

# **PHA Plans**

## **Streamlined Annual Version**

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

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

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This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937 that introduced 5-year and annual PHA Plans. The full PHA plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form allows eligible PHAs to make a streamlined annual Plan submission to HUD consistent with HUD's efforts to provide regulatory relief 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 thereunder at Title 12, Code of Federal Regulations. Information in PHA plans is publicly available.

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## **Streamlined Annual PHA Plan for Fiscal Year: 2008**

**PHA Name: Municipality of Juana Díaz**  
**PHA Code: RQ038**

**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 Juana Díaz

**PHA Number:** RQ038

**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: 127

**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: Hon. Ramon A. Hernández Torres, Mayor

Phone: 787-837-2185

Fax: 787-837-2420

Address: 35 Degetau Street  
Juana Díaz, PR 00795

Postal Address: PO Box 1409  
Juana Díaz, PR 00795

Name: Ramonita Rentas Ocasio, Director

Name: María M. Boglio Rentas, Section 8 Coordinator

TDD:

Email (if available): sec8jdiaz@yahoo.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 2007**  
[24 CFR Part 903.12(c)]

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[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.

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<b>B. SEPARATE HARD COPY SUBMISSIONS TO LOCAL HUD FIELD OFFICE</b>	

**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, 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):

<b>HOPE VI Revitalization Grant Status</b>	
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?

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:

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

The Municipality of Juana Díaz has decided to delay, indefinitely, the implementation of the Section 8 Homeownership Program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by CFR part 982. The Municipality currently utilizes State resources such as those provided by the State Housing Department as well as the Commonwealth of Puerto Rico Housing Development Bank:

1. **“Llave para tu hogar” or “A Key For Your Home”** – which is a State sponsored program designed to assist low-income families, who are in market to purchase a new home. The program provides a grant to these qualifying families from \$3,000 to \$15,000, which is used to bring the cost of the purchase down. These monies cannot be used as part of the closing cost. It is the responsibility of the family to secure the closing cost funding. The selling price of the home cannot be more than \$70,000.00.
2. Homebuyer Program sponsored by the US Department of Agriculture, Rural Development Administration.

The Municipality will consider the implementation of HUD's homeownership program at some future date.

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

The PHA has demonstrated its capacity to administer the program by (select all that apply):

- Establishing a minimum homeowner downpayment requirement of at least 3 percent of purchase price and requiring that at least 1 percent of the purchase price comes from the family's resources.
- 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: (provide name here)

##### **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)

## 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
X	<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
	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-

<b>List of Supporting Documents Available for Review</b>		
<b>Applicable &amp; On Display</b>	<b>Supporting Document</b>	<b>Related Plan Component</b>
		Sufficiency
X	Results of latest Section 8 Management Assessment System (SEMAP) <b>RESULTS OF RIM REVIEW/RESPONSE</b>	Annual Plan: Management and Operations
X	Any policies governing any Section 8 special housing types <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan	Annual Plan: Operations and Maintenance
	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. (As well as Annual Plan Supplement)	Annual Plan: Grievance Procedures
	The Capital Fund/Comprehensive Grant Program Annual Statement /Performance and Evaluation Report for any active grant year.	Annual Plan: Capital Needs
	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grants.	Annual Plan: Capital Needs
	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans, or any other approved proposal for development of public housing.	Annual Plan: Capital Needs
	Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. See PIH Notice 99-52 (HA).	Annual Plan: Capital Needs
	Approved or submitted applications for demolition and/or disposition of public housing.	Annual Plan: Demolition and Disposition
	Approved or submitted applications for designation of public housing (Designated Housing Plans).	Annual Plan: Designation of Public Housing
	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act, Section 22 of the US Housing Act of 1937, or Section 33 of the US Housing Act of 1937.	Annual Plan: Conversion of Public Housing
	Documentation for required Initial Assessment and any additional information required by HUD for Voluntary Conversion.	Annual Plan: Voluntary Conversion of Public Housing
	Approved or submitted public housing homeownership programs/plans.	Annual Plan: Homeownership
X	Policies governing any Section 8 Homeownership program (Section 26 of the Section 8 Administrative Plan)	Annual Plan: Homeownership
	Public Housing Community Service Policy/Programs <input type="checkbox"/> Check here if included in Public Housing A & O Policy	Annual Plan: Community Service & Self-Sufficiency
	Cooperative agreement between the PHA and the TANF agency and between the PHA and local employment and training service agencies.	Annual Plan: Community Service & Self-Sufficiency
X	FSS Action Plan(s) for public housing and/or Section 8.	Annual Plan: Community Service & Self-Sufficiency
	Section 3 documentation required by 24 CFR Part 135, Subpart E for public housing.	Annual Plan: Community Service & Self-Sufficiency
	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports for public housing.	Annual Plan: Community Service & Self-Sufficiency
	Policy on Ownership of Pets in Public Housing Family Developments (as required by regulation at 24 CFR Part 960, Subpart G). <input type="checkbox"/> Check here if included in the public housing A & O Policy.	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
X	Other supporting documents (optional) (list individually; use as many lines as necessary) <b>Organizational Chart –rq038b01</b> <b>Annual Plan Supplement – rq038a01</b> <b>Informational Sheet – rq038c01</b>	(specify as needed) submitted electronically

<b>List of Supporting Documents Available for Review</b>		
<b>Applicable &amp; On Display</b>	<b>Supporting Document</b>	<b>Related Plan Component</b>
	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 Measures				





## 8. Capital Fund Program Five-Year Action Plan

<b>Capital Fund Program Five-Year Action Plan</b>					
<b>Part I: Summary</b>					
PHA Name				<input type="checkbox"/> <b>Original 5-Year Plan</b> <input type="checkbox"/> <b>Revision No:</b>	
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					







**Commonwealth of Puerto Rico**  
**Municipality of Juana Díaz**  
"La Ciudad Del Mabí"  
RQ038

**ANNUAL PLAN SUPPLEMENT**  
**FY 2008-2009**



**HON. RAMÓN A. HERNÁNDEZ TORRES**  
**MAYOR**

**MARÍA M. BOGLIO RENTAS**  
**SECTION 8 COORDINATOR**



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Comment [Watermark1]:

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# I EXECUTIVE STATEMENT

It is the aim of the Municipal program to be a contributing partner with low income families so as to secure decent, safe, and affordable housing that will enhance their self-esteem as well as augment their success in meeting life's many challenges.

Furthermore, the plans, statements, and policies set forth and/or referenced in this Annual Plan lead towards accomplishing the Municipality's goals and objectives as outlined in the 5-year plan. It should be noted that the Annual Plan provides a framework for local accountability and an easily identifiable source by which public housing residents, participants in the tenant-based program, and other members of the public may locate basic PHA policies, rules, and requirements concerning its operations, programs and services. The Municipality of Juana Díaz has prepared this Annual Plan in compliance with Section 511 of the Quality Housing and Work Responsibility Act of 1998, 24 CFR 903, Section 545, as amended.

Moreover, the Municipality firmly believes in the goals it has delineated and has highlighted the following major initiatives of said plan, which are as follows:

- A. The Municipality seeks to continue its outreach program to attract new landlords to participate in the Section 8 Program.
- B. The Municipality seeks to apply for additional rental vouchers in order to provide assistance to more participants.
- C. The Municipality seeks to counsel Section 8 tenants as to the location of units outside the local boundaries and assist them in locating these units.
- D. The Municipality seeks to market the Section 8 program to owners outside of its local boundaries.
- E. Assist families during financial distress, while gradually reducing the amount paid by the Program in an efficient manner as well as motivating these same families to become self-sufficient.

- F. Provide affordable, quality housing, services and opportunities to low-income families, while ensuring a continuum of housing opportunities for all program participants.
- G. Provide a broad range of redevelopment activities directed toward building and strengthening communities.
- H. Create alliances to nurture self-sufficiency.

The Municipality has established realistic and attainable goals, whereby, particular thought has been given to the number of families which can be expected to need and want better housing. **The Municipality of Juana Díaz is a tenant-based (Section 8) only PHA.**

The following program is administered by the Municipality of Juana Díaz:

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

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

The Municipality of Juana Díaz continues to move towards the major initiatives outlined its Five-Year Plan. The Municipality will adhere to the following adopted mission:

- ◆ *Assist low-income families with safe, decent and affordable housing opportunities as they strive to achieve self-sufficiency and improve the quality of their lives. The Municipality is committed to operating in an efficient, ethical and professional manner. Juana Diaz will create and maintain partnerships with its clients and appropriate community agencies in order to accomplish this mission.*

The Municipality has been aggressive in seeking alternative housing programs to meet the housing needs of the residents of Juana Díaz.

Despite the funding cuts and program restraints imposed by existing regulations, the Municipality of Juana Díaz has achieved the following:

1. Has been actively promoting freedom of housing choice so as to achieve spatial deconcentration of extremely low-income families within our homogeneous community.
2. The Municipality has been able to maintain a minimum a 100% lease-up rate of its base allocation.
3. 100% of properties accepted into the Program meet Housing Quality Standard Requirements.
4. Continue with our established goal of providing improved conditions for extremely low-income families, while maintaining their rent payments at an affordable level.
5. Provide an incentive to private owners to rent their dwelling units to economically disadvantaged families by offering timely assistance.
6. The Municipality will continue to adopt new policies and procedures to comply with current regulations.
7. Promote self-sufficiency and asset development of families and individuals.
8. The Municipality has established an effective and viable FSS Program with enrollment levels that are consistently above the minimum requirement of 25 participants. There are currently 34 families enrolled and serviced by the Program.
9. No complaints or reports referencing discriminatory practices in Program operations were received during the Program year.

10. The Municipality is working closely with Agencies that provide assistance to low income families so as to help them become self-sufficient.
11. The Municipality will continue to assist as many families as possible with the funding available. However, it is difficult to forecast how many families can be interviewed and assisted without knowing how much funding will be available.

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

- 1) A high level of customer service;
- 2) Quality affordable housing opportunities;
- 3) Continuum of housing opportunities for all program participants;
- 4) Improving the overall Program administration, whereby making it more flexible and efficient.
- 5) The Municipality continues to improve the SEMAP score to a higher performer level.
- 6) The Municipality continues its goal to ensure equal access to assisted housing.
- 7) The PHA continues to counsel with residents on homeownership and pledged the Municipality's continue support if participating families choose to pursue homeownership.

### **III PHA'S COMMUNITY SERVICE AND SELF-SUFFICIENCY PROGRAM**

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

At the current time, the Municipality of Juana Díaz does have a fully developed FSS Program, which strives to assist families who are participating in the Housing Choice Voucher Program achieve economic independence as well as become self-sufficient. This is accomplished by motivating the families to become fully employed or assist them in seeking the proper training, so that they may acquire the necessary marketable skills to become fully employed.

### **IV SUMMARY OF POLICY OR PROGRAM CHANGES FOR THE UPCOMING YEAR**

The Municipality of Juana Díaz does not contemplate any significant changes or deviation in its policies or programs from the previous year's PHA Plan that is not covered in other sections of this same Plan. The following represents what the Municipality will be doing for the fiscal year FY 2008-2009 in relation to its subsidized housing program.

### **V HOMEOWNERSHIP PROGRAMS**

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

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

The municipality has a goal of establishing a Homeownership Program in accordance with the Quality Housing & Work Responsibility Act of 1998 and will attempt the necessary procedures to promote a Homeownership Program within its Housing Program. In this regard, the municipality will seek out not only HOME funds, but likewise will work with both the Puerto Rico Department of Housing, the Housing Development Bank, and other similar public private agencies in order to accomplish this same goal. The Municipality of Juana Díaz is in the process of evaluating how to coordinate efforts to merge the usage of two State sponsored programs which provide assistance to first-time homebuyers with the Municipal Section 8 Homeownership Program.

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

**Activities:**

- Provide Greater Assistance in Meeting both Down payment and closing cost Requirements:**

One of the greatest barriers to homeowners by potential low income purchases, are the initial costs, such as down payment and closing costs. The Municipality will create both a viable and effective program whereby low income families have the opportunity to become first-time homeowners while working with such housing agencies as previously set-forth within this same submission.

**Objective: Create Affordable Housing Within the Community:**

Affordable housing within the Municipality of Juana Díaz has been adversely impacted by the following factors over time:

1. Family Income;
2. Land Costs;
3. Financing;
4. Lack of Available Land for Development.

Bearing this in mind, the Municipality of Juana Díaz will develop a strategy that identifies policies, which may require modification, and initiate the following actions that will address the problem of affordable housing and the establishment of the Homeownership Program.

**Activities:**

**Improve Land Development Regulations:**

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

**Provide For The Coordination of Funding:**

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

Program, whereby, it will consider the following:

- A) Assistance will be provided for:
  - 1. First time homeowner;
  - 2. Family that owns or is acquiring shares in a cooperative.
- B) The total family that will be serviced through this program will be limited to approximately 20% of participating families, who are currently in good standing within our Housing Choice Voucher Program and who have been working in a verifiable job for over a year.
- C) Funding levels.

The Municipality of Juana Díaz will take into account and consider the appropriate changes in order to improve the application process for all federal programs that may have a beneficial impact upon the local housing market and affect programs covered within our 5-Year Plan.

## **VI FINANCIAL RESOURCES**

### **OBJECTIVE: IMPROVE OPPORTUNITIES UNDER RENTAL HOUSING**

Renters experience more housing problems than do homeowners as it clearly is demonstrated by the 2000 U.S. Census of Population as well as has been our own experience under our own local Housing Choice Voucher Program (Section 8). When renters are compared to homeowners of the same household type and income levels, the percentage of renters with housing problems is higher than owners.

We have identified the need for rental housing based upon the number of requests made to the Municipality by the population-at-large to numerous Municipal Agencies. In most cases, it was primarily a general need for more rental housing, since better than 80% of the population does not qualify to purchase a dwelling unit and require some type of rental assistance. It is in this regard that the Municipality of Juana Díaz has a one year goal to provide assistance of upwards to approximately 60 households with rental housing assistance.

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

**A. Housing Funding Sources -**

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

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

**B. Additional Subsidized Funding under the Voucher Program**

The Municipality of Juana Díaz will work closely with the U.S. Department of Housing and Urban Development (HUD) in attempting to obtain additional vouchers, if and, when funding becomes available.

**C. Available Funding Sources**

The Municipality of Juana Díaz will submit for HUD's consideration its Annual Plan (FY 2008-2009) in accordance with CFR 24, Section 903.1.

In order to assist the needs of 127 families that are currently enjoying the benefits of the Municipality of Juana Díaz's tenant-based housing assistance program, we will be submitting for HUD approval the following budget, which is being presented in the following Table I.

<b>Table I</b>	
<b>SUBSIDIZED HOUSING BUDGET FOR HUD APPROVAL</b>	
<b>Program</b>	<b>Budget Estimate</b>
<b>Housing Choice Voucher</b>	\$ 465,588.00
Activities: Tenant-Based Housing Assistance for 81 Families	

<b>Table I</b>	
<b>SUBSIDIZED HOUSING BUDGET FOR HUD APPROVAL</b>	
<b>Family Self Sufficiency Program</b>	\$ 195,432.00
Activities: Tenant-Based Housing Assistance for 34 families.	
<b>Program Administration</b>	\$ 64,716.00
<b>Total Estimate of Budget to be submitted to HUD for Approval</b>	<u>\$ 725,736.00</u>
<b>FSS Coordinator Funding</b>	\$ 23,422.00
<b>Portability Program</b>	\$ 68,076.00
Activities: Tenant-Based Housing Assistance for 12 Families.	
<b>Total for the Municipality of Juana Díaz Housing Budget (Grand Total)</b>	<u>\$ 817,234.00</u>

## VII CIVIL RIGHTS CERTIFICATION

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

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

The Municipality of Juana Díaz fair housing program is designed to affirmatively further fair housing objectives of Title IV of the Civil Rights Act of 1964, Title VIII of the Civil Rights of 1968, as amended, and other relevant federal, state, and local fair housing laws.

Moreover, "Affirmatively further fair housing" means that the Municipality actively works to reduce illegal housing discrimination. The Municipality promotes equal housing opportunity through education and training, monitoring and investigating fair housing complaints utilizing techniques to support fair housing litigation, and conduct research to identify and address fair housing impediments.

## ACTIVITIES:

### REVIEW OF EXISTING HOUSING PROGRAM

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

- A) In order to promote fair housing, suitable living environment for families in assisted housing, remedy discrimination and encourage fair housing choice, our Program, which permits low-income renters access to assisted housing regardless of race, color, religion, national origin, sex, familial status and disability, will be assured of this with the briefing which will be given to new as well as incumbent owners during the briefing session prior to execution of the housing assistance contract. Brochures will be prepared and handed out covering Fair Housing in both Spanish and English and these same brochures will be included in the owners' and participants' packet, respectively.
- B) After a thorough review of our records and programs, each staff member of our Municipality is uniquely aware of the existing Fair Housing laws and the importance of adherence to these same laws by the family, owner and staff. They have been instructed on the applicability of these same laws and how they must brief and/or provide proper orientation to a new as well as actual owner or family.
- C) Where a family alleges that illegal discrimination is preventing them from finding a suitable unit within the community our local housing staff will provide reasonable assistance in this matter by directing the aggrieved to the necessary agencies.
- D) The measures that will be undertaken to insure accessible housing to persons with all varieties of disabilities regardless of unit size are as follows:

1. The local Housing Inspector will receive the proper training so that when a prospective home has been inspected, it complies not only with established HQS but also with the American Disabilities Act.
2. Brief the owner concerning established local and federal laws on how to make the prospective dwelling unit comply with said laws and HQS as established by HUD.
3. Revise the payment standard in accordance with our plan so as to assure owner acceptance as well as the incentive to invest and make the dwelling unit an accessible unit for individuals with disabilities.

### **COORDINATION BETWEEN PUBLIC/PRIVATE RESOURCES**

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

### **COORDINATING INFORMATION/REGULATIONS**

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

### **CREATE AWARENESS OF LEAD BASE PAINT HAZARDS**

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

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

## **IX PHA'S RENT DETERMINATION**

### **A. Total Tenant Payment**

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

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

1. 30 percent of the family's monthly adjusted income;
2. 10 percent of the family's monthly income;
3. If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the family's housing costs, the portion of those payment's which is designated for housing;
4. Minimum rent in accordance with applicable provisions of Section 5.616.

A family renting a unit above the payment standard pays the higher of 30% of monthly adjusted income, 10% of monthly income, or the welfare rent, and the amount of rent above the payment standard but not more than 40% as the cap established by QHWRA of income on the family share of rent for initial leasing of any unit.

### **B. Minimum Rent**

The minimum rent established by the PHA will be \$50.00.

### C. Hardship exemption

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

### D. Request for hardship exemption

1. If a family requests a hardship exemption, the Municipality of Juana Díaz will suspend the minimum rent requirement beginning the month following the family's hardship request until the Municipality of Juana Díaz determines whether there is a qualifying financial hardship and whether it is temporary or long-term.
2. If the Municipality of Juana Díaz determines that there is a qualifying financial hardship, but that it is temporary, the Municipality of Juana Díaz will not impose a minimum rent for a period of no more than 90 days from the date of the family's request. At the end of the 90-day suspension period, a minimum rent is imposed retroactively to the time of suspension. The family will be afforded a responsible repayment agreement for the amount of back rent owed.
3. If the Municipality of Juana Díaz has determined that there is no qualifying hardship exemption, the Municipality of Juana Díaz

will reinstate the minimum rent including the back payment for minimum rent from the time of suspension on terms and conditions established by the Municipality.

4. If the Municipality of Juana Díaz determines that there is a qualifying long-term financial hardship, the family will be exempted from the minimum rent requirement in compliance with 24 CFR Part 5, Section 5.616.

E. Appeal of financial hardship

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

F. Payment Standard

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

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

0 BR	1 BR	2 BR	3 BR	4 BR
399	433	479	665	759

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

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

- ◆ Evidence that significant changes in rents have been experienced in the rental market, which differ from those changes measured by the Consumer Price Index (CPI) factors used to update the Annual Housing Services' based Median

Rent.

- ◆ When convenient and/or required the PHA will provide local housing Market surveys that indicate the current median rent levels for standard units of various sizes within our designated FMR area.

#### G. Determination of Unit Size in Relation to Family Composition

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

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

#### H. Exceptions to FMR on a Unit by Unit Basis

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

#### I. Affordability Adjustments

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

#### J. Rent Adjustments

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

### **X RECENT RESULTS OF PHA'S AUDIT**

The Municipality of Juana Díaz has submitted to the HUD local office in Puerto Rico the findings of the most recent Single Audit which clearly demonstrated that the Municipality of Juana Díaz was in full compliance with existing HUD regulations and there were no findings in the report.

### **XI SEMAP SCORE**

The Municipality's latest SEMAP Score was 63%, making it a standard.

### **XII PHA'S GRIEVANCE PROCEDURE**

#### **A) Informal Review [24 CFR 982.54(d)(12)]**

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

Specifically, the Municipality will be required to notify an applicant in writing that assistance has been denied no later than ten (10) working days after said decision has been made. Within this same written notice, the applicant will be informed of their right to appeal the decision in written form. Additionally, the participant must be advised by the Municipality, that they have some ten (10) days from the date of receipt of the written notice to request an informal hearing. Such a request will be in written form, and that the participant has the right to be represented by another family member, friend, and/or legal counsel. All cancellation notices will be sent by certified mail.

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

**B) Hearing Procedures [24 CFR 982.555 (a-f) & 982.54(d)(13)]**

The following represents the Municipality of Juana Díaz' established procedures for conducting an informal hearing for participants:

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

**C) Representation of the Family**

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

**D) Hearing Officers**

The hearing will be conducted by a member of the legal staff of the Municipality, or by any other person so designated by the Mayor, other than the person who made or approved the decision under review or a subordinate of

this person. The Municipality in appointing a person to conduct the hearing is empowered to regulate the conduct of the hearing.

**E) Evidence**

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

**F) Issuance of Decision**

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

**G) Effect of Decision**

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

**H) Complaints to the Municipality**

The Municipality will respond promptly to complaints from families, owners, employees, and members of the public. The Municipality's hearing procedures will be provided to the families in the briefing packet.

### **XIII ADDITIONAL INFORMATION REQUIRED**

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

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

- Changes to rent (i.e., minimum rent), admission policies and/or organization of the waiting list;

- Additions of new activities not included in the current Annual Plan;
- Any change with regard to the administration of the current tenant-based programs, including but not to the establishment of the homeownership program.
- Changes to the grievance procedures as established within our Administrative Plan.
- The addition of a new Program or the deletion of an existing Program to or from the current Plan.
- A Reorganization of the Management Structure.
- Changes may be made to the Annual Plan without undertaking a comment process if such change is made in response to a change in governing regulations. Such change will be presented in the next Annual Plan.

