoting freedom of housing choice so as to achieve spatial deconcentration of extremely low income families, within our homogeneous community.
- Continue with our established goal of providing improved conditions for extremely low-income families while maintaining their rent payments at an affordable level.

While the Municipality of Peñuelas is pleased with what has been accomplished so far, Peñuelas is very much cognizant of the long road ahead so as to meet the needs of its citizens. On an on-going basis, the Municipality of Peñuelas continues to evaluate the goals and strategies that have been established so that it can better meet the demand of housing.

While the Municipality of Peñuelas is pleased with what has been accomplished so far, Peñuelas is very much cognizant of the long road ahead so as to meet the needs of its citizens. On an on-going basis, the Municipality of Peñuelas continues to evaluate the goals and strategies that have been established so that it can better meet the demand of housing such as:

- Expand the supply of assisted housing by applying for additional rental vouchers;
- Leverage private and/or public funds to create additional housing opportunities;
- Seek partnerships with Non-profit organizations to assist low-income families become self-sufficient but ultimately become homeowners;
- Improve voucher management;
- Strengthen the Family Self-Sufficiency Program by promoting self-sufficiency and asset development of families and individuals;
- Increase the availability of decent, safe, and affordable housing;
- Improve community quality of life and economic vitality;
- Ensure Equal Opportunity in Housing for the citizens of Peñuelas.

B. Criteria for Substantial Deviations 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

SUBSTANTIAL DEVIATION FROM 5-YEAR PLAN OR AMENDMENT AND/OR MODIFICATION TO ANNUAL PLAN

In accordance with established HUD rules and regulations, the following will be the basic criteria that will be utilized by the Municipality of Peñuelas and it will constitute a substantial deviation from its 5-Year Plan and/or amendment or modification to its Annual Plan that has met full public process requirements including Resident Advisory Board Review:

- Changes to rent(i.e., minimum rent), admission policies and/or organization of the waiting list;
- Any change with regard to the administration of any of the programs being administered by the Municipality of Peñuelas, including but not limited to the Homeownership Program.
- Changes to the grievance procedures as established within our Administrative Plan.

Notwithstanding, the Municipality of Peñuelas will consider the following to constitute a “substantial deviation” from the HUD approved Five-Year Plan:

- Any modification to the PHA’s Mission Statement or any substantial modification to the Municipality’s goals and/or objectives.
- An exception to these definitions will be made for any of the above that are adopted to reflect changes in HUD regulatory requirements.

Moreover, these same changes will not be considered substantial deviations or significant amendments by the Municipality.

b. Significant Amendment or Modification to the Annual Plan

SAME AS ABOVE

C. Other Information

[24 CFR Part 903.13, 903.15]

(1) Resident Advisory Board Recommendations

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

If yes, provide the comments below:

See Attachment

b. 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)

(2) Resident Membership on PHA Governing Board

The governing board of each PHA is required to have at least one member who is directly assisted by the PHA, unless the PHA meets certain exemption criteria. Regulations governing the resident board member are found at 24 CFR Part 964, Subpart E.

a. Does the PHA governing board include at least one member who is directly assisted by the PHA this year?

Yes No:

If yes, complete the following:

Name of Resident Member of the PHA Governing Board:

Method of Selection:

Appointment

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

Election by Residents (if checked, complete next section--Description of Resident Election Process)

Description of Resident Election Process

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)

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)

Family must be in good standing

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)

b. 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
- 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):

The PHA is located in a State where the Housing Choice Voucher Program (Section 8 Tenant-Based), which is run by the local municipal government. The executive director of the PHA is the locally elected Mayor of the City.

Date of next term expiration of a governing board member:

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

(3) PHA Statement of Consistency with the Consolidated Plan

[24 CFR Part 903.15]

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

Consolidated Plan jurisdiction: (provide name here)

COMMONWEALTH OF PUERTO RICO

a. 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 on its waiting list 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)
- Other: (list below)

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

(4) (Reserved)

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

The PHA Plan proposes minor changes to the Housing Choice Voucher Program Administrative establishing a policy to secure and include staff utilization of Upfront Income Verification (UIV) information gathered to verify the household income of program participants. This is a key strategy in reducing income and rent errors attributable to unreported income and to increase accuracy and efficiency in determining family eligibility and computing rent calculations.

10. Project-Based Voucher Program

- a. Yes No: Does the PHA plan to “project-base” any tenant-based Section 8 vouchers in the coming year? If yes, answer the following questions.
- b. Yes No: Are there circumstances indicating that the project basing of the units, rather than tenant-basing of the same amount of assistance is an appropriate option?

If yes, check which circumstances apply:

- Low utilization rate for vouchers due to lack of suitable rental units
- Access to neighborhoods outside of high poverty areas
- Other (describe below:)

- c. Indicate the number of units and general location of units (e.g. eligible census tracts or smaller areas within eligible census tracts):

11. List of Supporting Documents Available for Review for Streamlined Five-Year/ Annual PHA Plans

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	<i>PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans.</i>	Standard 5 Year and Annual Plans; streamlined 5 Year Plans
X	State/Local Government Certification of Consistency with the Consolidated Plan.	5 Year 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 for families on the PHA’s public housing and Section 8 tenant-based waiting lists.	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] and the Site-Based Waiting List Procedure.	Annual Plan: Eligibility, Selection, and Admissions Policies
	Any policy governing occupancy of Police Officers and Over-Income Tenants 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 (if included in plan, not necessary as a supporting document) and written analysis of Section 8 payment standard policies. <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan.	Annual Plan: Rent Determination
	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 Public Housing Assessment System (PHAS) Assessment (or other applicable 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 policies governing any Section 8 special housing types <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Operations and Maintenance

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
	Consortium agreement(s).	Annual Plan: Agency Identification and Operations/ Management
	Public housing grievance procedures <input 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 Capital Fund/Comprehensive Grant Program Annual Statement /Performance and Evaluation Report 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 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
	Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. See PIH Notice 99-52 (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
	Documentation for required Initial Assessment and any additional information required by HUD for Voluntary Conversion.	Annual Plan: Voluntary Conversion of Public Housing
	Approved or submitted public housing homeownership programs/plans.	Annual Plan: Homeownership
X	Policies governing any Section 8 Homeownership program (Chapter 20 of the Section 8 Administrative Plan)	Annual Plan: Homeownership
	Public Housing Community Service Policy/Programs <input type="checkbox"/> Check here if included in Public Housing A & O Policy	Annual Plan: Community Service & Self-Sufficiency
	Cooperative 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
X	FSS Action 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 for public housing.	Annual Plan: Community Service & Self-Sufficiency
	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports for public housing.	Annual Plan: Community Service & Self-Sufficiency
	Policy on Ownership of Pets in Public Housing Family Developments (as required by regulation at 24 CFR Part 960, Subpart G). <input type="checkbox"/> Check here if included in the public housing A & O Policy.	Pet Policy
X	The results of the most recent fiscal year audit of the PHA conducted under the Single Audit Act as implemented by OMB Circular A-133, the results of that audit and the PHA's response to any findings.	Annual Plan: Annual Audit
	Consortium agreement(s), if a consortium administers PHA programs.	Joint PHA Plan for Consortia
	Consortia Joint PHA Plans ONLY: Certification that consortium agreement is in compliance with 24 CFR Part 943 pursuant to an opinion of counsel on file and available for inspection	Joint PHA Plan for Consortia
X	Other supporting documents (optional). List individually. Organizational Chart – rq019b01	(Specify as needed)

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
	Annual Plan Supplement-rq019a01 Informational Sheet – rq019c01	

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary					
PHA Name:		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No:			Federal FY of Grant:
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report					
Line	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 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	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)				
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs				
25	Amount of Line 21 Related to Security – Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				

13. Capital Fund Program Five-Year Action Plan

Capital Fund Program Five-Year Action Plan					
Part I: Summary					
PHA Name				<input type="checkbox"/> Original 5-Year Plan <input type="checkbox"/> Revision No:	
Development Number/Name/HA-Wide	Year 1	Work Statement for Year 2 FFY Grant: PHA FY:	Work Statement for Year 3 FFY Grant: PHA FY:	Work Statement for Year 4 FFY Grant: PHA FY:	Work Statement for Year 5 FFY Grant: PHA FY:
	Annual Statement				
CFP Funds Listed for 5-year planning					
Replacement Housing Factor Funds					

13. Capital Fund Program Five-Year Action Plan

Capital Fund Program Five-Year Action Plan						
Part II: Supporting Pages—Work Activities						
Activities for Year 1	Activities for Year : ____ FFY Grant: PHA FY:			Activities for Year: ____ FFY Grant: PHA FY:		
	Development Name/Number	Major Work Categories	Estimated Cost	Development Name/Number	Major Work Categories	Estimated Cost
See						
Annual						
Statement						
Total CFP Estimated Cost			\$			\$



