

PHA Plans

Streamlined Annual Version

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

OMB No. 2577-0226
(exp. 08/31/2009)

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 for certain types of 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.

Streamlined Annual PHA Plan

For Fiscal Year: 2008-2009

PHA Name: *Municipality of San Germán*

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.

Streamlined Annual PHA Plan Agency Identification

PHA Name: Municipality of San Germán

PHA Number: RQ-030

PHA Fiscal Year Beginning: (mm/yyyy) 07/2008

PHA Programs Administered:

Public Housing and Section 8

Number of public housing units:
Number of S8 units:

Section 8 Only

Number of S8 units:

Public Housing Only

Number of public housing 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:				

PHA Plan Contact Information:

Name: Luis E. Padovani Padilla
TDD: N/A

Phone: 787-892-1405

Email: san_german_sec8@hotmail.com

Public Access to Information

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

PHA's main administrative office PHA's development management offices

Display Locations For PHA Plans and Supporting Documents

The PHA Plan revised policies or program changes (including attachments) are available for public review and inspection. Yes No.

If yes, select all that apply:

Main administrative office of the PHA

PHA development management offices

Main administrative office of the local, county or State government

Public library PHA website Other (list below)

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

Main business office of the PHA PHA development management offices

Other (list below)

Streamlined Annual PHA Plan
Fiscal Year 2008
[24 CFR Part 903.12(c)]

Table of Contents
[24 CFR 903.7(r)]

Provide a table of contents for the Plan, including applicable additional requirements, and a list of supporting documents available for public inspection.

A. PHA PLAN COMPONENTS

<input type="checkbox"/>	1. Site-Based Waiting List Policies.....	4
	903.7(b)(2) Policies on Eligibility, Selection, and Admissions	
<input type="checkbox"/>	2. Capital Improvement Needs.....	5
	903.7(g) Statement of Capital Improvements Needed	
<input checked="" type="checkbox"/>	3. Section 8(y) Homeownership.....	6
	903.7(k)(1)(i) Statement of Homeownership Programs	
<input type="checkbox"/>	4. Project-Based Voucher Programs	8
<input type="checkbox"/>	5. PHA Statement of Consistency with Consolidated Plan. Complete only if PHA has changed any policies, programs, or plan components from its last Annual Plan.	9
<input checked="" type="checkbox"/>	6. Supporting Documents Available for Review	10
<input type="checkbox"/>	7. Capital Fund Program and Capital Fund Program Replacement Housing Factor, Annual Statement/Performance and Evaluation Report	12
<input type="checkbox"/>	8. Capital Fund Program 5-Year Action Plan.....	16
<input checked="" type="checkbox"/>	9. Certification of Compliance.....	19
<input checked="" type="checkbox"/>	10. Public Hearing Notice.....	21
<input checked="" type="checkbox"/>	11. Attendance Sheet.....	22
<input checked="" type="checkbox"/>	13. Minute.....	23
<input checked="" type="checkbox"/>	14. Operational Budget.....	24
<input checked="" type="checkbox"/>	15. Residency/Participant Advisory Board.....	25
<input checked="" type="checkbox"/>	16. Statement Progress.....	26

B. SEPARATE HARD COPY SUBMISSIONS TO LOCAL HUD FIELD OFFICE

Form HUD-50076, PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Streamlined Annual Plan identifying policies or programs the PHA has revised since submission of its last Annual Plan, and including Civil Rights certifications and assurances the changed policies were presented to the Resident Advisory Board for review and comment, approved by the PHA governing board, and made available for review and inspection at the PHA's principal office;

For PHAs Applying for Formula Capital Fund Program (CFP) Grants:

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

Form HUD-50071, Certification of Payments to Influence Federal Transactions; and

Form SF-LLL & SF-LLL a, Disclosure of Lobbying Activities.

1. Site-Based Waiting Lists (Eligibility, Selection, Admissions Policies)

[24 CFR Part 903.12(c), 903.7(b)(2)]

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

A. 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 B.

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:

B. 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 next component.

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)

2. Capital Improvement Needs

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

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

A. Capital Fund Program

1. Yes No Does the PHA plan to participate in the Capital Fund Program in the upcoming year? If yes, complete items 7 and 8 of this template (Capital Fund Program tables). If no, skip to B.
2. 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: 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. Yes No: Has the PHA received a HOPE VI revitalization grant? (if no, skip to #3; if yes, provide responses to the items on the chart located on the next page, copying and completing as many times as necessary).
2. Status of HOPE VI revitalization grant(s):

HOPE VI Revitalization Grant Status	
a. Development Name:	
b. Development Number:	
c. Status of Grant:	
	<input type="checkbox"/> Revitalization Plan under development
	<input type="checkbox"/> Revitalization Plan submitted, pending approval
	<input type="checkbox"/> Revitalization Plan approved
	<input type="checkbox"/> Activities pursuant to an approved Revitalization Plan underway

3. Yes No: Does the PHA expect to apply for a HOPE VI Revitalization grant in the Plan year?
If yes, list development name(s) below:

4. 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:

5. 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:

3. Section 8 Tenant Based Assistance--Section 8(y) Homeownership Program
(if applicable) [24 CFR Part 903.12(c), 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? The total family that will be served through this program will be limited to approximate 25% families initially.

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:

The family must meet all the requirements listed below before the commencement of homeownership assistance:

- 1- The family must be eligible for the Housing Choice Voucher Program.
- 2- The Municipality of San German defines a family participant to be in "good standing" as:
 - a. Having no outstanding debts to the Municipality of San German or any other Housing Authority.
 - b. Having no outstanding debts in relation to unpaid rents.
- 3- The family must qualify as a FTH, or may be a cooperative member as defined by HUD.
- 4- The head of household, spouse or adult family member must meet the Federal minimum income requirement. Whereby, they must have a gross annual income equal to the federal minimum wage multiplied by 2000, based on the income of adult family members who will own the home. Unless the family is elderly or disabled, income from welfare assistance will not be counted toward this requirement.
- 5- As previously stated the family must meet the Federal minimum employment, which is defined as follows:
 - a- At least one adult family member who will own the home must be currently employed full time and must have been continuously employed for one year prior to homeownership assistance. The Municipality of San German will also consider whether and to what extent an employment interruption is considered permissible, satisfying, employment requirement. Interruptions of less than 60 days will count as continuous employment during the year. The Municipality of San German will also consider successive employments during the one-year period and self-employment a business.
 - b- HUD regulations define "full-time employment" as not less than an average of 30 hours per week.
 - c- The federal minimum employment requirement does not apply to elderly or disabled families.

- 6- Any family member who has previously defaulted on a mortgage obtained through homeownership option and/or any other federally subsidized mortgage program is barred from receiving future homeownership assistance.
- 7- Must successfully complete a pre-assistance homeownership-counseling program approved by the Municipality's Homeownership Program.
- 8- Must complete the pre-qualification process with the identified entity.

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

The Municipality of San Germán has the goal to establishing a Homeownership Program in accordance with the Quality Housing and Work Responsibility Act of 1998 and will attempt the necessary procedures to promote it. The Municipality of San Germán will work with the Puerto Rico Department of Housing, The Rural Development Bank and other similar public agencies in order to accomplish the goal.

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):

- Establishing a minimum homeowner down payment 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.
- 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.
- Partnering with a qualified agency or agencies to administer the program (list name(s) and years of experience below):
- Demonstrating that it has other relevant experience (list experience below):

4. Use of the Project-Based Voucher Program

Intent to Use Project-Based Assistance

Yes No: Does the PHA plan to "project-base" any tenant-based Section 8 vouchers in the coming year? If the answer is "no," go to the next component. If yes, answer the following questions.

- 1. 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:)

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

5. 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) only if the PHA has provided a certification listing program or policy changes from its last Annual Plan submission.

1. Consolidated Plan jurisdiction: **Commonwealth of Puerto Rico**

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

- The PHA has based its statement of needs of families on its waiting lists 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)

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

Our agency is part of the effort undertaken by the city to address our jurisdiction's affordable housing needs. While we cannot meet the needs identified here, in accordance with goals included in this Plan, we will address some of the identified needs by using appropriate resources to maintain and preserve our existing stock. When appropriate and feasible, we will apply for additional grants and loans from federal, state and local sources, including private sources to help add to the affordable housing available in our community. We will continue to work to try to meet these identified needs.

6. Supporting Documents Available for Review for Streamlined 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
	<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>	5 Year and Annual Plans
X	<i>PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Streamlined Annual Plan</i>	Streamlined Annual Plans
	<i>Certification by State or Local Official of PHA Plan Consistency with Consolidated Plan.</i>	5 Year and standard Annual Plans
	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
X	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
	Deconcentration Income Analysis	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

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
	Results of latest Section 8 Management Assessment System (SEMAP)	Annual Plan: Management and Operations
	Any policies governing any Section 8 special housing types <input type="checkbox"/> Check here if included in Section 8 Administrative Plan	Annual Plan: Operations and Maintenance
	Public housing grievance procedures <input 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
	Policies governing any Section 8 Homeownership program (Section _____ 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
	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.	Annual Plan: 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
	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)
	Consortium agreement(s) and for Consortium Joint PHA Plans <u>Only</u> : 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 Annual PHA Plan for Consortia: Agency Identification and Annual Management and Operations

7. Capital Fund Program Annual Statement/Performance and Evaluation Report and Replacement Housing Factor

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 No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations				
3	1408 Management Improvements				
4	1410 Administration				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 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				

7. Capital Fund Program Annual Statement/Performance and Evaluation Report and Replacement Housing Factor

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part II: Supporting Pages								
PHA Name:		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No:			Federal FY of Grant:			
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part III: Implementation Schedule				
PHA Name:		Grant Type and Number Capital Fund Program No: Replacement Housing Factor No:		Federal FY of Grant:
Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)	All Funds Expended (Quarter Ending Date)	Reasons for Revised Target Dates	

8. 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					

8. Capital Fund Program Five-Year Action Plan

Capital Fund Program Five-Year Action Plan Part II: Supporting Pages—Work Activities					
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
Total CFP Estimated Cost		\$			\$

8. Capital Fund Program Five-Year Action Plan

Streamlined PHA Plan PHA Certifications of Compliance

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

PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Streamlined Annual PHA Plan

During an actual of the Board of Commissioners of the Public Housing Agency (PHA) listed below, or its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the streamlined Annual PHA Plan for PHA fiscal year beginning 07/2008, hereinafter referred to as the Streamlined Annual Plan, of which this document is a part and make the following certifications, agreements with, and assurances to the Department of Housing and Urban Development (HUD), in connection with the submission of the Streamlined Plan and implementation thereof:

1. The streamlined Annual Plan is consistent with (to applicable comprehensive housing affordability ratings for any streamlined Plan incorporating such ratings) for the jurisdiction in which the PHA is located.
2. The PHA has established a Resident Advisory Board or Board, the membership of which represents the residents assisted by the PHA, and provided this Board or Board an opportunity to review and comment on any program and policy changes since submission of the last Annual Plan.
3. The PHA made the proposed streamlined Annual Plan, including policy and program revisions since submission of the last Annual Plan, and all information relevant to the public housing available for public inspection at least 45 days before the hearing published a notice that a hearing would be held and conducted a hearing to discuss the streamlined Plan and invited public comment.
4. The PHA will carry out the streamlined Annual Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title I of the Americans with Disabilities Act of 1990.
5. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within these programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
6. For streamlined Annual Plans that include a policy of change in policy for site-based writing lists:
The PHA regularly submits required data to HUDY MTCB in an accurate, complete and timely manner (as specified in HUD Notice 99-24).
The system of site-based writing lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites, and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site.
Adoption of site-based writing list would not violate any court order or settlement agreement to be inconsistent with a pending complaint brought by HUD.
The PHA shall take reasonable measures to assure that such writing list is consistent with affirmatively furthering fair housing.
The PHA provides for review of its site-based writing list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 502.7(c)(2).
7. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
8. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
9. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low- or Very-Low-Income Persons, and with its implementing regulation at 24 CFR Part 135.
10. The PHA has submitted with the streamlined Plan a certification with regard to a drug-free workplace required by 24 CFR Part 24, Subpart F.
11. The PHA has submitted with the streamlined Plan a certification with regard to compliance with restrictions on lobbying required by 24 CFR Part 37, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Bond Amendment and implementing regulations at 49 CFR Part 24.
12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
13. The PHA will take appropriate affirmative action in award contracts to minority and women's business enterprises under 24 CFR 5.1251 et al.
14. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related activities in accordance with 24 CFR Part 58.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Salary Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.

8. Capital Fund Program Five-Year Action Plan

17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-97 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. The PHA will undertake only activities and programs covered by its streamlined Annual Plan in a manner consistent with its streamlined Annual Plan and will utilize covered grant funds only for activities that are allowable under the regulations and included in its streamlined Plan.
20. All notifications and attachments (if any) to the streamlined Plan have been sent and will continue to be available at all times and all locations that the PHA streamlined Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the streamlined Plan and additional requirements of the primary business office of the PHA and at all other times and locations identified by the PHA in its streamlined Annual Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA certifies that the following policies, programs, and plan components have been checked since submission of its last Annual PHA Plan (check all policies, programs, and components that have been changed):
- 905.7a Housing Needs
 - 905.7b Eligibility, Selection, and Admissions Policies
 - 905.7c Financial Resources
 - 905.7d Rent Determination Policies
 - 905.7h Eviction and Disposition
 - 905.7k Homeownership Programs
 - 905.7l Additional Information
 - A. Progress in meeting severe distress and goals
 - B. Criteria for substantial decision and significant proceedings
 - C. Other information requested by HUD
 - 1. Resident Advisory Board resolution process
 - 2. Membership of Resident Advisory Board
 - 3. Resident membership on PHA governing board

22. The PHA provides assurance as part of the certification regarding its streamlined annual PHA Plan that:
- (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
 - (ii) The changes were duly approved by the PHA board of directors (or similar governing body); and
 - (iii) The revised policies and programs are available for review and inspection at the principal office of the PHA during normal business hours.

Municipality of San Germán
PHA Name

RQ-030
PHA Number

Streamlined Annual PHA Plan for Fiscal Year: 2008-2009

I hereby certify that all the information stated herein, as well as any information provided in the accompanying forms, is true and accurate. Warning: HUD will prosecute false claims and statements. Civil penalties apply under 42 USC 14151, 14152, 14153, 14154, 14155, 14156, 14157, 14158, 14159, 14160.

Name of Authorized Official	Title
Indes Marie Morales	Acting Mayor
Signature	Date
	April 2, 2008

8. Capital Fund Program Five-Year Action Plan

Oficina de Sección 8

AVISO DE VISTAS PÚBLICAS

El Municipio de San Germán está preparando el Plan Anual (Annual Plan) del Programa de Oportunidades de Vivienda Bajo Vale (Antes Sección 8) para el año fiscal 2008-2009. Este plan de acción contiene información sobre la operación, los programas y servicios, al igual que cómo se atenderán las necesidades de vivienda de las familias participantes. También dicho documento incluye la misión, objetivos y metas que han sido establecidas por el Municipio para la operación del Programa de Subsidio de Vivienda.

De acuerdo con la Ley de Responsabilidad de Trabajo y Calidad de Vivienda de 1998 ("Quality Housing and Work Responsibility Act"), se invita a todos las Familias participantes del Programa a formar parte de su Junta de Residentes.

La Junta de Residentes deberá ser modelo representativo del Programa y servir de enlace entre el Municipio y todas las participantes del Programa. Los participantes tendrán que estar involucrados para:

- Mejorar las condiciones de vivienda;
- Conocer la administración, misión y políticas del programa;
- Estar informados de los cambios con relación al Programa;
- Cumplir con su obligación de participantes.

Las personas interesadas en pertenecer a la Junta deberán comunicarse o pasar por la Oficina de Sección 8 del Municipio de San Germán, en horas laborales.

Además, se exhibirá y se invita a la ciudadanía en general a participar de la vista pública que se llevará a cabo el 27 de febrero de 2008, a las 10:00 am, en el Salón Asamblea, de la Casa Alcaldía.

En la Vista Pública se considerarán los siguientes asuntos:

1. Evaluar las prioridades de nuestro Municipio y las Actividades elegibles dentro de dichas responsabilidades.
2. Recibir sugerencias sobre las posibles actividades a ser incluidas en el plan anual del Municipio.
3. Realizar comentarios de la ciudadanía en relación a necesidades de desarrollo de vivienda y la administración del Programa de Subsidio de Vivienda.

Las personas que no puedan asistir a la Vista Pública pueden enviar sus comentarios dentro del término de presentación del formulario, a la Oficina de Sección 8, localizada en:

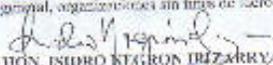
Dirección Física: Avenida Universidad Interamericana #136
1er. Piso Casa Alcaldía
San Germán, Puerto Rico 00683

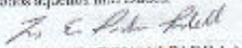
Teléfono: 787-867-1300 x 2345

Dirección Postal: Apartado 83
San Germán, Puerto Rico 00683

E-mail: san_germán_sec8@hotmail.com

El plan, y todos los documentos asociados, estarán disponibles en la Oficina de Sección 8 del Municipio de San Germán durante horas laborales, para ser examinados por el público en general, organizaciones sin fines de lucro y todos aquellos interesados.


HON. ISIDRO STA. RON IZABARRY


LUIS E. PADOVANI PADILLA
Director Oficina de Sección 8

8. Capital Fund Program Five-Year Action Plan



Estado Libre Asociado de Puerto Rico
Municipio Autónomo de San Germán
Oficina de Sección 8



Recibí del Municipio de San Germán, Oficina de Sección 8 un Aviso de Vistas Públicas con relación al Plan Anual 2008-2009.

Dependencia	Fecha	Firma de quien recibe
1. Hospital de la Concepción	12/28/07	<i>Milagros Lopez</i>
2. Hospital Metropolitano	28/12/07	<i>Milagros Lopez</i>
3. Policía de Puerto Rico	13 Dic. 2007	<i>Jose L. Mando</i>
4. Policía Municipal	13 Dic. 2007	<i>Miguel Melian</i>
5. Oficina de Manejo de Emergencias	13 dic-07	<i>MJ</i>
6. U.S. Post Master	13 DIC 2007	<i>Joseph... - pst od...</i>
7. Colección de Rentas Internas	13 dic 2007	<i>Alfonso J. Fariña</i>
8. Autoridad de Acueductos y Alcantarillado	19 de 2007	<i>[Signature]</i>
9. Autoridad de Energía Eléctrica	19 Dic 2007	<i>[Signature]</i>
10. Casa Alegría Nueva	21/12/07	<i>[Signature]</i>
11. Departamento de Educación	12	
12. Farmacéuticos O.M.J.	12/13/07	<i>Erizabel</i>
13. Departamento del Trabajo	12/01/07	<i>[Signature]</i>
14. Servicios Sociales <i>Cupones</i>	21/12/07	<i>[Signature]</i>
15. Departamento de la Familia <i>ALFAN</i>	13-12-07	<i>Melito Ramos</i>
16. Oficina del Desempleo		



P.O. Box 85 • Calle Luna • San Germán, Puerto Rico 00983 • tel. (787) 892-5500 • fax (787) 892-6757

8. Capital Fund Program Five-Year Action Plan



Estado Libre Asociado de Puerto Rico
Municipio Autónomo de San Germán
Oficina de Sección 8



"Programa de Oportunidades de Vivienda de Vale" (Sección 8)

Vista Pública para Plan Anual y Revisión del Plan Administrativo para el Año 2008-2009
27 de febrero de 2008
10:00 am

Hoja de Asistencia

Nombre	Dirección
1. <i>Marina Vargas</i>	<i>Carr 329 Km 1.9 Familia Vargas 70</i>
2. <i>Julio Angler</i>	
3. <i>Salgado Cruz</i>	<i>Carr 10252-1 Busón 28 Montaña</i>
4. <i>Ricardo Rosario</i>	<i>Calle Zaragoza #49 San Germán</i>
5. <i>Rafael Martínez</i>	<i>Calle Concepción Edificio de la casa #550</i>
6. <i>Mildred Ponce</i>	<i>Calle 749 apt 3 San Germán PR 00833</i>
7. <i>Eibe Torres</i>	<i>Carr 362 K. 5.4 Bo Guama</i>
8. <i>María Rodríguez</i>	<i>Calle Federal #15 Bosque An. Guama</i>
9. <i>Aracelis Vargas</i>	<i>Calle 8</i>
10.	
11.	
12.	
13.	
14.	