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

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

# XIV SCREENING AND EVICTION POLICY FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY

## 1). Purpose

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

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

## 2). Administration

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

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

## 3). Denial of Admission and Termination of Assistance for Criminals and Alcohol Abusers

### a. Prohibiting Admission of Drug Criminals

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

- That the evicted household member who engaged in drug-related criminal activity has successfully completed a

supervised drug rehabilitation program approved by the State;

- That the circumstances leading to eviction no longer exist such as that the criminal household member has died or is imprisoned.
- The Municipality has established the following standards for prohibiting admission:
- The Municipality has determined that any household member is currently engaging in illegal use of a drug;
- The Municipality has determined that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents;
- Any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

b. Prohibiting Admission of Other Criminals

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

c. Prohibiting Admission of Alcohol Abusers

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

**4). Terminating Assistance for Drug Criminals and Other Criminals**

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

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

**5). Terminating Assistance for Alcohol Abusers**

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

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

**A. Prohibiting Admission of Drug Criminals**

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

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

The Municipality has established the following standards for prohibiting admission:

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

B. Prohibiting Admission of Other Criminals

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

C. Prohibiting Admission of Alcohol Abusers

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

D. Terminating Assistance for Drug Criminals and Other Criminals

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

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

E. Terminating Assistance for Alcohol Abusers

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

F. Notice of Termination of Assistance

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

## XVI Domestic Violence Statement - Housing Choice Voucher Program

The Violence against Women Act (VAWA), Public Law 109-162 was signed into law on January 5, 2006. Section 603 of the law amends Section 5A of the U.S. Housing Act (42 U.S.C. 1437c-1) which requires PHA's five-year and annual plans to contain a Domestic Violence Policy Statement regarding any

goals, activities, objectives, policies, or programs of the PHA that are intended to support or assist victims of domestic violence, dating violence, sexual assault, or stalking. Sections 606 and 607, respectively, amend the Section 8 and public housing sections of the U.S. Housing Act (42 U.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 of which they were the victim. While awaiting new guidelines from the Department of Housing and Urban Development for implementing VAWA, the Municipality of Juana Diaz has adopted the following goals and objectives as part of its Domestic Violence Policy:

- A. VAWA applies to the Housing Choice Voucher Program as well as any other Subsidized Housing Program administered by the Municipality.
- B. The applicant/tenant/victim will be treated with respect and dignity.
- C. The Municipality of Juana Diaz will notify the Housing Choice Voucher owners and managers of VAWA.
- D. The Municipality of Juana Diaz will notify voucher holders of their rights under VAWA including the possible portability of vouchers between jurisdictions to escape an imminent threat of further domestic violence or stalking.
- E. VAWA will be incorporated into the landlord and tenant briefing process, respectively.
- F. Necessary confirming amendments to the Housing Choice Voucher Program rules, regulations and paperwork will be further addressed after receipt of guidelines from the Department of Housing and Urban Development.

## **XVII SUMMARY**

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

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

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

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

- A. Completed within a timely manner in compliance with HUD's requirements;
- B. Compliance with the SEMAP indicators;
- C. Compliance with the Rental Housing Integrity Improvement Project (RHIIP) and other related HUD regulations;
- D. That they are indeed in total compliance with existing federal and state applicable regulations.

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

- A. Families Assisted;
- B. Adherence to the Rental Housing Integrity Improvement Project (RHIIP) so as to assure improving any and all deficiencies detected during the RIM Reviews conducted by HUD or their designee.
- C. Subsidies granted;
- D. Complaints resolved;
- E. Families that moved onto become first-time homeowners;
- F. Families that moved from temporary shelter to permanent housing such as the Housing Choice Voucher Program and later moved on to become homeowners;
- G. Compliance with HQS as established by HUD;
- H. The effectiveness of communication by and between the various Municipal, State and Federal Agencies as well as with citizens.

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

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

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

- Cash/Management System;
- Budget Controls;
- Families serviced by income level (low, extremely low and moderate);
- Compliance with HQS, Quality control and Targeting as set forth in HUD regulations;

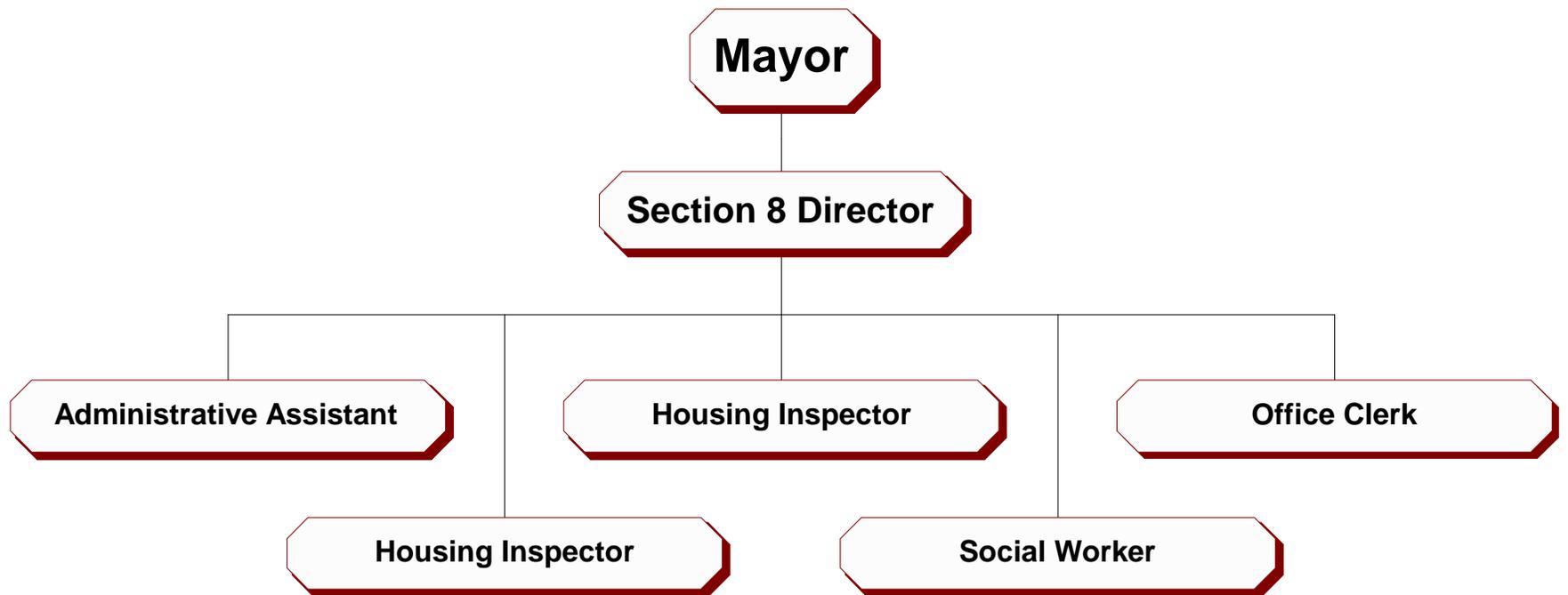
- Identify weakness and problem areas;
- Effective Internal Control System so as to reduce administrative errors;
- Prepare the necessary financial data to report to HUD;
- Timely, accurate and complete information for management forecasting and policy decision making;
- Staff resources and performance;

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



COMMONWEALTH OF PUERTO RICO  
Municipality of Juana Díaz  
"La Ciudad del Mabi"  
RQ038

# HOUSING CHOICE VOUCHER PROGRAM





COMMONWEALTH OF PUERTO RICO  
Municipality of Juana Díaz  
"La Ciudad del Mabí"  
RQ038

## HOUSING CHOICE VOUCHER PROGRAM

The following programs are administered by the Municipality of Juana Díaz:

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



# **PHA Plans**

## **Streamlined 5-Year/Annual Version**

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

OMB No. 2577-0226  
(exp 05/31/2008)

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

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

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## **Informational Sheet Attachment (rq038c01) for:**

# **Municipality of Juana Díaz – RQ 038**

## **Streamlined Annual Plan for Fiscal-Year 2008**

## **PHA Plan Agency Identification**

**PHA Name:** Municipality of Juana Díaz

**PHA Number:** RQ038

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

**PHA Plan Contact Information:**

Name: Hon. Ramón A. Hernández Torres, Mayor

Phone: 787-837-2185

Address: 35 Degetau Street  
Juana Díaz, PR 00795

Fax: 787-837-8962

Postal: PO Box 1409  
Juana Díaz, PR 00795-1409

Name: Ramonita Rentas Ocasio, Federal Funds Director

Phone: 787-837-2185, ext. 2210

Fax: 787-837-8962

Name: María M. Boglio Rentas

TDD:

Email (if available): [sec8Jdiaz@yahoo.com](mailto:sec8Jdiaz@yahoo.com)

## **Mission Statement**

The mission of the Municipality of Juana Díaz is to be a contributing partner with low income individuals and families by assisting them in obtaining decent, safe, and affordable housing that will enhance their self-esteem and contribute to their success in meeting life's many challenges.

The Municipality will endeavor to promote adequate, affordable housing, economic opportunity, and a suitable living environment for the families served, without discrimination.

The staff and the Housing Program is committed to providing quality, affordable housing in a safe environment as well as in an efficient and creative manner. Through partnerships forged with the program participants and other groups, the Municipality will provide opportunities for those served to become self-sufficient.

It is the Municipality's belief that the mission will be accomplished by a fiscally responsible and creative organization committed to excellence in public service.

## Required Attachment A: Membership of the Resident Advisory Board

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

The Resident Advisory Board, for the Municipality of Juana Díaz's locally administered Housing Choice Voucher Program, was duly elected by the families participating within the program. The Board is composed of 5 members and the term of the board is one year. Annually the families come together to vote and elect their board members. The following is a list of the members that make up the board:

1. President

Nancy Hernández  
Urb. Ext. Del Carmen  
Calle 8 #1  
Juana Díaz, Puerto Rico 00795

2. Vice-President

Luz M. Correa  
Villas de San Martín  
Juana Díaz, Puerto Rico 00795

3. Secretary

Rosa M. Cintron  
Bo. Guayabal, Sector Paso Hondo #10  
Juana Díaz, Puerto Rico 00795

4. Vocal

Elaine Alvarado  
Villas de San Martín A-1  
Juana Díaz, Puerto Rico 00795

5. Vocal

Nilda Matos  
Calle Muñoz Rivera #70  
Juana Díaz, Puerto Rico 00795

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

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

### **Summary of Comments from the Resident Advisory Board:**

- ✓ The majority of comments and concerns focused on Program Eligibility/Preferences and Payment Standards.
- ✓ Residents would like to see continued efforts made to encourage more landlords to participate in the program in order to increase housing choices.
- ✓ One member of the RAB commented that more help is needed to offset the economic situation of the Island as well as the rise in rates for water and electricity. According to the RAB the situation is such that more aid is needed not less.
- ✓ The RAB wondered why the Annual Plan was structured in such a way that it did not afford for flexibility and/or adjustment for the unique situation faced by Juana Díaz and other Municipalities.
- ✓ Those in attendance expressed their concerns regarding the increased burden placed on Participants due to the reduction of FMR's/Payment Standards.
- ✓ This concern has been expressed each year during the PHA Annual Plan Comment Period as well as during the Advisory Board Meeting.

### **Municipality's Response:**

The Municipality intends to make continued efforts so as to encourage more landlords to participate in the locally administered Subsidized Housing Program. The Municipality considered the comments submitted by the RAB, but determined that no changes to the PHA Plan were warranted.

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

## **Required Attachment C: Section 8 Homeownership Capacity Statement**

The Municipality of Juana Díaz has decided to delay, indefinitely, the implementation of the Section 8 Homeownership Program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by CFR part 982. The Municipality currently utilizes State resources such as those provided by the State Housing Department as well as the Commonwealth of Puerto Rico Housing Development Bank:

1. **“Llave para tu hogar”** – which is a State sponsored program designed to assist low-income families, who are in market to purchase a new home. The program provides a grant to these qualifying families from \$3,000 to \$15,000, which is used to bring the cost of the purchase down. These monies cannot be used as part of the closing cost. It is the responsibility of the family to secure the closing cost funding. The selling price of the home cannot be more than \$70,000.00
2. Homebuyer Program sponsored by the US Department of Agriculture, Rural Development Administration.
3. The Municipality is in the planning stage of low cost housing project for low-income families within the Municipality.

The Municipality is continuing its examination of the Homeownership Program Final Rules as proposed and its feasibility of implementation in Juana Díaz. The Municipality has serious concerns that based on the limitations of HUD’s final rule and the dynamics of the Juana Díaz, the program may not be viable. Therefore, Juana Díaz has made no determination at this time as to whether it will implement such a program during 2008-2008. The Municipality will continue to evaluate the implementation of the homeownership program and reserves its rights to implement Section 8 Homeownership by the capacity statement set out below.

### 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 downpayment requirement of at least 3 percent of purchase price and requiring that at least 1 percent of the purchase price will come 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.

## **Required Attachment D: Statement Regarding Deconcentration Policy**

The Municipality of Juana Díaz, in accordance with our Administrative and Continued Occupancy Policy, will select and place tenants **to avoid concentration of the most economically and socially deprived families within the Housing Program using a broad range of incomes through rent ranges. Once a year the Municipality will conduct an analysis of the incomes of families residing in the Section 8 Tenant-based Housing Program, which is subject to the deconcentration rule to ensure compliance.**

## **Required Attachment E: Domestic Violence Statement - Housing Choice Voucher Program**

The Violence against Women Act (VAWA), Public Law 109-162 was signed into law on January 5, 2008. Section 603 of the law amends Section 5A of the U.S. Housing Act (42 U.S.C. 1437c-1) which requires PHA's five-year and annual plans to contain a Domestic Violence Policy Statement regarding any goals, activities, objectives, policies, or programs of the PHA that are intended to support or assist victims of domestic violence, dating violence, sexual assault, or stalking. Sections 606 and 607, respectively, amend the Section 8 and public housing sections of the U.S. Housing Act (42 U.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 of which they were the victim. While awaiting new guidelines from the Department of Housing and Urban Development for implementing VAWA, the Municipality of Juana Diaz has adopted the following goals and objectives as part of its Domestic Violence Policy:

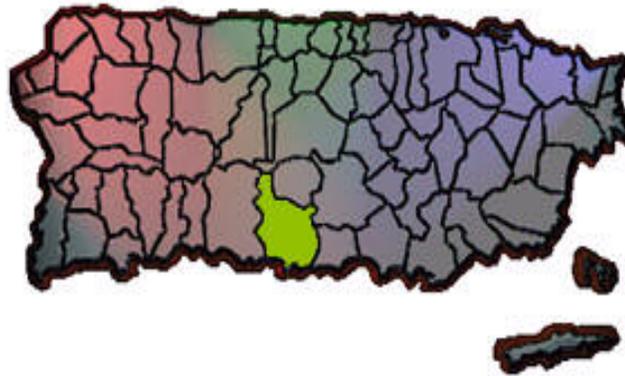
- a. VAWA applies to the Housing Choice Voucher Program as well as any other Subsidized Housing Program administered by the Municipality.
- b. The applicant/tenant/victim will be treated with respect and dignity.
- c. The Municipality of Juana Diaz will notify the Housing Choice Voucher owners and managers of VAWA.
- d. The Municipality of Juana Diaz will notify voucher holders of their rights under VAWA including the possible portability of vouchers between jurisdictions to escape an imminent threat of further domestic violence or stalking.
- e. VAWA will be incorporated into the landlord and tenant briefing process, respectively.
- f. Necessary confirming amendments to the Housing Choice Voucher Program rules, regulations and paperwork will be further addressed after receipt of guidelines from the Department of Housing and Urban Development.

**Required Attachment F: Required Attachments (all are found in the Annual Plan Supplement – rq038a01)**

- 1. Statement of Progress is located in the attached annual supplement, Section II, page 2.**
- 2. Summary of Policy or Program Changes For the Upcoming Year including a Policy Statement concerning Upfront Income Verification, Section IV, page 5.**
- 3. Homeownership Program is located in the attached annual supplement, Section V, page 5.**
- 4. Statement Regarding the steps the PHA will take to affirmatively further Fair Housing, Section VIII, page 10.**
- 5. Statement of PHA's Rent Determination is located in the attached annual supplement, Section IX, page 13.**
- 6. Statement of PHA's Grievance Procedure is located in the attached annual supplement, Section XII, page 17.**
- 7. Statement concerning Additional Information Required, Section XIII, page 19.**
- 8. Screening and Eviction or Drug Abuse and Other Criminal Activity, Section XIV, page 21.**
- 9. Policy concerning Denial of Admission and Termination of Assistance for Criminals and Alcohol Abusers, Section XV, page 23.**
- 10. Domestic Violence Statement – Housing Choice Voucher Program, Section XVI, page 25.**



Commonwealth of Puerto Rico  
**Municipality of Juana Díaz**  
Municipal Housing Department



**Family Self Sufficiency Program  
Action Plan**

Amended  
May 2003



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## **I EXECUTIVE SUMMARY**

The Municipality of Juana Díaz has revised its Family Self Sufficiency Program Action Plan so that it covers the merger of the Certificate and the Voucher Program, respectively, in accordance with the Quality Housing and Work Responsibility Act of 1998, 24 CFR 903, Section 545. All references hereinafter are to the regulations currently in effect for the Housing Choice Voucher Program, as they may be amended, except as expressly provided herein, all of the provisions of the Municipality of Juana Díaz Administrative, in conjunction with this same plan, will apply to all programs that are currently being administered by this Municipality.

Acting as the PHA, the Municipality of Juana Díaz, in operating an FSS Program, has developed an Action Plan in consultation with its chief executive officer namely - the Mayor, the Program Coordinating Committee, as well as in accordance with existing regulations of the U.S. Department of Housing and Urban Development. The purpose of this Action Plan is to provide for and to promote the development of local strategies so as to coordinate the use of public housing assistance under the Tenant-based Housing Choice Voucher Program, with public and private resources, so as to enable eligible families to achieve economic independence and self-sufficiency, as called for under Section 554 of the National Affordable Housing Act (Public Law 101-625, approved November 28, 1990) amended Title I of the U.S. Housing Act of 1937 by adding a new Section 23 that created a Family Self-Sufficiency (FSS) Program.

It is the administration's belief that every government entity establishes a proactive housing policy that provides low-income families with decent, safe and healthy dwellings, thereby developing the urban living environment and improving the economic and social standards of its citizens. Needless to say, housing stability achieved through affordability, preservation, and neighborhood safety are some of the fundamental elements to the successful participation in the workforce by adults within a family, the fulfillment of parental responsibilities, and the maintenance of good health as well as the productivity of individuals of all ages. Moreover, one of the major objectives of the present Administration within the Municipality of Juana Díaz is to create maximum opportunities for both low and very low income families become self-sufficient. Essentially, housing stableness achieved through affordability, preservation, neighborhood safety is a fundamental element to the successful participation in the workforce by adults within a family, the fulfillment of parental responsibilities, and the maintenance of good health as well as the productivity of human beings of all

ages. Therefore, it can be said that a proactive housing policy that is responsive as well as responsible is built upon the recognition of the centrality of housing and how it relates to the successful passage through each state of human development. Needless to say, housing stability, preservation, and neighborhood safety is some of the fundamental elements to the successful participation in the workforce by adults within a family, the fulfillment of parental responsibilities, the maintenance of good health and productivity of people of all ages.

The Municipality of Juana Díaz, like so many other similar sized communities, located within the Commonwealth of Puerto Rico, suffers a high unemployment rate, families with incomes below the poverty level, as well as a high number of its population residing within deteriorated, overcrowded, or substandard housing units. In addition to those persons, who are considered long term poverty candidates, which may be caused by various social, educational, and economic conditions, there are those families who due to the loss of employment, divorce, or a serious medical problems, find themselves for the first time, in a poverty condition. It is this group, which we have targeted for assistance under this FSS Program.

It is our intention to both implement and carry-out a viable Family Self-Sufficiency Program, in order to attempt to combat the numerous problems of poverty and dependency within our community, focusing upon, what we believe to be realistic and attainable strategies that will ultimately focus upon both employment and personal self-development. In this regard, it is our intent to mobilize resources within both the public and private sectors so as to achieve our goal as well as comply with HUD regulations. Therefore, our primary objective of the FSS program is to both promote and encourage self-sufficiency among participating families, which will include among other things, important supportive services to these same eligible families, in order to assist them in achieving economic independence, which is as important to them and our community as whole.

## **II DESIGN OF OUR LOCAL PROGRAM**

### **A. Purpose of the Plan**

The purpose of this Action Plan is to establish policies for carrying out the program in a manner consistent with HUD requirements, local goals, and objectives contained within the Agency Administrative Plan, as well as establish viable policies for items not covered under Federal regulation for the Family Self-

Sufficiency Program.

**B. Demographic Information**

The Municipality of Juana Díaz is located in the central southern section of Puerto Rico, adjacent to the Municipalities of Villalba, Santa Isabel, Coamo and the metropolitan area of Ponce. The 2000 U.S. Census places the total population as 49,583 persons. Chart I clearly demonstrates the demographic information about the Municipality of Juana Díaz.



A review of our waiting list within our locally administered Section 8 program reveals that the majority of those both on the “waiting list” as well as these who are possible participants under this same program are female heads of households with an average of three children. All are of Hispanic origin, and the majority is currently unemployed, and among the other benefits that these same families receive are those provided under the Nutritional Assistance Program (PAN as it is known in Spanish). The fact remains, that the number of persons receiving assistance under this same PAN program has shown an increase each year over the previous year. Part of this same increase can be attributed to the general down-turn of both the national and local economies. Additionally, local plant closings, the general economic condition of the municipality, the general lack of private factories/industry’s and the educational level of the general population all or in part have contributed to the present poverty rate, and suggest that the present situation will continue.

It should be noted, that since the municipality lacks the financial capability in order to change the existing situation of its local citizens, due to its limited tax base, it has depended entirely upon various Federal Grant-In-Aid programs over the years, in order to pave its streets, construct potable water systems, as well as to provide for any major physical improvement projects.

Among the services that are currently available within our community are listed below. In those cases where such services are not currently available within the Municipality, arrangements have been made with those agencies located within neighboring larger municipalities in order to assist us in the operation of this program. The following represents the necessary supportive services to be provided so as to meet the needs of eligible families, and to assure the success of the program:

1. Child Care Service
  - a. Medical
  - b. Educational
  - c. Nutritional
  
2. Educational Programs
  - a. Reading and writing skills
  - b. Obtaining an equivalency diploma

- c. General Study preparation
- 3. Employment Training - Specific training skills
  - (a) Secretarial
  - (b) Service industry
  - (c) Air condition repair
  - (d) Mechanical trades
  - (e) Floral design
  - (f) Beauty aids, etc.
- 4. Medical
  - a. Substance abuse (alcohol and drugs)
  - b. Specialized services
- 5. Employment Counseling
  - a. Interview training
  - b. Application preparation
  - c. Job placement
- 6. Financial Management Skills
  - a. Budgeting income
  - b. Purchasing skills
- 7. Home Economics
  - a. Food preparation
  - b. Cleanliness
- 8. Legal Services
- 9. Communication Skills
- 10. Self-Sufficiency Programs
  - a. Low interest commercial loan
  - b. Provision for entrepreneurial programs

**C. Housing Agency Mission Statement**

The Municipality of Juana Díaz' mission is:

To provide quality affordable housing to eligible low-income residents of Juana Díaz and to establish the community partnerships necessary for the municipality's residents to achieve personal goals related to:

1. Literacy and education;
2. Health and wellness;
3. Provide the necessary job training and employment leading to economic self-sufficiency and homeownership.
4. The Municipality of Juana Díaz aspires to support this mission by ensuring integrity in our operational and financial management while providing the following:
  - a. Good stable housing through diligent upkeep, preventative maintenance and high utilization of Vouchers as well as recruiting good private landlords;
  - b. Safe environment where residents can live and Municipal employees can work;
  - c. Social services delivered directly through the Municipal Department or through community partners intended to empower residents so as to improve their quality of live;
  - d. Human resource training and staff development so to enable employees to be highly productive, efficient, whereby both the results are customer service orient.