COMMONWEALTH OF PUERTO RICO
MUNICIPALITY OF PEÑUELAS

“Valley of the Flame Trees”

RQ 019

FIVE-YEAR/ANNUAL PLAN SUPPLEMENT
FY 2005-2006



HON. WALTER TORRES MALDONADO
MAYOR

JOSÉ L. CAMACHO
DIRECTOR
FEDERAL FUNDS OFFICE

ZELIDETH COLÓN LABOY
SECTION 8 COORDINATOR



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I EXECUTIVE STATEMENT

The Municipality of Peñuelas' Section 8 Office has adopted the following mission statement:

- **To assist families during distress and gradually reduce the amount paid by the Program in an efficient manner, while at the same time motivating these same families to become self-sufficient.**

Moreover, the plans, statements, and policies set forth and/or referenced in this same Five-Year/Annual Plan lead towards accomplishing the Municipality's goals and objectives. It is for this purpose that the Municipality of Peñuelas established a Section 8 Office to administer the Housing Choice Voucher Program, as well as any other Tenant-Based Subsidized Housing Program in order to assist financially disadvantaged families in meeting their housing needs. Peñuelas firmly believes that there are two major philosophy components, which is the foundation of the tenant-based housing program:

- ? **To afford extremely low-income families the opportunity of choice and mobility in selecting where they chose to live;**
- ? **Maintain the essential elements of a private relationship between the tenant and the landlord on matters other than rent.**

As a result of this philosophy the Housing Choice Voucher Program is tenant-based, which does not tie the participant to any particular housing unit. Furthermore, there is an undeniable need for low-income housing within the PHA jurisdiction as evidenced by the waiting list as well as the latest U.S. Census. There also exists a need for quality housing units available for program participants, but there is not an abundance of affordable housing for low income families within this same Municipality. Being cognizant of this, our Municipality has established realistic and attainable goals, whereby, particular thought has been given to the number of families which can be expected to need and want better housing. By setting attainable goals, the PHA intends to provide a vehicle for those in need and for those who have available units by coming together in a manner beneficial to both. This is in direct relation to both the major commitments and priorities of the U. S. Department of Housing and Urban Development (HUD). **The Municipality of Peñuelas is a tenant-based (Section 8) only PHA.**

This Municipality also administers various tenant-based subsidized housing programs geared towards certain sectors of the population in general to afford them the same opportunities as other extremely low-income and low-income families within the general population. The following program is administered by the Municipality of Peñuelas:

- ? **Family Self Sufficiency** – a program whereby strategies are developed to coordinate the use of housing assistance under the auspices of the Housing Choice Voucher Program (Section 8) with public and private resources. Hence, enabling extremely low-income and low-income families, who are eligible to receive said assistance to achieve economic independence, and self -sufficiency.

- ? **Housing Conversation Voucher Program** - The Municipality has been assigned 70 conversion vouchers for the Alturas de Peñuelas housing project from HUD. It will be the responsibility of the PHA to relocate these families within a reasonable amount of time.

The Five-Year/Annual Plan of Peñuelas as presented herein furthers HUD's statutory goal of merging the Certificate and Voucher Program, respectively, in accordance with the Quality Housing and Work Responsibility Act of 1998, 24 CFR 903, Section 545, as amended. This same Plan will afford Peñuelas an opportunity to shape the various programs presented herein into effective, viable, and coordinated strategies by involving citizen participation. **The Five-Year/Annual Plan provides a framework for local accountability and an easily identifiable source by which public housing residents, participants in the tenant-based program, and other members of the public may locate basic PHA policies, rules, and requirements concerning its operations, programs and services.**

II SUMMARY OF POLICY OR PROGRAM CHANGES FOR THE UPCOMING YEAR

The Municipality of Peñuelas has made no major changes to the policies and programs referenced in its Five-Year Plan. However, the Municipality has adopted the following policy changes and has incorporated them into the revised administrative plan presented to HUD.

A. Administration of Conversion Vouchers

The Municipality applied and was awarded conversion vouchers due to the opt-out by the owner of the Alturas de Peñuelas Housing Project. The Municipality is currently working with HUD to relocate these same families and incorporate them into the Municipal Housing Program.

B. Establishment of the Good Neighbor Policy

The Municipal Section 8 Office wants to assist tenants to live in peace and harmony with their neighbors. The office encourages tenants to sort out their own problems with other tenants and/or neighbors between themselves, or through mediation. If the situation is one where the neighbors are both participants within our locally administered housing program, a third party will be brought in to assist the family mediate their problems that will be satisfactory to both parties.

If a participant family has breached the Statement of Responsibility Agreement, the Section 8 Office may take action against the family's tenancy. The action taken will depend on the seriousness of the breach. In extreme cases, the Housing Office will seek to terminate the family's assistance. If this situation comes to pass, the family will be appraised of the opportunity to appeal the decision taken through our Appeals Process, in accordance with the Administrative Plan. This action will only be taken when all other reasonable options have been exhausted and/or the breach has been extremely serious. Every attempt will be made to salvage the tenancy.

1. Entitlement

Participating families have a right to peaceful enjoyment of their home and an obligation to abide by the conditions set forth in their Statement of Responsibility. They have a right to complain about individuals who deny them this right.

The Housing Office will investigate complaints against tenants where there is an alleged breach of the tenancy agreement. If the complaints are substantiated, participating families will be given the opportunity to change nuisance and annoying behavior.

We support the principles of cultural and social diversity, and we will not tolerate harassment in the form of racial, political, social, and sexual vilification.

2. Background

The Good Neighbor Policy aims to achieve:

- a. Harmonious living environments for tenant-based families and their neighbors;
- b. A high quality of life for Section 8 participants;
- c. Secure and long-term Section 8 Tenancies;
- d. Appropriate and adequate access to support services, and/or advocates for tenants with special needs;
- e. Stable communities with the residents getting involved in their neighborhoods;
- f. Greater integration of Section 8 Tenants into the general community;
- g. Improved management of the Tenant-based Program in partnership with relevant external agencies;
- h. Improved landlord compliance with the Program Regulations.

C. Client Feedback Policy

The Municipality of Peñuelas, namely the Municipal Section 8 Office, respects the right of our customers to complain, if they receive poor service. We also welcome compliments and suggestions through our suggestion box as well as a survey conducted to see how the families are being served. We use this feedback to improve our services.

We will respond to complaints promptly. The appropriate staff will investigate complex complaints. Clients will be kept informed about how their complaint is progressing.

D. Expanding Housing Opportunities

The family could decide to reside within the initial PHA's MSA and/or the following Municipalities within the initial PHA, namely the Municipality of Peñuelas: (1) Ponce, (2) Guayanilla, (3) Yauco, (4) Guánica, (5) Sabana Grande, (6) Juana Díaz, (7) and the southern part of Adjuntas. The initial PHA, namely the Municipality of Peñuelas, will administer the assistance. By doing this, the Municipality will be expanding the housing choice of the families within the Housing Choice Voucher Program and complying with HUD's deconcentration policy.

E. Upfront Income Verification

The Municipality has established a policy to secure and include staff utilization of Upfront Income Verification (UIV) information gathered to verify the household income of program participants. This is a key strategy in reducing income and rent errors attributable to unreported income and to increase accuracy and efficiency in determining family eligibility and computing rent calculations.

Notwithstanding, the following represents what the Municipality will be doing for the fiscal year 2005-2006 in relation to its subsidized housing program.

III STATEMENT OF PROGRESS IN MEETING THE 5-YEAR PLAN MISSION AND GOALS

The Municipality of Peñuelas continues to move towards the major initiatives outlined its Five-Year Plan approved by HUD in 2000. The Municipality will adhere to the following adopted mission:

- ? Assist families during financial distress, while gradually reducing the amount paid by the Program in an efficient manner as well as motivating these same families to become self-sufficient.
- ? Provide affordable, quality housing, services and opportunities to low-income families, while ensuring a continuum of housing opportunities for all program participants.
- ? Provide a broad range of redevelopment activities directed toward building and strengthening communities.
- ? Create alliances to nurture self-sufficiency.

The Municipality of Peñuelas's Section 8 Program has been directly affected

by the changes occurring within HUD. The Municipality has been aggressive in seeking alternative housing programs to meet the housing needs of the residents of Peñuelas.