P.O. Box 93 • Calle Luna • San Germán, Puerto Rico 00833 • Tel. (787) 892-3300 • Fax (787) 892-6797

8. Capital Fund Program Five-Year Action Plan



Estado Libre Asociado de Puerto Rico
Municipio Autónomo de San Germán
Oficina de Sección 8



Minuta

Vista Pública Plan Anual 2008-2009
27 de febrero de 2008
10:00 a.m.

El Municipio de San Germán llevó a cabo esta vista pública en el Salón de la Asamblea Municipal ubicado dentro de la casa Alcaldía de San Germán, la cual está estratégicamente localizada, accesible a la transportación pública y reúne los requerimientos de la Ley de Americanos con Impedimentos (ADA, por sus siglas en inglés).

La reunión comenzó y fue conducida por la Sra. Carmen Vargas de la Oficina de Oportunidades de Vivienda de Vale, a las 10:30 a.m. Varios miembros del Municipio estuvieron presentes, al igual que varios miembros de la Junta de Residentes, participantes.

El borrador del Plan Anual del Programa de Oportunidades de Vivienda de Vale fue revisado por los presentes en la vista pública donde comentaron e hicieron preguntas sobre el mismo. El Plan Anual fue aceptado por todos.

Se terminó la reunión luego que la Sra. Vargas le informara a los presentes que la Oficina de Sección 8 continuará respondiendo a preguntas concernientes al programa que las ciudadanas de San Germán pudieran tener en relación a este programa.

Dicha reunión fue culminada a las 12:00 p.m.

Luis E. Padovani Pozzillo

Luis E. Padovani Pozzillo
Director
Programa de Oportunidades
de Vivienda de Vale



P.O. Box 85 • Calle Luro • San Germán, Puerto Rico 00683 • Tel. (787) 892-3500 • Fax (787) 852-6227

8. Capital Fund Program Five-Year Action Plan

**OPERATIONAL BUDGET
BUDGET FOR CY 2008**

SUBSIDIZED HOUSING BUDGET	
PROGRAM	BUDGET ESTIMATE
Housing Choice Voucher	\$334,704.00
Administrative Fees	\$45,180.00
Audit Cost	\$1,500.00

8. Capital Fund Program Five-Year Action Plan

Progress in meeting 5-year mission and goals

Within the forth year of its 5-Year Plan, the Municipality of San Germán has achieved the following:

Has been actively promoting freedom of housing choice, so as to achieve deconcentration of extremely low-income families within our homogeneous community.

Continue with our established goal or providing improved conditions for extremely low-income families while maintaining their rent payments at an affordable level.

Provide an incentive to private owners to rent their dwelling units too economically disadvantaged families by offering timely assistance payments and protection against unpaid rent, damages, and vacancy loss.

Has been promoting the Homeownership Program to the participants in order to start with the program.

While the Municipality of San Germán is pleased with its accomplished do date, it is aware that it must continue to evaluate its goals and strategies so that it can assist its citizen's with secure suitable housing.

Section 1: Statement of Policies and Objectives

General

The Section 8 Program was enacted as part of the Housing and Community Development Act of 1974, which re-codified the U.S. Housing Act of 1937. The Act has been amended from time to time, and its requirements, as they apply to the Section 8 Tenant-Based Assistance Program, is described in and implemented throughout this Administrative Plan. The Section 8 rental assistance programs are federally funded and administered by the Municipality of San Germán Housing Authority (MSGHA).

Administration of the Section 8 Program and the functions and responsibilities of the Housing Authority (MSGHA) staff shall be in compliance with MSG's Personnel Policy and the Department of Housing and Urban Development's (HUD) Section 8 Regulations as well as all Federal, State and local Fair Housing Laws and Regulations.

Housing Authority Mission Statement

The Municipality of San Germán Housing Authority's Mission is to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination for all citizens of the Municipality of San Germán.

Program Goals [24 CFR 982.1]

MSGHA has the following goals for the program:

- To expand the supply of assisted housing and apply for any additional vouchers as they become available.
- Improve the quality of assisted housing and attain and maintain a Section 8 Management Assessment score of at least 90%.
- Increase assisted housing choices by providing mobility counseling to 100% of new families entering the tenant based Section 8 Program.
- Ensure equal opportunity and affirmatively further fair housing objectives through implementation of affirmative measures to ensure access to assisted housing regardless of race, color, religion, national origin, sex, familial status and disability.
- To provide decent, safe and sanitary housing for eligible families.
- To provide improved conditions for extremely low-income families while maintaining their rent payments at a reasonable level.

Purpose Of The Plan [24 CFR 982.54]

The purpose of the Administrative Plan is to establish policies for carrying out Section 8 Housing Assistance Programs in a manner consistent with HUD requirements and local goals and objectives contained in MSGHA's Plan.

MSGHA is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations will have precedence.

Applicable regulations include:

- 24 CFR Part 5: General Program Requirements

- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 35: Lead Based Paint
- 24 CFR Part 100: Non-discrimination, Handicap
- 24 CFR Part 982: Section 8 Tenant-Based Assistance
- 24 CFR Part 985: SEMAP

Rules And Regulations [24 CFR 982.52]

This Administrative Plan is set forth to define MSGHA's local policies for operation of the housing programs in the context of Federal laws and regulations. Such Federal regulations, HUD Memos, Notices and guidelines, or other applicable law, governs all issues related to Section 8 not addressed in this document.

Nondiscrimination and Accessibility [24 CFR 982.54(d)(6)]

It is the policy of the Municipality of San Germán Housing Authority to comply fully with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

MSGHA shall not deny any family or individual the equal opportunity to apply for or receive assistance under the Section 8 Programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial or marital status, handicap or disability or sexual orientation.

To further its commitment to full compliance with applicable Civil Rights laws, MSGHA will provide Federal/State/local information to Voucher holders regarding unlawful discrimination and any recourse available to families who believe they are victims of a discriminatory act.

Such information will be made available during the family briefing session, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the Voucher holder's briefing packet and available upon request.

The Municipality of San Germán Housing Authority shall not:

- a) Deny any family the opportunity to apply for housing, nor deny any qualified applicant the opportunity to lease housing suitable to its needs;
- b) Provide housing which is different from that provided others;
- c) Subject a person to segregation or disparate treatment;
- d) Restrict a person's access to any benefit enjoyed by others in connection with the housing program;
- e) Treat a person differently in determining eligibility or other requirements for admission;
- f) Deny a person access to the same level of services.

Addressing Barriers to Equal Housing Opportunities

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.24(a), 8.25, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the PHA's facilities are inaccessible to or unusable by persons with disabilities. Posters and housing information are displayed in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair.

In accordance with Section 504 and the Fair Housing amendments Act of 1988, the Municipality of San Germán Housing Authority will make reasonable accommodations to permit people with disabilities to take full advantage of the Section 8 housing programs.

Office, Facility, and Program Accessibility

MSGHA will make every effort to assure that its offices; facilities and programs are accessible to persons with a full range of disabilities. If offices, facilities and programs are not accessible, alternate arrangements will be made, subject to the undue financial and administrative burden test.

Documents and presentations intended for use by applicants and participants will be made available in formats accessible for those with vision or hearing impairments. At the point of initial contact, the Municipality of San Germán Housing Authority staff will ask all applicants whether they need some form of communication other than plain language paperwork. Alternative forms of communication might include: sign language interpretation, having materials explained orally by staff, either in person or by phone, large type materials, information on tape, and having someone (friend, relative or advocate) accompany the applicant to receive, interpret and explain housing materials (24 CFR § 8.6).

Staff will be trained to provide examples, verbally and in written format, of complicated concepts such as eligibility, rent computation, applicant screening, reasonable accommodations, and lease compliance to enable applicants with learning or cognitive disabilities to understand as much as possible. (24 CFR 8.6). At a minimum the Municipality of San Germán Housing Authority will prepare the following information in clearly written and accessible formats:

- a) Informational materials
- b) Information about the application process
- c) The application form
- d) All form letters and notices to applicants and participants
- e) General statement about reasonable accommodation
- f) Briefing materials for applicants
- g) All information related to applicant's rights

Providing Information to Applicants with Limited Comprehension

MSGHA staff will assist applicants and participants with limited written comprehension. Applicants and residents who desire to be assisted by person(s) other than MSGHA staff are welcomed to do so, however, the Municipality of San Germán Housing Authority is not required to pay this or any costs associated with this assistance.

Reasonable Accommodations (24CFR 100.202)

Reasonable accommodations shall include assistance for persons with disabilities in locating appropriate accessible units, referrals to other community agencies that provide such assistance and intervention with property owners to negotiate permission to make reasonable modifications in accordance with all provisions of the law.

A participant with a disability must first ask for a specific change to a policy or practice as an accommodation of his or her disability before MSGHA will treat a person differently than anyone else. MSGHA's practices will be designed to provide assurances that persons with disabilities will be given reasonable accommodations, upon request, so that they may fully access and utilize the housing program and related services. The availability of requesting an accommodation will be made known by including notices on forms and letters.

This policy is intended to afford persons with disabilities an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as those who do not have disabilities and is applicable to all situations described in this Administrative Plan including when a family initiates contact with the PHA, when the PHA initiates contact with a family including when a family applies, and when the PHA schedules or reschedules appointments of any kind.

To be eligible to request a reasonable accommodation, the requester must first certify (if apparent) or verify (if not apparent) that they are a person with a disability under the following ADA definition:

- A physical or mental impairment that substantially limits one or more of the major life activities of an individual; a record of such impairment; or being regarded as having such an impairment.

Rehabilitated former drug users and alcoholics are covered under the ADA. However, a current drug user is not covered. In accordance with 5.403(a), individuals are not considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence. Individuals whose drug or alcohol addiction is a material factor to their disability are excluded from the definition. Individuals are considered disabled if disabling mental and physical limitations would persist if drug or alcohol abuse discontinued.

Once the person's status as a qualified person with a disability is confirmed, MSGHA will require that a professional third party competent to make the assessment provides written verification that the person needs the specific accommodation due to their disability and the change is required for them to have equal access to the housing program.

Undue Burden

If MSGHA finds that the requested accommodation creates an undue administrative or financial burden, the PHA will either deny the request and/or present an alternate accommodation that will still meet the need of the person.

An undue administrative burden is one that requires a fundamental alteration of the essential functions of MSGHA (i.e., waiving a family obligation).

An undue financial burden is one that when considering the available resources of the Authority as a whole, the requested accommodation would pose a severe financial hardship on MSGHA.

MSGHA will provide a written decision to the person requesting the accommodation within a reasonable time. If a person is denied the accommodation or feels that the alternative suggestions are inadequate, they may request an informal hearing to review the PHA's decision.

Reasonable accommodation will be made for persons with a disability that requires an advocate or accessible offices. A designee will be allowed to provide some information, but only with the permission of the person with the disability.

Translation Of Documents

The primary language of the Housing Authority of San Germán is Spanish and the Authority has bilingual staff to assist non-Spanish speaking families and translates documents into other languages upon request. Many standardized HUD documents are available only in English and MSGHA staff will provide verbal translations as needed.

In determining whether it is feasible to provide translation of documents into other languages, the PHA will consider the following factors:

- Number of applicants and participants in the jurisdiction who do not speak English and speak the other language.
- Availability of bi-lingual staff to provide translation for non-English speaking families.

Privacy Rights [24 CFR 982.551 and 24 CFR 5.212]

Applicants and participants, including all adults in their households, are required to sign the HUD 9886 Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD and/or MSGHA will release family information. MSGHA will not release other information except as otherwise specifically identified in this Administrative Plan.

All applicant and participant files will be stored in a secure location, which is only accessible by authorized staff. PHA staff will not discuss family information contained in files unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

Family Outreach

MSGHA will publicize the opening of the Section 8 Program waiting list in a newspaper of general circulation, and by other suitable means when there are insufficient applicants to maintain full program utilization.

To reach persons, who cannot read the newspapers, MSGHA will distribute fact sheets to the broadcasting media, and initiate personal contacts with members of community service agencies serving the populations most likely to need housing assistance.

Owner Outreach (24 CFR 982.54(d)(5))

The Municipality of San Germán Housing Authority will develop, implement and update an ongoing marketing campaign designed to consistently attract new property owners to the Section 8 Housing Assistance Program. Components of this program include but are not limited to the following activities:

- Establish and maintain a strong relationship with the Municipality's Real Estate community, participating in local real estate associations and related networking functions.
- Create and update an inventory of all multi-family apartment complexes in the Municipality and communicate regularly with the corresponding management agents.
- Create a special informational brochure for owners providing basic but complete information on all major aspects of the program.
- Courtesy inspections to assist landlords in making a determination of the work which may be needed to place a unit on the program.

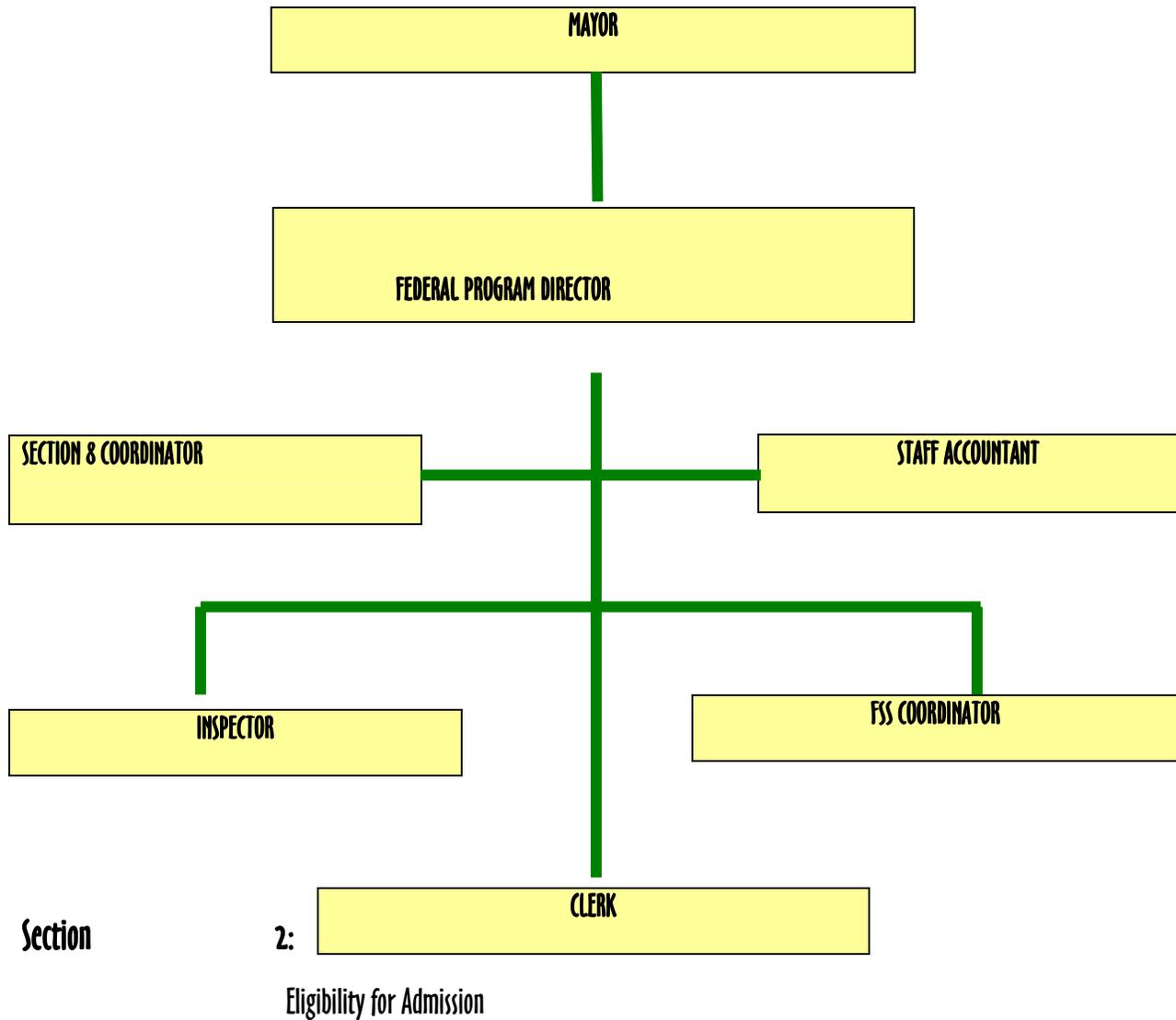
The Municipality will maintain lists of available housing units submitted by owners in all neighborhoods within the Housing Authority's jurisdiction to ensure greater mobility and housing choice to very low-income households. Interested owners must submit a property information form to the designated staff that will perform a minimum of a "drive-by" inspection prior to placement on the available unit listing. The unit list will be provided to all applicants in their briefing packet and to program participants upon request.

MSGHA periodically evaluates the demographic distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted. The purpose of these activities is to provide more choices and better housing opportunities to families. Voucher holders are informed of a broad range of areas where they may lease units inside the PHA's jurisdiction and given a list of landlords or other parties who are willing to lease units or help families.

Program Staffing

With the enacting of the Quality Housing & Work Responsibility Act of 1988, the new tenant-based program, namely the Housing Choice Voucher Program affords the opportunity to expand its fiscal responsibility and the flexibility needed to manage the subsidy funds received as well as the administrative costs in an efficient manner that is in accordance with QHWRRA, Section 502(b). As a result of this same merger, the staff directly involved in the administration of the Housing

Program in this Municipality will be so designated in accordance with the number of units assigned to the Program as stated in the ACC between the Municipality and HUD. The organizational chart for this Municipality of San Germán is as follows:



General [24 CFR Part 5, Subparts B, D & E; Part 982, Subpart E]

This Chapter defines both HUD and MSGHA’s criteria for admission and denial of admission to the program. The policy of MSGHA is to strive for objectivity and consistency in applying these criteria to evaluate the eligibility of families who apply for housing assistance. MSGHA staff will review all information provided by the family carefully and without regard to factors other than those defined in this Chapter. Families will be provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made by the MSGHA pertaining to their eligibility.

Eligibility Factors (24CFR 982.201(b))

MSGHA will accept applications only from families whose head or spouse is at least 18 years of age or an emancipated minor.

To be eligible for participation in the Section 8 Housing Assistance Program, an applicant must meet the following criteria established by HUD:

- An applicant must be a "family",
- An applicant must be within the applicable Income Limits
- An applicant must furnish Social Security Numbers for all family members age six and older
- An applicant must furnish declaration of Citizenship or Eligible Immigrant Status and at least one member of the applicant family must be either a U.S. citizen or have eligible immigration status.