**D. Goals and Objectives**

The Housing Choice Voucher Family Self Sufficiency Program is designed to achieve the following:

1. To promote freedom of housing choice and spatial deconcentration of extremely low income and minority families.
2. Create incentives and economic opportunities for residents assisted by PHAs to work and become self sufficient.
3. Increase accountability and reward effective management of PHAs.
4. To provide decent, safe and sanitary housing for eligible families.
5. To provide improved conditions for extremely low-income families while maintaining their rent payments at an affordable level.
6. To provide incentives and motivation FSS family participants to achieve their maximum potential so as to obtain viable and realistic goals, this would permit them to improve their current economic and social conditions.

**E. Size of the Program**

Our locally administered FSS program was initially limited to 33 mandatory slots, which were assigned to the municipality. The number of eligible families willing to participate in our FSS Program will be expanded to additional 10 percent based upon existing available and anticipated resources. The PHA has agreed to select FSS participants from actual Housing Choice Voucher families based upon “First Come-First Served”, basis and should none be interested then they will be taken from the waiting list.

An initial briefing is held with the families on the waiting list to ascertain their interest in the program. However, when individual interviews are held covering those interested in participating within our local Housing Choice Voucher program, we anticipate that better than 70% of the applicants will be interested in attaining self-sufficiency and ultimately economic independence. This positive response clearly indicates that the number of eligible families deciding to participate within this program will clearly exceed the number of units allocated to us. Moreover, should a family demonstrate that they are not

interested in participating in the FSS Program; they will be informed that they will not lose their place on the waiting list and will be awarded the next available voucher.

### **III NEEDS ASSESSMENT**

The Municipality has selected the local Section 8 Director to implement the program, assisted by an outside consultant as well as the housing staff in conjunction with the FSS Coordinator, in order to both supervise and structure the required Program Coordinating Committee (PCC) as set forth in existing HUD regulations. This same committee will be comprised of representatives from social services, health and human resources, Federal and State agencies, and local government. The primary PCC function is to assist the PHA in obtaining commitments from both the public and private sectors in the implementation of this program. Additionally, the PCC will be responsible for reviewing this Action Plan, suggest warranted changes from time to time, which are in compliance with existing HUD approved regulations, and submit the same to HUD for approval.

#### **A PROGRAM COORDINATING COMMITTEE-**

The PHA has since organized a Program Coordinating Committee (PCC), which is composed of representatives of our local government as well as representatives from State and Federal Agencies, financial community and child care, will serve as the coordinating body for the Family Self-Sufficiency Program in order to both develop, promote, and implement realistic strategies as well as obtainable goals at the local level so as to promote and coordinate services both public and private as well as to permit eligible families achieve economic independence and self-sufficiency. As previously stated, the members of the PCC have actually participated in the actual development of this same Action Plan and are currently assisting in the implementation of this same program.

The members of this same PCC have received a briefing regarding both the goals and objectives of the FSS program, and have each received a copy of this same document. The reaction has been an overwhelming support for both the program, and its intended purpose to create economic independence among its participants. Additionally all members clearly understand the need to provide these same services to the participants so as to assure the success of the program.

We have no reservations that the successful operation of this same program will greatly enhance the overall economic situation of our local community, by stimulating those who are dependent upon governmental assistance to become economically self-sufficient, which will in the long run enhance the outcome of our locally administered Family Self-Sufficiency Program.

Initially the PCC will meet on a monthly basis during the first year of the program in order to assist in the implementation of the FSS regulations, as well as to provide the necessary oversight and coordination between each participating family and the supportive agencies involved. Following the first year and thereafter, the PCC will meet periodically to evaluate the progress of the program and/or make any adjustments as needed.

This same PCC will act as a source of tapping into local resources, in order to assist the PHA which will be the provider of the services, and the responsible authority for implementing the program. This same responsible authority (PHA) and its local staff will act as the actual program coordinator, whereby each participating family will be led to achieve self-sufficiency and ultimately economic independence. The PCC will then be required to monitor the service providers, so as to assure that the services agreed to are in deed being provided.

Our local PCC will consist of representatives of the following:

- 1). Mayor's office
- 2). Director of the office of Community Affairs
- 3). FSS Coordinator, Housing Choice Voucher Program
- 4). PHA Staff
- 5). Local Head Start Program
- 6). Local Social Service Office from the Commonwealth of Puerto Rico Department of the Family
- 7). University of Puerto Rico - "Servicio de Extensión Agrícola"
- 8). Local Office of the Education Department

- 9). Human Resources Director
- 10). Community - Active Participants
- 11). The Right-to-Work Administration (known in Spanish as “ADT”) from the Department of Labor
- 12). Religious Organizations
- 13). Governor’s Office - Volunteer Service Group of Puerto Rico (known in Spanish as Cuerpo de Voluntarios al Servicio de Puerto Rico)

A description of services and programs available in our community is as follows:

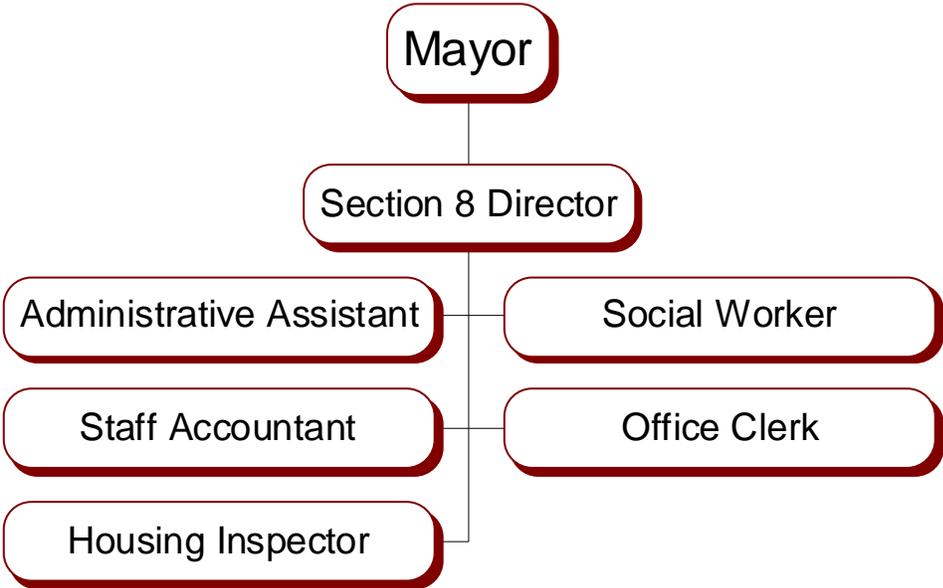
- a. Upward Bound Program - directed to meet academic and counseling needs of students with educational problems.
  1. Cultural activities;
  2. Seminars about study habits;
  3. Economic assistance for continuing education;
  4. Vocational counseling;
  5. Preparation for College Board;
  6. Remedial courses.
- b. Educational Counseling - available for junior-high school students, for these who have a high school diploma and want to continue post secondary studies.
  1. Academic counseling;
  2. Vocational counseling;
  3. Personal counseling;
  4. Seminars about study habits;
  5. Cultural activities;
  6. Placement tests.
- c. WIA Program - this program offers the following services and/or training:

- Institutional training –
  - a. Secondary school;
  - b. Professional sewing;
  - c. TV Production and direction;
  - d. Work experience;
  - e. On the job training.

d. Commonwealth Department of Education - the State Department of Education will contribute to FSS with the following programs and services:

- 1). Adult basic education (1-8 grade);
- 2). Adult Secondary Education (9-12);
- 3). Conversational English Courses (basic, intermediate, advanced);
- 4). Placing Test and Courses, Act. 188;
- 5). Guardianship Services;
- 6). Public Library Services;
- 7). Education at a Distance (preparation for exams, Act. 188);
- 8). One teaches another guardianship.

**IV FAMILY SELF-SUFFICIENCY (FSS) PROGRAM - ORGANIZATIONAL CHART**



## **V RESOURCES AND SERVICES**

The Municipality of Juana Díaz in assessing the needs of prospective participants as well as the types of services which may be needed by individual participating families may contact all the corresponding agencies servicing prospective participants, and provide questionnaires that will provide additional information regarding the types of services needed. Families currently receiving benefits under our tenant-based Housing Choice Voucher Program will be surveyed first, in order to determine both interests and need. Moreover, it is the intent of our locally administered FSS program to identify the needs of participating families thereby delivering such services and activities according to the needs identified. The local PHA in assessing these same needs is currently in contact with local public service agencies that are currently providing services to these prospective participants in order to determine the type of specialized service that each family may require.

A Personal Need Assessment (PNA) form has been developed in order to better assess the individual family needs to determine the type of limitations which the head-of-household is currently confronting as well as the limitations of individual family members. This same assessment will also include the areas of both financial independence and dependence. The intent of course is to determine how well the individual head-of-household is managing financially, given the amount of income received as against expenses.

Coordination will be given to both medical and transportation needs, based upon the individual needs of the participating families. Since the need for such services is determined to be a necessity as part of our self-sufficiency achievement goal, they will be immediately sought out on behalf of the participating families.

## **VI AVAILABLE RESOURCES**

We are herewith providing a description of both public and private resources that are currently available in order to supplement activities under our FSS program.

### **A. Assistance in Counseling**

The local Section 8 Director as well as the local program staff will be made available on a continuous basis so as to provide counseling assistance.

B. Transportation

When necessary, transportation will be made available by existing municipal resources for medical appointments, depending upon the needs and priorities at the time of request. This is at present an on-going service.

C. Education

Existing area wide educational program information will be made available to participants, as well as assistance and general coordination services required for the enrollment of participants, in either day or evening classes. Such costs will be born by the State Government under various existing programs.

D. Vocational/Job Training

Participants will be encouraged to enroll in existing job training programs that are currently allocated by the Department of Labor, which also has as its intent to create self-sufficiency.

E. Child Care/Head Start

Participants will be encouraged when necessary to take advantage of any existing child care programs and/or Head Start Program, so as to assist the participant to seek out and obtain educational and/or marketable skills.

F. Medical

The municipality has at present a local medical facility, which has been privatized by the State Government in order to provide evaluations. This same primary care facility has access to regional and statewide medical facilities at its disposal, and provides, when necessary, both regular and specialized transportation services deemed available.

The Mayor has served noticed upon all municipal agencies of the municipality's participation under this same FSS program, and requested their assistance in providing services to the clientele served by this program.

#### G. Religious Organizations

- 1). Religious Counseling;
- 2). Religious and social activities;
- 3). Referral to other agencies and professionals;
- 4). Human relations, leadership, and communication between parents

## **VII EQUAL OPPORTUNITY HOUSING PLAN AND OUTREACH METHODS**

### **Eligible Families**

A public notice will be published announcing the opening and closing of the waiting list in a newspaper of general circulation. Afterwards the publication will be posted prominently in all local government facilities, and other public buildings informing all interested individuals, families, and groups of both the intent, purpose, and eligibility requirements of the program itself, as well as indicating both the time and place where additional information may be obtained in accordance with existing HUD regulations.

Special outreach efforts such as conducting field canvassing in low income areas, where living conditions are such, as to make existing residents' possible prospects for being participants under this same program. Inform all local civic organizations as well as State agencies located within the Municipality of the existence of the program, and request their assistance in disseminating information regarding the program to their respective members or clientele served.

It should be noted that all notices and outreach methods utilized under the program will be carried out in accordance with both Equal Opportunity and Non-Discrimination laws in existence as they relate to housing.

## **VIII UNITS DESIGNATED**

The Municipality of Juana Díaz has been approved to administer 33 mandatory housing units under the Family Self Sufficiency Program.

<u>UNIT SIZE</u>	<u>NUMBER OF UNITS</u>
<b>2 BR</b>	<b>10</b>
<b>3 BR</b>	<b>17</b>
<b>4BR</b>	<b>6</b>
<b>TOTAL</b>	<b>33</b>

## **IX SELECTION OF PARTICIPANTS**

In accordance with established HUD regulations, participation in our FSS Program will first be offered to actual participating families located within our locally administered Tenant-based Housing Choice Voucher Program. After offering the benefits of this same program to participating families in the regular Rental Housing Assistance Program, it will then be offered to those eligible families currently included on our waiting list.

A public notice will be published in a local Spanish newspaper and special outreach efforts will be made to assure the greatest participation possible. Additionally, any family after having been properly briefed as to the benefits and requirements of the FSS Program, refuses to participate will not lose their eligibility and will continue to be eligible for future assignments under our regular Section 8 tenant-based Housing Choice Voucher Program. The municipality will continue to canvass the waiting list and seek out other eligible families from the community, until all designated units have been filled with qualified participants. No one will be denied participation in the program unless they refuse to accept the intent of the program. Families who may require extensive remedial attention will be accepted, as well as those who are either unemployed or underemployed. The basic requirement of the program in terms of income, need, and desire to become self-sufficient as well as economically independent will be determinants for the selection of participating families.

After the PHA has tentatively selected families for the target service slots, it will use motivational screening factors to determine which families will actually be selected. The PHA will only utilize such acceptable motivational screening factors that solely measure the family's interest and motivation to participate in the FSS Program. All motivational screening tasks will be those that are readily accomplishable by the family, based upon the family members' educational levels.

The PHA will require the following motivational screening tasks such as:

- 1). Attendance at FSS briefing sessions or preselection interviews;
- 2). Completion of certain tasks which indicate the family's willingness to undertake the obligations which are imposed by the FSS Contract of Participation, such as contracting job training, or educational program referrals.

Failure of the family to complete these tasks will result in the family not being selected to participate in the FSS program.

### **Handicapped -**

The PHA will not discriminate against otherwise qualified persons because of any disability. The PHA will do all within its authority to make a reasonable accommodation to the person's disability to allow participation within the FSS Program.

## **X BRIEFING**

Group and individual briefings will be provided to eligible participating families on an on-going basis. The briefing will be programmed and designed in such a manner so as to encourage the implementation of social values, family awareness and values, improve self imaging as well as their self-esteem and create the desire to both succeed and achieve self-sufficiency.

Additionally, individual and group therapy sessions will be held on a regular on-going basis, bringing in various professionals who will make up the PCC, so as to provide encouragement and self-evaluation, as well as assistance in resolving problems at the earliest stage possible. The municipality firmly believes in order to assist individual participant families, direct on-going basis therapy must out of necessity be carried out. It is imperative that in order to sustain human development government entities must integrate all relevant social, economic, political, environmental and cultural elements. The initial briefing will provide eligible participants with the intent of the FSS Program, and how combined with the local PHA staff, the program can assist the participant become self-sufficient, whereby, emphasis will be placed on improving their self esteem and motivation, thus, emphasizing on the essential elements of the

program assuring its success.

Moreover, the initial eligibility requirements, selection process, the number of units assigned to the municipality, introduction to the program's contract, the grievance procedure, will all be covered so as to assure that each participating family is made aware of the requirements and benefits of the program.

#### **A. Initial Briefing**

The following information will be covered by the PHA during the initial briefing session with interested Housing Choice Voucher Program families:

- Objectives and goals of the FSS Program
- Eligibility Requirements
- Selection Process
- Term limits of the Program
- Program requirements and obligations of the family

#### **B. Initial Counseling**

Participants will partake in activities designed to aid individuals' take charge of their living environment and acquire marketable skills. Counseling will be offered regarding drug abuse, health problems including AIDS prevention, youth development, parent-child relationships, money management, and household management.

#### **C. Individual Skills Training**

Participants are expected to become aware of the fact that in order to succeed at work requires a set of basic skills. This training will focus on individual needs assessment. Upon completing the initial training, participants will be interviewed by the PHA's FSS Coordinator followed by the development of a personal needs assessment. This assessment will identify any special needs or limitations that may inhibit the participant from achieving self-sufficiency.

A referral system will be developed in which the FSS Coordinator will coordinate with the support service providers the provision of services and activities which will mobilize resources within both the public and private

sectors in order to achieve self-sufficiency according to the personal needs assessment prepared.

#### **D. Job Training**

During the job training periods, employment service agencies will be utilized to maximize the services offered to the FSS families. Participants will be engaged in job assignments. This process will eventually contribute to a job placement for program participants.

#### **E. Job Placement and Retention**

This final step is designed to increase the probability that participants will find and retain the job acquired. With this initial support and continued encouragement as well as progress monitoring will permit participants to develop and obtain established goals until achieving economic independence and self-sufficiency.

### **XI POLICIES**

#### **A. Contract Provisions**

The Contract of Participation is an agreement between the PHA and the family which sets both provisions of FSS Program and the obligations of the family. It includes an individual Training and Service Plan, designed especially for the participant.

The contract describes:

1. The resources and appropriate supportive services which will be made available to the family under the FSS Program.
2. The PHA authority to terminate or withhold FSS supportive services and to terminate housing assistance if the family fails to comply with the contract requirements.
3. The family's requirements to fulfill the obligations to which it has committed itself no later than 5 years after entering into the contract, up to a maximum of 7 years.

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 person's training and available job opportunities.

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

### **B. Change in the Contract**

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

1. Number and identify of household members who will participate;
2. Family Self-Sufficiency designated head;
3. Supportive Services to be provided as the family's needs and interest change.
4. Changes must be consistent with local program objectives and approved by the PHA.

### **C. Extensions on the Contract**

The contract may be extended for up to two years beyond the original 5-years but it must be for a good reason such as the involuntary loss of employment. The family will continue to receive escrow credits during this period of extension. Upon completion of the 5-year period within the program, the family has the right to request an extension in writing and the decision will be made by the Housing Director. The extension will be granted under the following conditions:

1. It can be easily demonstrated that the family has been complying with the conditions set forth within the Contract of Participation.
2. That the family truly needs the extension in order to finish the Contract.

Non performance of the employment provision of the Contract by the head of household is not a reason to extend the contract.

#### **D. Transitional Assistance**

Continued provision of Family Self-Sufficiency supportive services can be afforded to the family under this condition:

- The family has completed the Contract of Participation. Family is employed and the continuation of support services would assist the family to remain self sufficient.

#### **E. Termination of the Contract of Participation**

The Contract may be terminated for these reasons:

1. Mutual consent of the parties;
2. Failure of the family or a member of the family to honor the terms of the contract;
3. Achievement of self-sufficiency by the family;
4. Expiration of the contract term and extension hereof;
5. The family's withdrawal from the program;
6. By such, other Act as is deemed inconsistent with the FSS Program;
7. By operation of Law.

## **F. Termination of Assistance**

The Housing Choice Voucher Program has a provision for the termination of assistance if an FSS family fails any of the requirements of the Contract. This is true even if the FSS head is different from the head of household for the Voucher Program. Since this is, a “may”, the PHA can set up the conditions for termination of the assistance in accordance with our Administrative Plan.

When the family has tried and failed to find employment, the PHA can terminate participation, but may choose not to terminate the tenant-based Rental Assistance. If the Municipality of Juana Díaz determinates to terminate rental assistance, the grievance procedure established under our Administrative Plan will be adhered to.

## **XII OTHER INFORMATION TO DETERMINE THE SOUNDNESS OF THE PROGRAM**

### **ESCROW ACCOUNT**

The Municipal Section 8 accounting division, in conjunction with the Finance Department, will establish an 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 will be credited to the escrow account the lesser of thirty percent of current monthly adjusted income less the family contribution obtained by disregarding any increase in earned income during the service of the execution of the Contract of the Participation.

If the participant needs to draw down on their escrow dollars, they may do so up to 25% of the total amount saved in the account for any reason, as established in their Contract of Participant. The family must request the draw-down in writing and this same request will be reviewed by the Federal Funds Director in conjunction with the FSS Coordinator and authorized so long as the family is complying with their Contract of Participation and are in good standing with the overall program regulations.

Once the family has completed and complied with the Contract of Participation, they may request the full amount saved in their escrow account. They must present their request in writing, whereby the family will certify that they are no longer receiving public assistance of any kind with the exception of

Social Security and/or Child Support. For purposes of this Action Plan, the request presented for payment is defined as a notarized affidavit indicating that the family has completed the program, is no longer receiving welfare payments and/or public assistance as well as requesting the draw down of the funds saved in their escrow account.

However, if the family does not complete and/or comply with the Contract of Participation, the Municipality of Juana Díaz can decide to terminate participation in the FSS Program but not the rental assistance. If the PHA decides to terminate the family from participating in the FSS Program, but not the rental assistance, the family will lose the amounts saved in their escrow accounts as a penalty for not completing the Program. In order for the PHA to terminate rental assistance, the participating family must have breached the Statement of Family Responsibility. The grievance procedure established, in our HUD approved Administrative Plan, will be adhered to.

### **XIII PROGRAM EVALUATION**

The evaluation of any program is totally dependent upon the extent the program has achieved the intent of the enabling legislation which created the program. In order to measure the project's success will be assessed in terms of the self-sufficiency goals achieved.

In the case of the FSS program, the municipality will be evaluating this same program due to its limited size on an on-going basis, as well as a formal evaluation in accordance with the enclosed timetable.

#### **Individual Evaluation-**

Individual family evaluation in determining success of the participants, which will be measured in terms of the goals established under the Self-Sufficiency Program. This evaluation will take place on an on-going basis so as to be able to discover problems and/or special assistance that may be required.

Achievements in the following areas of individual attainment will be reviewed:

1. Present increase in income
2. Educational attainments

3. Skills attained
4. Employment
5. Improvement in self-image, self-esteem and motivation

#### **XIV EXPANSION OF THE CURRENT FSS PROGRAM**

If applicable along with sufficient funding, the FSS Program will be expanded under QWHRA's discretionary authority afforded to the Local Housing Agencies. The current FSS Program will be expanded by 10% of the current stock should actual participating families demonstrate their interest in participate in this same program.

#### **XV CONCLUSION**

As initially stated within this same Action Plan, it is the clear intent of this same local PHA, to both create and implement an effective and viable Family Self- Sufficiency Program (FSS) at the local level that is in total compliance with existing regulations as are promulgated by the United States Department of Housing & Urban Development (HUD).

We feel rather strongly, that an effective program will not only improve the quality of life of the eligible participating families, but equally as important, it will add to our local economic base by removing another family from the dependency rolls, and serve as encouragement for similar families to follow.



*Commonwealth of Puerto Rico*  
*Municipality of Juana Díaz*  
*“La Ciudad del Mabi”*  
RQ038

**ADMINISTRATIVE PLAN**  
**HOUSING CHOICE VOUCHER PROGRAM**



**HON. RAMÓN A. HERNÁNDEZ TORRES**  
**MAYOR**

**MARÍA M. BOGLIO RENTAS**  
**SECTION 8 COORDINATOR**



*Revised April 2006*



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# CHAPTER 1

## STATEMENT OF POLICIES AND OBJECTIVES

### Introduction

The Section 8 Program was enacted as part of the Housing and Community Development of 1974, which amended the US Housing Act of 1937. From its inception through consolidation of the Section 8 Certificate and Voucher Programs under the Quality Housing and Work Responsibility Act of 1998, and up until the present, the history of the tenant-based rental assistance program for low income renters, has been one of growth, refinement, and responsive in meeting the needs of low-income families, physically challenged individuals and elderly households in meeting their needs of securing decent, safe and affordable housing. The tenant-based Section 8 programs is federally funded and administered by the Municipality of Juana Díaz through its Federal Funds Office.