Within the First Five-Year Plan, the Municipality of Peñuelas has achieved the following:

1. Consolidate the Section 8 Voucher and Certificate Program.
2. Has been actively promoting freedom of housing choice so as to achieve spatial deconcentration of extremely low-income families within our homogeneous community.
3. Continue with our established goal of providing improved conditions for extremely low-income families, while maintaining their rent payments at an affordable level.
4. Provide an incentive to private owners to rent their dwelling units to economically disadvantaged families by offering timely assistance.
5. Named as the administering PHA for the conversion vouchers assigned to the Alturas de Peñuelas housing project.

While the Municipality of Peñuelas is pleased with what has been accomplished, the Administration is cognizant of the long road ahead so as to meet the needs of its citizens. On an on-going basis, the Municipality continues to evaluate the goals and strategies that have been established concentrating on the following:

- ? A high level of customer service;
- ? Quality affordable housing opportunities;
- ? Continuum of housing opportunities for all program participants;
- ? Improving the overall Program administration, whereby making it more flexible and efficient.

IV FINANCIAL RESOURCES

OBJECTIVE: IMPROVE OPPORTUNITIES UNDER RENTAL HOUSING

Renters experience more housing problems than do homeowners as it is clearly demonstrated by the latest U.S. Census of Population as well as has been our own experience under our own local Housing Choice Voucher Program (Section 8). When renters are compared to homeowners of the same household type and income levels, the percentage of renters with housing problems is higher than owners.

In the Municipality of Peñuelas, there is a high proportion of our low, very low and moderate income households that have not satisfied their housing needs because they either live in overcrowding conditions, in substandard units or have a very heavy cost burden. According to CHAS Data Book published by HUD, cost burden above 30% of income affects a total of 986 households, which is representative of 791 owners and 195 renters, who are in the very low, low and moderate income households. There is an urgent need to expedite housing application in different housing assistance programs. Among the most needy groups that have been identified are elderly renters and owners in the very low income groups, respectively. It is in this regard that the Municipality of Peñuelas has established a one-year goal to provide assistance of upwards to approximately 80 households with rental housing assistance.

The activities that will be undertaken by the Municipality to accomplish this goal are:

A. Housing Funding Sources -

Seek out whenever available alternative housing Programs as they become available from such agencies as the Rural Economic and Community Development, Puerto Rico Housing Department, Housing Development of the Commonwealth of Puerto Rico, the U.S. Department of Housing and Urban Development; and local cooperatives, etc.

Additionally, work with island housing contractors that may be interested in constructing housing units within Peñuelas, by offering incentives and assistance in one form or another that may be legally acceptable, in order to encourage such contractors to participate in the local housing market (short-term and long-term).

B. Additional Subsidized Funding under the Voucher Program

The Municipality of Peñuelas will work closely with the U.S. Department of Housing and Urban Development (HUD) in attempting to obtain additional vouchers, if and, when they become available. The Municipality will also petition HUD to become a participant under the Welfare-to-Work Program so as to assist the extremely low and low income families becomes self sufficient in conjunction with its Self Sufficiency Program.

C. Target available assistance to Families with special needs

Family Self Sufficiency Program-

The purpose of this FSS Program is to promote the development of local strategies to coordinate the use of public and private resources to enable families eligible to receive assistance under the Voucher Program achieve economic independence and self-sufficiency.

D. Available Funding Sources

The Municipality of Peñuelas will submit for HUD's consideration its Annual Plan (FY 2005-2006) in accordance with CFR 24, Section 903.1.

In order to assist the needs of 175 families that are currently enjoying the benefits of the Municipality of Peñuelas's tenant-based housing assistance program, we will be submitting for HUD's approval the following budget:

TABLE I	
SUBSIDIZED HOUSING BUDGET FOR HUD APPROVAL	
PROGRAM	BUDGET ESTIMATE
Housing Choice Voucher Program, including Family Self Sufficiency Program	\$ 807,237.00
Activities: Tenant-based Housing Assistance for 170 families.	
Portability Program	\$ 24,098.00
Activities: Tenant-based Housing Assistance for 5 Families.	

TABLE I	
SUBSIDIZED HOUSING BUDGET FOR HUD APPROVAL	
Program Administration	\$ 82,569.00
Total Estimate of Budget to be submitted to HUD for Approval	\$ 913,904.00
Total for the Municipality of Peñuelas' Housing Budget (Grand Total)	\$ 913,904.00

V HOMEOWNERSHIP PROGRAMS

One of the major objectives of the present Administration within the Municipality of Peñuelas is to create maximum opportunities to both low and very low income families to become first-time homeowners. Experience has clearly demonstrated that homeowners take more pride in, and better care of their individual housing units, than those families who occupy rental units. This fact will clearly assist in:

- ? Eliminating blight and blighting conditions within low income areas by preserving existing housing units.
- ? Develop self-sufficiency by encouraging other low and very low income families to become self-sufficient, in order to qualify as first-time homeowners.
- ? Revitalize and stabilize existing and deteriorated low income neighborhoods.

The municipality has a goal of establishing and implementing a viable Homeownership Program in accordance with the Quality Housing & Work Responsibility Act of 1998 and will adopt the necessary procedures to promote a Homeownership Program within its Housing Program. In this regard, the municipality will seek out not only HOME funds, but likewise will work with both the Puerto Rico Department of Housing, the Housing Development Bank, and other similar public private agencies in order to accomplish this same goal. To further this goal, the municipality has developed and adopted Homeownership Action Plan. This same plan has been presented to the HUD local office and since been approved.

The following actions listed below, we feel, will address the obstacles that may be faced by potential buyers.

? **IMPROVE LAND DEVELOPMENT REGULATION**

At the present time the Puerto Rico Planning Board is the primary regulatory agency of the State government, that deals with land use and requirements for construction of housing sub-division, which combined with requirements of other State agencies tend to create obstacles to affordable housing. In this regard, the municipality will be working with our elected officials, namely-both the State Representative in the House of Representatives and our State Senator, in order to study existing applicable regulations and their impact upon the local housing market. Additionally, both the Mayor and representatives of the municipality will be working with their counterparts within the Planning Board in reviewing existing land policies.

? **PROVIDING FOR THE COORDINATION OF FUNDING**

In order to achieve any degree of success in creating affordable housing for households classified as being either low or very low income, requires funding from multiple funding sources. The Municipality will take into account and consider the appropriate changes in order to implement the Homeownership Program, whereby, it will consider the following:

1. Assistance will be provided for:
 - a. First time homeowner;
 - b. Family that owns or is acquiring shares in a cooperative.
2. The Program will become available to families participating in our tenant-based Housing Choice Voucher Program. However, the families currently participating in our Family Self-Sufficiency Program will be offered the program first.
3. The total family that will be serviced through this program will be limited to approximately 20% of participating families in the Housing Choice Voucher Program.
4. Funding levels.
5. Families who do not enjoy the benefits of the Family Self Sufficiency Program, but are in good-standing within the locally administered Housing Choice Voucher Program will be briefed on the benefits of joining the Homebuyers Club with one of the two local banks

authorized to offer such a program on the Island. The local banks are RG Premier Bank and Doral.

The Municipality of Peñuelas will take deliberate action as well as consider the appropriate changes in order to improve the application process for all federal programs that may have a beneficial impact upon the local housing market and affect programs covered within the Five-Year Plan.

VI PHA'S COMMUNITY SERVICE AND SELF-SUFFICIENCY PROGRAM

The purpose of the FSS Program is to promote the development of local strategies to coordinate the use of assistance under the Tenant-based Housing Assistance Program (Housing Choice Voucher Program) with public and private resources, to enable families receiving assistance under this same program achieve economic independence and self-sufficiency.

The Municipality of Peñuelas has developed and implemented an FSS Program in conformity with the Housing Choice Voucher Program (Section 8) regulations and applicable civil rights authorities. At the current time the Municipality has monies allocated to assist 9 families of low and very low income.

Upon its inception, the Municipality appointed and a Program Coordinator to carry out the necessary functions as set forth in Federal Regulations. The Program Coordinating Committee (PCC) is integrated by professional representatives from public and private enterprises, church groups, community leaders, local business, and other resources. The representatives from these entities have an input in the program design and action steps of the FSS Program and are responsible for such functions as:

1. Developing a working relationship with the Program Coordinator and other related Program Staff in the achievement of the program objectives;

2. Coordinating the needed actions for the selection of committee representatives;
3. Making specific commitments of time, staff, and resources to the program;
4. Providing input into the program research and evaluation process.

VII STATEMENT REGARDING THE STEPS THE MUNICIPALITY WILL TAKE TO AFFIRMATIVELY FURTHER FAIR HOUSING

The Municipality of Peñuelas anticipates that the following activities will further fair housing, thereby benefitting those families, namely - the low and very low income families achieve safe, decent and affordable housing as well as self-sufficiency and economic independence.