Placement on Waiting List

The Family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility factors identified above. However, eligibility factors will not be verified before the family is placed on the waiting list. Placement on the waiting list will be based solely on the household's certification.

Reasons for denial of placement on the waiting list or denial of admission are addressed in the "Denial or Termination of Assistance" further in this Administrative Plan. These reasons for denial constitute additional admission criteria.

Family Composition [24 CFR 982.201 (c)]

The applicant must qualify as a family as follows:

1. One or more persons sharing residency, whose income and resources are available to meet the family's needs who may not be related by blood, marriage or operation of law, but who will give evidence of a stable relationship which has existed a minimum of one year. Evidence of a stable family relationship may include, but is not limited to, any of the following: birth certificates of the children, joint tax return, prior lease (held jointly or one adult listed as "head" but other adult was included on the lease), joint bank accounts, insurance policies, prior joint credit history, or similar documentation. Evidence used to verify stable relationship would be documented in the family file.
2. A single person family may be: an elderly person; a displaced person; a disabled person; or any other single person.
3. A remaining household member who is a member of an assisted household whose original head/spouse is no longer living in the rental unit. Such remaining household members must have been listed on the most recent HUD 50058 and lease must be of legal age and must be able to carry out the terms of the lease and family obligations. A live-in aid is not a remaining family member. (A household member for whom a subsidy was not paid because the household member did not have eligible citizenship status will not be considered a remaining household member).

Children in Foster Care

A child who is temporarily away from home because of placement in foster care is considered a member of the family. This provision only pertains to the foster child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members.

Head of Household

The head of household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law.

Co-Head

The co-head of the household is any adult individual designated by the household, who is equally responsible for the lease with the Head of Household. A family may have a spouse or co-head, but not both. A co-head never qualifies as a dependent.

Live-in Attendants

A Family may include a live-in aide provided that such live-in aide:

- Is determined by MSGHA to be essential to the care and well being of an elderly person, a near-elderly person, or a person with disabilities,
- Is not obligated for the support of the person(s), and
- Would not be living in the unit except to provide care for the person(s).

The following distinct provisions apply to a live-in aide:

- Income of the live-in aide will not be counted for purposes of determining eligibility or amount of housing assistance.
- Live-in aides are not subject to Non-Citizen Rule requirements.
- Live-in aides are not considered as a remaining member of the participant family and are therefore not entitled to any continued housing assistance if the household member they were aiding no longer participates in the program.

Relatives are not automatically excluded from being live-in aides, but they must meet all of the elements in the live-in aide definition described above.

A Live in Aide may only reside in the unit with the approval of the PHA. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or caseworker. The verification provider must certify that a live-in aide is needed for the care of the family member as described above. Verification must include the hours the care will be provided.

At any time, the PHA will refuse to approve a particular person as a live-in aide or may withdraw such approval if:

- The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
- The person commits drug-related criminal activity or violent criminal activity; or
- The person currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

- The person has ever been convicted for a sexual offense or who is subject to the lifetime registration with federal, state or local law enforcement agencies.

Split Households Prior to Voucher Issuance

When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, and the new families both claim the same placement on the waiting list, and there is no court determination, MSGHA will determine the family unit that retains the children as the applicant family. If there are no children, MSGHA will require the applicants to jointly agree to the continued applicant or solicit a court decision.

Documentation of these factors is the responsibility of the applicant families. If either or both of the families do not provide appropriate documentation, they will be denied continued placement on the waiting list for failure to supply information requested by the PHA.

Multi-generational Families

Families applying for assistance, which consist of two or more generations living together, (such as a mother, and a daughter with her own children), will be treated as a single-family unit and will be entitled to only one housing voucher for assistance.

Joint Custody of Children

Children who are subject to a joint custody agreement but live with one parent at least 51% of the time will be considered members of the household. "51% of the time" is defined as 183 days of the year, which do not have to run consecutively. Legal documentation must be provided for families who claim joint custody or temporary guardianship.

Income Limitations [24 CFR 982.201(b), 982.353]

The following income restriction provisions apply to applicants for admission to the Section 8 Housing Assistance Programs:

- An applicant must be a very low-income family, which is defined as a family whose annual income does not exceed 50% of the area median income.
- Applicants in excess of the very low-income limits but within the low income limits (80% of the area median income) will only be admitted based on the following criteria:
 - A low-income family that is continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within 120 days of voucher issuance.
 - A low-income family displaced by rental rehabilitation activity under 24CFR part 511.
 - A low-income non-purchasing family residing in a project subject to homeownership program under 24CFR 248.173.
 - A low-income or moderate-income family that is displaced as a result of a prepayment of a mortgage or voluntary termination of mortgage insurance contracts under 24 CFR 248.165.
 - A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a project subject to a resident home ownership program.
- To determine if the family is income-eligible, MSGHA will compare the Annual Income of the family to the applicable income limit for the family's size.
- Families whose Annual Income exceeds the income limit will be denied admission and offered an informal review.

- Families using portability must be within MSGHA's applicable income limits at the time of initial lease up in MSGHA's jurisdiction.
- 75% of all newly admitted applicants must fall within 30% of the area median income.

Mandatory Social Security Numbers [24 CFR 5.216, 5.218]

Families are required to provide verification of Social Security Numbers for all family members age 6 and older prior to admission, if the Social Security Administration has issued them a number. This requirement also applies to persons joining the family after admission to the program.

Failure to furnish verification of social security numbers is grounds for denial or termination of assistance.

Persons who have not been issued a Social Security Number must sign a certification that they have never been issued a Social Security Number.

Persons who disclose their Social Security Number but cannot provide verification must sign a certification and provide verification within 60 days. Elderly persons must provide verification within 120 days.

Citizenship/Eligible Immigration Status [24 CFR Part 5, Subpart E]

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD. The status of each member of the family is considered individually before the family's status is defined as follows:

- **Mixed Families** - A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed." Assistance to such applicant families will be prorated and applicants will be notified accordingly.
- **All members Ineligible** - Applicant families that include no eligible members are not eligible for assistance. Such families will be denied admission.
- **Non-citizen students**- Defined by HUD in the non-citizen regulations and not eligible for assistance.

Applicants are entitled to a hearing for denial of placement on the waiting list or denial of assistance if such denial is based on the immigration status criteria described above.

Other Criteria For Admissions [24 CFR 982.552(b)]

MSGHA will apply the following additional criteria for admission to the program. Violation of any of the following will result in denial of admission.

- The family must not have violated any family obligation during a previous participation in the Section 8 program for 3 years prior to final eligibility determination.
- No family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program within the last three years prior to final eligibility determination for the first offence.
- The family must pay any outstanding debt owed to MSGHA or another PHA in connection with Section 8 or public housing assistance under the 1937 Act within 15 working days of HA notice to repay.
- No member of the family may have engaged in drug related or violent criminal activity for three years prior to final eligibility determination.
 - To determine whether this has occurred, the HA will check criminal history for all adults in the household to determine whether any member of the family has been arrested and/or convicted of violent or drug-related criminal activity within three years prior

to final eligibility determination.

- No family member may have been evicted from public housing for any reason during the last three years prior to final eligibility determination.
- No family member may have engaged in or threatened abusive or violent behavior toward HA personnel for three years prior to final eligibility determination.

Persons evicted from other federally assisted housing because of an arrest and/or conviction for drug-related criminal activity are ineligible for admission to Section 8 programs for a three year period beginning on the date of such eviction. After the three-year period, the person must certify they are no longer engaging in a drug-related criminal activity and demonstrate successful completion of a rehabilitation program approved by MSGHA.

The applicant may not misrepresent the information on which eligibility or tenant rent is established. In addition to denial of admission, MSGHA will refer the family file/record to the proper authorities for appropriate disposition.

Crime by Family Members [24 CFR 982.553]

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

- Drug-related criminal activity;
- Violent criminal activity; or
- Has ever been convicted for a sexual offense or who is subject to the lifetime registration with federal, state or local law enforcement agencies.

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

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

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

Tenant Screening [24 CFR 982.307]

MSGHA will not screen the applicant household for family behavior or suitability of tenancy. At or before MSGHA's approval of the tenancy, MSGHA will inform the owner that screening and selection for tenancy is the responsibility of the owner.

The owner is responsible for screening families based on their tenancy histories, including such factors as:[24 CFR 982.307(a)(3)]

- Payment of rent and utility bills;

- Caring for a unit and premises;
- Respecting the rights of other residents to the peaceful enjoyment of their housing;
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others;
- Convicted sexual offenders or whom are subject to the lifetime registration with federal, state or local law enforcement agencies; and
- Compliance with other essential conditions of tenancy.

MSGHA will advise and assist families if they feel that the screening criteria applied by an owner violates any basic Fair Housing Rights of the family. MSGHA will make referrals to the local Fair Housing Authority and/or the appropriate HUD office.

Changes In Eligibility Prior To Effective Date Of The Contract

Admission to the Section 8 Program occurs at the time that an initial Housing Assistance Payments contract is executed with an owner for an eligible unit. Prior to that time, a family is considered an applicant. After execution of the HAP contract, a family is considered a participant. Therefore, changes that occur during the period between issuance of a voucher and lease up may affect the family's eligibility.

Ineligible Families

Families who are determined to be ineligible will be notified in writing of the reason for this determination and given an opportunity to request an informal review (or an informal hearing if they were denied due to non-citizen status) as discussed further in this Administrative Plan.

Section 3: Applying for Admission

General [24 (FR 982.204)]

The policy of MSGHA is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. This Chapter describes the policies and procedures for completing an initial application for assistance, placement and denial of placement on the waiting list, and limitations on who may apply. The primary purpose of the intake function is to gather information about the family, but MSGHA will also utilize this process to provide information to the family so that an accurate and timely decision of eligibility can be made. Applicants will be pulled from the waiting list in accordance with this Plan.

Opening and Closing the Waiting List

The Municipality of San Germán Housing Authority will open the waiting list at periodic intervals as determined based on need to assure that an adequate pool of application is available to maintain full program utilization and assist the maximum number of families based on available program funding.

When the Municipality determines that the waiting list should be opened, a notice will be published in a local newspaper of general circulation or in any other suitable media. The notice will state the limitations on who may apply for any available slots and provide information on where and when families may apply for the program. The Municipality may determine that applications will only be accepted from families who qualify for specific preferences under the local preference criteria stated further in this plan.

The PHA may open the waiting list for a specific time period or may choose to accept applications on certain days and times. The public notice will specify the time period in which applications will be accepted. Under no circumstances will applications be accepted when the waiting list is closed unless the public notice indicates that MSGHA will continuously accept applications for specific identified preferences.

Local Preferences [CFR982.207]

The Municipality of San Germán shall utilize local preferences in the selection of applicants from the waiting list. Preferences shall be ranked in the order listed below.

1. ***Families with threats to break up or families who are able to reunite***— An applicant whose family with threat to break up due to removal of young children by the State Family Department due to not having a decent house or families that will be united by the return of children but do not have decent housing.
2. ***Homeless Households or persons or family living in inadequate conditions***— An applicant who lacks a fixed, regular and

adequate nighttime residence and has a primary nighttime residence that is a supervised shelter that provides temporary living accommodations; an institution that provides temporary residence; or a public or private place not designated or normally used as a regular sleeping place for humans. And persons or families living in an inadequate housing.

3. ***Victims of Domestic Violence***— An applicant vacated a unit because of domestic violence or the applicant currently resides in a unit with a person who engages in domestic violence. Domestic violence is the actual or threatened violence toward members of the household by a spouse or other member of the household. The domestic violence must be of a continuing nature and the applicant must certify that the person engaging in domestic violence will not reside with the applicant family.
4. ***Involuntary Displacement***— An applicant has been involuntarily displaced and is not currently living in standard replacement housing. Applicants shall be considered involuntarily displaced if they have vacated or must vacate their unit as a result of a disaster; governmental action; action by an owner that is beyond the applicant's ability to prevent; or a family member has mobility or other impairment that makes them unable to utilize the critical elements of the unit.
5. ***Persons with Disabilities***— An applicant whose head, co-head or sole member is a person with disabilities: inability to engage in any substantial gainful activity by reason of any medically determinable physically or mental impairment which is expected to last for a continuous period of not less than 12 months.
6. ***Single elderly person or family applicant with an elderly***— An applicant in whom the head, co-head or sole member is age 62 or older Single elderly person or spouse.

Date and Time of Application

All applicants within each designated preference category described above will be further ranked by date and time of application. Applicants will be selected based on the preference category in the order stated above and the date and time of application within that category. Applicants will not be selected from a subsequent category until all applicants in the higher ranked category have been exhausted.

Application Process

The application process will consist of a two-step process: the pre-application and the formal application. The pre-application requests adequate information for placement on the waiting list and provides for applicant certification of any preference claimed. Applicants will be placed on the waiting list based solely on the information provided in the pre-application form. The formal application will be completed at the time of the application interview as described below.

Applicant Status While On Waiting List [CFR 982.204]

Applicants will be informed of the available local preferences at the time of application and may claim a preference through signed certification on the pre-application form. Preferences will not be verified at the time of pre-application.

If an applicant is determined to be ineligible based on the information provided on the pre-application, MSGHA will notify the family in writing (in an accessible format upon request as a reasonable accommodation), state the reason(s), and inform them of their right to an informal review.

Applicants are required to inform MSGHA in writing of changes in address. Applicants are also required to respond to requests from MSGHA to update information on their application and to determine their continued interest in assistance.

Time Of Selection [24 CFR 982.204]

As vouchers are available, families will be selected from the waiting list strictly in the order of preferences as described above. At that time, any preference claimed by the applicant shall be verified.

Once the program reaches full utilization, MSGHA will establish a group of applicants that will be selected from the writing list of form a final eligibility "pool". Selection from the pool will be based on completion of verifications and vouchers will be issued to applicants who have completed the verification process first.

Requirement to Attend Interview

The Municipality will require the applicant household to attend an interview once they have been pulled from the waiting list. MSGHA utilizes the full application interview to discuss the family's circumstances in greater detail, to clarify information, which has been provided by the family, and to ensure that the information is complete. The interview is also used as a vehicle to meet the informational needs of the family by providing information about the application and verification process, as well as to advise the family of other PHA services or programs, which may be available.

All adult family members are required to attend the interview and sign the housing application. Exceptions may be made for students attending school out of state or for members for whom attendance would be a hardship unless such members are the head or co-head of the household.

Applicants who fail to appear and want to reschedule a missed appointment must make the request to reschedule no later than ten (10) days from the original appointment date. The request must be made to the staff person who scheduled the appointment. Failure to do so will result in rejection of the application.

Reasonable accommodation will be made for persons with a disability who require an advocate or accessible offices. A designee will be allowed to participate in the interview process, but only with permission of the person with a disability.

If an application is denied due to failure to attend the full application interview, the applicant will be notified in writing and offered an opportunity to request an informal review.

All adult members must sign the HUD Form 9886, Release of Information; the application form; the declarations and consents related to citizenship/immigration status; and any other documents required by MSGHA. Applicants will be required to sign specific verification forms for information, which is not covered, by the HUD form 9886. Failure to sign any consent forms will be cause for denial of the application for failure to provide necessary certifications and release as required by the PHA.

If the PHA determines at or after the interview that additional information or document(s) are needed, the PHA will request the document(s) or information in writing. The family will be given ten (10) days to supply the information. If the information is not supplied in this time period, the PHA will provide the family a notification of denial for assistance.

Verification [24 CFR 982.201(e)]

Information provided by the applicant will be verified, using the verification procedures found further in this Plan. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, and other pertinent information will be verified. Verifications may not be more than 120 days old at the time of issuance of the Voucher.

Final Determination And Notification Of Eligibility [24 CFR 982.201]

After the verification process is completed, the PHA will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by the PHA, and the current eligibility criteria in effect. If the family is determined to be eligible, the PHA will mail a notification of eligibility. A briefing will be scheduled for the issuance of a voucher and the family's orientation to the housing program.

Section 4: Managing the Waiting List

General [24 CFR Part 5, subpart D; 982.54 (d)(1); 982.205, 982.206]

It is MSGHA's objective to ensure that families are selected from the waiting list for admissions in accordance with the policies in this Administrative Plan. By maintaining an accurate waiting list, MSGHA will ensure that an adequate list of qualified applicants will be available so that program funds are used in a timely manner.

Waiting List [24 CFR 982.204]

MSGHA will maintain one waiting list for the Section 8 Program.

Applicants will be selected from the waiting lists in accordance with policies and income targeting requirements defined in this Administrative Plan.

MSGHA will maintain information that permits proper selection from the waiting list. The waiting list contains the following information for each applicant listed:

- Numerical order;
- Date and time of application;
- Applicant name, address and other contact information;
- Family unit size (number of bedrooms family qualifies for under PHA subsidy standards);
- Racial or ethnic designation of the head of household;
- Elderly;
- Families with children;
- Immigration status;
- Preference and any other admission criteria needed to determine eligibility.

Special Admissions [24 CFR 982.54(d)(e), 982.203]

Certain vouchers were received as the result of a special funding for targeted groups of households. MSGHA will admit these families under a Special Admission procedure. Special admissions families will be admitted outside of the regular waiting list process and they are not required to be on the program waiting list. MSGHA will maintain separate records of these admissions.

The following are examples of types of program funding that are designated as special admissions:

- Vouchers received for demolition or disposition of a public housing project;
- Vouchers received for multifamily rental housing projects when HUD sells, forecloses or
 - demolishes the project;
 - Vouchers received for "opt-out" of FHA insured multi-family projects;
 - Project-based Section 8 HAP contracts at or near the end of the HAP contract term that convert to tenant based vouchers;

Targeted Funding (24 CFR 982.203)

Special programs have been developed under the Housing Choice Voucher Program to service certain family types or certain family situations. Most of these programs require that MSGHA partner with a service agency in the community that provides supportive service to the particular family type. When HUD grants funding under these programs, families who meet the qualifications of the program and are referred through the partner agency will be placed on the regular waiting list with a designated code for each special program type. These families will then be selected in order from the waiting list.

MSGHA will continue to receive referrals from partner agencies until all designated vouchers have been utilized. Upon 100% utilization, MSGHA will request that the partner agencies suspend additional referrals until such time that any of the original designated vouchers are turned over and again become available for issuance to applicants. At that time, MSGHA will contact the appropriate partner agency and advise them of the availability of the targeted voucher and a referral will be accepted accordingly.

The provisions for targeted funding identified herein apply to any future programs to be so designated by HUD.

Income Targeting

In accordance with the Quality Housing and Work Responsibility Act of 1998, each fiscal year MSGHA will reserve a minimum of seventy five percent of its Section 8 new admissions for "extremely low income households" who are defined as families whose income does not exceed 30 percent of the area median income.

Income targeting does not apply to low-income families continuously assisted as provided for under the 1937 Housing Act or to assistance to low income or moderate-income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out.

Removal from Waiting List and Purging [24 CFR 982.204(c)]

The waiting list will be purged periodically to ensure that it remains current and accurate. A notice of continued interest will be mailed to all applicants requesting a response within 15 days. If they fail to respond within fifteen (15) business days, they will be removed from the waiting list.

If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file.