Furthermore, the aim of the Municipal Tenant-Based Program is to assist families during financial distress, while gradually reducing the amount paid by the program in an efficient manner as well as motivating these same families. The Municipality of Juana Díaz has adopted the following mission statement:

- *To assist families during financial distress, provide affordable, decent and sanitary housing, while promoting economic opportunities and motivation, so that these same families may achieve economic independence.*

The Municipality of Juana Díaz has revised its administrative plan so it may cover the merger of the Certificate and the Voucher Program, respectively, according to the Quality Housing and Work Responsibility Act of 1998, 24 CFR 903, Section 545. All references hereinafter are to the regulations currently in effect for the Housing Choice Voucher Program, as they may be amended. Except as expressly provided herein, all of the provisions of the Municipality of Juana Díaz Administrative Plan for the Voucher Program will apply to all programs that are currently being administered by this Municipality.

It should be noted that the Municipality has established a Section 8 Office to administer the Housing Choice Voucher Program as well as any other tenant-based (Section 8) subsidized housing program in order to aid financially disadvantaged families meet their housing needs. The following program is administered by the

Municipality of Juana Díaz:

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

Administration of the Housing Choice Voucher Program and the functions and responsibilities of the Public Housing Agency (PHA) staff shall be in compliance with the Municipality of Juana Díaz' Personnel Policy and the Department of Housing and Urban Development's (HUD) Section 8 Regulations as well as Federal, State and local Fair Housing Laws.

### Jurisdiction

The jurisdiction of the PHA is within the Municipality of Juana Díaz. The Municipality is located in the southern coast of Puerto Rico. It borders to the north with the Municipality of Orocovis, Jayuya, Ciales and Villalba, to the west with the Municipality of Ponce and to the east with the Municipalities of Coamo and Santa Isabel, respectively. The Caribbean Sea boards the Municipality to the south.

#### A. Purpose of the Plan [24 CFR 982.54]

The purpose of this Administrative Plan is to delineate the corresponding policies to be carried out by the program staff in a manner consistent with HUD requirements, local goals and objectives, which are contained within the Agency Annual Plan.

The Municipality of Juana Díaz is responsible for complying with all changes in HUD regulations. If such changes conflict with this Plan then HUD regulations will prevail. The Municipality will revise this Administrative Plan as needed to comply with changes approved and enacted in HUD regulations. This same plan is a supporting document to the PHA Agency Plan, and is available for public review as required by 24 CFR 903.17.

Applicable regulations included:

- |                  |   |
|------------------|---|
| 24 CFR Part 5:   | General Program Requirements                          |
| 24 CFR Part 8:   | Nondiscrimination                                     |
| 24 CFR Part 982: | Section 8 Tenant-Based Housing Choice Voucher Program |

Local rules that are made part of this plan are intended to promote local housing objectives consistent with the intent of the federal housing legislation.

B. Rules and Regulations [24 CFR 982.52]

This same plan is set forth to define the Municipality's local policies for the operation of the housing program in the context of federal laws and regulations. All issues related to Section 8 not addressed in this document are governed by Federal Regulations, HUD memos, Notices and guidelines, or other applicable laws. The policies that have been delineated in this Administrative Plan have been done so as to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

With the merger of the Section 8 Certificate and Voucher Programs, respectively, the purpose of this administrative plan is to establish achievable policies for items not covered under Federal regulation for the Housing Choice Voucher Program. Other subsidized housing Programs are covered by this same plan, as well. The following have been repealed under the QHWRRA regulations recently enacted:

1. Take one-take all;
2. Shopping incentive;
3. 3-month holdback;
4. Federal preferences have been eliminated.

The following will be adhered to by the PHA:

- The Municipality will promote a greater choice of housing opportunities for eligible families beyond the Municipality's jurisdiction or MSA, when necessary.
- Families holding a voucher will be advised that it is their responsibility to find an existing unit suitable to their individual needs within the PHA's jurisdiction or MSA.
- By no means will the actions of the Municipality reduce, directly or indirectly, the opportunities of the family to choose among the available units in the housing market.

- The voucher holder will be advised that he or she may select a unit which he already occupies if the unit qualifies as existing housing and meets or can be made to meet the Housing Quality Standards.
- Upon request, the Municipality will provide, without limiting opportunities of families to select assistance in finding units to those families who because of age, handicap or other reasons are unable to locate such approved housing units.
- Information on available units which may become available to the Municipality because of its program and outreach efforts to attract new owners, will be posted in the owners' registry and in no way will the Municipality direct a family to a specific property thus limiting their right to choose and select.
- Where a family alleges that illegal discrimination is preventing them from finding a suitable unit the Municipality will provide reasonable assistance in this matter by directing the aggrieved to the necessary agencies.
- When circumstances permit, communication with neighboring PHA's will be established to offer available vouchers to families which may be participating in the Housing Choice Voucher Program of the other PHA but are contemplating moving to the area of operation of the Municipality.

C. Mission Statement for the Municipality of Juana Díaz

To provide quality and affordable housing to eligible low-income residents of the Municipality of Juana Díaz as well as establish the necessary partnerships so that they can achieve personal goals related to: (1) Literacy and education; (2) Health and wellness; (3) Job training and employment leading to economic self-sufficiency and homeownership. The Municipality of Juana Díaz strives to support this mission by ensuring integrity in our operational and financial management while providing the following:

- Good stable housing through diligent upkeep, new development and high utilization of Housing Choice Vouchers as well as recruiting good private landlords;
- Safe environment where the residents live and employees work;

- ❑ Social services delivered directly and through community partners intended to empower residents as well as improve their quality of life;
- ❑ Human Resources training and staff development to enable employees to be highly productive, efficient and above all customer service oriented.

D. Local Goals and Objectives [24 CFR 982.1]

The Housing Choice Voucher Program is designed to achieve the following:

1. Consolidate the Section 8 Voucher and Certificate Programs into a single market-driven program.
2. To promote freedom of housing choice and spatial deconcentration of extremely low income and minority families.
3. To provide decent, safe and sanitary housing for eligible families.
4. To provide affordable quality housing, services and opportunities to low-income families, while ensuring a continuum of housing opportunities for all program participants.
5. To provide a broad range of redevelopment activities directed toward building and strengthening communities.
6. To provide improved conditions for extremely low-income families while maintaining their rent payments at an affordable level.
7. To create incentives and economic opportunities for residents that are assisted by PHAs to work and become self sufficient.
8. Increase accountability and reward effective management of PHAs.
9. To provide an incentive to private owners to rent their dwelling units to families that are economically distressed, whereby, timely assistance payments are offered as well as protection against unpaid rent, damages, and vacancy loss.

10. To develop and implement a strong financial management system so as to ensure HUD's goal of improving efficiency and oversight to make certain that the correct amount of assistance goes to the families that need it the most.
11. To develop and strengthen the effective utilization of the Upfront Income Verification process (UIV) geared towards gathering information to verify the household income of program participants. This is a key strategy in reducing income and rental errors attributable to unreported income and to increase accuracy and efficiency in determining family eligibility and computing rent calculations.
12. To develop strategies to coordinate the use of housing assistance under the Housing Choice Voucher Program with public and private resources, to enable eligible families that receive assistance under this same program achieve economic independence and self-sufficiency.
13. Compliance with the Rental Integrity Improvement Project (RHIIP) as established in HUD regulations so as to assure improving any and all deficiencies detected during RIM Reviews and/or SEMAP Certifications conducted by HUD or its designee.

E. Fair Housing Policy [24 CFR 982.54(d)(6)]

The Municipality of Juana Díaz is committed to affirmatively further fair housing in the administration of its tenant-based Section 8 program. It is the policy of the Municipality to comply fully with all Federal, State, and local nondiscrimination laws, the Americans with Disabilities Act, and with HUD rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

The Municipality of Juana Díaz shall not deny any family or individual the equal opportunity to apply for or receive assistance under its locally administered Section 8 Program on the basis of race, color, sex, religion, creed, national or ethnic origin, familial status, handicap or disability.

To further its commitment with full compliance of applicable Civil Rights laws, the Municipality will provide Federal and State information to Voucher holders regarding unlawful discrimination and any recourse available to families who believe they are victims of discriminatory acts. 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 from the staff.

Except as otherwise provided in 24 CFR 8.21(c)(1), 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.

The Municipality will comply with all Equal Opportunity requirements, both State and Federal such as:

1. The Fair Housing Act, 42 U.S.C. 3610-3619 (implementing regulations at 24 CFR parts 100, et seq.);
2. Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d (implementing regulations 24 CFR part 1);
3. The Age Discrimination Act of 1975, 42 U.S.C. 6101-6107 (implementing regulations at 24 CFR part 146);
4. Executive Order 11063, Equal Opportunity in Housing (1962) as amended. Executive Order 12259, 46 FR. 1253 (1980), as amended. Executive Order 12892, 59 FR. 2939 (1994) (implementing regulations at 24 CFR part 107);
5. Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794 (implementing regulations at 24 CFR part 8); and
6. Title II of the Americans with Disabilities Act, 42 U.S.C. 12101, et. Esq.
  1. For the application of equal opportunity requirements to an Indian Housing Authority, see 24 CFR 950.115.
  2. The Municipality must submit a signed certification to HUD of the PHA's intention to comply with the Fair Housing Act, Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, Executive Order 11063, Section 504 of the Rehabilitation Act of 1973 and Title II of the Americans with Disabilities Act.

To further its commitment to full compliance with applicable Civil Rights laws, the Municipality will provide Federal/State/local information to applicants for and participating household in the Section 8 program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available during the applicant briefing session, and all applicable Fair Housing Information and

Discrimination Complaint Forms will be made a part of the Voucher holder's briefing packet.

F. Statement Regarding the Steps the Municipality Will Take to Affirmatively Further Fair Housing

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

**ACTIVITIES:**

**REVIEW OF EXISTING HOUSING PROGRAM**

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

1. In order to provide a suitable living environment, promote fair housing and remedy discrimination as well as encourage fair housing choice for families living in assisted housing, regardless of race, color, religion, national origin, sex, familial status, and disability will be assured of because of the orientation offered to new or incumbent families and owners during their prospective briefing sessions which are held before the execution of the HAP contract and during the initial session held for prospective participants. Brochures will be prepared and handed out covering Fair Housing in both Spanish and English and these same brochures will be included in the owners' and participants' packet, respectively.
2. After a thorough review of our records and programs, each staff member of our Municipality is uniquely aware of the existing Fair Housing laws and the importance of adherence to these same laws by the family, owner and staff. They have been instructed on the applicability of these same laws and how they must brief and/or provide proper orientation to a new as well as actual owner or family.
3. The measures that will be undertaken to insure accessible housing to persons with all varieties of disabilities regardless of unit size are as follows:

- (a) The local Housing Inspector will receive the proper training so that when a prospective home has been inspected, it complies not only with established HQS, but also with the American Disabilities Act.
- (b) Brief the owner concerning established local and federal laws on how to make the prospective dwelling unit comply with said laws and HQS, as established by HUD.
- (c) Revise the payment standard in accordance with our plan so as to assure owner acceptance as well as the incentive to invest and make the dwelling unit an accessible unit for individuals with disabilities.

#### **COORDINATION BETWEEN PUBLIC/PRIVATE RESOURCES**

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

#### **COORDINATING INFORMATION/REGULATIONS**

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

#### **CREATE AWARENESS OF LEAD BASE PAINT HAZARDS**

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

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

## ACTIVITIES:

### COMPLYING WITH EXISTING REGULATIONS

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

#### G. Assistance to families that claim illegal discrimination

The Municipality of Juana Díaz aids families that claim illegal discrimination by including discrimination complaint forms (in Spanish) in every briefing packet to new voucher holders and handing out forms to current participating families upon request, and by directing the aggrieved to the necessary agencies.

The following steps will also be undertaken by Section 8 Housing staff:

1. Services provided to families who allege they encountered discrimination after finding a unit.

The Municipality will make available the necessary informational forms and will assist where feasible with filing of any discrimination allegations. Applicants will be reminded of their Civil Rights and will be referred to the appropriate Agency for further action. The Municipality may also contact the owner to discuss the equal housing laws and ascertain if there is any discrimination.

2. Assistance given to Housing Choice Voucher holders in the exercise of their rights under Federal and State law.

Members of the staff are familiar with existing anti-discrimination statutes and responsible for assisting the Housing Choice Voucher program participants in exercising their rights and filling out their discrimination forms required by HUD. They are familiar with referring a family and/or individual to the proper agency.

3. Information on State and Federal Fair Housing laws and use of HUD Form-903 to provide as follows.

The Fair Housing Laws are outlined in the new voucher holder's information packet and are gone over during the briefing by the housing staff. Fair Housing posters are located throughout the Municipal Section 8 Office.

H. Reasonable Accommodation Policy [24 CFR 100.202]

It is the policy of the Municipality of Juana Díaz to be service oriented in the administration of our housing program as well as to exercise and demonstrate a high level of professionalism while providing housing services to families.

A participant with a disability must first ask for a specific change to a policy or practice as accommodation of their disability before the Municipality will treat a person differently than anyone else. The Municipality's policies and 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 as well as related services. The availability of requesting an accommodation will be made known during the briefing of Voucher holders as well as sensitivity training of the staff so that they in turn may advise anyone needing such a service. 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, but not limited to, when a family initiates contact with the Municipality, when the Municipality initiates contact with a family including when a family applies, and when the Municipality 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;
- ✓ Being regard 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 24 CFR 5.403, 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 is 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, the Municipality will require that a professional third party competent to make the assessment provide a 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.

If the Municipality finds that the requested accommodation creates an undue administrative or financial burden, the Municipality will 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 the Municipality (i.e., waiving a family obligation). An undue financial burden is one that, when considering the available resources of the Agency as a whole, the requested accommodation would pose a severe financial hardship on the Municipality.

The Municipality will provide a written decision to the person requesting the accommodation within 15 days. If a person is denied the accommodation or feels that the alternative suggestions are inadequate, they may request an informal hearing to review the Municipality's decision as set forth within this same plan.

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 written consent of the person with the disability. All Municipal mailings will be made available in an accessible format upon request, as a reasonable accommodation.

I. Verification of Disability

The Municipality will verify disabilities under definitions in the Fair Housing Amendments Act of 1988, Section 504 of the 1973 Rehabilitation Act, and Americans with Disabilities Act.

J. Management Assessment Objectives

The Municipality of Juana Díaz operates its housing program resources in a manner that reflects its commitment to quality and service. The Municipality's policies and practices are consistent with the areas of measurement for the following HUD SEMAP indicators:

- ✓ Selection From the Waiting List
- ✓ Reasonable Rent
- ✓ Determination of Adjusted Income
- ✓ Utility Allowance Schedule
- ✓ HQS Quality control Inspections

- ✓ HQS Enforcement
- ✓ Expanding Housing Opportunities
- ✓ Payment Standards
- ✓ Annual Re-examinations
- ✓ Correct Tenant Rent Calculations
- ✓ Pre-Contract HQS Inspections
- ✓ Annual HQS Inspections
- ✓ Lease-Up
- ✓ Family Self-Sufficiency Enrollment and Escrow Account Balances
- ✓ Deconcentration Indicator

A PHA supervisor will perform supervisory quality control reviews or other qualified person other than the person who perform the work, as required by HUD, on the following SEMAP factors:

- ✓ Selection from the Waiting List
- ✓ Rent Reasonableness
- ✓ Determination of adjusted Income
- ✓ HQS Enforcement (See Attachment A)
- ✓ HQS Quality Control (See Attachment A)

The annual sample of files and records will be drawn in an unbiased manner, leaving a clear audit trail. The minimum sample size to be reviewed will related directly to each factor.

J. Staff Functions

The following functions will be performed by the local Section 8 housing staff:

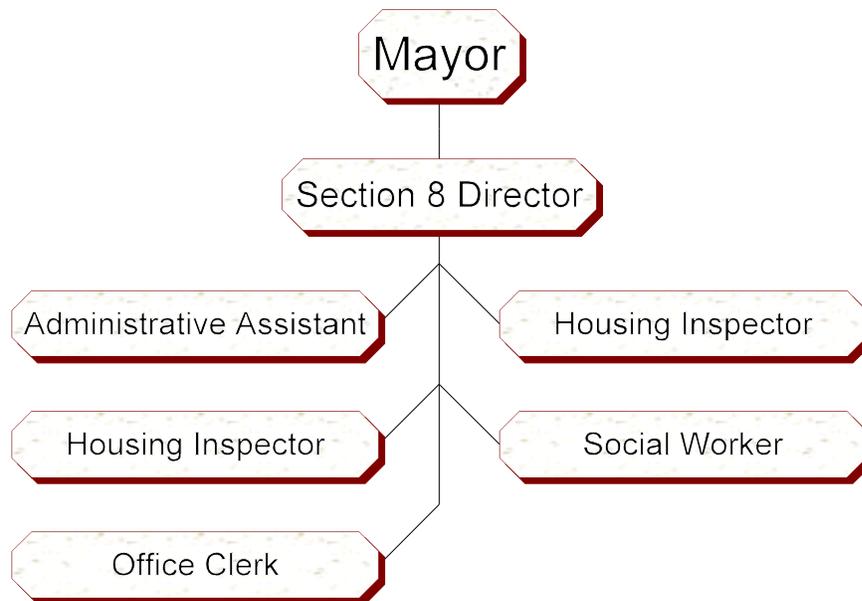
- ✓ Prepare all necessary documents, budget, forms, and any files, which may be required for the efficient administration of the program.
- ✓ Prepare and/or adapt the necessary forms, information, instructions, and material required for the organization and implementation of the subsidized housing program.
- ✓ During the leasing schedule and intake period, the staff will coordinate, supervise, organize, and actively participate in the following:
  - a. Outreach to eligible families and homeowners;
  - b. Determination of family eligibility and tenant selection, so as to ensure compliance with income targeting as stipulated in QHWRA. (See Attachment B);
  - c. Verification of income and determination of total tenant payment. (See Attachment C);
  - d. Briefing the family of the various subsidized housing programs approved by HUD and administered by the Municipality;
  - e. Briefing the family and issuance of vouchers;
  - f. Compliance by homeowners of Housing Quality Standards as established by existing HUD regulations as well as the required initial, interim and annual inspections;
  - g. Lease approval and contract execution in accordance with existing regulations;
  - h. Provision of housing information and services to recipient families;
  - i. Conduct initial, interim and annual certifications as required by HUD regulations;

- j. Briefing of the family on established regulations concerning mobility and portability to ensure compliance with QHWRA of deconcentration of families;
- k. Prompt HAP payments to participating homeowners;
- l. Briefing of the families and participating homeowners concerning existing HUD regulations about terminations and evictions;
- m. Monitoring applicable payment standards as established under QHWRA which is to be set between 90%-110% of the Fair Market Rents for the PHA jurisdiction;
- n. Assure compliance of security deposits and claims for damage and unpaid rents;
- o. Compliance by families in the FSS Program, management of the FSS Escrow Account and proper disbursement of monies to the participating families of this same Program;
- p. Compliance by Families in the other subsidized housing programs that maybe administered by the Municipality;
- q. To develop and implement a strong financial management system so as to ensure HUD's goal of improving efficiency and oversight to make certain that the correct amount of assistance goes to the families that needed it the most;
- r. Compliance with Upfront Income Verification (UIV) process as prescribed by federal regulations.
- s. To develop strategies to coordinate the use of housing assistance under the Housing Choice Voucher Program with public and private resources, to enable families eligible to receive assistance under this same program to achieve economic independence and self-sufficiency;
- t. Briefing of families concerning the policy for informal hearing for denial, reduction and/or termination of assistance as required by existing HUD regulations.

K. Program Staffing

The Housing Choice Voucher Program extends the PHA's fiscal responsibility and flexibility to manage subsidy funds and administrative costs in an efficient manner in accordance with QHWRA, section 502(b). Whereby, 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 is as follows:

## MUNICIPAL ORGANIZATIONAL CHART



L. 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 Statement and describes the conditions under which HUD/PHA will release family information. The Municipality will comply with the Privacy Act in the collection, maintenance, use and dissemination of Social Security Numbers (SSN) and information obtained from SSN's as well as income.

The Municipality of Juana Díaz's policy regarding release of information is in accordance with State and local laws which may restrict the release of family information. Furthermore, any and all information which would lead one to determine the nature and/or severity of a person's disability must be kept in the client's file, which is confidential, or returned to the family member after its use. The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation is under consideration. All requests for access and granting of accommodations based on this information must be approved by the Mayor and/or the Section 8 Director.

The PHA's practices and procedures are designed to safeguard the privacy of applicants and program participants. All applicant and participant files will be stored in a secure location which is only accessible by authorized staff. The 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. ***ALL FILES MUST BE SIGNED FOR WHEN REMOVED FROM THE SECURED FILE STORAGE AREA.***

Needless to say, the Privacy Act of 1974 prohibits the Municipality from disclosing any record which is contained in a system of records by any means of communication to any person, or to another person except pursuant to a written request by, or with prior written consent of the individual to whom the record pertains, except as noted in 3-6 of HUD's Privacy Act Handbook and 5 U.S.C. Section 552A(b). The Municipality will comply, on a case by case basis, with information regarding possible fugitive felons and/or parole or probation violators as required by Section 28 of the U.S. Housing Act of 1937.

Notwithstanding, a Federal, State or local enforcement officer must submit a request that is:

- (1) Written;

- (2) On law enforcement agency letterhead;
- (3) Has to be signed by the requesting officer and his or her immediate supervisor.

The request for information must provide the name of the fugitive felon and/or parole or probation violator being sought, and may include other personal information used for identification. This request must comply with the following:

- (1) Notify the Municipality that the fugitive felon and/or parole or probation violator:
  - i. Is fleeing to avoid prosecution, custody or confinement after conviction, under the laws of the place from which the individual is fleeing for a crime, attempt to commit a crime, which is a felony under the laws of the place from the which is fleeing from;
  - ii. Is violating a condition of probation or parole imposed under Federal or State law;
  - iii. Has information that is necessary for the officer to conduct his/her official duties.
- (2) The location or apprehension of the recipient is within such officer's official duties;
- (3) The request is made in the proper exercise of the officer's official duties.

M. Policy statement about a family to prospective owners  
[24 CFR 982.307(b)]

In accordance with HUD regulations, the Municipality will provide the following information about participating families wanting to lease a specific unit to the owner for purposes of tenant screening. Furthermore, the Municipality will make exceptions to this policy if the family's whereabouts must be protected due to domestic violence or witness protection programs.

1. A participant's current address as shown in the Municipality's file;
2. A participant's prior address as shown in the Municipality's record;

3. The name and address, if known, of the landlord at the participant's current and prior address.

The Municipality will inform owners that this is the owner's responsibility to determine the family's suitability as a tenant. Owners will be encouraged to screen prospective families. All owners will be so advised that they may consider a family's background with respect to such factors as:

- Payment of rent and utility bills;
- Caring for the unit and surrounding premise;
- Respect for the rights of others to the peaceful enjoyment of their dwelling unit;
- Drug related criminal activity or other criminal activity that may indeed pose a threat to the life, safety or property of others;
- Compliance with other essential condition of tenancy.