ACTIVITIES:

REVIEW OF EXISTING HOUSING PROGRAM

The Municipality of Peñuelas will, in order to further fair housing within the community, review all existing dwellings and housing programs currently being carried out so as to assure that these very same programs and/or projects are implemented in total compliance with existing applicable regulations. In addition, the Municipality will undertake the following steps to ascertain that owners and participants are in compliance with fair housing laws as they are established by the Federal, State and Local governmentsd, respectively:

1. In order to promote fair housing, provide a suitable environment, remedy discrimination as well as encourage fair housing choice, our Program, which permits low-income renters access to assisted housing regardless of race, color, religion, national origin, sex, familial status and disability, will be assured of this with the briefing which is given to new as well as incumbent owners during the familiarizing session prior to execution of the housing assistance contract. Brochures will be prepared and handed out covering Fair Housing in both Spanish and English, which will form part of the owner's and participant's information packet, respectively.
2. After a thorough review of our records and programs, each staff

member of our Municipality is uniquely aware of the existing Fair Housing laws and the importance of adherence to these laws by the family, owner and staff. They have been instructed on the applicability of these same laws and how they must brief and/or provide proper orientation to a new as well as actual owner or family.

3. Where a family alleges that illegal discrimination is preventing them from finding a suitable unit within the community our local housing staff will provide reasonable assistance in this matter by directing the aggrieved to the necessary agencies.
4. The measures that will be undertaken to insure accessible housing to persons with all varieties of disabilities regardless of unit size are as follows:
 - (a) The local Housing Inspector will receive the proper training so that when a prospective home has been inspected, it complies not only with established HQS, but also with the American Disabilities Act.
 - (b) Brief the owner concerning established local and federal laws on how to make the prospective dwelling unit comply with said laws and HQS as established by HUD.
 - (c) Revise the payment standard in accordance with our plan so as to assure owner acceptance as well as the incentive to invest and make the dwelling unit accessible for individuals with disabilities.

COORDINATION BETWEEN PUBLIC/PRIVATE RESOURCES

The Municipality will contact public and private operators of housing, including local financial institutions located within Peñuelas, to provide them with both information and descriptive materials making them aware of the need to further fair housing.

COORDINATING INFORMATION/REGULATIONS

Working closely with the housing division of HUD, the Municipality will obtain copies of regulations and other training aids in order to provide seminars, in order to create a public awareness of the importance of fair housing.

CREATE AWARENESS OF LEAD BASE PAINT HAZARDS

Since many of the private homes in Peñuelas were constructed prior to being informed that lead-based paint represented a health hazard to all the members of the household, and the effect that this same problem has upon children, the Municipality of Peñuelas is committed both in a short term, as well as in the long-term, to work with the Puerto Rico Department of Housing, in order to both develop and implement a viable, effective, safe, and cost-effective method of reducing this same hazard. While a great many precautions currently exist, effective abatement and likewise, hazard reduction activity requires participation from providers and contractors, aside from individual residents.

Peñuelas feels rather strongly, that in order to create an effective system of abatement services it must coordinate its activities with other state agencies dealing with this same problem. In cooperation with both the public and private sectors will initiate the following actions in order to achieve the most desirable results:

ACTIVITIES:

COMPLYING WITH EXISTING REGULATIONS

The Municipality of Peñuelas, has a goal of working with the existing management of the various Public Housing Projects located within the Community, to review all units in cooperation with the State Housing Department and other applicable State Agencies over the five-year period of the Consolidated Plan, in order to both assist and coordinate the required abatement services required.

VIII HOUSING NEEDS

The following represents the estimated housing needs projected for the next five-year (2005-2009) period. The data included within this portion of the plan is based upon existing available U.S. Census data, as well as Puerto Rico Housing Planning Board statistical data, other reliable sources such as the local housing authority, and other similar agencies such as the Commonwealth Department of the Family.

Since this same jurisdiction, namely the Municipality of Peñuelas is not seeking funding on behalf of an eligible metropolitan statistical area under the HOPWA program, the needs described for housing and supportive services does not address the needs of persons with HIV/AIDS and their families throughout the eligible metropolitan statistical area.

A. Housing Needs

The Comprehensive Housing Affordability Strategy (CHAS) Data book

issued by the U.S. Department of Housing and Urban Development, indicates that the Municipality of Peñuelas, has a total of some 5,893 housing units, of which some 4,421 units are occupied by very low income families, 907 units by low income families, 234 units by moderate income families and some 331 housing units are being occupied by above income families.

It should be noted, that the housing needs were based upon the number of renter and owner-occupied units with one or more housing problems. The definition of housing units with problems included those that:

1. Occupying units having physical defects or being in deteriorated state.
2. Classified as being overcrowded.
3. Meet the definition of having a cost burden of more than 30 percent.

Based upon the latter, housing needs were determined to represent a major problem in terms of identifying housing problems in both renter and owner-occupied households with more than one problem, such as those aforementioned.

B. Renter Households

According to the 2000 US Census of Population the Municipality of Peñuelas had some 8,735 year-round units of which 7,698 or 88.13% are occupied. Of the total 8,735 year-round housing units, some 1,448 units are occupied by renter's on a year-round basis, of which 1,018 units have some type of housing problem such as missing sanitary facilities and/or kitchen facilities.

It is estimated from figures obtained from such sources as the Department of Housing, the Department of the Family, the Planning Board, and our own internal figures that rental housing demands will require some additional 350 units by the year 2009, for a total renter household size of 1,798. This is assuming, of course, that the present economic conditions will stabilize at present levels, and that all social programs currently in place, will continue to be funded at present levels over the next five years. Should any existing social program be eliminated and/or receive severe cutbacks, the demand for renter households will then skyrocket at unpredictable levels.

It should be noted, that this same increase of 350 additional rental units on the local housing market, will, it is estimated, be among the extremely-low and low-income segment of our local society who are either unable and/or unwilling to relocate to other communities.

C. Substandard Units

Within the category of defining a substandard unit within the rental household group, it was determined that of these 300 units were found to be in deteriorating or dilapidated condition.

D. Other Housing Problems

According to the CHAS Data book dated 2000 there were some 1,293 or 66.6% of the renters occupied housing units, which were classified as presenting other housing problems. For statistical purposes, the CHAS Data Book defined other housing problems as a situation of overcrowding and/or without complete kitchen or plumbing facilities.

In this regard, and based upon the statistical data presented herein and from such reliable sources as the Planning Board, Housing, Social Services, and our own local appraisal based upon our locally administered Tenant-based program, we have identified the following Renter Households by Income Groups and categories as demonstrated in Table II:

TABLE II
MUNICIPALITY OF PEÑUELAS
RENTER HOUSEHOLDS BY INCOME GROUPS: 2000

RENTER HOUSEHOLDS	EXTREMELY LOW INCOME (0-30%)	VERY LOW INCOME (31-50%)	LOW INCOME (51-80%)	MODERATE INCOME (81-95%)	TOTAL
ELDERLY	24	18	16	16	74
SMALL FAMILIES	311	94	88	282	775
LARGE FAMILIES	107	69	63	101	340
OTHER	44	14	22	24	104
TOTAL	486	195	189	423	1,293

(CHAS Data Book 2000)

E. Elderly Rental Households

According to the 2000, CHAS Data Book, there was a total of some 55 enter households within the Municipality of Peñuelas of which 24 were classified as being extremely low income, 18 households classified as being very low income,

and 16 households classified as being low income and moderate income, respectively.

F. Cost Burden

Within this same income category involving elderly households, some 33.3% were below 30%, 44.4% were within the 31-50% range, 50% fell within the 51-80%, while 25% were in the above 80% range.

G. Small Family Rental Households

Within the small family rental household category, some 775 households, represented the following numbers:

1. 311 units were classified as being of extremely low income;
2. 94 units were classified as being of very low income;
3. 88 units were classified as being of low income;
4. 282 units were classified as being of moderate income.

H. Cost Burden

Within this same Small Family renter's household group some 69.56% of the households were classified as being of extremely low income, 57.4% households of very low income, 63.6% households of low income, and finally, 55.7% represented moderate income levels.

I. Large Family Renter Households

This same Comprehensive Housing Affordability Strategy (CHAS) Data book covering Puerto Rico and dated 2000, indicated that there was a total of some 340 large rental household families, of which some 107 were classified as being of extremely low income; 69 were classified as very low income and some 63 large family renter households representing low income families, as well as 101 large family renter households representing moderate income.

J. Cost Burden

Within this same large family renter's household income group of some 100% were classified as being of extremely low income, 82.6% households of very low income, 100% households of low income, while 82.2% represented moderate income levels.