Section 5: Subsidy Standards

General [24 CFR 982.54(d)(9)]

HUD guidelines require that MSGHA establish subsidy standards for the determination of family unit size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the unit size selected by the family must be within the minimum unit size requirements of HUD's Housing Quality Standards. This Chapter explains the subsidy standards, which will be used to determine the voucher size to be issued to families when they are selected from the waiting list, as well as the procedures when a family composition changes, or a family selects a unit size that is different from the size of the voucher.

Determining Voucher Size [24 CFR 982.402]

The subsidy standards for determining voucher size shall be applied in a manner consistent with Fair Housing guidelines. The standards in this section relate to the number of bedrooms on which subsidy will be paid, not the family's actual living arrangements. The following basic principles will prevail when applying subsidy standards:

- No determination will be made regarding who shares a bedroom or sleeping room, but there must be at least one person per bedroom;
- One bedroom will be generally assigned for each two members of the family;
- Consideration will be given to factors such as family characteristics including sex, age, or relationship, medical reasons and the presence of a live-in aide.
- Adults of different generations, persons of the opposite sex (other than significant other persons), and unrelated adults will be allocated a separate bedroom.
- Foster children will be included in determining unit size only if they will be in the unit for more than 6 months.
- Live-in attendants will be provided a separate bedroom but no additional bedrooms will be provided for the attendant's family members.
- Space will be provided for a child who is away at school but who lives with the family during school recesses.
- Space will not be provided for a family member, other than a spouse, who will be absent most of the time, such as a member who is away in the military.
- A single pregnant woman with no other family members will be treated as a two-person family.
- Single person families shall be allocated one bedroom.
- If the family selects a smaller unit than the size allocated on the voucher, the voucher size will be adjusted to reflect the actual size of the unit the family selected.
- If the family selects a larger unit than the size allocated on the voucher, the voucher size will not be adjusted and will remain the same as long as the family composition remains the same.

Guidelines for Issuance of Vouchers

The voucher size issued will generally be based on the following guidelines taking into consideration the subsidy standards described above.

Voucher Size	Minimum Number of Household Members	Maximum Number of Household Members
0	1	1
1	1	3
2	2	6
3	3	8
4	6	10
5	8	12
6	10	14

Exceptions To Subsidy Standards [24 CFR 982.402(a),(b)]

MSGHA shall consider request for exceptions from the subsidy standards if the family makes such request in writing within 10 days from the date the voucher was issued and provides sufficient justification based on health or disability of family members, or other individual circumstances that may warrant an exception to the standards. A doctor or medical professional must verify requests based on health related reasons.

Changes in Voucher Size

The voucher size is determined prior to the briefing by comparing the family composition to the MSGHA subsidy standards. If an applicant requires a change in the voucher size, based on the requirements of the subsidy standards, the above referenced guidelines will apply.

If MSGHA errors in the bedroom size designation, the family will be issued a new voucher of the appropriate size for the full period allocated for new program admissions. If the family makes a request for an exception to the payment standards and such request is granted, the family shall be issued a new voucher for the time remaining under the initial issuance period.

All members of the family residing in the unit must be approved by MSGHA. The family must obtain approval of any additional family member before the new member occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the PHA within thirty (30) days from the date of the action. Changes in voucher size will be applied if necessary based on the above referenced guidelines at the anniversary date of the current lease agreement.

If a unit does not meet HQS space standards due to an increase in family size, (unit too small), the PHA will issue a new voucher of the appropriate size at the anniversary date of the current lease agreement and assist the family in locating a suitable unit.

Unit Size Selected [24 CFR 982.402(c)]

The family may select a different size dwelling unit than that listed on the Voucher but the following criteria shall apply:

- **Subsidy Limitation:** The family unit size as determined under the subsidy standards for a family assisted in the voucher program is based on the adopted payment standards. The payment standard for a family shall be the *lower of*
 - The payment standard amount for the family unit size; or

- The payment standard amount for the unit size rented by the family.
- **Utility Allowance:** The utility allowance used to calculate the gross rent is based on the actual size of the unit the family selects, regardless of the size authorized on the family's voucher.
- **Housing Quality Standards:** The standards allow two persons per living/sleeping room and permit maximum occupancy levels (assuming a living room is used as a living/sleeping area) as shown in the table below. The levels may be exceeded if a room in addition to bedrooms and living room is used for sleeping.

**Housing Quality Standards
Maximum Occupancy in Units Selected**

<u>Unit Size</u>	<u>Maximum Occupants</u>
0	2
1	4
2	6
3	8
4	10
5	12
6	14
5	12
6	14

Section 6: Total Tenant Payment

General [24 CFR Part 5, Subparts E and F; 982.153, 982.551]

MSGHA will use the methods set forth in this Administrative Plan to verify and determine that family income at admission and at annual re-certification is correct. The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the Regulations.

This Chapter defines the allowable expenses and deductions to be subtracted from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subparts E and F, and further instructions set forth in HUD Notices and Memoranda. The formula for the calculation of TTP is specific and not subject to interpretation. MSGHA's policies in this Chapter address those areas, which allow MSGHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

Income And Allowances [24 CFR 5.609]

The following definitions shall be applied when calculating total tenant payment, tenant rent and housing assistance payments:

- **Income:** Includes all monetary amounts, which are received on behalf of the family. For purposes of calculating the Total Tenant Payment, HUD

defines what is to be calculated and what is to be excluded in the federal regulations. In accordance with this definition, all income, which is not specifically excluded in the regulations, is counted.

- **Annual Income:** Defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or re-certification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income, which has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits.
- **Adjusted Income:** Defined as the Annual income minus any HUD allowable expenses and deductions.
- **Allowable deductions:**
 - ✓ Dependent Allowance: \$480 each for family members (other than the head or spouse) who are minors, and for family members who are 18 and older who are full-time students or who are disabled.
 - ✓ Elderly/Disabled Allowance: \$400 per family for families whose head or spouse is 62 or over or disabled.
 - ✓ Allowable Medical Expenses: Deducted for all family members of an eligible elderly/disabled family.
 - ✓ Child Care Expenses: Deducted for the care of children under 13 when childcare is necessary to allow an adult member to work, attend school, or actively seek employment. Cannot exceed the amount of earned income and must be reasonable based on comparative costs in the community.
 - ✓ Allowable Disability Assistance Expenses: Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.

Disallowance of Earned Income from Rent Determinations for Persons with Disabilities (24CFR 5.671; 982.201 (b) (3).

The annual income for qualified disabled families may not be increased as a result of increases in earned income of a family member who is a person with disabilities beginning on the date on which the increase in earned income begins and continuing for a cumulative 12-month period. After the disabled family receives 12 cumulative months of the full exclusion, annual income will include a phase-in of half the earned income excluded from annual income.

A disabled family qualified for the earned income exclusion is a disabled family that is receiving tenant-based rental assistance under the Housing Choice Voucher Program; and

- Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;
- Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
- Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any State program for TANF provided that the total amount over a six-month period is at least \$500.00.

The HUD definition of "previously unemployed" includes a person with disabilities who has earned in the previous 12 months no more than the equivalent earnings for working 10 hours per week for 50 weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The HUD definition of economic self-sufficiency program is: any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

Amounts to be excluded are any earned income increases of a family member who is a person with disabilities during participation in an economic self-sufficiency or job training program and not increases that occur after participation, unless the training provides assistance, training or mentoring after employment.

The amount of TANF received in the six-month period includes monthly income and such benefits and services as one-time payments, wage subsidies and transportation assistance.

The amount that is subject to the disallowance is the amount of incremental increase in income of a family member who is a person with disabilities. The incremental increase in income is calculated by comparing the amount of the disabled family member's income before the beginning of qualifying employment or increase in earned income to the amount of such income after the beginning of employment or increase in earned income.

Exclusions of Income shall be calculated as follows:

- **Initial Twelve-Month Exclusion** - During the cumulative 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the PHA will exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over the prior income of that family member.
- **Second Twelve-Month Exclusion and Phase-in** - During the second cumulative 12-month period after the expiration of the initial cumulative 12-month period referred to above, the PHA must exclude from annual income of a qualified family 50 percent of any increase in income of a family member who is a person with disabilities as a result of employment over income of that family member prior to the beginning of such employment.
- **Maximum FourYear Disallowance** - The earned income disallowance is limited to a lifetime 48-month period for each family member who is a person with disabilities. For each family member who is a person with disabilities, the disallowance only applies for a maximum of 12 months of full exclusion of incremental increase, and a maximum of 12 months of phase-in exclusion during the 48-month period starting from the date of the initial exclusion. If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 48-month period, and continued until the disallowance has been applied for a total of 12 months of each disallowance (the initial 12-month full exclusion and the second 12-month phase-in exclusion). No earned income disallowance will be applied after the 48-month period following the initial date the exclusion was applied.
- **Applicability to Child Care and Disability Assistance Expense Deductions** - **The amount deducted for childcare and disability assistance expenses necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for disabled families entitled to the earned income disallowance, the amounts of the full and phase-in exclusions from income shall not be used in determining the cap for childcare and disability assistance expense deductions.**
- **Tracking System** - MSGHA will maintain a tracking system to ensure correct application of the earned income disallowance.

Minimum Rent [24 CFR 5.616]

Minimum rent refers to the Total Tenant Payment and includes the combined amount a family pays towards rent and/or utilities when it is applied. The minimum

rent established by the PHA will be \$50.00

A family may request an exception to the minimum rent based on financial hardship, which is defined as follows:

- The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local financial assistance;
- The family would be evicted as a result of the imposition of the minimum rent requirement;
- The income of the family has decreased because of changed circumstances, including: loss of employment; death in the family; and, other circumstances as determined by the PHA or HUD.

MSGHA will notify all families subject to minimum rents of their right to request a minimum rent hardship exception. This notification will be included in the change of rent notice issued by MSGHA at each re-certification of income. "Subject to minimum rent" means the minimum rent was the greatest figure in the calculation of the greatest of 30% of monthly adjusted income, 10% of monthly income or minimum rent.

Requests for minimum rent exception must be made in writing within 10 days from the date of notification of rent and must include documentation as proof of financial hardship. MSGHA will use its standard verification procedures to verify circumstances, which have resulted in financial hardship.

Suspension of Minimum Rent

MSGHA will grant the minimum rent exception to all families who request it, effective the first of the following month. The minimum rent will be suspended until the PHA determines whether the hardship is: covered by statute; temporary or long term.

"Suspension" means that the PHA must not use the minimum rent calculation until the PHA MSGHA made this decision. During the minimum rent suspension period, the family will not be required to pay a minimum rent and the housing assistance payment will be increased accordingly.

If MSGHA determines that the minimum rent is not covered by statute, MSGHA will impose a minimum rent including payment for minimum rent from the time of suspension.

Temporary and long terms are defined as follows:

- **Temporary Hardship** - If MSGHA determines that the hardship is temporary; a minimum rent will not be imposed for a period of up to 90 days from the date of the family's request. At the end of the temporary suspension period, a minimum rent will be imposed retroactively to the time of suspension.
- **Long-Term Duration Hardships** [24 CFR 5.616(c)(3)] - If it is determined that there is a qualifying long-term financial hardship, the PHA must exempt the family from the minimum rent requirements for as long as the hardship continues. The exemption from minimum rent shall apply from the first day of the month following the family's request for exemption.

Definition Of Temporarily/Permanently Absent [24 CFR 982.54(d)(10), 982.551]

It is the responsibility of the head of household to report changes in family composition. MSGHA will evaluate absences from the unit using this policy.

MSGHA will compute all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, MSGHA will count the income of the spouse or the head of the household if that person is temporarily absent, even if that person is not on the lease.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

- **Temporarily Absent:** Defined as away from the unit for more than 30 days.
- **Permanently Absent:** Defined as away from the unit for 180 consecutive days except as otherwise provided in this Chapter.
- **Medical Absence:** Defined as any family member that leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center. MSGHA will seek advice from a reliable medical source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 180 consecutive days, the family member will not be considered permanently absent. If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with the "Absence of Entire Family" policy.
- **Absence Due to Full-time Student Status:** A student (other than head of household or spouse) who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent. If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of Voucher size.
- **Absence Due to Incarceration:** If the sole member is incarcerated for more than 180 consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for three (3) consecutive months. The PHA will determine if the reason for incarceration is for drug-related or violent criminal activity. Appropriate action regarding assistance will be taken in accordance with the provisions in this plan.
- **Absence of Children Due to Placement in Foster Care:** If the family includes a child or children temporarily absent from the home due to placement in foster care, MSGHA will determine from the appropriate agency when the child/children will be returned to the home. If the time period is to be greater than six (6) months from the date of removal of the children, the Voucher size will be reduced. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the subsidy standards.
- **Absence of Entire Family:** Defined as situations when the family is absent from the unit, but has not moved out of the unit. "Absence" means that no family member is residing in the unit. In order to determine if the family is absent from the unit, MSGHA may write letters to the family at the unit, telephone the family at the unit, interview neighbors, verify if utilities are in service, and check with the post office. Families are required both to notify MSGHA before they move out of a unit and to give MSGHA information about any family absence from the unit.
 - Families must notify MSGHA at least 30 days before moving out of the unit or no less than 15 days after leaving the unit if they are going to be absent from the unit for more than 30 consecutive days.
 - If it is determined that the family is absent from the unit, MSGHA will continue assistance payments for the period of time estimated that the family will be absent but not more than six months provided that the family gave proper notice to MSGHA. If the family did not provide proper notice, than assistance will be terminated at the end of the month following 30 days after notification of absence.
 - In cases where the family has moved out of the unit, MSGHA will terminate assistance in accordance with appropriate termination procedures contained in this Plan.
- **Caretaker for Children:** Defined as a person placed in an assisted unit by an appropriate certified service agency that is acting as the legal guardian

for children on the lease agreement. The following criteria will apply to these situations:

- If an appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, MSGHA will treat that adult as a visitor for the first 120 days.
 - If by the end of 120 days, court-awarded custody or legal guardianship has been awarded to the caretaker, the Voucher will be transferred to the caretaker.
 - If the appropriate agency cannot confirm the guardianship status of the caretaker, MSGHA will transfer the voucher to the caretaker on a temporary basis with the condition that the caretaker must release the voucher if the original parent(s) are awarded custody at a later date.
- **Absence Due to Court Order:** If a member of the household is subject to a court order that restricts him/her from the home for more than three (3) months, the person will be considered permanently absent.

Visitors

Any adult not included on the HUD 50058 who has been in the unit more than thirty (30) consecutive days without MSGHA approval, or a total of thirty (30) days in a 12-month period, will be considered to be living in the unit as an unauthorized household member.

Statements from neighbors and/or the landlord will be considered in making the determination. Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

The burden of proof that the individual is a visitor rests on the family. MSGHA may request lease agreements, utility bills or other such documentation identifying an address other than the assisted unit as the permanent residence of the individual in question. In the absence of such proof, the individual will be considered an unauthorized member of the household and the PHA will terminate assistance since prior approval was not requested for the addition.

Minors and college students who were part of the family but who now live away from home during the school year and are no longer on the lease may visit for up to 120 days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household less than 51 days per year, the minor will be considered to be an eligible visitor and not a family member.

Reporting Changes in Family Composition

Reporting changes in household composition is a basic family obligation under the voucher agreement between MSGHA and the assisted family. The family obligations require approval to add any other family member as an occupant of the unit and to inform MSGHA of the birth, adoption or court-awarded custody of a child within 15 days of move-in.

The family must request prior approval from MSGHA of additional household members in writing. In addition, the family must comply with the terms of their lease agreement with the owner which may require the family to obtain prior written approval from the owner when there are changes in family composition other than birth, adoption or court awarded custody. An interim reexamination will be conducted for any additions to the household.

If the family does not obtain prior written approval, any person the family has permitted to move in will be considered an unauthorized household member.

Averaging Income

When Annual Income cannot be anticipated for a full twelve months, MSGHA will average known sources of income that vary to compute an annual income. Therefore, an interim re-certification will not be completed when circumstances change.

If there are bonuses or overtime, which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used.

Minimum Income

There is no minimum income requirement for participation in the Section 8 Program. Regular contributions and gifts will be considered as income, including payment of utilities or any other bills by any other individual or organization.

If the family's expenses exceed their known income, MSGHA will make inquiry of the head of household as to the nature of the family's accessible resources and will use all available resources to determine if the family has unreported income.

Income Of Person Permanently Confined To Nursing Home [24 CFR 982.54(d)(10)]

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the PHA will calculate the income by using the following methodology and use the income figure which would result in a lower payment by the family:

- The income of the family member confined will be included and corresponding out of pocket medical expenses will be deducted; or,
- The income of the family member confined will not be included and corresponding out of pocket medical expenses will not be deducted.

Regular Contributions and Gifts (24CFR 5.609)

Regular contributions and gifts to the household are counted as income for calculation of the Total Tenant Payment and Tenant Rent. Any contribution or gift received every three months or more frequently will be considered regular unless such amount is less than \$100 on an annual basis. This includes utility and rent payments made on behalf of the family by an outside source and any other cash or non-cash contributions.

Alimony And Child Support [24 CFR 5.609]

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment. If the amount of child support or alimony received is less than the amount awarded by the court, MSGHA will use the amount awarded by the court unless the family can verify that they are not receiving the full amount and verification of such is provided as follows:

- Verification from the agency responsible for enforcement or collection;
- Documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or collection action filed through an attorney;

Lump-Sum Receipts [24 CFR 5.609]

Lump-sum payments caused by delays in processing periodic payments such as unemployment or welfare assistance are counted as income. Deferred periodic payments, which have accumulated due to a dispute, are also counted as income.

In order to determine amount of retroactive tenant rent that the family owes as a result of the lump sum receipt, MSGHA will use a calculation method, which

calculates retroactively or prospectively, depending on the circumstances.

- **Prospective Calculation Methodology:** If the payment is reported on a timely basis, (as required under interim reporting requirements) the calculation will be done prospectively and will result in an interim adjustment calculated as follows: the entire lump-sum payment will be added to the annual income at the time of the interim and total tenant payment and tenant rent will be calculated accordingly.
- **Retroactive Calculation Methodology:** If the payment is not reported on a timely basis, MSGHA will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer and determine the amount of income for each certification period, including the lump sum, and recalculate the tenant rent for each certification period to determine the amount due to MSGHA. The family will then be required to pay this amount to MSGHA in full from the lump sum proceeds. Failure to make payment will result in termination of assistance.
- **Attorney Fees** - The family's attorney fees may be deducted from lump-sum payments when computing annual income if the attorney's efforts have recovered a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.

Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but are included as assets. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset.

Contributions to Retirement Funds (24 CFR 5.602(d))

While an individual is employed, contributions to company retirement/pension funds count as assets if the family can access the funds without retiring or terminating employment. After retirement or termination of employment, any amount the employee elects to receive as a lump sum is counted as a lump sum payment as described above.

Assets Disposed Of For Less Than Fair Market Value (24 CFR 5.602(d)(3))

MSGHA will count assets disposed of for less than fair market value during the two years preceding certification or reexamination by including the difference between the market value and the actual payment received when calculating total assets if the fair market value of such assets is greater than \$1,000.

Assets disposed of as a result of foreclosure or bankruptcy will not be considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation will also not be considered assets disposed of for less than fair market value.

Child Care Expenses [24 CFR 5.603]

Childcare expenses for children under 13 may be deducted from annual income if they enable an adult to work or attend school full time, or to actively seek employment. However, childcare expenses will not be allowed as a deduction if there is an adult household member capable of caring for the child who can provide the childcare.

Examples of adult household members who would be considered *unable* to care for a child include the abuser in a documented child abuse situation or a person with disabilities or older person unable to take care of a small child, as verified by a reliable knowledgeable source.