The Municipality believes that the release of past history of a given family may in fact block the family's efforts to find suitable housing. Also, this same family may have changed both their attitude and behavioral patterns for the better. The Municipality will give every applicant/ participant family a copy of this policy about providing information to prospective owners. The Municipality will provide the same type of information to all families and owners.

N. The Municipality of Juana Díaz's Code of Conduct

The public expects, and has a right to demand, that public employees maintain a high standard of ethical conduct. Maintaining the trust of the public means properly using government resources, information and power, which entails ensuring that the public sector serves the public and the Government of the day. Moreover, it means putting public interest before self interest as well as operating by the rules, the Acts, and guidelines which are designed to protect the public interest.

At all levels of government, officials should be sensitive to the actions they may take to create an appropriate control environment. People within any organization, be it government or private, must be convinced that senior officials believe that effective controls are essential and expect that each member of the organization will adhere to prescribed control procedures. The atmosphere that

prevails in the form of control discipline, attitude and awareness significantly affects an organization's ability to achieve an effective level of control, implementation and execution. The factors which influence the level of discipline, attitude and awareness comprise the control environment.

It is useful to reflect on a number of control areas which, in terms of the significance usually attached to them, make an important contribution to the government control environment. The control environment is directly influenced by the degree of oversight formally exercised by a legislative body. While the presence of an appropriate level of legislative oversight can have a positive influence on the control environment, it should also be recognized that an operative but an ineffective oversight role may have the opposite effect. Within most levels of government, a civil service or comparable personnel system exists to provide, among other things such as benefits, equity in job assignment, promotion and pay. The existence of a system of control over the establishment of positions, the life of such positions, and the qualifications and status of the employees who occupy positions has a major influence on control discipline and awareness.

Most units of government have instituted sophisticated procurement systems and procedures. These often complex procedures have been adopted in an attempt to:

1. To ensure equity in selection of vendors;
2. To ensure uniformity in the application of procurement procedures.

Bearing this in mind, the Municipality of Juana Díaz established and implemented a Code of Conduct and Ethics, which sets forth the conduct required by Municipal employees, including the staff of the Municipal Section 8 Office. The Code of Conduct and Ethics derives from various pieces of legislation such as the Human Resources Law for Public Servants (PL#5, October 14, 1975), the Municipal Autonomous Law (P. L. #81, August 30, 1991), Governmental Ethics Law of the Commonwealth of Puerto Rico, Law #12, July 24, 1985, Article 2 of the Civil Code and Article 20 of the Penal Code, 1974. All applicable regulations regarding the enforcement of the code of ethics are mandated by State regulations and are enforced by the State Office of the Controller and the State Office of Government Ethics.

The Code of Conduct and Ethics is based on principles, values, and behaviors outlined in the legislation and common law which establishes certain minimum standards or general obligations applying to the parties to any employment relationship. The Code is a formulation of policies, rules or guidelines that define the specific actions applicable to the employees of the Municipality of

Juana Díaz for a range of specific ethical issues, integrity and conduct.

The Municipality is a complex organization comprising a diversity of populations that have different relationships to one another. These may be relations of power and/or status. It is essential in such a society that all members recognize and respect not only their own rights and responsibilities, but also the right and responsibilities of other members of the community and those of the municipal staff. Cognizant of this fact, the Municipality of Juana Díaz delineated and adopted a Code of Conduct and Ethics that will hereby adhered to by the employees of the Municipality. The following constitutes the Code:

## **1. Introduction**

The Code of Conduct and Ethics, hereinafter referred to as the Code, is a statement of the ethical principles, values and behaviors expected of the employees of the Municipality of Juana Díaz. It stems from the belief that the values of openness, honesty, tolerance, fairness and responsibility in social and moral matters are fostered by the Municipality. The Code is intended to assist employees to identify and resolve ethical issues that might arise during their employment with the Municipality. Moreover, the Code puts forward a set of general principles rather than detailed determinations. The principles of the Code do not specify every potential act of behavior but rather, establish the obligations generally expected of the employees of the Municipality in their relationship with Government, their chief executive, colleagues, and the public. It stands beside, but does not exclude or replace, the rights and obligations of the staff under common law.

The first principle of the Code is concerned with public servants' obligations to Government in the performance of their official duties. Essentially, the first priority for public servants is to carry out Government policy. In doing so, they are expected to act in a manner which will bear the closest public scrutiny. Employees are obliged to serve the aims and objectives of the Municipal Government. Employees should ensure that their personal interests or activities do not interfere with, or appear to interfere with this obligation.

## **2.. Code of Conduct and Ethics**

The Code of Conduct and Ethics establishes six principles of conduct which all public employees of the Municipality of Juana Díaz are to expected to observe and adhere to:

- A. There are a number of circumstances which may affect an employee's observance of these obligations, and the Code therefore provides guidelines for an appropriate conduct in a variety of contexts.

- B. In performing their duties, Municipal employees should respect the rights of their colleagues and the public.
- C. Employees should carry out their duties in an efficient and competent manner, and avoid behavior which might impair their effectiveness.
- D. Employees should fulfill their lawful obligations with professionalism, honestly, faithfully, efficiently, and avoid situations which might compromise their integrity or otherwise lead to conflicts of interest.
- E. Develop a consciousness understanding with the Municipal employees about what constitutes just cause in any disciplinary action taken.
- F. To assist those employees who are demonstrating a conduct that is contrary to these same rules as they are outlined in this chapter.

### **3. Rules of Conduct**

- A. A municipal employee must behave honestly and with integrity in the course of employment with the Municipality of Juana Díaz.
- B. A municipal employee must act with care and diligence in the course of employment with the Municipality of Juana Díaz.
- C. A municipal employee must comply with lawful and reasonable directives given by someone in the employee's Agency who has authority to give such operating instructions. In other words, the municipal employee shall not commit insubordination. For purposes of this rule, insubordination shall be defined as not submitting to authority, being insolent or refusing without just cause to comply with instructions.
- D. A municipal employee, when acting in the course of employment with the Municipality of Juana Díaz, must treat everyone with respect, courtesy and without harassment.

- E. A municipal employee must maintain appropriate confidentiality about dealings with the Mayor, the Mayor's Staff Members and the general public.
- F. A municipal employee must disclose, and take reasonable steps to avoid any and all conflict of interest (real or apparent) in connection with their employment with the Municipality.
- G. A municipal employee must use the Municipality of Juana Díaz resources in an efficient and proper manner.
- H. A municipal employee must not provide false or misleading information and/or testimony in response to a request for information that is made for official purposes in connection with their employment with the Municipality of Juana Díaz.
- I. A municipal employee when acting in the course of employment with the Municipality of Juana Díaz must comply with all applicable Commonwealth of Puerto Rico as well as all Federal Laws enacted by the Congress of the United States. For purposes of this rule, Commonwealth of Puerto Rico and Federal Laws, respectively, means:
  - 1. Any Act, or any instrument made under an Act;
  - 2. Any Law of the Commonwealth of Puerto Rico or Federal, including any instrument made under such a law.
- J. A municipal employee must not make improper use of:
  - 1. Inside information;
  - 2. The employee's duties, status, power, or authority;

In order to gain, or seek to gain, a benefit or advantage for the employee or for any other person.

- L. A municipal employee must at all times behave in a way that upholds the values, integrity and good reputation of the Municipality of Juana Díaz.
- M. A municipal employee representing the Municipality of Juana Díaz, within the Commonwealth of Puerto Rico or abroad, must at all times behave in a way that upholds the good reputation of the Municipality. For purposes of this rule, aboard is defined as visiting any foreign country or the United States mainland.
- N. No Municipal employee may accept or solicit any gift, favor or service that might reasonably tend to influence the office or employee in the discharge of official duties or that the officer or employee knows or should know is being offered with the intent to influence the independence of judgement in the performance of the officer's or employees' official duties.
- O. No municipal employee may engage in business or professional activity for personal gain on Municipal property. For purposes of this rule, business or professional shall be defined as selling, buying, loaning or any other particular activity so as to benefit and/or obtain benefit from it.
- P. Failure to follow instructions, inattentiveness or inability by the employees of the Municipality of Juana Díaz from the Agency head constitutes an infringement upon the rights and privileges of other employees.
- Q. No employee of the Municipality shall intentionally intercept either verbal or written communication, be that as it may, official and/or private.
- R. Municipal employees shall be subject to disciplinary action as provided for in this chapter who, either as a principal actor, aider, abettor, or accomplice and interfere with the personal rights and privileges of others, or the municipal functions, which violates any provision of this division and/or commits any of the following personnel, property, or status offenses which are hereby prohibited:

1. Property Offenses related to the work area:

- a. An employee who commits malicious mischief will be considered an offense. Intentional or negligent damage to, or destruction of, any municipal facility or any other public and/or private real or personal property.
- b. Employees of the Municipality of Juana Díaz are expected to use all municipal facilities and equipment efficiently, carefully and honestly. Resources should be used economically, secured against theft or misuse and waste avoided.
- c. Unauthorized use of municipal equipment, personal and/or public property, or supplies shall be considered an offense as well as permit that this same equipment, property or supplies are destroyed, lost and/or harm comes to it. Converting of municipal equipment or supplies for personal gain or use without proper authority is not permitted.
- d. Theft and robbery. It will consider an offense, punishable under the Penal Code of the Commonwealth of Puerto Rico, of any theft, robbery and improper use of public and/or personal property, supplies, and services of the Municipality as defined in Art. 166, 33 L.P.R.A., sect. 4272 of the Penal Code.

2. Personal Offense related to the work area:

- a. Assault, reckless endangerment, intimidation or interference upon another person.

- b. Disorderly, abusive, bothersome conduct. Disorderly or abusive behavior which interferes with the rights of others or which obstructs or disrupts the work area or administrative functions.
- c. Derogatory statement or physical contact. Engaging in unwelcome derogatory statement, other verbal and/or physical contact which causes discomfort or humiliation and interfere with job performance.
- d. False complaint, defamation of character and/or bearing false witnesses. Filing a formal complaint falsely accusing another employee or official of the Municipality with violating a provision of this chapter.
- e. Refraining from any conduct arising from malice or negligence of rules and regulations as well as generally accepted security norms that would harm and/or place in danger, directly or indirectly, the lives of municipal employee or general public.
- f. Municipal employees may not get involved in or perpetuate a quarrel within municipal facilities during working hours.
- g. Employees should refrain from utilizing their public post for politically oriented purposes or other purposes which are not compatible with the public service being rendered by the municipal administration.
- h. Employees which have been charged with a criminal act which implies a moral depravation shall be dismissed.

- i. Employees shall refrain from violent or forcible acts in trying to bring the downfall of the governments of the Commonwealth of Puerto Rico or the United States of America.
3. Status Offenses related to the work area:
- a. Refusing to disclose information concerning a physical or contagious medical condition affecting the employee, and/or family members of this same employee which puts in danger or could present a health hazard to other employees.
  - b. Forgery or alteration of records. Forging or tendering any forged records or instruments as defined in Art. 241, 33 L.P.R.A., sect. 4437, Art. 242, 33 L.P.R.A., sect. 4438, and Art. 272, 33 L.P.R.A., sect. 4592 of the Penal Code of the Commonwealth of Puerto Rico, as now law or hereafter amended, of any municipal record or instrument to an employee acting in his/her official capacity as such.
  - c. To perform the work required in a negligent form or disorderly manner.
  - d. Refusal to do the work assigned or not do it in the time allotted, deliberate idleness or wasting time during working hours.
  - e. Departing from the job route without just cause or authorization.
  - f. Refusing to work overtime without just cause.
  - g. Reporting late to work without justification.

- h. Absent from the work area without authorization or consistently being absent from work or tardiness without just cause.
- i. Falling asleep on the job or abandoning work area without proper authorization.
- j. Forging another employee's signature on time card or any assistance record.
- k. Employees of the Municipality of Juana Díaz should avoid any activities, whether in connection with their official duties or otherwise, which might bring their department or the municipal government into disrepute, or jeopardize its relationship with the Mayor, clients, or the general public.
- l. Alcoholic beverages. Being demonstrably under the influence of any form of an alcoholic beverage. Possessing or consuming any form of an alcoholic beverage on municipal property.
- m. Weapons, explosives, and dangerous chemicals. Illegal or unauthorized use or possession of any device or substance which can be used to inflict bodily harm or to damage public or personal property.
- n. Controlled substances. Using, possessing, being demonstrably under the influence of, or selling any narcotic or controlled substance as defined by law on municipal property, except when the use or possession of a drug is specifically prescribed as medication by an authorized medical doctor or dentist.

- o. Employees may distribute and post any notice, posters or printed material within the municipal facilities with the consent of the Mayor.
- p. Employees may not take part in or get involved with games which are prohibited by law on municipal facilities during working hours.

#### **4. Code of Ethics**

The Code of Ethics for the Municipality of Juana Díaz is based on three universal and fundamental ethical principles. These are as follows:

##### **A. Equity and Justice**

People are to be treated fairly and will not be discriminated against, abused or exploited. Justice is concerned with power sharing and preventing the abuse of power. In a just society all members can access opportunities that allow for their full participation within the community.

##### **B. Respect for People**

Individuals should be treated as human beings with rights to be honored and defended. Respect empowers others to claim their rights and achieve their potential. Respect for the rights of others is the foundation on which individuals become members of the community and accept their social responsibilities to behave with sincerity and integrity. Membership of a community means that individuals not only have rights but that they also have duties and responsibilities to others to act openly and honestly.

##### **C. Personal and Professional Responsibility**

The main idea of taking personal and professional responsibility requires not only that people avoid doing harm to others but that they exhibit courteous behavior as well as upholding the standards expected of all employees of the Municipality of Juana Díaz as part of achieving a common good. Moreover, the employees are expected to protect the rights of others as well as respect the diversity of all cultures and peoples. Those individuals who assert their rights have a reciprocal duty to exercise care towards those who depend on them for their well being. This principle involves stewardship of assets, resources and the environment.

## 5. Rules of Ethics

The following principles will hereby be adhered to by the employees of the Municipality of Juana Díaz. The following factors are the foundation of our Code of Conduct and Ethics.

### A. Fair, Equitable and Impartial Decisions and Procedures

Fairness requires that your decisions be honest, candid and impartial. Equity requires that each individual be given his/her due. Essentially, everyone deserves a fair chance.

### B. Conflict of Interest

Municipal employees should take suitable measures to avoid, or appropriately deal with, any situation in which they may have, or be seen to have, a conflict of interest that could, directly or indirectly, compromise the performance of their duties. When staff members become aware of such a situation they should take appropriate steps to disclose the conflict. Failure to do as well as a continuation of such a conflict of interest may lead to disciplinary action.

In accordance with 24 CFR Part 982.161 of the Federal Regulation, the following will hereby be adhered to by the staff members of the Municipal Section 8 Office:

1. Neither the Municipality nor any of its contractors or subcontractors may enter into any contract or arrangement in connection with the tenant-based programs in which any of the following classes of persons have an interest, direct or indirect, during tenure or for one year thereafter:
  - a. Any present or former member or officer of the Municipality (except a participant commissioner);
  - b. Any employee of the Municipality, or any contractor, subcontractor or agent of the Municipality, who formulates policy or who influences decisions with respect to the programs;

- c. Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs;
  - d. Any member of the Congress of the United States.
2. Any members of the classes described in section 5(B), part 1, of this section must disclose their interest or prospective interest to the Municipality and HUD.
  3. The HUD field office for good cause may waive the conflict of interest prohibition under this section.

C. Confidentially

Staff members who have access to official Municipal documentation and information must take due care to maintain the integrity, confidentiality and privacy of such information so as to protect any individual concerned. Municipal employees should also undertake to maintain the privacy of oral communication where that has been requested.

Furthermore, staff members of the Municipal Section 8 Office must take due care to respect the confidentiality and privacy of all concerned with the tenant-based housing programs administered and only provide information when authorized by the parties concerned, the Mayor, or for legitimate legal purposes and/or request by the Judicial system.

D. Acceptance of Gifts or Benefits

All municipal employees are aware of the fact their official position is a position of public trust and the public good will be compromised by seeking private gain. Municipal employees will not solicit, encourage or accepted gifts or benefits that could be reasonably seen as an inducement to act in a particular way or to place a staff member under any obligation that may either directly or indirectly compromise or influence them in their official capacity. Likewise, staff members are aware of the fact that it is a crime punishable under the Penal Code of the Commonwealth of Puerto Rico to use their official position to seek or obtain any financial or other advantage for oneself, their

family, any other person and/or organization and to harass or oppress another person.

E. Patronage and Nepotism is Unacceptable

Municipal employees should take great care in treating colleagues, coworkers, and general public fairly. Employees should not favor friends or relatives when in dealing with Municipal programs of public interest, contracts for the supply of goods and services and/or appointing new staff members. Any appointments should be merit based and legislative requirements should be strictly adhered to. It is an unacceptable practice and contrary to abstracts emitted by the Puerto Rico Governmental Ethics Office to hire friends or relatives for a position without designating the position.

F. Obligations to Government and Political Neutrality

Employees are obliged to serve the aims and objectives of the Municipal Government through its elected official. Municipal employees should ensure that their personal interests or activities do not interfere with, or appear to interfere with, this obligation. As public servants are required to serve the Government of the day regardless of which political party is in office, they must act not only to ensure that their department maintains the confidence of its Mayor, but also that is able to establish the same relationship with future Mayors.

Public servants have a recognized role in assisting with the development as well as the implementation of public policy. This may occur in different ways and at different levels within each department. It is the responsibility of public servants to provide honest, candid, impartial, and comprehensive advice to the Mayor, and to alert them to the possible consequences of following particular policies, whether or not such advice accords with the Mayor's views. Essentially, the municipal employees should exercise their judgement within the confines of legislative requirements, Government policy, ministerial direction and considerations of equity, efficiency and effectiveness. Furthermore, the final decision on policy is the prerogative of the Mayor, and public servants may not withhold relevant information from the Mayor, nor seek to obstruct or delay a decision, nor attempt to undermine or improperly influence Government policy (for example, by the unauthorized release of official information).

The dilemma for public servants who hold strong personal beliefs on certain issues is recognized, but it is one which must be managed so as to avoid conflict with their official duties. It is the Mayor who bears the political responsibility for Government policies, and it is the role of the public servant to faithfully implement those policies to the best of their abilities. Once the

Mayor has made a decision, it is the duty of the public servant to implement that decision within the law, whether or not they personally agree with it, with integrity, and to the best of their ability.

## **6. Procedural Fairness**

The Municipality of Juana Díaz' procedures will have due regard for procedural fairness as called for under existing laws of the Commonwealth of Puerto Rico, namely the Municipal Autonomous Law of August 30, 1991. The principles of procedural fairness require people whose interests will be adversely affected by a decision to be given an opportunity to be heard, and decision makers to act without bias or self-interest, and to base their decisions on compelling or "logically probative" evidence.

The application of the principles of procedural fairness may vary, depending on the circumstances of the particular case or the way in which the particular statutory power is framed. In its fullest application, procedural fairness requires that:

- A. People against whom an adverse decision may be made must be informed of any allegations against them in as much detail as possible;
- B. Wherever possible people must be provided with an opportunity to put their case, and to hear the case against them, whether at an oral hearing or otherwise;
- C. Where a decision has to be made between competing interests, all parties to a matter must be heard and all arguments considered;
- D. No person judges their own case or a case in which they have a direct interest;
- E. Decision makers must act fairly and without bias.

## **7. Action that may be taken if breach found to have occurred**

- A. If a determination is made that a municipal employee has breached either the Code of Conduct and/or Ethics, the employee may be counseled or a sanction may be imposed.

- B. If a sanction is imposed on the employee, the employee must be given a written statement setting out the reasons for the determination and the imposition of the sanction as called for under Section 6, part A of this same directive.
- C. Once a scrupulous investigation has been carried out and concluded by the Agency Head as authorized and called for in Section 8, subsection 1 of this same regulation.
- D. It shall be the responsibility of the Agency Head to recommend in the written statement what action is to be taken based on the findings and which Code was violated by the employee.
- E. If a breach of the Code entail violating Section 3, part R (1-3), respectively, as described within this same directive, then the disciplinary procedures set forth in Section 9 will be adhered to.
- F. If a breach of the Code entail violating Section 5, subsection B and C, respectively, as described within this same directive, then the disciplinary procedures set forth in Section 9 will be adhered to.
- G. If a breach of the Code entail violating Section 5, parts D and C, respectively, as described within this same directive, then the following shall take place:

1. Setup of the Municipal Ethics Board

In accordance with the Government Ethics Law of the Commonwealth of Puerto Rico as amended on July 18, 1999, herein after to be known as the Ethics Law. The Municipality of Juana Díaz is required to establish and implement a local Ethics Board. At a minimum the board shall consist of six members as dictated by Article IV, section B of the Ethics Law and all shall be so designated by the Mayor.

## 2. Ethics Board Procedures

After the Mayor and/or the Human Resources Director receives the report filled by the Agency Head, who did the investigation over the alleged breach of the Code of Ethics, the municipal Ethics Board will be convened. Upon presenting the report to the Ethics Board, the veracity of the report will be determined. Should the board determine that there exist a violation of the Code of Ethics or any section of the Ethics Law, a report with all of the Ethics Board's finding, including the original report, shall be forward to the Puerto Rico Office of Governmental Ethics (O.E.G. as it is known in Spanish).

The Puerto Rico Office of Governmental Ethics will then proceed to investigate and determine the veracity of the reports in accordance with the Ethics Law as amended. Upon completing the investigation by the Puerto Rico Office of Governmental Ethics a determination will be rendered which could imply, but not necessarily, referring the case to the Puerto Rico Justice Department for processing as well as imposing economic sanctions for violating the Ethics Law. Based on the decision rendered by the Puerto Rico Office of Governmental Ethics, the Municipality could also process and impose their own sanctions as stipulated in Article VIII within this same directive.

## 8. Disciplinary Procedures

### Section 1: Investigation

Agency heads are hereby authorized to make an administrative inquiry, when it is understood that an employee has committed a breach of the Code of Conduct and Ethics or has observed a breach that is not written and/or included in the Code that affects the image of the Municipality. Once the investigation has been concluded in relation to a suspected breach of the Code, a written record stating whether the employee has been found to have breached the Code must be prepared and presented to the Mayor or the Human Resources Director.

## Section 2: Procedures of the Presentation of Formal Charges

After having been officially appraised of the misconduct by an employee, the Mayor has 10 days to make a determination and upon doing so will send a written notification titled “A Notice of Formal Charges”, to the employee who committed the breach. The notice will contain the following:

1. Name and last known address of the employee;
2. A brief detailed description of the suspected breach of the Code as well as specifying the grounds in which it must also set out the findings on material questions of fact and refer to the evidence or other material on which those findings were based;
3. The notification will contain the range of sanctions that may be imposed should there be a finding that the employee indeed breached the Code of Conduct and Ethics;
4. The notification will state that the employee has a right to request an administrative review before the Official Examiner of Disciplinary Matters. The employee will be afforded 15 working days after receiving the official notification to request such a review;
5. The notification will state where the review may be requested.
6. The notification will also state that the employee has a right to have legal representation present or any other qualified representation as well as witnesses present should there exist any.

## Section 3: Procedures of an Administrative Review

Any employee who has been served with a “Notice of Formal Charges”, which specifies the grounds for suspension, with or without remuneration, or termination of employment will have a right to request an administrative review before the Official Examiner of Disciplinary Matters within 15 working days from the time that the employee was served the official notice.