K. Homeless Persons

From a review of reliable statistical data available at the present time, the Municipality of Peñuelas does not possess any homeless persons. Perhaps one of the reasons may be, that (1) Peñuelas is a rather tight-knit community in terms of population and therefore does not possess a highly developed central business district with all-night bars, cafeterias, bus stations, etc., where homeless people tend to congregate with total immunity, and (2) since Peñuelas is adjacent to the metropolitan area of Ponce which possesses the latter sites that tend to attract homeless persons, they would tend to relocate to these other areas and thus free Peñuelas of having to deal with this same problem.

Since Peñuelas does not possess any homeless population, it has no need for shelters or supportive services covering this same segment of its local population.

L. Persons with Disabilities

Utilizing various information available to the Municipality of Peñuelas including both the U.S. Census (2000), the Puerto Rico Planning Board, and likewise numerous state and local agencies having to deal with disabilities, we likewise have estimated our needs fairly accurately.

According to the Puerto Rico Developmental Disabilities Planning Board, it is a nationally accepted fact that within the general population, 1.8 percent will have one form or another of a developmental disability. In this respect, Peñuelas with a 2000 total population of some 26,719 it is estimated that 481 persons are classified as having a developmental disability.

M. Persons With Physical and Developmental Disabilities

Within Peñuelas the 481 estimated persons as having been classified as having either a physical or developmental disability are currently residing with other family members, or residing within a rental unit.

One of the projects requested within our first year of activity is housing rehabilitation, a part of which, will be devoted not only to remove or correct health or safety hazards, in order to comply with applicable development standards or codes, and/or to improve general living conditions of the resident(s), including improved accessibility by handicapped persons.

At the present time there are no known day care centers, either private or public for developmental disability within Peñuelas. These same services are

rendered in the adjacent Municipality of Ponce.

Within Peñuelas several obstacles prevent the disabled from obtaining adequate housing:

1. Proper accessibility;
2. Centrally located housing convenient to public transportation;
3. The need for additional rent subsidies as those afforded under HUD's tenant-based subsidized housing programs.

It is the intent of the present Mayor to seek out and obtain funds from other sources in order to provide new housing for this segment of the population. It is anticipated that the Municipality of Peñuelas will require some 250 additional supportive units over the next five years in order to serve both existing and anticipated needs within this same segment of its society.

Needless to say, any additional new units, or for that matter any rehabilitated units will be required among other factors, to meet the requirements for handicapped persons as stipulated within the Americans with Disabilities Act, because most of all existing units occupied by the disabled were not designed and/or are not properly equipped to meet the special needs of this same category.

O. Estimate of Housing Needs Projected

The projected housing needs within Peñuelas were estimated based on various sources such as the 2000 Census, Puerto Rico Planning Board, Puerto Rico Department of Housing, and the local Section 8 Office. Housing needs in most communities, of which Peñuelas is no different, come about as a result of the following:

1. High housing costs;

2. Housing located in areas subject to landslides, or unstable terrain;
3. Physically deteriorated housing;
4. Inadequate and overcrowded units.

The Puerto Rico Planning Board clearly indicates three (3) reasons for which a dwelling unit would be classified as being inadequate housing:

- a. High Housing cost;
- b. Being overcrowded;
- c. Being in a physical deteriorated condition.

It is in this regard that these general principles required to be operational through precise definitions according to the U.S. Census Bureau, such as a unit is considered overcrowded if the household consists of at least three persons and have 1.5 persons or more per room.

It should be noted, that households having unusually high housing costs when the following occurs:

- a. Two or more persons, with the heads of households less than 65 years of age paying more than 25 percent of their income for rent.
- b. Single person paying more than 35 percent of their income for rent.
- c. Two or more persons, with the heads of households over the age of 65, which are paying more than 35 percent of their income for rent.

Furthermore, housing units lacking complete indoor plumbing facilities or kitchen facilities, as well as deteriorated/dilapidated housing units having all plumbing facilities are regarded as being inadequate. In this regard, estimating the total needs for housing within Peñuelas was based on the various sources previously noted, regarding each of the three components of housing need. From this analysis it was concluded that there exist housing needs for 1,648 housing units within the Municipality of Peñuelas covering extremely low and low income families. This same projection while based upon available data sources does not take into

consideration any change and/or elimination of any existing housing programs, or a severe downturn in either the national or local economy.

The present municipal administration of Peñuelas is desirous in obtaining additional housing units over the next five years and preserving existing housing stock.

P. Barriers to Affordable Housing

Like any other community across this Nation, whether it be in Puerto Rico, or on the U.S. Mainland, the principle barriers to affordable housing within the Municipality of Peñuelas are:

1. The high cost of land development due to general lack of both vacant and available land;
2. The high cost of construction, which for the most part includes the construction of a sanitary sewer system, water lines, electrical services, within distant rural communities where vacant lands are currently available.

These combined factors representing the high cost, clearly indicates that better than 70% of the total population of Peñuelas would indeed require some kind of assistance in order to solve their housing problems.

At the present time, the only source of purchasing a home within Peñuelas is by securing a private mortgage through a banking institution or mortgage lending institution, which for the most part is not approving mortgages to low or moderate income families. At the present time, it appears that the minimum income required to purchase a home, averages at least \$35,000. This same requisite along with a stable credit and employment recorded are required.

Bearing this in mind, if a family does not qualify to purchase a dwelling unit, then they qualify to rent a housing unit. This is more acute, since (1) there exists a lack of rental properties available, and (2) those units that are available for rent, are so costly ranging from \$400 to \$600 a month, that without some form of a rental subsidy, are indeed beyond the low and moderate income families. This can be verified, since some 200 families are currently awaiting placement on a waiting list, seeking assistance under our own Tenant-Based Subsidized Housing Assistance Program.

IX HOUSING MARKET ANALYSIS

A. General Characteristics

According to the 2000 US Census, the significant characteristics of the housing market within the Municipality of Peñuelas is depicted in Table III:

Table III	
HOUSEHOLDS	TOTAL
YEAR ROUND UNITS	8,735
VACANT	1,037
FOR RENT	91
FOR SALE	67
FOR RECREATIONAL USE, ETC.	195
FOR OTHER REASONS	684
OCCUPIED	7,698
OWNER OCCUPIED	6,250
RENTER OCCUPIED	1,448
UNITS LACKING KITCHEN FACILITIES	255
UNITS LACKING COMPLETE PLUMBING FACILITIES	763
VACANCY RATE OWNER OCCUPIED UNITS	1.10%
VACANCY RATE RENTER OCCUPIED UNITS	5.90%
AVERAGE SIZE OF UNIT OCCUPIED BY OWNERS	3.48%
AVERAGE SIZE OF UNIT OCCUPIED BY RENTERS	3.45%
AVERAGE FAMILY SIZE	3.84%

It should be noted, that the total population or some 26,719 persons reside on only some 44.36 square miles, representing a population density of some 602.4 persons per square mile and 196.9 dwelling units per square mile.

Because of Peñuelas' proximity to the Municipality of Ponce and the scarcity of available land for development, it makes the Municipality one of the highest population densities in Puerto Rico. This represents a major problem since land for housing construction is limited, and the cost of acquisition as well as the placement of the necessary infrastructure such as water, electric, and sewers, would place the cost of acquiring individual units way beyond the reach of low income families.

The tenant-based housing assistance program which is administered by the Municipality of Peñuelas, and funded by the U.S. Department of Housing and Urban Development include the following categories:

Housing Choice Vouchers	161
Family Self-Sufficiency	9
Other Tenant-based units	<u>5</u>
Total Tenant-based units	<u>175</u>
Administered by the Municipality	175

The need for secure, decent and sanitary housing within the Municipality of Peñuelas, is the fact that there is some 1,181 family currently on a waiting list seeking housing under this same program. **When an acceptable rate per family within Puerto Rico is 3.5 persons per family, these same 1,181 families requesting housing under the Tenant-based Subsidized Housing Program which is representative of some 4,134 persons or 15.47% of the total Municipal population.**

The following table IV represents the households by income groups within Peñuelas according to the 2000 CHAS Data Book:

Table IV				
ALL HOUSEHOLDS				
TOTAL	INCOME GROUP			
	<=50% VERY LOW INCOME	>30% TO <=50%	>50% TO <=80%	>80%
8,267	2,836	986	1,327	3,118

B. Demand for Housing

There clearly is a demand for housing within Peñuelas, due primarily to its location. The Municipality of Peñuelas is adjacent to the metropolitan area of Ponce, as well as possess the necessary major highways connecting with each of these same areas. The desire for housing within Peñuelas is primarily among the residents - sons and daughters of residents of Peñuelas, as a result of it being such a close-knit community.