A childcare deduction will only be provided based on the following guidelines:

- **Childcare to Work:** The maximum childcare expense allowed must the person enabled to work earn less than the amount. The "person enabled to

work" will be the adult member of the household who earns the least amount of income from working.

- **Childcare for School:** The number of hours claimed for child care may not exceed the number of hours the family member is attending school, including reasonable travel time to and from school.
- **Amount of Expense:** The PHA will survey the local care providers in the community and collect data to serve as a guideline. If the hourly rate materially exceeds the guideline, MSGHA will calculate the allowance using the guideline.
- **Reimbursement:** Childcare expense cannot be reimbursable from any other source. If a divorce decree provides for joint payment of childcare, expenses will be prorated accordingly unless the assisted family provides adequate documentation as described previously.

Medical Expenses [24 CFR 5.609(a)(2), 5.603]

Elderly and disabled households are entitled to deductions for allowable medical expenses. If the household qualifies for a medical deduction then the medical expenses of all household members are an allowable deduction.

Allowable expenses include but are not limited to insurance premiums; hospital and doctor costs; and, prescription medicines. Nonprescription medicines, acupressure, acupuncture, herbal medicines and chiropractic services will not be considered allowable medical expenses. The IRS Publication 502 will govern the final determination as to whether a particular medical expense is permitted or prohibited as an allowable deduction under the Section 8 programs.

Pro-ration Of Assistance For "Mixed" Families [24 CFR 5.520]

A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members. Housing assistance will be prorated for mixed families based on the following calculation.

The total housing assistance shall be calculated based on income, assets, allowances and deductions for all household members. The percent of eligible household members is determined by dividing the number of U. S. Citizens or eligible immigrants in the household by the total number of household members. The total amount of housing assistance is then multiplied by the percent of the eligible household members. This is the amount of housing assistance that will be paid on behalf of a mixed family.

Income Changes Resulting from Welfare Program Requirements

The PHA will not reduce the rental contribution for families whose welfare assistance is reduced specifically because of:

- Fraud by a family member in connection with the welfare program; or
- Failure to participate in an economic self-sufficiency program; or
- Noncompliance with a work activities requirement.

However, the PHA will reduce the rental contribution if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits; or
- A situation where a family member has not complied with other welfare agency requirements; or

- A situation where a family member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment, such as the family member has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits.

Imputed welfare income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction that is included in the family's income for rental contribution and is treated as follows:

- Imputed welfare income is not included in annual income if the family was not an assisted resident at the time of sanction.
- The amount of imputed welfare income is offset by the amount of additional income a family receives that begins after the sanction was imposed.
- When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

The PHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance with economic self-sufficiency or work activities requirements *before* denying the family's request for rent reduction. The welfare agency, at the request of the PHA, will inform the PHA of: amount and term of specified welfare benefit reduction for the family; reason for the reduction; and subsequent changes in term or amount of reduction.

Utility Allowance and Utility Reimbursement Payments [24 CFR 982.153, 982.517]

MSGHA will develop a utility allowance schedule, which is intended to cover the cost of utilities not included in the rent to the owner. This allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type. Allowances are not based on an individual family's actual energy consumption.

The utility allowance for an individual family includes the utilities and services that are necessary in the Municipality of San Germán to provide housing that complies with the Federal Housing Quality Standards. No allowance will be provided for non-essential utility costs, such as telephone, cable, or satellite television. Where families provide their own range and refrigerator, MSGHA will include an appliance allowance as part of the total utility allowance provided to the family.

Lease agreements with tenant paid utilities will only be approved for utilities that are individually metered for the unit receiving assistance. The individual meter must only service the living space in which the family has access. The property owner must retain responsibility for any utility that is not individually metered.

MSGHA will review the utility allowance schedule annually. If the review finds a utility rate has changed by 10% or more since the last revision of the utility allowance schedule, the schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a participant family's rent calculation at their next re-certification.

When the calculation on the HUD 50058 results in a utility reimbursement payment to the family, the PHA will provide a monthly Utility Housing Assistance Payment (UHAP) to the Head of Household or Utility Agency based on a case-by-case situation.

Section 7: Verification Procedures

General [24 CFR Part 5, Subparts B, D, E and F; 982.158; 24CFR Part 5.617]

All factors affecting eligibility for the Section 8 Program and calculation of total tenant payment, tenant rent and housing assistance will be verified by MSGHA. PHA staff will obtain written verification from independent sources whenever possible and will document tenant files whenever third party verifications are not possible as to why third party verification was impossible to obtain.

Applicants and program participants must provide true and complete information upon request by MSGHA. Verification requirements are designed to maintain program integrity. This section explains the procedures and standards for verification of income, assets, allowable deductions, family status, and changes in family composition. MSGHA will obtain proper authorization from the family before requesting information from independent sources.

Methods of Verification And Time Allowed [24 CFR 982.516]

All required information will be verified using three methods of verification in the following order:

- **Third-Party Written** – This method requires a written document to be sent to the source of the verification and a written response to be received via

facsimile or mail service. Hand carried third party verifications are not acceptable. Verifications received electronically directly from the source are also considered third party written verifications.

- **Third-Party Oral** – This method requires an authorization form signed by the applicant or participant to be sent to the source of the verification and a MSGHA staff member verifies by telephone the required information and records such information on the required verification forms.
- **Review of Documents** – This method is used for documents that are hand-carried by the applicant or participant and copied at the MSGHA office or reviewed by staff with the information recorded and certified by staff on the requisite forms.

Self-certification or self-declaration forms from the applicants or participants are not acceptable methods of verification.

MSGHA will allow two (2) weeks for return of third-party verifications and two (2) weeks to obtain other types of verifications before going to the next method identified above. The file must be documented as to why third party written verification was not used.

Verifications may not be more than 120 days old at the time of issuance of a voucher to a program applicant or a program participant. Therefore, a re-certification must be completed prior to issuance of a voucher for any program move in which the last re-certification was completed more than a 120 days prior to issuance of the voucher.

Up-Front Income Verification Techniques

Even when applicant/participant interviews are thoroughly conducted, families may not disclose all sources of income. MSGHA will make every effort to develop and implement use of up-front income verification methods to assist in accurately determining household income. Resources available for up-front income verification include the following:

- **TASS** – TASS matches Social Security (SS) and Supplemental Security Income (SSI) to comparable tenant data from MTCs and TRACS databases. HUD provides internet-based access to SS and SSI benefit information. Each month, MSGHA will access the TASS database and extract the information on individuals who have unreported or underreported SS or SSI benefits.
- **SWICA (State Wage Information Collection Agencies)** – The Puerto Rico Department of Labor is a source of information on employers and reported wages. SWICA's can disclose wage information and whether an individual is receiving, has received, or has made application for unemployment compensation, and the amount of any such compensation. MSGHA will make very effort to negotiate a Memorandum of Understanding with the Department of Labor to share this information electronically.
- **The Work Number** – The Work Number is an automated service that provides controlled access to a national database of employment and income records. State and Federal agencies can have automated access to this information provided the employer's records are part of the Work Number. MSGHA will utilize the service as available in Puerto Rico.

Projecting Annual Income When Upfront Income Verification (UIV) Data is Available

The Municipality of San Germán Housing Authority will utilize the following HUD criteria to consistently and uniformly resolve income discrepancies between the up-front income verification data and information provided by the applicant/participant. HUD defines a *substantial difference* as one that is \$200 or more per month.

- **UIV Income Data is Not Substantially Different than Tenant-Provided Income Information**

MSGHA will utilize only the UIV verification documents and will not secure 3rd party verifications when there is no substantial difference between UIV

and tenant-reported income. The following guidelines will be utilized to calculate annual income:

- If UIV income data is less than **current** tenant-provided documentation, MSGHA will use tenant-provided documents to calculate anticipated annual income.
- If UIV income data is more than **current** tenant-provided documentation, MSGHA will use UIV income data to calculate anticipated annual income **unless** the family provides the PHA with documentation of a change in circumstances (i.e. change in employment, reduction in hours, etc.). Upon receipt of acceptable tenant-provided documentation of a change in circumstances, the PHA will use tenant-provided documents to calculate anticipated annual income.

- **UIV Income Data is Substantially Different than Tenant-Provided Income Information**

In cases where UIV income data is substantially different than tenant-reported income, MSGHA shall utilize the following guidelines:

- The PHA shall request written third party verification from the discrepant income source, in accordance with the criteria described in this section of this plan (24 CFR 5.236(3)(i).
- **The PHA should review historical income data for patterns of employment, paid benefits, and/or receipt of other income, when the PHA can not readily anticipate income, such as in cases of seasonal employment, unstable working hours, and suspected fraud.**
- **The PHA must analyze all data (UIV data, third party verification and other documents/information provided by the family) and attempt to resolve the income discrepancy.**
- **The PHA will use the most current verified income data (and historical income data if appropriate) to calculate anticipated annual income.**

If MSGHA is unable to anticipate annual income using current information due to historical fluctuations in income, MSGHA will average amounts received/earned to anticipate annual income.

If the tenant disputes UIV Social Security (SS)/ Supplemental Security Income (SSI) benefit data, the tenant shall provide a current, original Social Security Administration (SSA) notice or benefit letter within 10 business days of the PHA interview date.

Resources for Historical Income Data

The following documents serve as resources for historical income data if such data is needed in determining annual income based on a substantial difference between UIV and reported income.

- Social Security Earnings Statement (summary of gross earnings for each year that the participant has worked in his/her lifetime) may be obtained from the Social Security Administration. Request for this document may be done via mail or online at www.ssa.gov
- Two years of earnings may be obtained from the UIV System or local State Wage Information Collection Authority (SWICA). This information is not available to PHA's in States that the local SWICA has entered into an agreement with HUD to obtain wage and unemployment compensation data.
- Last eight (8) amounts of Social Security benefits paid to a participant (or household member) may be obtained from the TASS or UIV system.

Release of Information [24 CFR 5.230]

All adult family members will be required to sign the HUD 9886 Release of Information/Privacy Act form. In addition, family members will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886. Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of assistance based on violation of the family obligation to supply any information and to sign consent forms.

HUD Income Discrepancy Program

HUD is precluded from disclosing information from the Internal Revenue Service (IRS) to MSGHA. However, if HUD receives information from federal tax return data indicating a discrepancy in the income reported by the family, HUD will notify the family of the discrepancy. The family is required to disclose this information to the PHA (24 CFR 5.240). HUD's letter to the family will also notify the family that HUD has notified the PHA in writing that the family has been advised to contact the PHA. HUD will send the PHA a list of families who have received "income discrepancy" letters.

When the PHA receives notification from HUD that a family has been sent an "income discrepancy" letter, the PHA, after 40 days following the date of notification, will contact the tenant by mail, asking the family to promptly furnish any letter or other notice by HUD concerning the amount or verification of family income.

When the family provides the required information, the PHA will verify the accuracy of the income information received from the family, review the interim re-certification policy, identify unreported income, charge retroactive rent as appropriate, and change the amount of rent or terminate assistance, as appropriate, based on the information.

If the participant fails to respond to MSGHA, MSGHA will ask HUD to send a second letter. After an additional 40 days, MSGHA will send a letter to the head of household, warning of the consequences if the family fails to contact the PHA within two weeks.

If the tenant claims a letter from HUD was not received, MSGHA will ask HUD to send a second letter with a verified address for the tenant. After 40 days, the PHA will contact the tenant family. After an additional 40 days, the PHA will set up a meeting with the family to complete IRS forms 4506 and 8821.

If the tenant family fails to meet with the PHA or will not sign the IRS forms, the PHA will send a warning letter to the head of household, notifying the family that termination proceedings will begin within one week if the tenant fails to meet with the PHA and/or sign forms.

If tenant does receive a discrepancy letter from HUD, The PHA will set up a meeting with the family. If the family fails to attend the meeting, the PHA will reschedule the meeting. If the family fails to attend the second meeting, the PHA will send a termination warning. The family must bring the original HUD discrepancy letter to the PHA.

If tenant disagrees with the tax data contained in the HUD discrepancy letter, the PHA will ask the tenant to provide documented proof that the tax data is incorrect. If the tenant does not provide documented proof, the PHA will obtain proof to verify the Federal tax data using third party verification.

Items to be Verified [24 CFR 982.516]

The following information must be verified to determine initial program eligibility, to calculate total tenant payment, tenant rent and housing assistance and at each annual re-certification of income.

- All income not specifically excluded by the regulations.
- Full-time student status including High School students who are 18 or over.
- Current assets including assets disposed of for less than fair market value in preceding two years.
- Childcare expense where it allows an adult family member to be employed or to further his/her education.
- Total medical expenses of all family members in households whose head or spouse is elderly or disabled.

- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an adult family member to be employed.
- Disability for determination of allowances or deductions.
- U.S. citizenship/eligible immigrant status
- Social Security Numbers for all family members over 6 years of age or older who have been issued a social security number.
- Familial/Marital status when needed for head or co-head definition.
- Verification of Reduction in Benefits for Noncompliance

MSGHA will obtain written verification from the welfare Authority stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

Verification Of Income, Assets and Allowances [24 CFR 982.516]

Verification will be conducted using the following procedures:

- **Employment Income** - Verification forms request the employer to specify the Dates of employment; Amount and frequency of pay; date of the last pay increase; likelihood of change of employment status and effective date of any known salary increase during the next 12 months; year to date earnings; estimated income from overtime, tips, bonus pay expected during next 12 months.
 - Acceptable methods of verification include, in this order: UIV SWICA statements; employment verification form completed by the employer; check stubs or earning statements, which indicate the employee's gross pay, frequency of pay or year to date earnings; W-2 forms plus income tax return forms; income tax returns signed by the family must be used for verifying self-employment income, or income from tips and other gratuities.
 - Applicants and program participants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income.
 - In cases where there are questions about the validity of information provided by the family, MSGHA will require the most recent federal income tax statements.
- **Social Security, Pensions, Supplementary Security Income (SSI), Disability Income** - Acceptable methods of verification include, in this order: UIV TASS statements; benefit verification form completed by Authority providing the benefits; award or benefit notification letters prepared and signed by the providing Authority; computer report electronically obtained or in hard copy.
- **Unemployment Compensation** - Acceptable methods of verification include, in this order: UIV SWICA statements; verification form completed by the unemployment compensation Authority; computer report electronically obtained or in hard copy, from unemployment office stating payment dates and amounts; payment stubs.
- **Welfare Payments or General Assistance** - Acceptable methods of verification include, in this order: UIV on-line statements from State Welfare systems; verification form completed by payment provider; written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months; computer-generated Notice of Action; computer-generated list of recipients from Welfare Department.
- **Alimony or Child Support Payments** - Acceptable methods of verification include, in this order: UIV on-line statements from Child Support agencies; copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules; a notarized letter from the person paying the support; copy of latest check and/or payment stubs from Court Trustee. PHA must record the date, amount, and number of the check.

- If payments are irregular, the family must provide: a copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules; a statement from the Authority responsible for enforcing payments to show that the family has filed for enforcement; a notarized affidavit from the family indicating the amount(s) received; a written statement from an attorney certifying that a collection or enforcement action has been filed.
- **Net Income from a Business** - In order to verify the net income from a business, MSGHA financial documents from prior years and use this information to anticipate the income for the next 12 months. Acceptable methods of verification include: IRS Form 1040, including: Schedule C (Small Business); Schedule E (Rental Property Income); Schedule F (Farm Income); if accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules; audited or un-audited financial statement(s) of the business; credit report or loan application; Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.
- **Recurring Contributions** - The family must furnish a notarized statement which contains the following information: the person who provides the gifts; the value of the gifts; the regularity (dates) of the gifts; the purpose of the gifts.
- **Zero Income Status** - Families claiming to have no income will be required to execute verification forms to determine that forms of income such as unemployment benefits, TANF, SSI, are not being received by the household. MSGHA will also request information from the Department of Labor.
- **Full-time Student Status** - Only the first \$480 of the earned income of full time students, other than head, co-head, or spouse, will be counted towards family income. Financial aid, scholarships and grants received by full time students are not counted towards family income. Verification of full time student status includes: written verification from the registrar's office or other school official; school records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.
- **Savings Account Interest Income and Dividends** - Acceptable methods of verification include, in this order: account statements, passbooks, certificates of deposit, or PHA verification forms completed by the financial institution and broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.
- **Family Assets** - MSGHA will require information necessary to determine the current cash value of the family's assets, (the net amount the family would receive if the asset were converted to cash). Acceptable verification may include any of the following: verification forms, letters, or documents from a financial institution or broker; passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker; quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate; real estate tax statements if the approximate current market value can be deduced from assessment; financial statements for business assets; copies of closing documents showing the selling price and the distribution of the sales proceeds; appraisals of personal property held as an investment.
- **Assets Disposed of for Less than Fair Market Value (FMV)** - For all certifications and re-certifications, MSGHA will obtain the family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or re-certification. If the family certifies that they have disposed of assets for less than fair market value, verification is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.
- **Child Care Expenses** - Written notarized verification from the person who receives the payments is required. Verifications must specify the child care provider's name, address, telephone number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods. MSGHA will also request verification as to whether the certifying individual is a licensed childcare provider and advise the provider that such income may be reported to other sources.

- **Medical Expenses** - All expense claims will be verified by one or more of the methods: written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government Authority; written confirmation by the insurance company or employer of health insurance premiums to be paid by the family; written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months.
- **Assistance to Persons with Disabilities** [24 CFR 5.611(c)] - Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed. Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care: Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided. Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus: Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus. In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment is needed.

Verifying Non-Financial Factors [24 CFR 5.617(b)(2)]

In order to prevent program abuse, MSGHA will require applicants to furnish verification of legal identity for all family members. The following documents will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required: certificate of birth, naturalization papers; church issued baptismal certificate; U.S. military discharge (DD 214); or U.S. passport.

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following: certificate of birth; adoption papers or custody agreements.

Familial Relationships

Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification. Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer. Verification of a separation may be a copy of court-ordered maintenance or other legal records. Verification of marriage status is a marriage certificate.

Verification of Permanent Absence of Family Member

If the family reports an adult member who was formerly a member of the household permanently absent, the following information must be presented as verification prior to removing any household member from the assisted household: legal evidence of divorce action; evidence of legal separation; order of protection/restraining order obtained by one family member against another; lease or rental agreement showing the individual listed as the member of another household; a document from a Court or correctional facility stating how long they will be incarcerated.

Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)) or verified by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehab specialist, or licensed social worker, using the HUD language as the verification format.

Verification of Social Security Numbers [24 CFR 5.216]

Social security numbers must be provided as a condition of eligibility for all family members age six and over if they have been issued a number. Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration. If a family member cannot produce a Social Security Card, only the following documents showing his or her Social Security Number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the Social Security Card information provided is/are complete and accurate: driver's license; identification card issued by a Federal, State or local Authority; identification card issued by a medical insurance company or provider (including Medicare and Medicaid); an identification card issued by an employer or trade union; an identification card issued by a medical insurance company; earnings statements or payroll stubs; IRS Form 1099; benefit award letters from government agencies

New family members ages six and older will be required to produce their Social Security Card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported.

If an applicant or participant is able to disclose the Social Security Number but cannot meet the documentation requirements, the applicant or participant must sign a certification to that effect provided by the PHA. The applicant/participant or family member will have an additional thirty (30) days to provide proof of the Social Security Number. If they fail to provide this documentation, the family's assistance will be terminated.