The administrative review will consist of an informal hearing, which is presided by the Official Examiner of Disciplinary Matters, who shall be recognized as being competent in the field of Administration of Human Resources and shall so be designated by the Mayor. The proceedings of the hearing shall be taped-recorded and maintained in a file labeled "In Confidence" along with the employees' file located within the Human Resources Department.

Should the employee not solicit an administrative review, for he/she has a right, within the time stipulated of 15 working days, the Mayor will have the discretion to impose the sanctions called for within the office notice.

Section 4: Right to Present Admissible Evidence and Dispute of Misconduct Allegations

Every employee, who has been charge with breach of the Code, will have the right to present evidence or testimony on his/her defense and to dispute any and all evidence that the Municipality might have against him/her which lead to the belief that the accused employee is guilty of violating the Code of Conduct and Ethics.

Section 5: Official Examiner of Disciplinary Matters Report

Upon conclusion of the administrative review, the Official Examiner of Disciplinary Matters shall consider all the evidence therein presented and decide whether to uphold the decision of the disciplinary sanction proposed or not in a written report to the Mayor or Human Resources Director.

Section 6: Final Letter and Right to Appeal

Once the Mayor or Human Resources Director adopts the final decision or recommendation made by the Official Examiner of Disciplinary Matters, the employee will be notified of said decision in writing. The adopted sanction will take effect as soon as the employee has been notified. It will be an indispensable requisite that the Mayor notify the employee aggrieved by the findings or conclusions of his/her right to appeal pursuant to existing State Law and Regulations before the Appeals Board of the Personal Administration System (J.A.S.A.P as it is known in Spanish). The employee may appeal in writing to the aforementioned Appeals Board within thirty (30) days following notification or letter of the final action taken.

## 9. Sanctions or Disciplinary Actions

The following disciplinary actions are hereby established and shall be imposed upon violators of the Code of Conduct and Ethics enumerated in this directive, and pursuant to the right of appeal as outlined in this chapter. These same actions can be imposed on an employee only after it has been determined that the employee has breached the Code.

Where such a determination has been made the Mayor and/or Human Resources Director may impose one or more of the following sanctions on the employee:

- Verbal Warning;
- Written Warning;
- Termination of Employment;
- Suspension of employment and wages for a maximum period of thirty (30) days;
- Suspension of employment, with remuneration;

It should be noted that where the sanction imposed is a warning, either verbal or written, the Mayor's decision shall be final and said decision can only be revised by the Appeals Board for the Personal Administration System (J.A.S.A.P). The sanction involving the suspension of employment and wages or suspension with remuneration as well as termination of employment, the employee has a right to request an administrative review before the Official Examiner of Disciplinary Matters prior to the Mayor making a final determination.

### N. OUTREACH EFFORTS [24 CFR 982.153(b)(1) and 24 CFR 982.54(d)(5)]

#### A. Eligible Families

A public notice will be published announcing the opening and closing of the waiting list in a newspaper of general circulation. Subsequently, the publication will be posted prominently in all local government facilities, and other public buildings informing all interested individuals, families, and groups of both the intent, purpose, and eligibility requirements of the program itself, as well as indicating both the time and place where additional information may be obtained in accordance with existing HUD regulations.

Special outreach efforts such as conducting field canvassing in low income areas, where living conditions are such, as to make existing residents' possible prospects for being participants under this same program. Inform all local civic organizations as well as State agencies located within the Municipality of the existence of the program, and request their assistance in disseminating information regarding the program to their respective members or clientele served.

It should be noted that all notices and outreach methods utilized under the program will be carried out in accordance with both Equal Opportunity and Non-Discrimination laws in existence as they relate to housing.

B. Homeowners

Contact with prospective homeowners and real estate brokers will be made by advertisements in local newspapers inviting them to participate within the program. Informational correspondence will be directed to local Real Estate Agents, merchants, local banks, mortgage companies and professional organizations informing them of the program and its benefits so as to enable them to properly inform their respective clients. Efforts will be made to reach the maximum number of owners and real estate brokers within our community.

It is the intent of the Municipality to create a special informational brochure for homeowners and tenants providing basic but complete information on all major aspects of the program.

When both staff and time considerations permit, a field survey will be made in those areas where acceptable housing is available to determine the location of possible additional dwelling units.

A program policy will be established ensuring good communication among all parties, as well as prompt, accurate, and timely payments to individual homeowners, hence, encouraging the homeowner's confidence in continuing to participate within the program. This in turn will encourage other homeowners to participate in the program.

The Municipality of Juana Díaz believes very strongly that it must encourage owners to make units available for leasing in the program, including owners of suitable units located outside areas of poverty and racial concentration by the following methods:

- a. The Municipality will make personnel available to speak before fraternal, social and religious groups, in order to inform the membership of these groups of the policies, benefits, and program requirements of leasing units by homeowners under our housing programs.
- b. Post notices in public places in order to advise those interested persons, parties, and groups where information regarding the leasing of units may be obtained.
- c. Affirmatively further fair housing goals and comply with equal opportunity requirements by visiting homeowners of suitable housing units outside of minority areas so as to explain the program's operational policies, as well as the numerous benefits to be derived from participating in the program.
- d. Conduct other outreach programs such as conducting public hearings in order to explain program benefits and policies to not only prospective homeowners but also to prospective tenants as well. The public hearings will be held at centrally located places at times convenient to the general population.

## CHAPTER 2

### ELIGIBILITY FOR ADMISSION [24 CFR Part 982, Subpart E]

#### Introduction

This chapter defines both HUD and the Municipality of Juana Díaz's criteria for admission and denial of admission to the locally administered tenant-based Housing Choice Voucher Program. It is the policy of the Municipality to strive for objectivity and consistency in applying this criterion to evaluate the eligibility of families who apply. The staff will review all information provided by the family carefully and without regard to factors other than those define in this chapter. Families will be afforded the opportunity to explain their individual circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made by the Municipality pertaining to their eligibility.

#### A. Eligibility Factors [24 CFR 982.201(b)]

The head of household must have the legal capacity to enter into a lease under State law, which is the age of 21 in the Commonwealth of Puerto Rico. Furthermore, to be eligible for participation, an applicant must meet HUD's criteria, as well as any permissible additional standards adopted and implemented by the Municipality of Juana Díaz such as screening for drug-related and violent criminal activities. Screening for these items will occur during the applicant verification process. Only eligible applicants will be admitted into the Municipality of Juana Díaz's tenant-based Section 8 Program. Only those families who in accordance with the definition of family as setforth in this administrative plan are within the income limits established by HUD are eligible for admission.

The HUD eligibility criteria are defined as follows:

- An applicant must be in accordance with the established definition of a family as described in Section B of this chapter;
- An applicant must be income eligible;
- An applicant must furnish social security numbers for all family members age six and older;

- An applicant must furnish a Declaration of Citizenship or Eligible Immigration Status and verification, if required;
- At least one member of the applicant family must be either a U.S. citizen or have eligible immigration status before the Municipality may provide any financial assistance.

Reasons for denial of admission are addressed in the “Denial or Termination of Assistance” chapter. These reasons for denial constitute additional admission criteria. The family’s initial eligibility for placement on the waiting list will be made in accordance with established PHA policy. Moreover, the family’s eligibility for participation will be verified when a family is selected for issuance of a voucher.

Evidence of Citizenship/Eligible Immigrant Status will not be verified until the family is selected from the waiting list for final eligibility processing for issuance of a Voucher.

B. Family Composition [24 CFR 982.201(c)]

The applicant must be a “*Family*”. The term “*Family*” is defined as a single person or a group of persons. To further define a group of persons is a family with a child or children, two or more elderly persons, disabled persons living together, one or more elderly persons, near elderly, and/or disabled persons living with one or more live-in aides constitute a family. The Municipality has adopted the following definitions as it relates to the definition of a family for the tenant-based Rental Assistance Program:

1. **Family status:**

- a. A family with or without children. For purposes of this plan such a family is defined as a group of people related by blood, marriage, adoption or affinity that live together in a stable family relationship.
- b. Children temporarily absent from the home due to placement in foster care are considered family members.
- c. Children who are subject to a joint custody agreement but who live with one parent at least 183 days of the year (51%), whether consecutively or not, will be considered members of the household. Should both

parents be applicants, and both are trying to claim the child, the parent whose address is listed in the school records will be allowed to claim the school age child as a dependent. If school records are inclusive, then other pertinent records, such as doctor and hospital records will be utilized.

- d. Unborn children and child in the process of being adopted are not considered family members for purposes of determining bedroom size or the family's income limit until they are born or adopted. The exception to this rule are single, pregnant women who have no other family members, they will receive a subsidy based on two-person family.

2. For purposes of this administrative plan, **an elderly family is defined as:**

- a. A family whose head, spouse, or sole member is a person who is at least 62 years of age;
- b. Two or more persons who are at least 62 years of age living together;
- c. One or more persons who are at least 62 years of age living with one or more live-in aides.

3. **A disabled family is define as:**

- a. A family whose head, spouse, or sole member is a person with disabilities;
- b. Two or more persons with disabilities living together;
- c. One or more persons with disabilities living with one or more live-in aides.
- d. For purposes of qualifying for low-income, does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others.

4. A **displaced family** is define as:
  - a. A family in which each member, or whose sole member, has been displaced by governmental action; or
  - b. Whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.
  
5. A **single person “Family”** is defined as:
  - a. An elderly person
  - b. A displaced person
  - c. A disabled person
  - d. Any other single person

6. **Head of Household**

The head of household is the member of the family having the lawful and legal capacity to enter into and be bound by the terms of a contract and/or lease according to State Law, who is designated by the family as head and is wholly or partly responsible for paying rent.

7. **Spouse of Head**

The term “Spouse of head” is defined as the husband or wife of the head-of-household.

In order to properly apply the Non-citizens rule, the definition of the spouse is the marriage partner who in order to dissolve the relationship, would have to divorce in accordance with State Law. The term “Spouse” does not apply to boyfriends, girlfriends, significant others, or co-heads.

8. **Co-head**

An individual in 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.

9. **Split Households Prior to Voucher Issuance**

It is the policy of the Municipality of Juana Díaz that until the family becomes a participant, only the Head of Household has any claim to placement on Juana Díaz's waiting list. The family becomes a program participant on the effective date of the first HAP contract executed by the Municipality for the family.

The Head of Household may be changed to another household member in the following circumstance only:

- a. If a family on the waiting list splits into two or more families due to divorce or legal separation, only the family containing the Head of Household/Applicant can claim placement on the wait list.
- b. If the Head of Household/Applicant dies, another member of the household may claim Head of Household/Applicant status. To do so, this person must provide documentation conclusively showing their membership in the deceased Applicant's household at the time of death. This person must also have the legal capacity to enter a lease under State and/or local law.
- c. The composition of the new family unit and which unit contains elderly or disabled members;
- d. Whether the factor of domestic violence was present;
- e. If the Head of Household/Applicant no longer has the legal capacity to enter into a lease under the laws of the Commonwealth of Puerto Rico and cannot be held responsible by the Municipality for paying the rent and for ensuring that all family members follow the program obligations, another member of the household may claim Head of Household/Applicant status. In order to do this, this person is responsible for providing documentation conclusively showing their membership in the household at the time that the Head of Household lost their legal capacity and documentation of the loss of legal capacity.

- f. Which of the two new family units has custody of the dependent children.

It should be noted that it is the responsibility of the family to present the corresponding documentation concerning these factors. If either or both of the families do not provide the documentation, they may be denied placement on the waiting list by the Municipality for failure to supply information requested.

#### 10. **Multiple Families in the Same Household**

When the applicant family consists of two households living together, such as a mother and father, and a daughter with her own husband or children, if they apply as one family unit, they will be treated as such.

#### 11. **Joint Custody**

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. The term “51% of the time” is defined as 183 days of the year, which do not have to run consecutively.

Court documentation is the preferred form of verification of custody. However, where there is no court documentation, the Municipality may consider other forms of verification such as school records, tax records, and/or self certification. The term “self certification” is defined as a notarized affidavit certifying this information.

#### C. **Adding and Deleting Family Members**

The addition of family members to an Applicant’s household through birth, adoption, court-awarded custody of a child, or marriage will be approved by the Municipality while the Applicant is still on the waiting list. In the case of same-sex relationships or other relationships, the Municipality will allow the addition if a committed, stable relationships can be demonstrated. An Applicant must inform the Municipality of any such addition while their applicant is on the waiting list.

Other additions to an application are at the Municipality’s discretion. In cases where the addition of other family member(s) would increase the subsidy size, the added family member(s) can only be a foster child(ren) or foster adult(s) currently in custody of the applicant, or a minor child or a disabled or elderly adult with no other means of obtaining affordable and safe housing.

The Municipality will not add a foster child(ren) or foster adult(s) for anticipated placements unless the governing agency identifies the foster child(ren) or foster adult(s) by name and advises a placement date within 60 days. Additionally, the Municipality's subsidy standards as outlined in Chapter 8, Subsidy Standards of this Plan will be utilized in determining bedroom size for families containing foster children and/or foster adults.

An applicant may delete family members from an application while on the waiting list. The applicant must provide verifiable documentation that the former member is no longer residing in the household.

D. Income Limitations [24 CFR 982.201(b), 982.553]

To be eligible for assistance, an applicant family must have an Annual Income at the time of admission that does not exceed the very low income limits for occupancy as established by HUD for the Ponce Metropolitan Statistical Area (PMSA), which is the area where the Municipality of Juana Díaz is located.

To be income eligible the applicant family must meet the very low income criteria which defines the family as one whose income does not exceed 50% of the area median income. The Municipality will not admit families whose income exceeds these criteria except those included in 24 CFR 982.201(b). Moreover, the family may be under the low-income limit in any of the following areas [24 CFR 982.201(b)]:

- ▶ Extremely and very low-income family based on the income limits published by HUD annually;
- ▶ A low income family which has physically been displaced by rental rehabilitation activity under 24 CFR part 511;
- ▶ 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. Programs include any housing federally assisted under the 1937 Housing Act;
- ▶ Low-income family previously assisted under the public housing, Section 23, or Section 8 programs;
- ▶ Low-income family that is a non-purchasing tenant of certain home ownership programs;

- ▶ Low-income tenants displaced from certain Section 221 and 236 projects;
- ▶ Low-income families that meet PHA-specified eligibility criteria;

In order to determine the family's eligibility, the Municipality compares the Annual Income of the family to the applicable income limit established for the Ponce MSA.

***Portability: For initial lease-up at admission, families who exercise portability must be within the applicable income limit for the jurisdiction of the receiving Municipality in which they want to live.***

E. 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 they have been a number issued by the Social Security Administration. This requirement also applies to persons joining the family after admission to the program. Furthermore, failure by the family 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 attesting to this fact. Persons who disclose their social security numbers but cannot provide verification must sign a certification and provide verification within 60 days, unless additional time is approved as reasonable accommodation.

F. Live-in Aides

A family that consists of one or more elderly or disabled persons may request approval from the Municipality for a live-in aide to reside in the unit as well as provide the necessary supportive services for a member who is a person with disabilities.

In accordance with 24 CFR Part 8, the Municipality must approve a live-in aide if needed as a reasonable accommodation so as to make the program accessible to and usable by the family member with a disability. For purposes of this plan a live-in aide is defined as a person who resides in a family's dwelling unit in order to provide care for a family member who is elderly, near elderly and/or disabled, and who is:

1. Determined to be essential to the care and well-being of the person;
2. Not obligated for the support of the person;
3. Would not be living in the unit except to provide necessary supportive services;
4. Has no ownership or other interest in the subsidized unit.

Furthermore, the Municipality of Juana Díaz has adopted the following concerning a live-in aide, which will be treated differently than family members:

1. Income of the live-in aide will not be counted for the purpose of determining eligibility or level of benefits;
2. Live-in aides are not subject to non-citizen rule requirements;
3. Live-in aides may not be considered as a remaining member of the tenant family.

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 relative who chooses to be a live-in aide will not be treated as a “regular” member of the household, but instead will be treated as a live-in aide.

Moreover, a live-in aide’s family members may reside in the unit provided the following conditions are met:

1. The subsidy size is not increased;
2. The presence of the live-in aide’s family does not overcrowd the unit.

Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker. A qualified care-provider’s certification is required as verification of the necessity for a live-in aide. The qualified care-provider’s certification must demonstrate that a live-in aide is necessary and that the family would not be equally well served by a home health care service or a care provider who does not live in the unit.

The live-in aide's qualification for housing occupancy terminates when the individual needing the supportive services leaves the unit or fails to qualify for continued occupancy. The live-in aide does not qualify for continued occupancy as a remaining member of the tenant family, even if they are related by blood, marriage or operation of law.

At anytime, the Municipality of Juana Díaz in accordance with 24 CFR 982.316 will refuse to approve a particular person as a live-in aide, and/or may withdraw such approval, if:

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

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

According to established regulations, a family member must be a U.S. citizen or eligible immigrant in order to receive any type of rental assistance. Eligible immigrants are persons who are in one of the immigrant categories as defined by HUD.

For the Citizenship/Eligible Immigrants requirement, the status of each member of the family is considered individually before the family's status is defined.

Mixed Families:

A family is eligible for rental assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed". Such applicant families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.

Non-citizen students:

Defined by HUD in the non-citizen regulations at 24 CFR 5.522. Not eligible for assistance.

All members who are ineligible: Applicant families that include non-eligible members are ineligible for rental assistance. Such families will be denied admission and offered an opportunity for a hearing.

Appeals: For this eligibility requirement only, the applicant entitled to a hearing exactly like those provided for participants and as set forth in this same plan.

## CHAPTER 3

### APPLYING FOR ADMISSION [24 CFR 982.204]

#### Introduction

It is the policy and belief of the Municipality of Juana Díaz's 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 applying and completing an initial application for rental assistance, placement and denial of placement on the waiting list, as well as limitations on who may apply. The primary purpose of the intake function is to gather information about the family, but the Municipality of Juana Díaz 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 placed on the waiting list in accordance with this Plan.

#### A. Overview of the Application Process

Persons that are both interested and qualify under the subsidized housing program will be provided with the necessary applications, and will receive a briefing on the programs offered by the Municipality of Juana Díaz. Specific days of the week will be established to receive applications, so as to permit sufficient time to properly carry out the administrative requirements of the program in an acceptable manner, which is in compliance with existing regulations.

The Section 8 Director will assign numbers to each application received, and maintain a list of qualified candidates assuring equality and fairness to all persons under this program.

If during the application stage it can be determined that a family will not be eligible because of exceeding income limits due to too few or too many household members for the voucher size authorized by ACC, etc., no additional documents and materials will be requested from the family to avoid unnecessary waste of time and expenses. The family will be so advised, and the Municipality will also notify the family in writing indicating the reasons and affording them an opportunity to request, within a reasonable amount of time, an informal hearing. However, the family will be encouraged to reapply should the circumstances change.

All information requested within this same form will be obtained at the interview with the applicant, and that which must be verified, will be verified by the appropriate Housing staff official assigned to the case.

People with applications not expected to be awarded vouchers upon completion of their files because their number in the waiting list is far higher than the number of available vouchers as per the ACC and number of bedrooms which may be available will be so advised. If a date can be determined as to when the voucher can be issued they will in fact be told, otherwise, they will be advised that based on the date and time of the completed application, if the family was found to be eligible, and once there are additional vouchers, they will be notified of the same. The families will be informed that their applications are valid for one year only and in order to maintain their case file opened they must renew their application on a yearly basis. The Municipality will inform the families accordingly in writing.

The records of cases where families have been determined ineligible or their contracts have been terminated, the Municipality will retain these documents for three (3) years such as: (1) copy of the application, (2) notification letters, if applicable, (3) the applicant's response, if any, the record of any informal hearing, and statement of final disposition. Furthermore, records pertaining to eligible families and those under a lease, will be maintained within the active file unless the family becomes ineligible or terminates its contract.

The application forms will contain both date and time of filing, and will be signed by the applicant or applicant's spouse and by the interviewer from the Municipal Staff which processed the family. Application forms will be reviewed by the Section 8 Director or his designee and properly identified with the Director's initials.

B. Verification of Status Before Admission

The Municipality will not provide assistance to families prior to the verification of eligibility for the individual or at least one member of the family pursuant to this section.

C. The following items will be requested from the applicant family and verified:

- |     |   |  |
|-----|---|--|
| 1.  | Family Composition                                | Birth, marriage and birth certificates, a family photograph, sworn statements, school records.   |
| 2.  | Special Medical Needs which require larger units. | Medical Certificate  |
| 3.  | Income from wages                                 | Verification from the employer.  |
| 4.  | Social Security                                   | Verification from the S.S. office or through HUD's website.  |
| 5.  | State Disability and other pensions.              | Verification from an employer.   |
| 6.  | Welfare payments                                  | Verification from the State Department of the Family agency.   |
| 7.  | Unemployment compensation<br>Welfare payments     | Verification from the State Department of the Family agency.   |
| 8.  | Alimony and child support court records.          | A copy of the divorce decree as well as from the appropriate State Agency "ASUME."   |
| 9.  | Family financial Assistance                       | Letter form from a benefactor.   |
| 10. | Family type (Elderly or Disabled)                 | The appropriate form, the agency granting benefits and birth certificate.<br>Full-time student status  |
| 11. | Full-time student status                          | A letter from school or college.   |
| 12. | Scholarships-grants                               | A written confirmation from the source of benefits, as well as, a written confirmation from the Education Institution as to cost. The net balance is the amount available for subsistence. |
| 13. | Income Interest and Dividends                     | Verification from bank, or financial institution, bank passbooks, etc  |
| 14. | Assets  | Written form from appropriate financial institution or source. In case of rental income, a written statement from the person paying the rent.  |
| 15. | Applicant Screening                               | A Certificate of Good Conduct from State Police Department as per QHWRA of 1998.   |

D. Other Criteria For Admission  
[24 CFR 982.552(a)(b)(c)(e) & 24 CFR 982.553(a)]

It is the policy of the Municipality of Juana Díaz to deny assistance for any applicant family under the programs currently being offered because of the family's action and/or failure to act.

Denial of assistance for an applicant may include any or all of the following:

- Denying listing on the PHA waiting list;
- Denying or withdrawing a voucher;
- Refusing to enter into a HAP contract or approve a lease;
- Refusing to process or provide assistance under portability procedures.

According to HUD regulation 24 CFR part 5, subparts B and F, respectively, the PHA must deny admission to a program for an applicant family and/or terminate program assistance for a participant, if any member of the family fails to sign and submit consent forms for obtaining information.

The family applicant must submit the required evidence of citizenship or eligible immigration status. Furthermore, the Municipality may at any time deny program assistance for an applicant, or terminate program assistance for a participating family, for any of the following grounds:

- ✓ If the family violates any family program obligations under 24 CFR 982.551 and 24 CFR 982.553 which delineates the procedures to follow if a family or member commits a crime.
- ✓ If any member of the family has been evicted from federally assisted housing in the last five years.
- ✓ If the PHA has ever terminated assistance under the program for any member of the family.
- ✓ If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal Housing Program.