Nevertheless, the general lack of availability of land for development, along with the high cost of acquisition coupled with the high cost of construction and the general lack of governmental subsidized houses, places almost 75% of the total population of Peñuelas in a position that would require some form of government assistance and/or subsidies in order to purchase a home.

In this regard, the government, which includes federal, state, and local, has to deal with the following factors that are affecting the local market, which may include, but not necessarily be limited to:

1. Population growth;
2. Economic factor;
3. Family Income;
4. Land costs;
5. Construction costs;
6. Financing;
7. Interest payments;
8. Return of investment by either a financial institution and/or developer.

Peñuelas like so many other communities across this nation, must out of necessity, be forced to deal with one of the basic human needs which is that of housing.

While the population continues to grow, this same growth is primarily among the low and very low income groups, who are unable to deal with a mortgage payment of roughly \$600 or more. By the same token a review of both moderate and low income families that are in need of adequate, decent, and affordable housing, are lacking the capacity of paying high rents.

C. Percent of Renter Households With Incomes Below 51% HAMFI Having Any Housing Problems

It should be noted, that according to HUD’s Comprehensive Housing Affordability Strategy (CHAS) Data Book for Puerto Rico, the Municipality of Peñuelas, has a total of 66.6% of the renter population are living in households with any housing problems. Table V provides the percent of incidence by family type:

TABLE V				
PERCENT OF RENTER HOUSEHOLDS WITH ANY HOUSING PROBLEMS*: 2000				
ALL HOUSEHOLDS				
PERCENT OF INCIDENCE BY INCOME GROUP				
TOTAL	<30%	31-50%	51-80%	>80%
66.6	70.2	68.2	69.3	60.5
*According to CHAS Data Book, any housing problems is defined as a cost burden greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities.				

Source: CHAS Data Book (2000)

D. Housing Market and Inventory Conditions

Both the 2000 Census of Population and likewise the Comprehensive Housing Affordability Strategy (CHAS) Data book of Puerto Rico provide both an accurate picture of the market conditions within the Municipality of Peñuelas.

Without exception of the total housing units (8,735), some 7,698 are occupied on a year round basis. In this regard, of the total occupied units (7,698), some 6,250 are occupied by the owner while the remainder 1,448 are occupied by renters, with the balance or 1,037 units being vacant.

It should be noted again, that the 1,037 units that are classified as being vacant are for the most part due to the high cost of rent and the lack of any additional subsidized rental assistance program in order to assist low, very low and moderate income families who are unable to make the required monthly payments, in addition to making other basic expenses such as food, clothing, electric and water

service.

E. Identification of Concentrations of Low Income Areas/Racial-Ethnic Minorities

Due to Peñuelas's land area, there are no definable areas (rural or urban) with the exception of the location of the Public Housing Projects, that can be defined as areas of concentrations of low income persons, when you consider that 75% of the total population has been classified as having incomes below the poverty level. These same poverty areas are clearly spread evenly throughout the entire municipality.

In terms of concentrations of either racial and/or minorities, the U.S. Census does not provide a breakdown of such categories within Puerto Rico, and as such, the population statistics include "all races".

X CIVIL RIGHTS CERTIFICATION

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

XI PHA'S RENT DETERMINATION PROCESS

A. Total Tenant Payment

Computation of the total tenant payment will be determined in accordance with 24 CFR Part 5, Section 5.613. The computation of TTP will be made once all income has been duly accounted and properly verified and all credits and unusual expenses have been determined eligible under the other applicable factors.

The total tenant's payment will be the highest of the following amounts:

1. 30 percent of the family's monthly adjusted income;
2. 10 percent of the family's monthly income;

3. If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the family's housing costs, the portion of those payment's which is designated for housing;
4. Minimum rent in accordance with applicable provisions of Section 5.616.
5. A family renting a unit above the payment standard pays the higher of 30% of monthly adjusted income, 10% of monthly income, or the welfare rent, and the amount of rent above the payment standard but not more then 40% as the cap established by QHWRA of income on the family share of rent for initial leasing of any unit.

C. Minimum Rent

The minimum rent established by the PHA will be \$25.00.

D. Hardship exemption

1. Should a family request a hardship exemption, said request will be honored upon determination of whether there is a qualifying financial hardship. The suspension of the minimum rent requirement will begin the month following the family's hardship request.
2. The following will be considered as financial hardship:
 - a. When the family has lost eligibility for, or is waiting an eligibility determination for a Federal, State or, local assistance;
 - b. When the family would be evicted as a result of the imposition of the minimum rent requirement;
 - c. When the income of the family has decreased because of a changed circumstances, including loss of employment;
 - d. When a death has occurred in the family;

- e. Other circumstances as determined by the Municipality of Peñuelas.

E. Request for hardship exemption

1. If a family requests a hardship exemption, the Municipality of Peñuelas will suspend the minimum rent requirement beginning the month following the family's hardship request until the Municipality of Peñuelas determines whether there is a qualifying financial hardship and whether it is temporary or long-term.
2. If the Municipality of Peñuelas determines that there is a qualifying financial hardship, but that it is temporary, the Municipality of Peñuelas will not impose a minimum rent for a period of no more than 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 will be afforded a responsible repayment agreement for the amount of back rent owed.
3. If the Municipality of Peñuelas has determined that there is no qualifying hardship exemption, the Municipality of Peñuelas will reinstate the minimum rent including the back payment for minimum rent from the time of suspension on terms and conditions established by the Municipality.
4. If the Municipality of Peñuelas determines that there is a qualifying long-term financial hardship, the family will be exempted from the minimum rent requirement in compliance with 24 CFR Part 5, Section 5.616.

F. Appeal of financial hardship

Should the family appeal the financial hardship determination through the Municipality of Peñuelas' grievance procedure, it will be exempt from any escrow deposit that may be required in accordance with 24 CFR Part 5, Section 5.616.

G. Payment Standard

A payment standard will be set between 90%-110% of the Fair Market Rent for the PHA jurisdiction as established by QWHRA. The Municipality of Peñuelas has a payment standard of 100% of the FMR for the Ponce Metro Area.

The following represents the subsidy standards that determine the number of bedrooms required for families of various sizes and compositions:

0 BR	1 BR	2 BR	3 BR	4 BR
282	306	339	461	536

The local area Office of HUD, namely the Economic and Market Analysis Division (EMAD), as well as the HUD Public Housing Director will be consulted on an annual basis, so as to confirm that the FMR employed are both accurate and reflect the general cost of housing for our area.

In the case of the PHA requesting a revision to the existing FMR, the PHA will include documentation showing the current median rent for standard units in our area. In this regard the PHA's recommendations will be supported by such analytical data such as:

- ? Evidence that significant changes in rents have been experienced in the rental market, which differ from those changes measured by the Consumer Price Index (CPI) factors used to update the Annual Housing Services' based Median Rent.
- ? When convenient and/or required the PHA will provide local housing Market surveys that indicate the current median rent levels for standard units of various sizes within our designated FMR area.

H. Determination of Unit Size in Relation to Family Composition

The Municipality of Peñuelas has applied the following requirements when determining the unit size in relation to the family composition under our subsidy standards:

1. The subsidy standards provide for the smallest number of bedrooms required to house a family without causing overcrowding;
2. The subsidy requirements are consistent with space requirements under the Housing Quality Standards;
3. The subsidy standards have been applied consistently for all families of like size and composition;
4. A child who may be 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 consisting of only a pregnant woman will be treated as a two-person family;
6. Any live-in aide which has been authorized by the Municipality to reside within the unit to care for a family member who is either disabled or at least 50 years of age will be counted in determining the family unit size;
7. The Municipality has agreed, that unless a live-in-aide resides with the family, the family unit size for any family consisting of a single person must be either a zero or one bedroom unit.
8. The Municipality will grant an exception to its established subsidy standards, in determining the family unit size for a dwelling unit, if it determines that the exception is justified by the age, sex, health, handicapped or relationship of family members or other personal circumstances.

I. Exceptions to FMR on a Unit by Unit Basis

The PHA is entitled to establish its payment standard from 90%-110% of the FMR approved for Metropolitan area of the PHA. The PHA will be allowed to approve initial gross rents on a unit by unit basis which exceed the FMR's or payment standard established by the PHA for units, which by virtue of size, amenities or location, or in the case of expanding housing opportunities for low income families, or to obtain units which have been made accessible to the disabled, which are determined to warrant exception rents. The PHA accepts the fact that this same authority will not be exercised for more than 20 percent of the units authorized by the ACC.