In the case of an individual at least 62 years of age, the PHA may grant an extension for an additional 60 days to a total of 120 days. If, at the end of this time, the elderly individual has not provided documentation, the family's assistance will be terminated. If the family member states they have not been issued a number, the family member will be required to sign a certification to this effect.

Section 8: Voucher Issuance and Briefings

General [24CFR 982.301, 982.302]

MSGHA's goals and objectives are designed to assure that families selected to participate are equipped with the tools necessary to locate an acceptable housing unit; that families are provided sufficient knowledge and information regarding the program; and, how to achieve maximum benefit while complying with program requirements. When eligibility has been determined, MSGHA will conduct a mandatory briefing to ensure that families know how the program works.

The briefing will provide a broad description of owner and family responsibilities, program procedures, and how to lease a unit. The family will also receive a briefing packet, which provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration. This Chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition will be handled.

Issuance Of Vouchers [24 CFR 982.204(d), 982.54(d)(2)]

When funding is available, MSGHA will issue vouchers to applicants whose final eligibility has been determined. MSGHA will strive to maintain 100% utilization of all program funds. Program capacity will be closely monitored to determine success rates, average lease up time, and monthly turnover. This statistical information will serve as the basis to determine the number of vouchers to be issued on an ongoing basis to achieve the 100% utilization rate.

Briefing Types And Required Attendance [24 CFR982.301]

Initial Applicant Briefing

A full program briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted in groups. However, families who attend group briefings and still have the need for individual assistance will be referred to eligibility staff for additional guidance. All briefings will be conducted in Spanish. Other reasonable accommodations will be provided to individuals who are disabled upon notification to MSGHA. While we recognize the inconvenience to the family, children will not be permitted at the briefing session in order to ensure an informative learning environment that will

meet the needs of all applicants.

The purpose of the briefing is to explain how the program works and distribute the required documents in the voucher packet to applicants. This will enable families to utilize the program to their advantage, and prepare them to discuss the Housing Choice Voucher Program with potential owners and property managers.

MSGHA will not issue a voucher to an applicant family unless the household representative has attended a briefing and signed the voucher form. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend two (2) scheduled briefings will be denied admission based on failure to supply information needed for certification.

Briefing Packet [24 CFR 982.301(b)]

The documents and information provided in the briefing packet for the voucher program include the following required items:

- HUD approved voucher form indicating the term of the voucher;
- MSGHA's policy for requesting extensions of the voucher;
- A description of the method used to calculate the housing assistance payment for a family;
- Payment standards and utility allowance schedule(s);
- Explanation of the maximum allowable rent for an assisted unit including the rent reasonableness standard and affordability standards;
- Where the family may lease a unit;
- Owner and family responsibilities;
- Portability procedures and an explanation of how portability works;
- HUD required tenancy addendum;
- HUD approved Request for Tenancy Approval (RTA) form;
- Owner disclosure of lead based paint;
- A statement of the MSGHA policy on providing information about families to prospective owners;
- HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS;
- HUD required information on lead-based paint;
- Applicants rights to a review of MSGHA decisions and participants rights to informal hearings;
- Requirements for reporting changes in income and family composition;
- Information on security deposits and legal referral services;
- Fair Housing rights and a housing discrimination complaint form;
- Available information related to prospective rental units; and,
- Information about the Section 8 Homeownership Program.

Program Move Briefing

- Program participants that have been under lease for a period of one year may opt to move to another assisted unit at the anniversary date of their lease agreement and Housing Assistance Payments contract. An abbreviated briefing will be conducted by the caseworker at the annual re-certification interview describing the requirements for a successful move within the program.

Housing Opportunity and Mobility

MSGHA will provide mobility counseling to assist applicants and program participants with assistance in locating to areas of low poverty. An analysis of unit location will be conducted by zip code and census tract and, compared with census data on poverty levels. This data will be geo-coded and tracked on a quarterly basis to determine movement. Specific effort will be made to identify property owners in those census tracts that are below the citywide poverty level.

Security Deposit Requirements [24 CFR 982.313]

The payment of a security deposit is an issue strictly between the owner and the voucher holder. The Section 8 program does not assist with security deposit payments and the Housing Choice Voucher Program does not provide for any special claims or payments for unpaid rent, damages or vacancy loss to the owner.

The owner is not required to, but may collect a security deposit from the assisted household in accordance with local market practices. Security deposits charged by owners may not exceed those charged to unassisted households nor exceed the maximum prescribed by state or local law.

Term Of Voucher [24 CFR 982.303, 982.54(d)(11)]

During the briefing session, each household will be issued a voucher, which represents a contractual agreement between MSGHA and the Family, specifying the rights and responsibilities of each party. It does not constitute admission to the program, and the family remains an applicant, until such time that a lease and contract become effective.

The voucher is valid for a period of sixty calendar days from the date of issuance. The family must submit a Request Tenancy Approval (RTA) within the sixty-day period or request an extension in accordance with the extension provisions outlined below.

If the Voucher has expired, and has not been extended, the family will be denied assistance. The family will not be entitled to a review or hearing. If the family is currently assisted, they may remain as a participant in their unit if there is an assisted lease/contract in effect.

Extensions of the Voucher

Extensions will be granted only if the family provides a written documented record to MSGHA indicating property owners contacted, units visited and the reasons why these units were unacceptable. Extensions will be granted for a period of an additional 60 days.

The family must submit an acceptable RTA within the extension period or assistance will be denied. The family will not be entitled to a review or a hearing.

MSGHA will extend the voucher term up to 180 days from the beginning of the initial term if the family needs and makes a written request for an extension as a reasonable accommodation to make the program accessible to and usable by a family member with a disability, provided that such request is made prior to the expiration of the initial term of the voucher.

Voucher Issuance Determination For Split Households [24 CFR 982.315]

In those instances when a family assisted under the Section 8 program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, MSGHA will issue the voucher to the family member who retains custody of the greatest number of minor children.

Transfer and Retention Of Voucher [24 CFR 982.315]

Assistance may only be transferred to someone other than the designated head of household or co-head of household if the head or co-head involuntarily leaves the household. No household member may voluntarily assign the assistance to another household member. Assistance will only be transferred if a remaining member of the household is a sole member or legally obtains custody of the remaining minor members of the household. To be considered the remaining member of the assisted family, the person must have been previously approved by MSGHA to be living in the unit, identified on the HUD 50058 at the most recent re-certification and be listed on the most recent lease agreement with the owner.

A live-in attendant, by definition, will not be considered a remaining member of the family and will not be entitled to any continued assistance if the person who they were assisting ceases to receive assistance for any reason. A minor child may only be considered as a remaining member of the household if a court has awarded emancipated minor status to the minor. A reduction in family size may require a corresponding reduction in the voucher family unit size.

Section 9: Approval of Tenancy and Contract Execution

General [24 CFR 982.302]

MSGHA'S program operations are designed to utilize available resources in a manner that is efficient and provides eligible families timely assistance based on the number of units that have been budgeted. Program objectives include maximizing HUD funds by providing assistance to as many eligible families and for as many eligible units as the budget will allow.

After families are issued a voucher, they may search for a unit anywhere within the designated jurisdiction. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments Contract with MSGHA. This Chapter defines the types of eligible housing, MSGHA'S policies, which pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests Tenancy Approval (RTA).

Request For Approval Of Tenancy [24 CFR 982.302, 982.305(b)]

The family must submit the Request for Approval of Tenancy (RFAT) during the term of the voucher. The family must submit the RTA in the form and manner required by MSGHA as follows:

- All corresponding blanks on the RTA form must be fully completed and legible, including the age of the building and the most recent rent charged;
- The form must be signed by both the owner and voucher holder;
- The family may not submit more than one RTA at a time.

The PHA will review the RTA documents to determine whether or not they are approvable based on the following criteria:

- The unit is an eligible type of housing under the program;
- The rent to owner plus tenant paid utilities does not exceed the applicable payment standard for the bedroom size of the voucher issued to the family; or the rent requested meets the affordability test (does not exceed 40% of the households monthly adjusted income); and,
- The rent is reasonable in comparison to unassisted like units in the same location.

If MSGHA cannot approve the RTA based on any of the above, MSGHA staff will contact the owner to determine if they are willing to negotiate within terms that would be approvable under the program requirements. If the owner and MSGHA are unable to reach acceptable terms, the voucher holder will be notified within 5 days and advised that the unit is not acceptable. The voucher holder will have the remaining period on their voucher to locate an acceptable unit. The voucher time will be suspended or "tolled" during this period.

Eligible Types Of Housing [24 CFR 982.353]

Any of the following types of housing are eligible to be considered for assistance under the Housing Choice Voucher Program:

- All structure types: single family, duplex, multi-family, low rise or high-rise;
- Manufactured homes where the assisted family leases the mobile home and the pad;
- Manufactured homes where the assisted family owns the mobile home and leases the pad;
- Group Homes or shared housing;
- Congregate and Assisted Living facilities (only the shelter rent is assisted);
- Single Room Occupancy facilities;
- Units owned (but not subsidized) by the PHA;
- Units being purchased by the assisted family in accordance with the Section 8 Homeownership criteria;
- A cooperative housing development in which the family owns shares would still be considered a lease arrangement under the voucher program.

Lease Review [24 CFR 982.308]

The family and owner must submit a standard form lease commonly used in the Municipality of San Germán and that is used for the owner's unassisted tenants at the premises. The terms and conditions of the lease must be consistent with State and local law. The lease must specify what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family.

The initial term of the lease agreement must be for a minimum of 12 months unless MSGHA determines that a shorter term will improve housing opportunities for the assisted household. Owners may elect to execute a lease for an indefinite extension of the initial term (the endless lease), which will allow the owner the ability to terminate tenancy during the lease only by instituting a court action. However, owners may elect fixed, definite extensions of the initial lease, such as year-to-year. This option allows the owner to terminate tenancy without cause at the end of the initial term or any subsequent term.

The HUD prescribed tenancy addendum, which is attached to the Housing Assistance Payments contract, as Part C, will always take precedence over any other terms and conditions in the owner's lease with the tenant. House rules of the owner may be attached to the lease as an addendum, provided they do not violate any fair housing provisions and do not conflict with the HUD tenancy addendum.

Actions Before Lease Term

All of the following must always be completed before the beginning of the initial term of the lease for a unit: the unit has been inspected and meets all requirements of the federal Housing Quality Standards; the landlord and the tenant have executed the lease, the rent on the lease agreement is consistent with the rent approved by MSGHA, and includes the HUD-prescribed tenancy addendum; and MSGHA has approved leasing of the unit in accordance with program requirements

Separate Agreements

Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease. However, owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by MSGHA.

The family is not liable under the lease for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction. Any appliances, services or other items, which are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement and must be included in the lease. MSGHA will only approve a separate agreement if the family has the option of not utilizing the service, appliance or other item.

Information To Owners [24 CFR 982.207(b), 982.54(d)(7)]

Upon written request from a prospective property owner, MSGHA will provide the following information about a program applicant and/or participant.

- Current address as reflected in the file;
- Names, ages and relationship of household members;
- Former address if reflected in the file;

MSGHA will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, payment of utility bills, eviction history, respecting the rights of other residents, damage to units, drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

A statement of the MSGHA'S policy on release of information to prospective landlords will be included in the briefing packet, which is provided to the family.

Contract Execution Process [24 CFR 982.205(c)]

The Housing Assistance Payments Contract will be prepared by MSGHA upon approval of the RTA and a passing inspection indicating that the unit is in compliance with all Federal Housing Quality Standards. Owners will be required to come to the MSGHA Section 8 office for contract signing for all new units placed under contract for the first time. Owners will be notified of the contract signing date and MSGHA will make every effort to coordinate contract-signing appointments at the same time for multiple units.

Owners will be required to provide proof of ownership for the assisted unit in a form acceptable to MSGHA. The HAP contract will be executed in the manner indicated on the proof of ownership. If the owner has assigned an agent to represent the owner, then appropriate documentation must be provided prior to

execution of the HAP contract.

If MSGHA fails to prepare the contract and schedule a contract signing appointment prior to the approved lease effective date, housing assistance will be retroactive to the date the unit passed inspection or the lease effective date whichever is later. However, if the owner fails to attend the scheduled contract signing and does not contact MSGHA to re-schedule, the housing assistance payment will be effective on the date the owner actually signs the contract.

Section 10: Housing Quality Standards and Inspections

General [24 CFR 982.401]

The Housing Quality Standards (HQS) are federal standards established by HUD that serve to measure the minimum quality of housing acceptable in the Section 8 Housing Programs. HQS standards are utilized to inspect housing units at initial occupancy and during the term of the Housing Assistance Payments contract. HQS standards apply to the building and premises, as well as the unit. Newly leased units must pass the HQS inspection before the beginning date of the HAP contract. MSGHA will inspect each unit under contract at least annually. MSGHA will also maintain a quality control inspection program, which will re-inspect a minimum of 5% of all inspections on a monthly basis to assure consistency of enforcement of HQS.

This Chapter describes MSGHA’s procedures for performing HQS and other types of inspections, and standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with HQS requirements for both families and owners.

Guidelines/Types Of Inspections [24 CFR 982.401(a), 982.405]

Effort will be made at all times to encourage owners to provide housing above HQS minimum standards. However, MSGHA will not promote any additional acceptability criteria, which is likely to adversely restrict housing choice.

If the tenant is responsible for supplying the stove and/or the refrigerator, MSGHA will complete the initial inspection without the stove and refrigerator in the unit, provided that the family certifies that the appliances will be placed in the unit and will be in proper working order.

The following types of inspections will be conducted as required:

- **Annual** - an inspection conducted on a property prior to its re-certification date;
- **Re-inspection** - an inspection of a property which failed its annual inspection;
- **24-Hour Re-inspection** – an inspection on a property which had a failing item considered a 24-hour emergency situation;
- **RTA/Initial** - inspection on a property which the tenant has selected and is requesting approval of a new unit;
- **Complaint** - inspection on a property which has been requested by the resident or other involved party due to perceived problems with the property;
- **Courtesy** - inspection requested on a property which is not yet a part of the HAP program but is being considered, by the landlord, for participation in the program;
- **Abatement Cure** - inspection on property where abatement has commenced but is still within the thirty-day window prior to termination;
- **Re-instatement inspection** - inspection in which the contract was terminated but a determination has been made to re-instate the contract;
- **QA (Quality Assurance)** – 5% re-inspection by a supervisor of units previously inspected;
- **QA Re-inspection** - re inspection on a failed QA;
- **Vacate Inspection** - a move out inspection conducted because the owner is entitled to a special claim.

Timing of HQS Inspection

Inspections will be conducted in accordance with the following timeframes:

<u>Type of Inspection</u>	<u>To Be Scheduled</u>	<u>To be Completed</u>
Initial	Within 24 hours from completion of rent negotiations	Within 72 hours from schedule.
Annual	120 days prior to anniversary date	90 days prior to anniversary date

Compliance	Within 24 hours from request	Within 48 hours from schedule
Courtesy	Within 24 hours from request	Within 48 hours from schedule
Emergency	At initial inspection	Within 24 hours of initial inspection
Re-inspection		
Annual Re-inspection	Upon notification by owner that the repairs have been completed by no later than 75 days prior to the anniversary date.	Within 60 days prior to anniversary date
Other Re-inspection	24 hours from notification by landlord that unit is ready for re-inspection	Within 5 days from schedule.

The family must allow the PHA to inspect the unit at reasonable times with reasonable notice. Reasonable hours to conduct an inspection are between 9:00am and 3:30pm. Notice will be provided to the family and the owner with a minimum of fifteen (15) days prior to the first attempt for an inspection. The family and/or the owner will be notified by telephone or by a letter of a scheduled re-inspection.

Two attempts will be made for all inspection types. If access to the unit cannot be obtained after the second attempt, the unit will be considered in non-compliance with the HQS standards and appropriate action will be taken based on the inspection type. Responsibility for access for annual inspections and any related required re-inspections is the responsibility of the assisted household and failure to provide access is a violation of the family obligations under the voucher contract.

Access for all other inspection types is the responsibility of the owner. The landlord must correct all HQS deficiencies, which cause a unit to fail, unless it is a fail for which the tenant is responsible.

Time Standards for Repairs

The owner must correct emergency items, which endanger the family's health or safety, within 24 hours from the initial inspection. Non-emergency repairs must be made within 10 days from the date of an initial inspection or re-inspection and within 30 days from the date of all other inspections or re-inspections. If a unit fails to comply with HQS at an initial inspection or re-inspection, the applicant will be notified to continue their search for housing within the time frame remaining on the voucher. If a unit fails to comply with HQS at any other inspection, actions will be taken as described below.

Modifications

MSGHA will strictly use the federal Housing Quality Standards for acceptance of units under the Housing Choice Voucher Program. Any modifications or adaptations to a unit to permit a reasonable accommodation for a person with a disability must meet all applicable HQS requirements.

Emergency Repair Items [24 CFR 982.404(a)]

The following items shall be defined as emergency and must be corrected within 24 hours of the initial inspection:

- Lack of an operable smoke detector;
- Ceiling damage reflecting imminent danger of falling;
- Major plumbing leaks or flooding;
- Natural gas leaks or fumes;

- Electrical problems which could result in shock or fire;
- No heat when outside temperature is below 40 degrees Fahrenheit and temperature inside unit is below 62 degrees Fahrenheit.
- Utilities not in service
- No running hot water
- Broken glass where someone could be injured
- Obstacle which prevents tenant's entrance or exit
- Lack of operable toilet

If the emergency repair item(s) are not corrected in the time period required and the owner is responsible for the repair, the housing assistance payment will be abated in accordance with the procedures outlined further in this plan.

If the emergency repair item(s) are not corrected in the time period required, and the assisted household caused the damage, a notice of pending termination will be issued to the family in accordance with the termination procedures outlined further in this plan.

Abatement and Contract Termination

Failure for a unit under contract to pass a re-inspection will result in abatement of the Housing Assistance Payment. Abatement means that a daily pro-ration of the Housing Assistance Payment will be deducted from any future payments for each day that the unit is not in compliance with the HQS standards. A notice of abatement will be sent to the owner informing them that abatement will commence effective the first of the month following the date of notification of abatement. The abatement period will not extend beyond 30 days.

If the owner has not made the required repairs during the abatement period, the Housing Assistance Payments contract will be terminated in accordance with the provisions in the contract. The assisted family will be notified of the termination and will be advised to secure program move documents to commence search for a new housing unit. Once a termination notice has been issued, the HAP contract will not be re-instated even if the landlord proceeds to make repairs.

Determination Of Responsibility for Repairs [24 CFR 982.404, 982.54(d)(14)]

The following HQS deficiencies are the responsibility of the family:

- Tenant paid utilities not in service;
- Failure to provide or maintain family-supplied appliances;
- Documented damage to the unit or premises caused by a household member or guest beyond which is obvious as beyond normal wear and tear;
- Placement of large items of trash or inoperable vehicles anywhere on the assisted unit premises;
- Failure to maintain lawn and surrounding areas if a single-family structure.

"Normal wear and tear" is defined as items, which can be charged against the tenant security deposit under state law or court practice.

All other HQS violations shall be the responsibility of the owner including for vermin infestation even if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner may take appropriate action in accordance with the lease. If the family is responsible for deficiencies but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs and the family's file will be noted.