- ✓ If the family 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.
- ✓ If the family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
- ✓ If the family breaches an agreement with the PHA to pay amounts owed to the PHA, or amounts paid to an owner by the PHA. (The PHA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to the PHA. The PHA may prescribe the terms of the agreement.)
- ✓ If a family participating in the Family Self-Sufficiency (FSS) program fails to comply without good cause, with the family's FSS contract of participation.
- ✓ If the family has engaged in or threatened abusive or violent behavior toward any PHA personnel.
- ✓ If the family has been engaged in criminal activity or alcohol abuse as described in 24 CFR 982.553.

In determining whether to deny or terminate assistance because of action or failure to act by members of the family:

- The Municipality of Juana Díaz will consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial or termination of assistance on other family members of who were not involved in the action or failure.
- In determining whether to deny admission or terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the Municipality will consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 USC 13661). For this purpose, the Municipality will require the

applicant or tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

If the family includes a person with disabilities, the Municipality of Juana Díaz decision concerning such action is subject to consideration of reasonable accommodation.

The Municipality of Juana Díaz will prohibit admission to the program of an applicant for 5 years from the date of eviction if a household member has been evicted from federally assisted housing for drug-related criminal activity. However, the PHA may admit the household if the PHA determines the following:

- That the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the Commonwealth of Puerto Rico Corrections Department;
- That the circumstances leading to eviction no longer exist, for example, the criminal household member has died or is imprisoned.

It is the policy of the Municipality of Juana Díaz to prohibit admission of a household to the program if it is determined that any household member is currently engaged in or has engaged in during a reasonable time before the admission in the following areas:

- Drug related criminal activity;
- Violent criminal activity;
- Other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity;
- Other criminal activity which may threaten the health or safety of the owner, or persons performing a contract administration function or responsibility on behalf of the PHA, including a PHA employee, PHA contractor or agent.

It will be the policy of the Municipality of Juana Díaz to establish a period of 5 years as the period of reasonable time whereby the applicant family has not engaged in the activities specified in 24 CFR 982.553(a)(2)(i) before admitted into the housing program.

If the PHA previously denied admission to an applicant because a member of the household engaged in criminal activity, the Municipality may reconsider the applicant, if the PHA has sufficient evidence that the members of the household are not currently engaged in any activity.

It would be considered that the Municipality has “sufficient evidence” if the household member submitted a certification that she or he is not currently engaged in and has not engaged in criminal activity during the specified period and provide supporting information from such sources as a probation officer, a landlord, neighbors, social service agency workers and criminal records, which is verifiable by the PHA.

For purposes of this section, a household member is “currently engaged in” criminal activity if the person has engaged in the behavior recently enough to justify a reasonable belief that the behavior is current.

E. Prohibited Admissions Criteria [24 CFR 982.202(b)]

Admission to the program may not be based on the following:

- ◆ Where a family lives prior to admission to the program;
- ◆ Where the family will live with assistance under the program;
- ◆ Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock;
- ◆ Discrimination because a family includes children;
- ◆ Whether a family decides to participate in a Family Self-Sufficiency Program;
- ◆ Other reasons as outlined in the “Statement of Policies and Objectives” chapter under the Fair Housing and Reasonable Accommodations sections.

F. Opening/Closing of Application Taking  
[24 CFR 982.206, 982.54(d)(1)]

1. Opening the Waiting List

The Municipality of Juana Díaz will utilize the following procedures for opening the waiting list:

- a. When the Municipality opens a waiting list, it will publish a public notice informing all interested families and homeowners of the opening of a new waiting list. The public notice will state where and when to apply and/or to receive additional information on all aspects of the program.
- b. The PHA must provide the public notice publication in a local newspaper of general circulation, which should also include minority media.
- c. The public notice among other things must state any limitations if any, on who may apply.
- d. When the waiting list is open, the PHA must accept applications from families for whom the list is open, unless there is good cause for not accepting the application.
- e. In addition, outreach will be provided through liaison with local social services agencies to assist persons with disabilities.
- f. The notice will contain:
  1. The dates, times, and locations where families may apply.
  2. The program(s) for which applications will be taken.
  3. A brief description of the program(s).
  4. Limitations, if any, on who may apply.

- g. Full application from a family may later be denied due to failure to meet eligibility requirements, or action, or inaction by members of the family for grounds in the “Denial or Termination of Assistance” chapter of this Administrative Plan [24 CFR 982.206(b)(2)].

2. Closing the Waiting List

The Municipality of Juana Díaz will announce the closing of the waiting list by public notice. Furthermore the Municipality will adhere to the following:

- a. The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations. When the period of accepting applications is over, the Municipality will add the new applicants to the waiting list in accordance to the procedure described in Section A “Overview of Application Procedures” of this chapter.
- b. The PHA at its discretion will determine that the existing waiting list does contain an adequate pool for use of available program funding and may stop accepting new applications.
- c. However, even if the PHA is not otherwise accepting additional applications from those applicants who demonstrate a need beyond extraordinary circumstances and/or qualify under of the programs being offered by the PHA, said application will be accepted and so classified when placed on the waiting list.
- d. When a decision has been made to close the existing waiting list, the PHA will publish a public notice in a local newspaper of general circulation as well as a regional newspaper advising all interested persons, parties, and groups of the same.

3. Limits on Who May Apply

When the waiting list is open, any interested family will be given the opportunity to complete an Application for Section 8 Rental Assistance.

G. Special Admissions and Targeted Programs

When the waiting list is closed, applications will not be accepted from anyone unless they qualify for a special (non-waiting list) admission or targeted program. If HUD awards the Municipality of Juana Díaz program funding that is targeted for families living in specified units, the Municipality will admit these families under a Special Admission procedure. The Municipality of Juana Díaz must use the assistance only for families living in these units.

Under a special admissions program, the Municipality of Juana Díaz may admit a family that is not on the waiting list, or if the family is on the official waiting list without considering their position. The Municipality will maintain separate records of these admissions showing that the families were admitted with HUD-targeted assistance.

The following examples are types of program funding that may be designated by HUD to assist families living in a specified unit:

1. A family displaced because of demolition or disposition of a public or Indian housing program;
2. A family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project;
3. For housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990;
4. A non-purchasing family residing in a project subject to a homeownership program:
  - a. A family displaced because of mortgage prepayment or voluntary termination of a mortgage insurance contract;
  - b. A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term;

5. A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

When HUD awards special funding for certain family types, families who meet HUD's special funding requirements are placed on the regular waiting list, but are designated for a particular program. When a specific type of funding becomes available, the waiting list is searched for the first available family meeting the targeted funding criteria.

H. Applicant Status While on the Waiting List [24 CFR 982.204]

Applicants are required to inform the PHA of changes in their address. Applicants are also required to respond to written requests from the PHA to update information on their application and to determine their interest in assistance.

I. Final Determination & Notification of Eligibility/Ineligibility [24 CFR 982.201]

After the verification process is completed, the Municipality of Juana Díaz 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 to familiarize the family with the Municipal Housing Program.

If the family is determined ineligible, they will be notified in writing and informed of their right to an informal review.

## CHAPTER 4

### Establishing Preferences and Managing the Waiting List [24 CFR Part 5, Subpart D; 982.54(d)(1), 982.205, 982.206]

#### Introduction

It is the objective of the Municipality of Juana Díaz to ensure that families are placed in the proper order on the waiting list and selected from the waiting list for admissions in accordance with the policies of this Administrative Plan.

By maintaining an accurate waiting list, the Municipality will be able to perform the activities which ensure that an adequate pool of qualified applicants will be available so that program funds are used in a timely manner.

#### A. Waiting List [24 CFR 982.204]

The Municipality of Juana Díaz uses a single waiting list for admission to its Section 8 Tenant-Based Housing Choice Voucher Program. Except for Special Admissions and target funding, applicants will be selected from the PHA waiting list in accordance with policies and income targeting requirements defined in this Administrative Plan. The Municipality will maintain information that permits proper selection from the waiting list.

#### B. Administration of Waiting List

1. Except for special admissions participants must be selected from the PHA waiting list. The PHA must select participants from the waiting list on a first-come, first-served basis, in accordance with this same plan, which includes Equal Opportunity.
2. The PHA has agreed to cooperate fully with HUD, in respect to when HUD provides funding to the PHA for a special purpose such as desegregation, Family Unification, etc., including but not limited to including funding for specified families and/or a specified category of families. The PHA has further agreed to issue the required voucher.

C. Organization of the Waiting List

The Municipality will maintain information that permits the PHA to select qualified participants from the waiting list in accordance with Municipal admission policies as set forth in this same plan. The waiting will contain the following information.

1. Applicant names;
2. Family composition (adults/children, age/sex);
3. Date and time of application;
4. Qualification for any ranking preference or local preference as set forth in this Plan;
5. Racial or ethnic designation of the head of household;
6. *Programs for which the PHA feels that the family qualifies for and would be interested in participating in under the umbrella of the subsidized housing program being administered by the PHA. Should the family not be interested in participating in any special program, this will not affect the place and position of the family on the waiting list.*

D. Treatment of Single Applicants

Single applicants will be treated as any other eligible family on the waiting list.

E. Selection of Applicants

▶ Admission of a family applicant

The PHA may admit an applicant for participation into its subsidized housing program as:

1. Special admission;
2. Waiting list admission.

F. Special Admissions [24 CFR 982.54(d)(3) & 982.203]

If HUD awards program funding that is targeted for specifically named families, the Municipality of Juana Díaz will admit these families under a Special Admission Procedure.

Applicants, who are admitted under Special Admissions rather than from the waiting list, are identified by codes in the waiting list and are not maintained on separate lists.

G. Selection Preferences

1. Local Preference

According to the Quality Housing and Work Responsibility Act of 1998, federal preferences as we know them have been eliminated and in its place the local preferences based on the needs of the people will prevail.

In order to comply with the Federal law, the Municipality has agreed to give preference for selection of families on the waiting based on the following:

- a. Victims of Domestic violence;
- b. Families that will be broken up due to removal of young children by the State Family Department or families that will be united by the return of the children but do not have decent housing;
- c. Involuntarily displaced;
- d. Homeless or living in substandard housing;
- e. Paying more than 50 percent of income for rent;
- f. Single person with a disability or any member of the family applicant with a disability except under the provision set forth in Chapter 2, Eligibility for Admission, of this administrative plan
- g. Single elderly person or family applicants with an elderly person.

- h. Other Preferences such as:
1. Working families and those unable to work because of age or disability;
  2. Veterans and veterans' families;
  3. Those enrolled currently in educational, training, or upward mobility programs-for participants who wish to enroll in our Family Self Sufficiency Program;
  4. Households that contribute to meeting income requirements - for participants who wish to enroll in our FSS and Homeownership Programs, respectively.

Additionally, the Municipality will further comply with Federal Regulations which state that not less than 75% of new families must have incomes at or below 30% of the area median income within the Municipality's fiscal year. All other admissions generally will be at or below 50% of the area median, or up to 80% for families that meet eligibility criteria as set forth by the Municipality.

2. Qualifying for a local Preference

- Victims Domestic Violence: An applicant qualifies for domestic violence if the applicant is living under conditions which threaten the well-being, health and safety of the family by an abusive member.
- Maintaining families together: An applicant qualifies for this preference when a family is threaten by a State Child Welfare Agency with the removal of the children due to inadequate housing or child abuse. This will ensure that the children who remain with, or who are reunited with, their families are safe, secure and not subject to neglect as a result of homelessness or inadequate housing.
- Displacement: An applicant qualifies for this preference if:
  1. The applicant has been involuntarily displaced and is not living in standard, permanent replacement housing;

2. The applicant will be involuntarily displaced within no more than six (6) months from the date of preference status certification by the family or verification by the PHA.

- Substandard Housing: An applicant qualifies for this preference if the applicant is living in substandard housing. An applicant that is homeless, living in overcrowded conditions or in a shelter for the homeless will be considered as living in substandard housing.
- Rent Burden: An applicant qualifies for this preference if the applicant is paying more than 50 percent of family income in rent.
- Certification of Preference: An applicant may claim qualification for a Local Preference by certifying to the Municipality, that the family qualifies for a local preference. The PHA has agreed to accept this certification, unless it is verified that the applicant does not qualify for a local preference.
- Verification of Preference: Before an applicant is admitted on the basis of the local preference, the applicant must provide information needed by the Municipality in order to verify that the applicant qualifies for a local preference because of the applicant's current status. It is further agreed that the applicant's current status must be determined without regard as to whether there has been a change in the applicant's qualification of a local preference between the certification and selection for admission, including a change from one local preference category to another.
- Retention of Preference: The PHA has agreed, that if a Housing Choice Voucher Program applicant is currently receiving tenant-based assistance under the "HOME" program (24 CFR part 92), to determine whether the applicant qualifies for the Housing Choice Voucher Program local preference based upon the situation of the applicant at the time the applicant began to receive tenant-based assistance under this same "HOME" program.

- Persons with disabilities: No individual will be considered to be a person with disabilities for purposes of eligibility solely due to their drug or alcohol dependence.
- 3. Notice and Opportunity for a Meeting where the Local Preference is denied

If the PHA should determine that an applicant does not qualify for a Local Preference, the PHA must promptly give the applicant written notice of said determination. This notice must contain a brief statement of the reasons for the determination, and state that the applicant has the right to meet with a PHA representative in order to review the determination.

This same meeting may be conducted by any person or persons designated by the PHA, who may be an officer or employee of the PHA, including the person who made or reviewed the determination or a subordinate employee. Additionally, the applicant may exercise other rights if the applicant believes that he or she has been discriminated against on the basis of race, color, religion, sex, national origin, age, disability or family status.

#### H. Income Targeting [24 CFR 982.201]

In accordance with 24 CFR part 5, subpart F, section 5.607(b), not less than 75 percent of the families admitted to the Municipality of Juana Díaz subsidized housing program during the Municipality's fiscal year will be families whose annual income does not exceed the following amounts:

1. 30 percent of the area median income, with adjustments for smaller and larger families;
2. A higher or lower percent of the area median income, if HUD determines a higher or lower percent is necessary because of usually high or low family incomes.

#### I. Conversion of assistance

Conversion of assistance for a participant in the Municipality of Juana Díaz Certificate Program to assistance in the Housing Choice Voucher Program does not count as an "admission," and is not subject to targeting as set forth in section H of this chapter.

J. Inapplicability of targeting

Admissions of the following categories of families are not subject to targeting under section H of this chapter:

1. A low income family that is continuously assisted under the 1937 Act.
2. A low-income or moderate-income family that is displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing as defined in 24 CFR part 5, section 248.101.

K. Use of family's income

The annual income, gross income, of an applicant family is used both for the determination of income-eligibility under 24 CFR part 5, section 5.601(c) and for the Municipality of Juana Díaz income targeting as set forth in Section H of this chapter.

L. Updating the Waiting List [24 CFR982.204(c)]

The waiting list will be updated on an annual basis to ensure that it is current and accurate. This will be accomplished by the following procedure:

1. A letter will be mailed to the applicant's last known address.
2. The notice will inform the applicant family that a year has passed and information will be requested regarding their continued interest in maintaining a place on the waiting list.
3. A time limit will be established in the notice, whereby, the applicant will be requested to pass by the Municipal Section 8 Office to file an updated application. By visiting the Municipal Section 8 Office to file an updated application, the family has demonstrated interest as well as assured itself of continuing their position for one year on the waiting list.
4. If the PHA fails to receive the applicant notice or renewed application of continuance, the applicant's name will be removed from the waiting list.

5. The applicant family will have 15 days to respond to the notice upon receipt of said notice. The PHA does not accept responsibility for any mail delay or non-deliverance by the Post Office.

M. Removal from the Waiting List

The Municipality of Juana Díaz will not remove an applicant's name from the waiting list unless:

1. It is requested in writing, by the applicant family, that their name be removed by the Municipality;
2. The applicant family fails to respond to a written request for information or a request to declare their continued interest in the program;
3. The applicant family does not meet either the eligibility or suitability criteria for the program.

N. Missed Appointments

All applicant families who fail to keep a scheduled appointment with the Municipality will be sent a notice of termination of the process of eligibility. Furthermore, the Municipality will allow the applicant family to reschedule for good cause. The applicant family will be afforded no more than one opportunity to reschedule with good cause, and no more than two opportunities will be given for good cause. When good cause exists for missing an appointment, the Municipality will work closely with the family to find a more suitable time. Applicant families will be afforded the right to an informal review process in accordance with Section G, subpart 3 of this chapter.

O. Exceptions for persons with disabilities

Exceptions will be granted to applicant families with disabilities, as defined in 24 CFR 5.403, who were not able to respond within the time frame due to their disability. Exceptions may also be granted for hospitalization of sufficient duration to be the cause of the lack of response.

## CHAPTER 5

### VOUCHER ISSUANCE AND BRIEFINGS [24 CFR 982.301 & 982.302]

#### Introduction

The Municipality of Juana Díaz's goals and objectives are designed to assure that families selected to participate in its Housing Choice Voucher Program have the necessary tools to locate an acceptable housing unit. Families are provided with sufficient knowledge and information regarding the program and how to achieve maximum benefit while complying with program requirements. When eligibility has been determined, the PHA 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, the PHA procedures, and how to lease a unit. The family will also receive a briefing packet which provides more detailed information about the program. This chapter describes how the 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.

#### A. Voucher Issuance [24 CFR 982.204(d) & 982.54(d)(2)]

When funding is available, the Municipality of Juana Díaz will issue vouchers to applicants whose eligibility has been determined. The number of vouchers issued must ensure that the PHA stays as close as possible to 100% lease-up. The PHA performs a monthly calculation to determine whether applications can be processed, the number of vouchers that can be issued, and to what extent the PHA can over-issue (i.e., issue more vouchers than the budget allows to achieve lease-up).

The Municipality may over-issue vouchers only to the extent necessary to meet leasing goals. All vouchers which are over-issued must be honored. If the PHA finds it is over-leased, it must adjust future issuance of vouchers in order not to exceed the ACC budget limitations over the fiscal year.

◆ Issuance of Voucher

1. Prior to selection of a qualified family from the waiting list, all information will be verified so that it is up to date and in accordance with 24 CFR part 5, subpart F.
2. When a qualified family has been selected, the PHA will issue a voucher to the family which would allow them to search for a unit.
3. The family will be notified via a certified letter informing them of their selection and affording them the opportunity to participate in the PHA's Housing Choice Voucher Program. This same notification will contain the date and time which the family must present itself to accept the voucher and at which time the family will be receiving a briefing outlining the rules and regulations of the program, as well as the participant's packet.

b. 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 the PHA and the family specifying the rights and responsibilities of each party. It does not constitute admission to the program which occurs when the lease and contract become effective.

1. Initial Term

The initial term of a voucher must be at least 60 calendar days. This initial term will be stated on the voucher.

2. Extensions of Term

Requests for extensions must be requested at a minimum of at least five (5) working days before the expiration of the initial term. Moreover, the Municipality, at its discretion and contingent upon individual circumstances grant the required extensions up to a maximum of 150 days. This includes the initial term of 60 days. The approval of any extension to a family will be in written form.

3. Reason for Granting Extension

Extensions will be granted to vouchers, if the following happens:

- a. Voucher holders provide proof that despite a diligent effort, they could not find a suitable unit that meets their needs;
- b. In special cases only, such as a large family, a "Special Needs" family, hospitalization or drug rehabilitation, death in the family, or serious impediment, etc.;
- c. If a member of the family is a disabled person, or is suffering from a serious illness, the Municipality may contingent upon individual circumstances, grant the required extensions beyond 120 days for up to 30 days as a reasonable accommodation. Third party verification of the disability and need for the extension is required. The 30 day extension will only be granted after the Municipality has received such verification from a physician. If an acceptable verification is not received by a physician within 60 days of the Municipality's request, the extension will not be granted.

4. Suspension of Term

It is the policy of the Municipality of Juana Díaz to grant a family a suspension of the voucher terms if the family has submitted a request for lease approval during the term of the voucher.

At its discretion the Municipality of Juana Díaz may grant a suspension for any part of the period after the family has submitted a request for lease approval up to the time when the Municipality approves or denies said request.

5. Progress Report by the Family to the PHA

During the initial or any extended term of the voucher, the Municipality of Juana Díaz will require the family to report their progress in leasing a unit. These same reports may be accomplished by either personally visiting or telephoning the Municipality every 30 calendar days.

6. Expired Voucher

If the term of the voucher, including any granted extensions, has expired, and the voucher term is not suspended, 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.

C. Briefing and Required Attendance [24 CFR 982.301(a)]

A briefing will be conducted for applicant families who are determined to be eligible for assistance as required by HUD regulations. The families are required to attend the briefing sessions in order to receive a voucher. The briefings will either be conducted in groups and/or single depending on the number of families eligible for the program and funding availability. Families who because of disability are unable to attend a briefing or are unable to fully understand the information as presented in the briefing format utilized by the Municipality of Juana Díaz, may request a reasonable accommodation such as having the briefing presented at an alternate location or individually.

The purpose of the briefing is to explain how the program works and the documents in the voucher holder's packet to families so that they are fully informed about the program. This will enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners.

Furthermore, the Municipality will not issue a voucher to an applicant family unless the household representative has attended a briefing and signed the voucher. 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 scheduled briefings, without prior notification and approval of the Municipality, may be denied admission based on failure to supply information needed for certification.

The families will be briefed in a detailed manner about the Housing Choice Voucher Program. The following will be discussed in the briefing:

1. A description of how the program works;
2. Family and owner responsibilities;
3. An explanation that the family share of rent may not exceed 40% of the family's monthly adjusted income;

4. A discussion of Juana Díaz's FSS Program and its advantages;
5. A discussion on how to prevent fraud within the program;
6. Where the family may lease a unit, including renting a dwelling unit inside or outside the PHA jurisdiction;
7. If the family qualifies to lease a unit outside the PHA jurisdiction under portability procedures, the briefing will include an explanation of how portability works;
8. If the family should have a disabled person, appropriate steps will be taken to ensure effective communication in accordance with 24 CFR 8.6.

D. Briefing Packet [24 CFR 24 CFR Subpart G, Section 982.301(b)]

The documents and information provided in the briefing packet for the voucher program will comply with all HUD requirements. The family is provided with the following information and materials:

1. The term of the voucher and the PHA policy concerning extension of the term. Said policy will contain information concerning how the family may request an extension;
2. Request for lease approval and an explanation on how to request PHA approval to lease this same unit;
3. Required lease provisions and instructions for the preparation of the lease between owner and tenant as per QHWRA regulations;
4. Lead base paint notices;
5. Fair housing information and a statement of the PHA policy on providing information about a family to prospective owners;
6. A copy of the housing discrimination complaint form;
7. Utility allowance schedule;
8. Informal hearing procedures;

9. General information on how families are selected, how the PHA determines the housing assistance payment for a family and how the PHA determines the maximum rent for an assisted unit;
10. General information about Housing Quality Standards;
11. What the family should consider in deciding whether to lease a unit is as follows:
  - a. The condition of the unit;
  - b. Rent reasonableness of the unit;
  - c. The cost of any tenant-paid utilities;
  - d. Whether the unit is energy efficient;
  - e. The location of the unit, including proximity to public transportation, center of employment, schools and shopping;
  - f. Program brochure and FSS brochure;
  - g. Where the family may lease a unit;
  - h. The HUD brochure on how to select a unit;
  - i. A list of landlords or other parties known to the PHA who may be willing to lease a unit to the family or assist the family in finding a unit;
  - j. Information on the PHA's grievance procedure, as well as, hearing procedure;
  - k. Family obligations under the program;
  - l. The grounds on which the PHA may terminate assistance for a participant family, because of a family action or failure to act.