J. Affordability Adjustments

Upon recertification/redetermination of the applicant, any adjustments will be to the appropriate Payment Standard established by the PHA. Where it has been accurately determined by the PHA that based upon the documentation available to the PHA, that an overpayment was made by the PHA, the PHA will immediately advise the participant of the same and request a meeting in order to establish a repayment schedule or other acceptable plan in order for the PHA to recover the overpayment.

K. Rent Adjustments

Rent adjustments requested by landlords will be processed as indicated in Section 982.509 Federal Register, April 30, 1998, page 23863. The owner must request said revision to the contract rent sixty (60) days prior to the HAP contract anniversary date.

XII RECENT RESULTS OF PHA'S AUDIT

The Municipality of Peñuelas has submitted to the HUD local office in Puerto Rico the findings of the most recent Single Audit and the action plan taken to correct the findings found so as to be in compliance with established HUD rules and regulations.

XIII RIM REVIEW

The Municipality went through a RIM process by the HUD local office and has implemented the corrective action plan in accordance with establish federal regulations.

XIV SEMAP SCORE

The Municipality's last SEMAP score was 73%, making the PHA a standard performer.

XV PHA'S GRIEVANCE PROCEDURE

A. Informal Review

At all times the Municipality will afford an applicant family the opportunity to request an informal review of any decision made to deny assistance under the Housing Choice Voucher Program.

Specifically, the Municipality will be required to notify an applicant in writing that assistance has been denied no later than fifteen (15) working days after said decision has been made. Within this same written notice, the applicant will be informed of their right to appeal the decision either in written form or verbal. Additionally, the participant must be advised by the Municipality, that they have some thirty (30) days from the date of the written notice to request an informal hearing. Such a request may be either in written or oral form, and that the participant has the right to be represented by another family member, friend, and/or legal counsel.

Furthermore, the Municipality in advising the participant of his rights, must be stated within the denial letter the reason for the decision and at the same time reference that part of existing law, regulation and more specifically HUD regulation that was used a basis for denying assistance to the family participant.

B. Hearing Procedures

The following represents the Municipality of Peñuelas established procedures for conducting an informal hearing for participants:

1. The family will be given an opportunity to review any HA documents that are deemed necessary before the hearing. The PHA will permit the family to copy any such document at the family's expense.
2. It is agreed that the PHA must be given the opportunity to examine at its office any family documents that are directly relevant to the hearing. The PHA is therefore allowed to copy any such documents at its own expense. It is then agreed, that if the family does not make the document available for examination at the request of the PHA, the family will not be permitted to submit the document(s) at the hearing.

C. Representation of the Family

The Municipality agrees that, at its own expense, the family may be represented by legal counsel or other representative(s).

D. Hearing Officers

The hearing will be conducted by a member of the legal staff of the municipality, or by any other person so designated by the Mayor, other than a person who made or approved the decision under review or a subordinate of this person. The Municipality in appointing a person to conduct the hearing is empowered to regulate the conduct of the hearing.

E. Evidence

The Municipality and the family will be given the opportunity to present evidence as well as question any witnesses brought forth by either party. The Municipality agrees that the evidence presented will be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

F. Issuance of Decision

The Municipality has agreed that the person who will be conducting the hearing must issue a written decision within thirty (30) days of the date of the informal hearing, which states the reasons for the decision taken. The Municipality has agreed, that factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

G. Effect of Decision

The Municipality will not be bounded by a hearing decision as described in section 982.555(f) of the Federal Register.

XVI ADDITIONAL INFORMATION REQUIRED

SUBSTANTIAL DEVIATION FROM 5-YEAR PLAN OR AMENDMENT AND/OR MODIFICATION TO ANNUAL PLAN

In accordance with established HUD rules and regulations, the following will be the basic criteria that will be utilized by the Municipality of Peñuelas and it will constitute a substantial deviation from its 5-Year Plan and/or amendment or modification to its Annual Plan that has met full public process requirements including Resident Advisory Board Review:

- Changes to rent (i.e., minimum rent), admission policies and/or organization of the waiting list;
- Additions of new activities not included in the current Annual Plan;
- Any change with regard to the administration of the subsidized housing programs administered by the PHA, including but not limited to the establishment of the homerownership program.
- Changes to the grievance procedures as established within our Administrative Plan.

Notwithstanding, the Municipality of Peñuelas will consider the following to constitute a “substantial deviation” from the HUD approved Five-Year Plan:

- ? Any modification to the PHA’s Mission Statement or any substantial modification to the Municipality’s goals and/or objectives.
- ? An exception to these definitions will be made for any of the above that are adopted to reflect changes in HUD regulatory requirements. Moreover, these same changes will not be considered substantial deviations or significant amendments by the Municipality.

XVII SCREENING AND EVICTION POLICY FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY [24 CFR 982.553]

A. Purpose

All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of the Municipality of Aguas Buenas to fully endorse and implement a policy designed to:

1. Help create and maintain a safe and drug-free community;
2. Keep program participants free from threats to their personal and family safety;
3. Assist families in their vocational/educational goals in pursuit of self-sufficiency whenever possible.

B. Administration

All screening and termination of assistance procedures shall be administered fairly and in such a manner so as not to violate rights to privacy or discriminate on the basis of race, color, nationality, religion, familial status, disability, sex, or other legally protected groups.

To the maximum extent possible, the Municipality will involve other community and governmental entities in the promotion and enforcement of this policy.

XVIII POLICY CONCERNING DENIAL OF ADMISSION AND TERMINATION OF ASSISTANCE FOR CRIMINALS AND ALCOHOL ABUSERS

A. Prohibiting Admission of Drug Criminals

The Municipality of Aguas Buenas will prohibit admission to the program of an applicant for five years from the date of conviction if a household member has been evicted from federally assisted housing for drug-related criminal activity. However, the Municipality may admit the household, if it is determined:

1. That the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the State;
2. That the circumstances leading to eviction no longer exist such as that the criminal household member has died or is imprisoned.

The Municipality has established the following standards for prohibiting admission:

1. The Municipality has determined that any household member is currently engaging in illegal use of a controlled substance;
2. The Municipality has determined that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents;
3. Any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

B. Prohibiting Admission of Other Criminals

The Municipality has established standards that prohibit admission to the program if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. The Municipality will screen the family by performing a criminal history background check necessary to determine whether any household member is subject to a lifetime sex offender registration requirement in the State where the dwelling unit is located and in other States where the household members are known to have resided. This screening is to be carried-out through the Puerto Rico Police Department, which issues' ***Certificate of Good Conduct***.

C. Prohibiting Admission of Alcohol Abusers

The Municipality will prohibit admission to the program, if it is determined that a household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

D. Terminating Assistance for Drug Criminals and Other Criminals

The Municipality will terminate assistance for a family under the program if it is determined that:

1. Any household member is currently engaged in any illegal use of a controlled substance;
2. A pattern of illegal use of a drug by any household member interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents;
3. The Municipality will immediately terminate assistance for a family under the program if it determined that any member of the household has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.
4. The Municipality will terminate assistance under the program to a family if it is determined that any family member has violated the family's obligation under Section 982.551 which states that the family will not engage in any drug-related criminal activity.

E. Terminating Assistance for Alcohol Abusers

The Municipality of Aguas Buenas will terminate assistance under the Housing Choice Voucher Program if it is determined that a household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to a peaceful enjoyment of the premises by other residents.

F. Notice of Termination of Assistance

If the Municipality decides to terminate the assistance to the family, the provisions and procedures set forth in Section XVIII, subpart E of this chapter shall be adhered to.

XIX SUMMARY

In compliance with 24 CFR Part 903, PIH Notice 2003-34 dated December 19, 2003, which outlines the implementation of RIM, the Rental Housing Integrity Improvement Project (RHIIP), and the Improper Payments Information Act of 2002 as mandated by HUD, the Municipality of Peñuelas has established the following standards and procedures to be carried-out in furtherance of HUD's goals and objectives.

Furthermore, these same standards and procedures will ensure long-term compliance with the requirements of the programs involved, including but not necessarily limited to:

1. To provide low and very low income families the opportunity of choice and mobility in selecting where they want to live.
2. To maintain the essential elements of a private relationship between the tenant and the landlord on matters other than rent.
3. To develop strategies to coordinate the use of housing assistance under the Housing Choice Voucher Program with public and private resources, to enable families eligible to receive assistance under this same program to achieve economic independence and self-sufficiency.
4. To develop and implement a strong financial management system so as to ensure HUD's goal of improving efficiency and oversight to make certain that the correct amount of assistance goes to those that need it most.