Consequences If Family Is Responsible [24 CFR 982.404(b)]

If emergency or non-emergency violations of HQS are determined to be the responsibility of the family, the PHA will require the family to make any repair(s) or corrections within 24 hours for emergency items and 30 days for non-emergency items. If the repair(s) or correction(s) are not made in this time period, the PHA will terminate assistance to the family, after providing an opportunity for an informal hearing. The owner's rent will not be abated for items, which are the family's responsibility. If the tenant is responsible and corrections are not made, the HAP contract will terminate when assistance is terminated.

PHA initial and periodic unit inspection[24 CFR 982.405(b), 24 CFR 985.2]

The MSGHA will conduct supervisory quality control HQS inspections, based on Quality Control sample which is 5 plus 1 for each 50 over 50 of families assisted.

Section 11: Rent and Payment Standards

General [24 CFR 982.502, 982.503, 982.504, 982.505, 982.505]

It is MSGHA'S responsibility to ensure that Payment Standards are sufficient to assure maximum program utilization, to provide program applicants and participants with adequate housing choice and to assure that the rents charged by owners at the time of initial lease up and at each annual re-certification are reasonable based upon unassisted comparable units in the rental market. This Chapter explains MSGHA'S procedures for determination of rent-reasonableness, payments to owners, adjustments to the Payment Standards, and rent adjustments.

Initial Rent To Owner

MSGHA will review the following items to determine if the rent requested by the owner meets the program requirements as follows:

- The requested rent plus the cost of tenant paid utilities (calculated on the most recent program utility allowance schedule) cannot exceed the applicable payment standard; or,
- Total tenant payment cannot exceed 40% of the assisted family's monthly-adjusted income.
- The rent to owner must be reasonable in comparison to rent for other comparable unassisted units.

Making Payments To Owners [24 CFR 982.451]

Once the HAP Contract is executed, MSGHA will commence processing payments to the landlord. A contract action form will be completed by each caseworker for all contract actions processed throughout the month. A month end process will occur on or around the 28th day of each month to process all housing assistance payments for the first of the following month. A HAP register and detailed reconciliation process will be used each month as a basis for monitoring the accuracy and timeliness of payments.

Payment will be made on a master basis for all units under contract with a single property owner. Payments for different properties will only be processed if the owner provides a separate federal tax identification number. All payment will be made via direct deposit into an account designated by the property owner. A statement will be mailed to owners detailing the payments.

If payment is delayed beyond the fifth day of the month, MSGHA will be responsible for payment of late fees to the owner in accordance with the late fees identified in the lease agreement but not to exceed a total of \$50.00.

MSGHA will not be obligated to pay any late payment penalty if HUD determines that late payment is due to factors beyond MSGHA'S control, such as a delay in the receipt of program funds from HUD. MSGHA will not use any program funds for the payment of late fee penalties to the owner.

Rent Reasonableness Determinations [24 CFR 982.507]

A rent reasonableness test will be conducted to determine if the requested rent is reasonable in comparison to rent for other comparable unassisted units in the

market. Rent reasonable tests will be conducted for the following:

- An initial rent requested on the RTA form;
- Prior to any increase in the rent to owner;
- If there is a five percent decrease in the published FMR 60 days before the contract anniversary;
- If directed by HUD; and,
- Based on a need identified by MSGHA.

At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or re-determined by MSGHA. The owner will be advised that by accepting each monthly housing assistance payment s/he will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. If requested, the owner must provide MSGHA with information on rents charged by the owner for other units in the premises or elsewhere.

Rent reasonable data will be gathered from various sources, which maintain a master database for all multi-family rental properties in the Municipality of San Germán. In addition, MSGHA will conduct a Municipality-wide rental survey at least every three years, for small rental properties including one to four unit rentals. Supplemental data may be gathered from newspapers, realtors, and professional associations.

The following items will be used for rent reasonableness documentation:

- Location
- Number of Bedrooms and bathrooms;
- Other identifiable amenities;
- Type and age of structure; and
- Tenant paid utilities.

Using an automated method, a search will be conducted in the MSGHA rent reasonable database to identify comparable units by the factors identified above. A minimum of two similar units will be identified and the corresponding data will be recorded on the rent reasonableness form.

This data will be compared with the requested rent for the assisted unit. If the requested rent is greater than the comparable units selected, MSGHA will negotiate with the owner to reach an agreed upon rent amount that meets the rent reasonable test. If the rent is less than the comparables, MSGHA will approve the rent increase.

Payment Standards For The Voucher Program [24 CFR 982.503]

The Payment Standard is used to calculate the housing assistance payment for a family and is based on Fair Market Rents (FMR) published by HUD on an annual basis for the Municipality of San Germán. MSGHA has established the payment standards between 90%-100% of the published fair market rents.

MSGHA will review the appropriateness of the Payment Standard annually when the new FMR is published. In determining whether a change is needed, MSGHA will consider all available resources including special requests to HUD to increase the published FMR from the 40th percentile of the area median to the 50th percentile, if warranted, to assure maximum housing choice for program applicants and participants and to encourage continued movement to areas of low poverty.

When reviewing the payment standard on an annual basis, MSGHA will also consider the available budget authority and determine if a reduction in payment standards is needed including an amount below 90% of the published FMR, to assist a maximum number of households up to MSGHA'S baseline allocation. If it is determined that payment standards below 90% of FMR is needed, a waiver will be secured from HUD with corresponding justification.

Case by case reviews of a higher payment standard will be considered as a reasonable accommodation for a family that includes a person with disabilities. If

appropriate, MSGHA will make a request to HUD to use a payment standard up to 110% of the FMR.

Increase in Owner Rent (24 CFR 982.308 (g))

The owner is required to notify MSGHA, in writing, at least 60 days before any change in the amount of the rent to owner is scheduled to go into effect. MSGHA will issue a notice to the owner of the upcoming anniversary date of a contract 90 to 120 days in advance of the anniversary date. An informational form will be provided to the owner to determine if he intends to renew the lease agreement with the tenant and whether there will be any changes in the lease including any change in the rent to owner.

Any changes in the rent to owner must comply with all provisions of the rent reasonableness requirements.

Section 12: Re-Certifications

General - [24 CFR 982.516]

MSGHA will reexamine the income and household composition of all assisted families at least annually. Families will be provided accurate annual and interim rent adjustments. Re-certifications and interim examinations of income will be processed in a manner that ensures families are given reasonable notice of rent increases. This Chapter defines MSGHA's policy for conducting annual re-certifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

Annual Activities [24 CFR 982.516, 982.405]

There are three activities that must be completed on an annual basis as follows:

- Re-certification of Income and Family Composition
- HQS Inspection
- Determination of rent reasonableness for any requested rent increase.

Annual Re-certification [24 CFR 982.516]

MSGHA will maintain a re-certification schedule and households will be notified by letter of the date and time for scheduled appointments a minimum of 90 days in advance of the anniversary date of their lease and Housing Assistance Payments contract. A listing of all required documentation necessary for the annual re-

certification will be provided to the family with the notification of scheduled appointment. This information includes all documentation necessary to verify income, assets, allowances and deductions along with any additions or deletions of household members.

The head of household and spouse or co-head are required to be present at the re-certification interview. If the head of household is unable to attend the interview the appointment will be rescheduled. The family may call to request another appointment date up to ten (10) days prior to the scheduled interview and every effort will be made to accommodate the family's request. Priority for appointment dates and times will be given to assisted household's whose head or co-head is employed full time during normal working hours.

If the family does not appear for the re-certification interview, and has not rescheduled or made prior arrangements, the caseworker will issue a notice of termination of assistance, notifying the family of their right to an informal hearing. However, if the family schedules and maintains an appointment prior to the expiration date of the time limit to request a hearing, the termination action will be suspended.

If the outcome of the annual re-certification results in an increase in the tenant rent, a thirty-day notice will be letter to the family prior to the scheduled effective date of the annual re-certification. If less than thirty days are remaining before the scheduled effective date of the annual re-certification, the tenant rent increase will be effective on the first of the month following a thirty day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the scheduled effective date of the annual re-certification.

If tenant rent decreases, it will be effective on the anniversary date. If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, the rent decrease will be effective on the first day of the month following completion of the reexamination processing by MSGHA.

Interim Re-certifications [24 CFR 982.516]

Program participants are required to report all changes in household composition between annual re-certifications. This includes additions due to birth, adoption and court-awarded custody. The family must obtain PHA approval prior for all additions to the household prior to adding that person to the lease agreement.

If any new family member is added, an interim re-certification will be conducted to include any income of the new family member.

If a family reports zero income at the time of the annual re-certification and later obtain an income, an interim re-certification will be conducted.

Participants may choose to report a decrease in income and other changes, which would reduce the amount of tenant rent, such as an increase in allowances or deductions. If these changes are reported and it will result in a change in tenant rent, an interim re-certification will be completed.

Changes in rent for interim re-certification will become effective:

- ✓ Decrease - the first of the month following the date of the reported change, if the family failed to report the change as required, the notice may or not be effective retroactively.
- ✓ Increase – on the first of the month after giving reasonable written notice if the family failed to report the change as required, the notice may or not be effective retroactively.

Income Changes Resulting From Welfare Program Requirements (24 CFR 5.615)

Decreases in income resulting from changes or discontinuance of welfare benefits will be processed as follows:

- Tenant rent will not be decreased if welfare assistance is reduced because of fraud, failure to participate in an economic self-sufficiency program, or

noncompliance with a work activities requirement.

- Tenant rent will be decreased if welfare assistance is reduced because of the expiration of a lifetime time limit on receiving benefits or a situation where the family has complied with welfare program requirements but cannot or has not obtained employment.

Section 13: Program Moves and Portability

General - [24 CFR 982.314, 982.333, 982.355(a)]

HUD regulations permit families to move with continued assistance to another unit within MSGHA'S jurisdiction, or to a unit outside of MSGHA'S jurisdiction under the program portability provisions. The regulations also allow discretion to develop policies, which define any limitations or restrictions on moves. This Chapter defines the procedures for moves, both within and outside of MSGHA'S jurisdiction, and the policies for restriction and limitations on moves.

Permissible Moves

Families will not be permitted to move during the initial year of occupancy. Assisted households will only be provided with program move documents for a voluntary move at the time of their scheduled annual re-certification process. Every effort will be made by MSGHA to coordinate program moves with all regularly scheduled annual activities.

Program move documents for mandatory moves may be issued at times other than annual re-certification for the following reasons:

- The Housing Assistance Contract is terminated by MSGHA for the owner's failure to comply with HQS or other terms of the contract;
- The owner has given the family a notice to vacate, or has commenced an action to evict the family through no fault of their own;
- A household member is newly diagnosed with a disability, which requires a reasonable accommodation.

Prior to issuance of program move documents, the family must present a notice of intent to move form signed by the owner and the family indicating that the family is current with all rent payments, has caused no damages beyond normal wear and tear, and is otherwise in compliance with all terms and conditions of the lease agreement. Upon receipt of this form, program move documents and a program move briefing will be provided to the family by their assigned caseworker. If the scheduled annual re-certification was completed more than 120 days prior to the program move, a complete re-certification will be conducted prior to issuance of the program move briefing packet. The annual re-certification date will be changed to coincide with the lease-up date for the new assisted unit.

Portability [24 CFR 982.333]

Portability applies to families moving out of or into MSGHA'S jurisdiction within the United States and its territories from another geographic location.

Within the limitations of the regulations and this policy, a participant family has the right to receive tenant-based voucher assistance to lease a unit anywhere in the United States where a Public Housing Authority operates a tenant-based assistance program.

However, an applicant must reside within the jurisdiction of the Municipality of San Germán Housing Authority for one year prior to exercising the portability option. The family must be income eligible under the income limits of the jurisdiction to which they intend to port during the initial 12-month period after admission to the program. Households with MSGHA vouchers will only be authorized to port to jurisdictions in which the payment standards are equal of less than the payment standards in effect at MSGHA at the time of the request to port.

If a family requests portability, the location where they intend to port must be identified in the request. MSGHA will contact the "receiving" PHA in that

jurisdiction and advise them of the family's intent. A voucher and corresponding portability documents will be issued to the family.

MSGHA will not absorb all incoming portable families. A MSGHA voucher will be issued to the incoming family for the period of time remaining on the voucher issued by the initial PHA. MSGHA will notify the initial PHA of their action to absorb the voucher. All incoming voucher holders must attend a new admissions program briefing. If funding is not available, MSGHA will administer the voucher on behalf of the initial PHA.

MSGHA will not permit families to exercise portability if the family is in violation of any family obligations under their Housing Choice Voucher; if the family owes any money to MSGHA; if the family has vacated the assisted unit in violation of the lease agreement and/or if there is not enough fund to pay the receiving PHA if they will be billing.

Billing Procedures

The receiving PHA is responsible for billing MSGHA for 100% of the Housing Assistance Payment and 80% of the Administrative Fee (at MSGHA'S rate) for each "Portability" Voucher leased as of the first day of the month. MSGHA will not issue payment until the receiving PHA within the time limits established by HUD receives an invoice. Late billings will not be processed for payment and the Receiving PHA will be so notified. Payment beyond year one will only continue if MSGHA receives the HUD 50058 form indicating that an annual re-certification has been completed in accordance with program requirements.

Section 14: Contract Terminations

General [24 CFR 982.311, 982.314]

The Housing Assistance Payments (HAP) Contract is the contract between the owner and MSGHA, which defines the responsibilities of both parties. This Chapter describes the circumstances under which the owner, and the policies and procedures for such terminations can terminate by MSGHA and the contract.

Contract Termination [24 CFR 982.311]

The term of the HAP Contract is the same as the term of the lease. The HAP Contract may be terminated by the PHA, or by the owner, or may terminate automatically if the tenant vacates the contract unit. No future subsidy payments on behalf of the family will be made to the owner after the month in which the contract is terminated. However, the owner may retain the housing assistance payment for the month in which the unit was vacated.

If the family continues to occupy the unit after the Section 8 contract is terminated, the family is responsible for the total amount of rent due to the owner.

After a contract termination, if the family meets the criteria for a program move, the family may lease-up in another unit. The contract for the new unit may

begin during the month in which the family vacated the previous unit and prorated housing assistance will be paid from the effective date of the new contract.

Termination Of Tenancy By The Owner: Evictions (24 CFR 982.310, 982.455)

If the owner wishes to terminate the lease, the owner is required to provide proper notice as stated in the lease. During the term of the lease, the owner may not terminate the tenancy except for the following grounds.

- Serious or repeated violations of the lease, including but not limited to failure to pay rent or other amounts due under the lease, or repeated violation of the terms and conditions of the lease;
- Other good cause because of something the family did or failed to do (982.310)

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant. The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action.

If the owner has begun eviction and the family continues to reside in the unit, MSGHA will continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant and the tenant has vacated the assisted unit. By receipt of the housing assistance payment, the owner certifies that the tenant is still in the unit, the rent is reasonable and she/he is in compliance with the contract.

If an eviction is not due to a serious or repeated violation of the lease, and if the PHA has no other grounds for termination of assistance, MSGHA will issue a program move packet so that the family can move with continued assistance.

Termination Of The Contract By MSGHA [24 CFR 982.404(a), 982.453, 982.454, 982.552(a)(3)]

The HAP contract terminates automatically when the family vacates the unit regardless of cause. The HAP contract will also terminate if the assistance to the family is terminated; funding is no longer available under the ACC contract with HUD; or 180 days have passed since the last housing assistance payment to the owner.

Notification will be provided to the owner and the tenant in accordance with the requirements of the HAP contract when action is taken by MSGHA to terminate the contract. The effective termination date will be the end of the month following the month in which the notification was provided to the owner.

Section 75: Repayment Agreement

Repayment Agreement General Conditions

Repayment Agreements may be executed in certain cases in which families owe the PHA money. Execution may be made if the family is in compliance with its obligations, as imposed by the PHA in this Plan and the HUD's regulations.

Repayment Agreements will never be entered into for less than \$100. In the case of a debt of \$100 or less, payment will only be acceptable as a lump sum. Repayment Agreements will never be entered into if the balance exceeds \$3,000. The family may pay any amount owed above the \$3,000 limit, to qualify for a Repayment Agreement.

The following are examples of situations eligible for Repayment Agreements: if a tenant did not report a change in a timely manner that was supposed to be reported, the PHA will calculate a retroactive payment that can be paid through a Repayment Agreement; if the tenant owes the PHA for money paid to an owner for a special claim.

In such cases, the Repayment Agreements will be set up as follows:

Minimum Payment	Retro Amount	Max Term
50% due at the execution of the Repayment Agreement	\$ 100-\$500	12 months
30% due at the execution of the Repayment Agreement	\$ 501-\$1,000	18 months
20% due at the execution of the Repayment Agreement	\$1,001-\$3,000	24 months

The initial payment shall be the greatest initial payment possible. Such payment will never be for less than the minimum payment, unless the Section 8 Coordinator has classified it as a hardship case.

It will be considered a hardship case if the total payment to pay exceeds 50% of the family's income per month or if the family cannot pay the initial payment. In such cases, the Repayment Agreement terms may reduce the initial payment below the Minimum Payment or may extend the maximum term of payment. Such term will not be extended to more than 24 months. The Section 8 Division Director must approve the qualification as a hardship case.

Violation of Family Obligation or Fraud

Whether a family will be allowed to enter into a Repayment Agreement with the PHA depends on whether the PHA considered the family in violation of an obligation and whether the PHA considered the violation fraud, gross irresponsibility, or whether the family owes the PHA money for some other reason, such as a claim the PHA paid out.

Fraud or gross irresponsibility is considered violations of the family's obligations. If the PHA determines that a family committed fraud or gross irresponsibility, the PHA may require repayment of the entire amount in full and/or have their assistance terminated. In no case the PHA is obliged to enter into a Repayment Agreement. If the family's assistance is terminated and repayment hasn't been made, the money will still be considered to be owed and the PHA may still take action to collect such amounts.

The family's failure to supply the information requested by the PHA at certification or recertification may be considered a violation of the family's obligation. Such violation may cause assistance to be terminated.

In determining whether the family violated the obligation to supply information, the PHA will determine whether the family supplied the information willingly. If the family supplied the information willingly and the amount is under \$3,000, the PHA, in making its consideration as to whether or not there was a violation of the family's obligation, will look upon the willingness of the tenant to provide the information regarding the prior violation favorably.

If they refuse to sign or do not qualify for a Repayment Agreement for changes they were required to report and didn't the PHA shall terminate assistance, as long as the amount was verified. The PHA may also consider local prosecution and, if the amount is excessive, forwarding the case to the Regional Inspector General for investigation.

The tenant will be given an opportunity for informal hearing prior to the termination of assistance.

Cases Other than Family Obligation Violation or Fraud

In cases other than willful intent to fraud and/or violation of a family obligation, where money is owed, the tenant may be allowed to enter into a Repayment Agreement to pay the PHA back over a period of time if the total amount owed is less than \$3,000.00, plus the initial deposit, and enter into a Repayment Agreement for the balance.

There is a total dollar amount limit of \$3,000 in order for the PHA to agree to enter into a Repayment Agreement. If the total owed is under \$3,000.00 (and the amount owed is not for fraud as defined above) the PHA will set up monthly payments on the Repayment Agreement according to the total amount to be repaid, identified in Section 23 A. If the tenant enters into a Repayment Agreement and does not pay, the termination of assistance procedures identified in Section 18 go into effect (but only if the tenant wants another voucher to move).

Ability to Move to Another Unit with Continued Assistance

If the family is current on the Repayment Agreement, they will be allowed to move to another unit with continued assistance. If they are not current on their Repayment Agreement, they will be required to pay in full before being issued a Voucher.