It should be noted, that the Section 8 Office within the Municipality of Peñuelas will implement the necessary management systems and oversight controls, so as to assure, that the individual programs included within this same Plan are:

- a. Completed within a timely manner in compliance with HUD's

requirements;

- b. That they are indeed in total compliance with existing federal and state applicable regulations;
- c. Compliance with SEMAP Indicator;
- d. Compliance with the Rental Housing Integrity Improvement Project (RHIP).

Once a year a physical audit will be accomplished which will include not only the accountability of funds, but also an audit of the management system used to carry out the mandate of the Tenant-based Housing Program. This same in-depth review will be on an on-going basis will serve to determine the effectiveness of individual programs based upon such data as:

1. Families Assisted;
2. Subsidies granted;
3. Complaints resolved;
4. FSS families that moved onto become first-time homeowners;
5. Compliance with the Rental Housing Integrity Improvement Project (RHIP) is adhered to. Thus, ensuring that any deficiencies detected during RIM Reviews and/or SEMAP Certification conducted by HUD or their designee;
6. The effectiveness of communication by and between the various Municipal, State and Federal Agencies as well as with citizens.

Additionally, reviews will also serve to identify implementation problems or non-compliance with goals and objectives of the Plan, and how the resources were used to assist the maximum number of beneficiaries.

The use of this same data will assist the Mayor, members of the Municipal Assembly, interested citizens of the community, participants of the Tenant-based Housing Assistance Program recommend changes within our strategy due to perhaps changes in the population characteristics and housing market within the Municipality of Peñuelas.

In conclusion, the following areas will at a minimum, be reviewed in the monitoring process:

- ? Cash/Management System;
- ? Budget Controls;
- ? Families serviced by income level (low, extremely low and moderate);
- ? Compliance with HQS, Quality control and Targeting as set forth in HUD regulations;
- ? Effective Internal Control System so as to reduce administrative errors;
- ? Staff resources and performance;
- ? Timely, accurate and complete information for management forecasting and policy decision making;
- ? Preparing the necessary financial data to report to HUD.

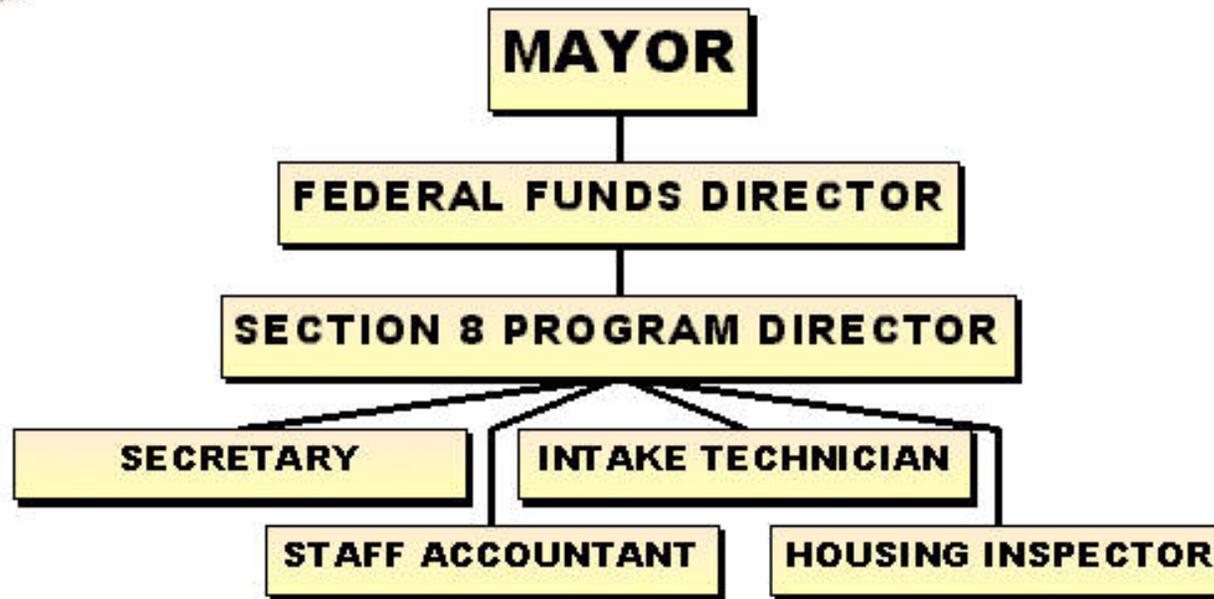
The Municipality of Peñuelas feels rather strongly that procedures contained herein will effectively perform the necessary monitoring of all programs so as to assure that these same programs both initiated and developed are in total compliance with the applicable regulations promulgated by HUD.



MUNICIPALITY OF PEÑUELAS

SECTION 8 SUBSIDIZED HOUSING PROGRAM

Hon. Walter Torres Maldonado
Mayor





MUNICIPALITY OF PEÑUELAS

Section 8 Subsidized Housing Program

The following programs are administered by the Municipality of Peñuelas:

- Housing Choice Voucher Program**
- Family Self-Sufficiency Program**

PHA Name: Municipality of Peñuelas
PHA Code: RQ019

5-Year Plan for Fiscal Years: 2005 - 2009

Annual Plan for FY 2005

PHA Plans

Streamlined 5-Year/Annual Version

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

OMB No. 2577-0226
(exp 05/31/2006)

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937 that introduced 5-year and annual PHA Plans. The full PHA plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form allows eligible PHAs to make a streamlined annual Plan submission to HUD consistent with HUD's efforts to provide regulatory relief to certain PHAs. Public reporting burden for this information collection is estimated to average 11.7 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated there under at Title 12, Code of Federal Regulations. Information in PHA plans is publicly available.

Informational Attachment for the:

Municipality of Peñuelas – RQ019

Streamlined 5-Year Plan for Fiscal Years 2005 – 2009 **Streamlined Annual Plan for Fiscal Year 2005**

PHA Plan Agency Identification

PHA Name: Municipality of Peñuelas

PHA Number: RQ019

PHA Fiscal Year Beginning: (mm/yyyy) 07/2005

PHA Plan Contact Information:

Name: Hon. Walter Torres Maldonado, Mayor

Phone: 787-836-1218

Address: 313 Muñoz Rivera Street
Peñuelas, PR 00624

Fax: 787-836-0103

Postal: PO Box 10

Peñuelas, PR 00624-0010

Name: José L. Camacho Torres, Federal Funds Director

Phone: 787-836-3030/3033

Name: Zelideth Colón Laboy, Section 8 Coordinator

Fax: 787-836-1663

TDD:

Email (if available): opfp@coqui.net

Required Attachment: Membership of the Resident Advisory Board

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.)

The Resident Advisory Board, for the Municipality of Peñuelas' locally administered Housing Choice Voucher Program, was duly elected by the families participating within the program. The Board is composed of 3 members and the term of the board is one year. Annually the families come together to vote and elect their board members. The following is a list of the members that make up the board:

1. President
Carmen García García

2. Vice-President
Nannette Velazquez

3. Secretary
Wendoline Torres

Required Attachment: Resident Advisory Board (RAB) Recommendations and Response

The Resident Advisory Board (RAB) for the Municipality of Peñuelas met and discussed the overall structure of the Annual Plan to be presented to HUD in accordance with established rules and regulations.

Resident's Comments:

- ✓ Residents would like to see continued efforts made to encourage more landlords to participate in the program in order to increase housing choices.
- ✓ Residents were encouraged that the Municipality's Informal Review Procedure is available to all Section 8 participants for their review.

Municipality's Response:

The Municipality intends to make continued efforts so as to encourage more landlords to participate in the locally administered Subsidized Housing Program.

The board approved the plan and thanked the Municipality for allowing them to partake in the preparation of said plan.

Required Attachment I: Required Attachments

- 1. Statement of Housing Needs is located in the attached annual supplement, Section VIII, page 15.**
- 2. Statement of PHA's Rent Determination is located in the attached annual supplement, Section XI, page 27.**
- 3. Statement of PHA's Grievance Procedure is located in the attached annual supplement, Section XV, page 33.**
- 4. Statement of Progress is located in the attached annual supplement, Section III, page 5.**
- 5. Homeownership Program is located in the attached annual supplement, Section V, page 9.**
- 6. Statement Regarding the steps the PHA will take to affirmatively further Fair Housing, Section VII, page 13.**
- 7. Screening and Eviction or Drug Abuse and Other Criminal Activity, Section XVII, page 36.**
- 8. Statement concerning Additional Information Required, Section XVII, page 35.**
- 9. Policy concerning Denial of Admission and Termination of Assistance for Criminals and Alcohol Abusers, Section XVIII, page 36.**