Section 16: Crime by Family Members

Sec. 982.553

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

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

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

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

Criminal Activity Evidence.

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

Section 17: Violence Against Women Act (VAWA) Policy

On January 5, 2006, President Bush signed VAWA into law as Public Law 109-162. Section 603 of the law amends Section 5A of the U.S. Housing Act (42 U.S.C 1437c-1) to require PHA's five year and annual PHA Plans to contain information regarding this matter. Sections 606 and Section 607 amend the Section 8 and public housing sections of the U.S. Housing Act (42U.S.C. 1437f and 1437d) to protect certain victims of criminal domestic violence, dating violence, sexual assault, or stalking-as well as members of the victims immediate families-from losing their HUD-assisted housing as a consequence of the abuse for which they were the victim.

VAWA prohibits the eviction of and removal of assistance from, certain person living in public or Section 8 assisted housing of the asserted grounds for such action is an instance of domestic violence, dating violence, sexual assault, or stalking, and those terms are defines in Section 3 of the United Stated Housing Act of 1937 as amended by VAWA (42 U.S.C. 13925).

To comply accordingly with this law the Municipality of San Germán will provide to applicants, tenants, as well as owners participating in the section 8 program the following information:

1-The Municipality of San German will make the certification form *HUD-50066* available to all eligible families at the time of admission also, in the event of a termination or start of an eviction proceeding, PHA's may enclose the form with the appropriate notice and direct the family to complete, sign and return the form (if applicable) by a specified date.

On the form, the individual certifies that he/she is a victim of domestic violence, dating violence, or stalking, and that the incident or incidences in question are bona fide incidences of such actual or threatened abuse. On the certification form, the individual shall provide the name of the perpetrator.

An owner or PHA is not required to demand that an individual produce official documentation or physical proof of and individual's status as a victim of domestic violence, dating violence, sexual assault or stalking in order to receive the protections of VAWA. Note that, a PHA, owner or manager, at their discretion, may provide assistance to an individual based solely upon the individual's statement or other corroborating evidence.

The PHA, owner or manager should be mindful that the delivery of the certification form to the tenant in response to an incident via mail may place the victim at risk, e.g., the abuser may monitor the mail. Therefore, PHA's, owners and managers may require that the tenant come into the office to pick up the certification form and are encouraged work with tenants to make delivery arrangements that do no place the tenant ant risk. If the individual doses not provide the form HUD-50066 or the information that may be provided in lieu of the certification by the 14th business day or any extension of that date provided by the PHA, owner or manager, none to the protections afforded to the victim of domestic violence, dating violence or staling by sections 606 or 607 will apply. The PHA, owner or manager would therefore be free to evict, or to terminate assistance, in the circumstances authorize by otherwise applicable law and lease provisions, without regard to the amendments made by Sections 606 and 607.

2. Definitions:

a-Domestic Violence: Includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim share a child in common, by a person who is cohabitated with or has cohabited with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

b-Dating Violence: Violence committed by a person:

- who is or has been is a social relationship of a romantic or intimate nature with the victim; and
- where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; and (iii) the frequency of interaction between the persons involved in the relationship.

c-Stalking: to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to

cause substantial emotional harm to (i) that person; (ii) a member of the immediate family of that person; or (iii) the spouse or intimate partner of that person.

d-Immediate Family Member: spouse, parent, brother or sister, or child of the person, or an individual to whom that person stands in loco parentis (in place of a parent); or any other person living in the household of that person and related to that person by blood or marriage.

3-Confidentiality:

All information provided to a PHA, manager or an owner relating to the incident(s) of domestic violence, including the fact that an individual is a victim of violence, dating violence, or stalking, must be retained in confidence by the PHA or owner and must neither be entered into any shared database or provided to a related entity, except to the extent that the disclosure is:

- requested or consented by the individual in writing;
- required for use in an eviction proceeding or termination of assistance; or,
- otherwise required by applicable law.

4-

The Municipality of San Germán will notify owners of their rights and obligations under VAWA. Will also encourage owners to access VAWA via the internet at the following Website addresses: <http://www.gpoaccess.gov/plaws/index.html> or <http://thomas.loc.gov/bss/d10qqlaws.html>

5-

The Municipality will provide to the eligible families at the time of admission a list of the name and photos of sex offenders in this municipality and near ones.

Tenant (s) will be terminated or denied admission if any member of the family has ever been convicted for a sexual offense or who is subject to the lifetime registration with federal, state or local law enforcement agencies.

6-

The Municipality will also provide a list of phones and places were women that are victim of domestic violence, dating violence, sexual assault, or stalking, can receive orientation and help in this matter.

Screening and Tenant Selection Criteria- tenant (s) will be terminated or denied admission if any member of the family has ever been convicted for a sexual offense or who is subject to the lifetime registration with federal, state or local law enforcement agencies.



FAMILY SELF SUFFICIENCY PROGRAM ACTION PLAN

I. INTRODUCTION

For many families progress and economical stability has been a struggling combat on daily basis. To some poverty is a short-term status. A family breaks up, a loss of a job or a medical condition may bring on a temporary condition of poverty. Nevertheless many families recover and return to productive lives. There is however, a growing segment of our population that remain in needs, chronically unemployed, welfare recipients and basically dependant of government assistance programs.

The Municipality of San Germán wants to take the opportunity to increase the Family Self-Sufficiency Program, through the update of our Action Plan to fight the problems of poverty and dependency of our residents. Using techniques that will focus and work as basis for the progress of these families. Community Agencies both government and private have been encouraged to continue their participation. This is an Action Plan prepared upon program approval containing specific dates.

II. PROGRAM DESIGN

A. Level 1- Program Management and Agency Coordination

San Germán Housing Authority (PHA) has designated a coordinator to supervise and structure programs as well as a Coordinating Committee integrated by:

1. professional representatives from public housing
2. education
3. labor
4. criminal justice
5. police department
6. health and human services
7. church
8. community leaders
9. local business

Along with having input into the program design and the action steps
Of the program, the team will is responsible for:

1. Selecting representatives
2. Making specific commitments of time, staff and resources to the program
3. Develop a working relationship with the program coordinator trainer
4. Provide input into the program research and evaluation process

B. Level 2 - Program Implementation

Program implementation consists of the following:

1. Tenant Participation Selection

When vouchers become available, eligible families participating in the voucher choice program will be given the opportunity to participate in the program after carefully explaining the details of the FSS Program. If the family refuses to participate, they will **not** loose their participation in the voucher choice program. Those that agree to participate must follow program requirements or assistance will be terminated. *Anyone convicted of any type of sexual offense that requires a lifetime registration as sexual offender under state law shall not be admitted. MANDATORY PROHIBITION. (24 CFR 982.553)*

2. Tenant Group Orientation and Initial Training

The group orientation and initial training will be designed to establish and reinforce new social rules, norms and values, strengthen and increase self-image. Motivate participants to search for the development of skills and make effective use of community progress for growth and development.

During the initial orientation the following information will be provided to the selected participants:

- a. The objectives of the FSS Program
- b. The initial eligibility requirements for participation
- c. Selection process
- d. The number of Section 8 Voucher Choice Program available for the FSS Program
- e. Introduction to the FSS programs contract
- f. Grievance procedure

3. Work Preparation Counseling

Selected families will participate in activities designed to help the individuals take charge of their own living and learning environments. Counseling will be offered regarding drug abuse, health problems (Ex.: HIV), improve working habits, parent child relationship, budgeting and household management. The process will emphasize the practice of these supporting tools. Counseling will be a continuous process.

4. Individual Skills Training

After completing initial training, the participants will be interviewed by qualified staff as well as committee members representing a variety of disciplines. Bases on the interviews, personal need assessment, will be prepared with corresponding individual Action Plan.

The personal needs assessment will identify any special needs of limitations that may inhibit the participant from achieving self-sufficiency.

The following committee representatives will handle this phase of the program:

- Human Resources and Labor Department
- Public Housing Agency (Social Workers)
- Education Department
- Community Civic Organizations
- Agricultural Extension Services
- The Church of Jesus Christ of LDS
- Catholic Church
- Baptist Church
- Interamerican University
- Private Organizations such as:
 1. Red Cross
 2. Rotary Club
 3. Lions Club

5. Job Training

During the training periods, employment agencies will be used to the maximum to encourage self-sufficiency and eventually begin the process of social and economical stability.

6. Job Replacement and Retention

This step is designed to increase the possibilities of finding and retaining good jobs. With this initial support and continued encouragement, as well as, monitoring their progress, the families will achieve self-sufficiency and begin the progress of accomplishing initial goals.

7. Support Services

Some of the services that may be offered can be childcare, transportation assistance, support groups, etc. The FSS Program coordinator will facilitate referrals to these service providers.

8. Escrow Account (HUD Form 52652)

The Section 8 Voucher Choice/FSS Program accounting division will establish a FSS escrow account for each family participating in the program. In accordance

with HUD regulations during the term of the contract of participation, the PHA (San Germán Housing Authority) will credit to the FSS escrow account the smallest of thirty percent of current monthly-adjusted income.

HOW IT WORKS

- A participating family's earned income may increase during the term of the contract of participation.
- If this occurs, the PHA is required to credit to an escrow account a portion of the increase of rent that would otherwise result from increases in earned income during the term of the Contract of Participation.
- The escrow is only based on increase of earned income.
- Earned income is defined as income from wages, salaries and other employee compensation as well as any earnings from self-employment.
- It does not include any pension or annuity, transfer payments or any cash or in kind benefits.
- This is before payroll deductions. It includes overtime, commissions, tips. Bonuses and fees.
- Earned income also includes net income from the operation of a business or profession and military pay that is normally included in Annual Income definition.
- Earned income does not include income of children under 18. Once a dependant turns 18, automatically he/she is considered an adult and the income is counted. Unless this dependant is a full time student. In which case this dependant's income is excluded.
- The PHA must establish an escrow savings account for each participating family in the FSS program.
- During the term of the contract of Participation, the PHA will credit to the FSS account the amount of the FSS credit calculated in accordance with the procedures described as follows.
- The PHA must set up an escrow account amount for each family in two situations.
 1. When the family becomes employed when they previously were not; or
 2. When the family starts out with employment income and has an increase in employment income.

- If the family participates in education or job training and there is no employment income, there is no escrow fund calculation made.
- If there is no earned (employment) income, there is no contribution to an escrow account.
- Although the escrow account is like a "forced savings account" the families increased payment does not go directly into the escrow account in the Section 8 Program.
- Families pay regular share according to their income to the owner. PHA escrows an amount equal to the extra amount they are paying due to increased employment income from the HAP account.
- In Section 8 Voucher Choice Program, the PHA deposits in the family's escrow account an amount equal to the decrease in the Housing Assistance Payment paid by HUD.
- In the Public Housing Program, because the tenant rent is paid directly to the PHA, the PHA directly escrows the additional amount from the tenant's rent.
- The increased payment goes directly into the escrow account in Public Housing because the family pays the PHA, not the owner.
- PHA's can exclude the amount credited to the escrow account in calculating operated subsidy eligibility.
- There is no escrow if current family contribution is less than family contribution when contract was executed.
- For there to be an escrow, family contribution must be greater than family contribution when contract was executed.

9. Evaluation

The evaluation of the projects success will be measured in terms of the families self-sufficiency goals achieved. All participants will be evaluated using the following criteria:

- Educational level attained
- Employment
- Annual Income
- Job skills developed
- Job placement

III. COMMUNITY SERVICE AND PROGRAMS AVAILABLE

A description of service and programs available in our community and represented in our committee are as follows:

1. Upward Bound Program- directed to meet academic and counseling needs of students with educational problems.
 - a. cultural activities
 - b. seminars about study habits
 - c. economic assistance for continuing education
 - d. vocational counseling
 - e. preparation for College Board
 - f. remedial courses
2. Educational Counseling- Available for junior-high school students, for those who have a high school diploma and want to continue post secondary studies.
 - a. academic counseling
 - b. vocational counseling
 - c. personal counseling
 - d. seminars about study habits
 - e. cultural activities
 - f. placement tests
3. Southwest Consortium WIA Program- This program offers the following service and training's:
 - 1.) Institutional training
 - a.) High School Diploma
 - b.) Certified Plumbing Training
 - c.) Certified Secretarial Skills
 - d.) Certified Landscaping Skills
4. Department of Education- The state Department of Education contributes to the FSS Program with the following services:
 - a. Adult Basic Education (1st through 8th grade)
 - b. Adult Secondary Education (9th through 12th grade)
 - c. Placing Tests and courses (Act. 188)

IV. SUPPORT SERVICES AVAILABLE

By the coordinated efforts of public and private entities participating and providing support to the FSS Program, obstacles to family's self-sufficiency can be minimized or eliminated. Support services to be provided are as follows:

1. Child Care

Childcare is considered an essential element of a successful self-sufficiency program. The local government through Head Start Centers and SENDEC provide these services.

2. Counseling Assistance

Technical staff of the Municipal Section 8 Voucher Choice Program is available to provide counseling assistance or canalize help through local religious members of our community.

3. Owners Participation

Local flyers and newspaper indicating the housing types and size requested for eligible families are posted to contact owners of eligible units to participate in the program.

4. Transportation

Transportation assistance to program participants is provided by our Municipality and other volunteer community groups.

5. Job Development, Training and Placement

The Department of Labor and Human Resources as well as the Southwest Consortium WIA Program are providing assistance in these areas.

V. ***CONTRACT OF PARTICIPATION (HUD Form 52650 & 52650-S)***

The contract of participation is an agreement between the PHA and the family. It includes an individual training and services plan, designed specially for the client.

The contract describes:

- 1.) The resources and appropriate supportive services which will be made available to the family under FSS.
- 2.) The PHA authority to terminate or withhold FSS supportive services and the termination of housing assistance if the family does not comply with the contract terms.
- 3.) The family's requirement to fulfill the obligations to which it has committed itself no later than five (5) years after entering into the contract.

It requires that the head of household seek and maintain suitable employment throughout the term of the contract, including any extensions to the contract. Employment should reflect the persons training and availability for job opportunities. Head of household must seek employment.

The contract may require other family members to attend job training and counseling and interview for jobs, but the contract is fulfilled even if they do not find a job. PHA will define "seek employment" and develop appropriate standards dour documentation. This is defined in negotiations with the head of household, as part of the contract of participation. It could include, looking for a job, going on interviews, following up on employment opportunities. The family should be encouraged to seek more than a minimum wage job.

A. CHANGES IN THE CONTRACT

The PHA may agree to changes in the contract of participation such as:

- Number and identity of household members who will participate
- Family Self Sufficiency designated head
- Support Services providers as the family's needs and interest change.

Change must be consistent with local program objectives. The PHA must approve the changes.

B. EXTENSION ON THE CONTRACT

Contract may be extended for up to two years beyond the original (5) five-year term. Extensions must be for good cause such as: Serious illness, involuntary loss of employment. The family will continue to receive escrow credits during period of extension.

Non performance of the employment provision of the Contract by the head is not a good reason to extend the contract. Extension could be granted for rare circumstances, such as closing of a factory.

C. TRANSITIONAL ASSISTANCE

Continued provision of family self sufficiency support services can be offered to the family under these conditions:

- Family has completed Contract of participation, Family is employed; and the continuation of support services would assist the family to remain self-sufficiency.

D. GRIEVANCE PROCEDURE

1. GRIEVANCE DEFINITION

For the purposes of the procedure set forth herein a grievance or complaint shall be defined as:

- a. Any dispute involving interpretation or application of the PHA' s

Regulations, policies or procedures, which affect the rights or duties of the complainant.

b. Any action or omission to act by the PHA or a tenant who may affect the welfare or status of a tenant or the PHA.

E. TERMINATION OF ASSISTANCE

Assistance under the program will be automatically continued for eligible families unless the contract is terminated by the Municipality for reasons similar to those set forth in the HAP contract, such as:

- The family vacates the unit in violation of the lease without the owner's approval, and without notifying program.
- If the family vacates its unit in violation of the lease or tenancy agreement, the owner shall receive the housing assistance payment due under the HAP contract for the period of the month that the unit is vacant. If the unit continues to remain vacant after the first month, the owner shall receive a housing assistance payment from the PHA in the amount of 80 percent of the contract rent for a vacancy period not exceeding one additional month, or the expiration of the lease or tenancy agreement, whichever comes first. If the owner collects any of the family's shares, this must be reduced to an amount in which the payment does not exceed 80 percent of the contract rent.
- The owner has evicted the family in accordance with State/Local Law. (The owner must notify the Section 8 Office before instituting eviction procedures).

The PHA may also cancel the contract if:

- The family no longer requires assistance.
- The unit fails HQS.
- The unit is overcrowded and does not meet the HQS space requirements.
- The family does not comply with the obligations stated in the contract (FSS Contract). Even if the designated head of household is different from the one that started originally in the program.
- If the family has tried and failed to find employment, the PHA can cancel the participation in the FSS program but may choose not to cancel participation in the Voucher Choice Program.
- The Municipality discovers program abuse.
- The owner does not comply with the terms of the housing contract.
- The family and owner will be notified in writing before the termination.

1. EVICTIONS

- Although the Municipality of San Germán does not authorize or deny eviction actions, owners are required to:

- Comply with the requirements of State/Local Law.
- Provide a copy of the notice to the office when the notice is given to the family.
- *In accordance with PIH NOTICE 2006-23 the Municipality of San Germán establishes administrative procedures that prevent the eviction or termination of assistance from the Section 8 Programs of victims of domestic violence, dating violence, sexual assault or stalking.*

2. INFORMAL HEARINGS FOR DENIAL, REDUCTION OF TERMINATION OF ASSISTANCE:

The Municipality of San Germán, upon determining that a participant is ineligible, will notify the participant in writing the reasons for the ineligibility and their right to request an informal hearing.

If a tenant requests an informal hearing the hearing will be conducted by a hearing officer or other public official who is not directly involved in a day-by-day administration of the program.

In addition, the family may retain counsel or other representation, if desired, at his or her own expense. The family or its counsel/representative must also be given an opportunity to present testimony and evidence in its favor. The decision of the hearing official must be in writing, based solely on evidence provided at the hearing and must state the legal and clear grounds for the decision.

3. HEARING PROCEDURES

The hearing must be promptly scheduled for a date and time at a place designated by the hearing officer.

- a. If the complainant does not file a grievance within the time allowed, he or she waives his right to the hearing. However, this shall not constitute a waiver of his right to thereafter battle the PHA's disposition of his grievance in an appropriate judicial proceeding.
- b. The hearing shall be private unless the complaint requests a public hearing. If the grievance is related to eviction from unit fines, inspections, transfers, rental disputes or any other violation to the contract, the complainant may examine before the hearing any copy at his or her expense, all documents, records and regulations of the PHA that are relevant to the hearing. The complainant may request, in advance and at his or her expense, a transcript of the hearing.
- c. The decision of the hearing officer shall be based upon evidence applicable to the program and HUD rules and regulations. If the decision is in favor of the complainant, the PHA shall take all actions

necessary to carry out such decision or refrain from any action provided by such decision.

- d. The hearing officer shall prepare a written decision, including a statement of findings and conclusions, as well as the reasons or basis therefore, upon all material issues raised by the parties. This shall be done within five (5) working days after the date of the hearing. Copies shall be mailed to the complainant or the representative upon prior request.
- e. All written decision as well as documents related to the hearing will remain in the Municipality and available for inspection by any prospective complainant or their representative.