Furthermore, when this same packet is presented to the participant, a member of the Housing Staff will review each document in detail so as to ensure that the participant is fully cognizant of both his or her rights and responsibilities under the program.

E. Determination for Split Households [24 CFR 982.315]

In those instances when a family assisted under the Housing Choice Voucher Program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family a determination will be made by the Municipality. Consequently, 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, the Section 8 Director shall consider the following factors to determine which of the families will continue to be assisted as set forth in Chapter 2, Eligibility for Admission as well as the following;

1. Reexamination of family income in order to determine that the remaining members qualify for the assistance originally approved;
2. Determine if any of the remaining family members are either disabled and/or elderly;
3. The need for housing based upon the size of the family by age groups;
4. Difficulty in alleviating severe hardships on individual family members including but not necessarily limited to:
  - a. The need to be located close to a hospital or medical dispensary in order to receive special medical treatment;
  - b. The need to be close to either public and private transportation provides, due to the absence of a personal vehicle;
  - c. In the case of a large family with school age children the need to be located close to a school.

Should it be determined that with the breakup of a family, that additional family members are now gainfully employed, an adjustment in the assistance payment will be made based upon the reexamination of the total family income and composition. It should be noted that the Municipality of Juana Díaz will at all times attempt to work with and satisfy the needs of all family members provided that they do in fact qualify for such assistance and comply with existing federal regulations.

G. Remaining Member of Tenant Family - Retention of Voucher  
[24 CFR 982.315]

To be considered the remaining member of the tenant's family, the person must have been previously approved by the PHA to be living in the unit. Notwithstanding, a reduction in family size may require a reduction in the voucher family unit size.

A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the family.

In order for a minor child to continue to receive assistance as a remaining family member, the Municipality will need to assess, and verification is required, as to whether social services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period.

## CHAPTER 6

### VERIFICATION PROCEDURES [24 CFR PART 5, SUBPARTS B,D,E, AND F; 24 CFR PART 982.158 & 982.5.617]

#### Introduction

HUD regulations require that the factors of eligibility and Total Tenant Payment/Family Share be verified by the Section 8 Program Housing staff. The housing staff will obtain written verification from independent sources whenever possible and this information will be documented in the tenant file. Whenever third party verifications are not possible, this will be documented in the tenant file including the reason for not being able to obtain third party verifications.

Applicants and program participants must provide true and complete information to the Municipality whenever information is requested. The PHA's verification requirements are designed to maintain program integrity. This chapter explains the Municipality of Juana Díaz' procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and changes in family composition. The Municipality will obtain the proper authorization from the family before requesting information from independent sources.

#### A. Upfront Income Verification Process

In accordance with HUD regulations including PIH Notices 2005-9, dated February 25, 2005 and Notice 2004-18, dated September 17, 2004, respectively, the Municipality has established a policy and adopted the corresponding procedures to secure and include staff utilization of Upfront Income Verification (UIV) process to verify the household income of program participants. The procedure outlined in this chapter will be the key strategy in reducing income and rent errors attributable to unreported income and to increase accuracy and efficiency in determining family, eligibility and computing rent calculations.

B. Methods of Verification and Time Allowed [24 CFR 982.516]

The Municipality will verify information through the four methods of verification acceptable to HUD in the following order:

1. Third-party written;
2. Third-party oral;
3. Review of Documents;
4. Certification/Self-Declaration;

The Municipality will allow three (3) weeks for return of third-party verifications and two (2) weeks to obtain other types of verifications before going to the next method. The Municipality will document the files as to why third party written verification was not used.

For applicants, verifications may not be more than 60 days old at the time of Voucher issuance and for participants, they are valid for 120 days from the date of receipt.

C. Verification Procedures [24 CFR 982.201(e)]

Once the family has filed an application and has provided evidence required to complement it, office personnel must verify with sources and references all basic information given by the applicant by means of a personal interview, telephone contact or by mail. When all information is verified and the family is determined eligible by a certification form which must be filled out by the Municipal staff in charge of the case, they will be placed on the waiting list.

An on-site visit will be conducted by the Section 8 staff to verify the validity of the conditions under which the family is currently living to ascertain the accuracy of the information given by the prospective family. The evaluation report as well as the one for unit will form part of the file.

After the families have completed their applications, except those that for obvious reasons will not qualify, a series of documents will be requested from them and they will be required to bring these documents within a reasonable period specified by the intake Housing Staff member. The family will be given a sheet outlining the necessary documents needed to complete their file. This same list will be reviewed by the family and the intake Housing Staff member. This will ensure that any doubts that the family might have will be cleared up, including the

Program policy that if an applicant family does not comply with the time constraint imposed for submitting the required documents, their respective application will be withdrawn and case considered closed. So as to assure that the family understand this, both the applicant family and the Housing Staff member will sign a certification to this and a copy will be provided to the family. (See Attachments)

Should the family again be interested in applying and the waiting list opened, they would be required to start by completing a new application based on the new date and time, thus, determining the position or number on the waiting list. This same procedure will be used when a candidate family is summoned for a voucher issuance.

D. Third-party Written Verification

Third party verification is used to verify information directly with the source. Third party forms will be sent and returned via the family in a sealed enveloped and the family will be required to sign an authorization for the information source to release the specified information.

Verifications received electronically and/or via a facsimile directly from the source are considered third party written verifications.

The Municipality will accept verifications in the form of computerized printouts delivered by the family from the following agencies:

1. Social Security Administration;
2. Veterans Administration;
3. Unemployment Compensation from the Puerto Rico Department of Labor;
4. Municipal or District Courts.

The Municipal housing staff will always verify third party verifications orally regardless of how they are received in the office.

E. Third-party Oral Verification

Oral third-party verification will be conducted when written third-party verification is delayed, not possible, or the documents look altered. The housing staff will be required to complete a Certification of Document Viewed or Person Contacted Form, noting with whom they spoke, the date of the conversation,

and the facts provided. This document will form part of the certification and/or recertification process of the family. (See attachments)

F. Review of Documents

In the event that third-party written or oral verification is unavailable, or the information has been verified within the established time frame, the housing staff will annotate the file accordingly and utilize documents provided by the family as the primary source if the documents provide complete information.

The Municipality will accept the following documents from the family provided that the document is such that tampering would be easily noted:

1. Printed wage stubs;
2. Computer print-outs from the employer;
3. Signed letters (provided that the information is confirmed by phone);
4. Other documents noted in this chapter as acceptable verification;
5. The Municipality will accept faxed documents and other electronic transmissions as well as photocopies.

If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, the PHA will utilize the third party verification. The Municipality will not delay the processing of an application beyond the time frame established simply because a third party information provider does not return the verification in a timely manner.

G. Self-Certification/Self-Declaration

When verification cannot be made by the established third-party method or review of documents, families will be required to submit a self-certification. The term "self-certification" means a notarized statement/affidavit/certification under the penalty of perjury punishable under the laws of the Commonwealth of Puerto Rico.

H. Release of Information [24 CFR 5.230]

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. Each member requested to consent to the release of specific information will be provided with a copy of the appropriate forms for their review and signature.

Families who refuse to cooperate with the HUD prescribed verification system will result in denial of admission or termination of assistance because it is a family obligation to supply any information and to sign consent forms requested by the PHA and/or HUD.

I. Items to be verified [24 CFR 982.516]

The following items will be verified by the Municipality in accordance with established HUD regulations:

1. All income not specifically excluded, by the regulation;
2. Full-time student status including high school students who are 18 or over;
3. Current assets including assets disposed of, for less than fair market value in preceding two years;
4. Child care expenses where it allows an *adult* family member to be employed or to further his/her education;
5. Total medical expenses of all family members in households whose head or spouse is elderly or disabled;
6. 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;
7. Disability for determination of preferences, allowances or deductions;
8. U.S. citizenship/eligible immigrant status;

9. Social security numbers for all family members, over 6 years of age or older who have been issued a social security number;
10. Marital status when need for head or spouse definition;
11. Verification of Reduction of Benefits for Noncompliance:

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

In addition to the aforementioned items, the attached chart (translated into Spanish) outlines the most common items that will be verified for families in the Section 8 program and gives examples of the customary forms of verification to be accepted by the Municipality. (See attachments)

J. Verification of Income [24 CFR 982.516]

This section defines the methods that the Municipality of Juana Díaz will use to verify various types of income:

1. Employment Income

Verification forms request the employer to specify the:

1. Date of employment;
2. Amount and frequency of pay;
3. Estimated income from overtime, tips, bonus pay expected during next 12 months;

2. Acceptable methods of verification

- a. Employment verification form completed by the employer;
- b. Oral verification of employment information;
- c. Check stubs or earning statements, which indicate the employees gross pay, frequency of pay or year to date earnings;

- d. Income tax returns and/or a certification from the State Treasury Department;
- e. Self-certifications and/or income tax returns signed by the family may be used for verifying self-employment income.

K. Social Security and Pensions

Acceptable methods of verification include:

1. Benefit verification form completed by agency providing benefits.
2. Award or benefit notification letters prepared and signed by the providing agency.

L. Unemployment Compensation

Acceptable methods of verification include:

1. Benefit verification form completed by the unemployment compensation agency.
2. A computer report electronically obtained or in hard copy, from unemployment office stating payment dates and amounts.

M. General Assistance

Acceptable methods of verification include:

1. PHA verification form completed by payment provider;
2. A computer generated Notice of Action;
3. A written statement from the payment provider indicating the amount of the grant/payment, starting date of payment, and anticipated changes in payment in the next 12 months.

N. Alimony or Child Support Payments

Acceptable methods of verification include:

1. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules;
2. Copy of the latest check, and/or payment stubs from Court Trustee, which in the case of Puerto Rico is "ASUME", as it is known in Spanish;
3. A notarized statement from the person paying the support.

If payments are irregular, the family must provide an accurate statement of income:

1. A copy of the pertinent pages of the separation and/or settlement agreement, or the pertinent pages of the divorce decree stating the amount and type of support and payment schedules;
2. A notarized affidavit from the family indicating the amount(s) to be received;
3. A certification from the State Agency in charge of this which is called "ASUME", as it is known in Spanish.

O. Recurring Gifts

The family must furnish a notarized statement which contains the following information:

1. The person who provides the gifts;
2. The value of the gifts;
3. The regularity (dates) of the gifts;
4. The purpose of the gifts.

P. 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, TANF, SS, etc. are not being received by the household.

Q. 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. This is only applicable to students who are full time at an institution of higher education and the student is over the age of 18.

Financial aid, scholarships and grants received by full time students are not counted towards family income. Verification of full time student status includes, but not limited to:

1. Written verification from the registrar's office or other school official.
2. School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

R. Verification of Allowable Deductions from income [24 CFR 982.516]

(1) Child Care Expenses

Written verification from the person who receives the payments is required. If the child care provider is an individual, she/he must provide a statement of the amount that the participant family is being charged for services.

Verification must specify the child-care provider's name, the address, telephone number, the names of the children cared for, the number of hours the child-care occurs, and the rate of the pay. If the family cannot obtain the statement from the child-care provider, a self-certification will be accepted.

(2) Medical Expenses

Families who claim medical expenses will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

- (a) Written verification by a doctor, hospital, clinic personnel, dentist, or pharmacist, of (1) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (2) extent to which those expenses will be reimbursed by an insurance company or government agency.
- (b) Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.
- (c) Self-certification when doctor, hospital, insurance company, social security, etc., refuse to provide written confirmation.

## CHAPTER 7

### FACTORS RELATED TO TOTAL TENANT PAYMENT AND FAMILY SHARE DETERMINATION AND CONTINUED OCCUPANCY

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

#### Introduction

The Municipality of Juana Díaz will use the methods as set forth in this Administrative Plan to verify and determine that family income at admission and at annual reexamination is correct, which would allow the family to continue occupancy. 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. The PHA's policies in this Chapter address those areas which allow the PHA 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.

#### A. Income and Allowances [24 CFR 6.609, 5.611]

According to Federal Regulations, there are three (3) types of incomes, as defined by HUD, when considering a participant family's economic resources.

##### 1. 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.

2. Annual Income

Is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. 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 Federal Regulations. Annual income is used to determine whether or not applicants are within the applicable income limits.

3. Adjusted Income

Is defined as the Annual income minus any HUD allowable expenses and deductions.

In accordance with HUD regulations, there are five allowable deductions from Annual Income:

a. Dependent Allowance

Is \$480 each for family members (other than the head or spouse) who are minors, and for family members who are 18 and older that are full-time students or disabled.

b. Elderly/Disabled Allowance

Is \$400 per family for families who head or spouse is 62 or over and/or disabled.

c. Allowable Medical Expenses

Deducted for all family members of an eligible elderly/disabled family.

d. Child Care Expenses

Deducted for the care of children under 13 when child care is necessary to allow an adult member to work, attend school, or actively seek employment. This amount is composed of direct and indirect cost associated with child care.

- ✓ *For purposes of this plan, the Municipality defines direct cost as the amount paid by the adult member to someone and/or entity to care for the child, while the adult member works, attend school, or actively seek employment. Indirect cost is defined as the cost associated with the child care and is the out of pocket expenses incurred by the adult such as disposable diapers and food (i.e., baby food and formula), which are not provided by the child care provider.*

e. 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.

B. 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.

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

The Municipality of Juana Díaz's policy regarding permanent and temporary absence from the unit is as follows:

1. Non-head of household family members will be considered temporarily absent for the purpose of voucher size and income determination, if the member is expected to return to reside in the dwelling unit within a 180-day period.
2. Head of Household will be considered permanently absent and subject to remaining family member policy if absent for a period of more than 60 days.

3. A family member subject to court ordered restraint for a period of more than 60 days will be considered permanently absent for the purpose of voucher size and income determination. The PHA will determine if the reason for incarceration is drug-related or violent criminal activity.
4. A student (other than the head of household or spouse) who attends school away from home but lives with the family during the school recesses may, at the choice of the family, be considered either temporarily or permanently absent.
5. 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 in the lease, and the member will not be included for determination of voucher size.
6. If the student family member resides with the family 183 days per year or more, the family member will be considered temporarily absent when away at school, the member will be included on the lease and the member will be included for determination of the voucher size.
7. A family caretaker resident in the dwelling unit, as a result of permanent absence of the head of household and spouse, and approved by the Municipality, will maintain a status of a temporarily absent adult for the purposes of income determination for a period not to exceed 180 days.
8. If by the end of that period, court-awarded custody or legal guardianship of minors has been awarded to the caretaker, the Voucher will be transferred to the caretaker.
9. If custody or legal guardianship has not been awarded by the court, but the action is in process, the Municipality will secure verification from the appropriate social services staffer as to the status of the case. Needless to say, the Municipality will transfer the voucher to the caretaker, in the absence of a court order, if the caretaker has been in the unit for more than 180 days and it is reasonable to expect that custody will be granted.

10. When the Municipality approves a person to reside in the unit as the caretaker for the child/ren, the income should be counted pending a final disposition. The PHA will work with the appropriate agencies and the landlord to provide a smooth transition in these cases.
11. If the family includes a child or children temporarily absent from the home due to placement in foster care, the Municipality will determine from the appropriate Child Welfare Agency when the child/ren will be returned to the home. If the time period is to be greater than 12 months from the date of removal of the child/ren, the voucher size will be reduced in accordance with family composition. If all children are removed from the home permanently, and after obtaining proper verification from the appropriate Child Welfare Agency, and depending on the individual circumstances, the voucher assistance may be terminated.

E. Absence of Entire Family

This policy guideline addresses situations when the family is absent from the unit, but has not moved out. For purposes of this plan, the Municipality defines "Absence" as no family member residing in the unit. In cases where the family has made an unauthorized move from the unit, the Municipality will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

1. Families are required to both notify the Municipality before they move out of a unit as well as provide information about any family absence from the unit.
2. If it is determined that the family is absent from the unit, the Municipality will terminate assistance payments. Furthermore, HUD regulations require the PHA to terminate assistance if the entire family is absent from the unit for a period of more than 180 consecutive calendar days and/or unauthorized move-out.

In order to determine if the family is absent from the unit without proper authorization, the Municipality will take the following action:

1. Write Letters to the family at the unit;
2. Telephone the family at the unit;

3. Interview neighbors;
4. Verify if the utilities are in service;
5. Visit the unit.

A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD-allowed 180 consecutive calendar day's limit. However, if the absence which resulted in termination of assistance was due to a person's disability, and the PHA can verify that the person was unable to notify the PHA in accordance with the family's responsibilities, and if funding is available, the PHA may reinstate the family as an accommodation if requested by the family, as long as the period was within 180 days.

F. Request for authorize absence

Cognizant of the fact that many of the participating families have relatives residing on the U.S. mainland, there may come a time when the family might have to be absent from the unit for a limited time due to a "family emergency."

- ◆ *For purposes of this plan, the term "family emergency" is defined to mean an emergency being experienced by a relative abroad that might require assistance and/or the family might need to travel for a personal matter.*

Moreover, the family must make a written request, whereby the reason for this petition is being made. The determination to grant or deny the request will be made by the Section 8 Director and the following criteria will be used:

- That the family is in good standing;
- That the family has complied with family obligations;
- The family has complied with HQS.

The Section 8 Program Office will notify both the family and the owner in writing of the approval of the request made. The family will be advised that they are authorized to be absent from the unit for a period of no more than 90 days as well as that the family cannot be absent for a period longer than what has been authorized. If the family decides to stay

longer than the authorized period, the housing payments will be terminated.

✓ Medical reasons

Should the PHA, namely the Municipality of Juana Díaz, be advised by the family that they need to relocate to another jurisdiction for medical reasons and after receiving medical treatment desire to return to the initial PHA jurisdiction, the family will be permitted to locate outside of the Municipality's jurisdiction for a period up to 90 days. Upon receipt of a medical certification and has been verified that the family needs more time to recuperate, the family will be afforded an additional 90 days for a total of not more than 180 days in accordance with established Federal Regulations. This decision of granting the first 90 days is contingent upon receiving a medical certification, and this has been verified by the Section 8 Program Staff, that the family requires medical attention abroad. Furthermore, should the family be absent for longer than the maximum period permitted (180 consecutive days), the housing payments will be terminated.

Additionally, the owner will be so advised in writing that he or she must reimburse the Municipality for any housing assistance overpayment made for the period after the termination.

G. Visitors

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

The Municipality will consider the following to determine if there is an unauthorized household member in the unit:

1. Absence from evidence of any other address will be considered in making a determination whether or not the visitor is a member of the household;
2. 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 considered in making a determination.

In a joint custody arrangement, if the minor is in the household 182 or less days per year, the minor will be considered to be an eligible visitor and not a family member.

H. Reporting Additions to Owner and PHA

Reporting changes in household composition to the PHA is both a HUD and a PHA requirement. The family is obligated to request PHA approval to add any other family member as an occupant of the unit and to inform as to the birth, adoption or court-awarded custody of a child. The family must request prior approval of additional household members. If any new family member is added, the income of the additional member will be included in the family income as applicable under HUD regulations. If the family does not obtain prior approval from the PHA, any person the family has permitted to move in will be considered an unauthorized household member. An interim reexamination will be conducted for any additions to the household.

I. Averaging Income

When annual income cannot be anticipated for a full twelve months, the Municipality may annualize the current income and conduct an interim reexamination if income changes. 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. If, by averaging, an estimate can be made for those families whose income fluctuates from month to month, this estimate will be used so as to reduce the number of interim adjustments. The PHA will complete an interim re-exam for any participating family for a change in income, at any time, upon request by the family.

J. Minimum Income

There is no minimum income requirement. Families who report zero income maybe required to undergo an interim recertification every six (6) months. If the family's expenses exceed their known income, the PHA may inquire as to the nature of the family's accessible resources, and possibly refer the case to the Section 8 Fraud Unit.

L. Income of Person permanently confined to nursing home  
[24CFR982.54(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:

- ◆ Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member.

M. Regular Contributions and Gifts [24 CFR 5.609]

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment. Any contribution or gift received every month or more frequently will be considered a "regular" contribution or gift, and must be reported. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis.

It does not include casual contributions or sporadic gifts. (See "Verification Procedures" chapter for further definition.) If the family's expenses exceed its known income, the PHA will inquire of the family regarding contributions and gifts.

N. 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, the PHA will use the amount awarded by the court unless the family can substantiate that they are not receiving the full amount by providing the item(s) listed below:

- Verification from the agency responsible for enforcement or collection, which in the case of Puerto Rico, the responsible agency is known as "ASUME", in Spanish.

O. Removal of Spouse From Family Unit

It is the family's responsibility to supply a copy of:

1. The pertinent pages of the divorce decree/separation papers;
2. Self-certification and/or affidavit.

P. Lump Sum Receipts [24 CFR 5.609]

Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health, accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets, and must be reported at the annual re-exam. Lump-sum payments caused by delays in processing periodic payments such as unemployment or welfare assistance are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments which have accumulated due to a dispute will be treated the same as periodic payments which are deferred due to delays in processing. In order to determine amount of retroactive tenant rent that the family owes as a result of the lump sum receipt, the PHA uses a calculation method which calculates retroactively or prospectively depending on the circumstances.

1. Prospective Calculation Methodology

If the payment is reported on a timely basis, the calculation will be done prospectively and will result in an interim adjustment calculated as follows:

- ◆ The lump sum will be added in the same way for any interims which occur prior to the next annual recertification.

2. Retroactive Calculation Methodology

If the payment is not reported on a timely basis, the PHA will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer. At the PHA's option, the PHA may enter into a Payment Agreement with the family. The amount owed by the family is a collectible debt even if the family becomes unassisted.

Q. Contributions to Retirement Funds-Assets [24 CFR 5.603(d)]

Contributions to company retirement/pension funds are handled as follows:

- ◆ While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment. After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

R. Child Care Expenses [24 CFR 5.603]

Child care 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.

In the case of a child attending private school, only after-hours care can be counted as child-care expenses. Child-care expenses cannot be allowed as a deduction if there is an adult household member capable of caring for the child who can provide the child care.

Examples of those adult members who would be considered *unable* to care for the child include:

1. The abuser in a documented child abuse situation;
2. A person with disabilities or older person unable to take care of a small child, as verified by a reliable *third-party* source;
3. Allowability of deductions for child care expenses is based on the following guidelines:

a. **Child care to work:** The maximum child care expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.

B. **Child care for infants:** The following cost will be considered in determining child care expenses:

b.1 Indirect cost: additional cost incurred by the adult member working and defined in Section R, subpart 3a such as pampers, baby formulas and baby food.

b.2 Direct Cost: Direct payment made by the household member working to the child care provider.

c. **Child care 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.

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

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS Publication 502 will be used as a guide. Nonprescription medicines must be doctor-recommended in order to be considered a medical expense. Nonprescription medicines will be counted toward medical expenses for families who qualify if the family furnishes legible receipts. Acupressure, acupuncture and related herbal medicines, and chiropractic services will be considered allowable medical expenses if doctor approved.

T. Proration of Assistance for "Mixed Families" [24 CFR 5.520]

1. Applicability

Proration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

2. Prorated Assistance Calculation

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Calculations for each housing program are performed on the HUD 50058 form.

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

The same Utility Allowance Schedule is used for all Tenant-Based Programs. The utility allowance is intended to cover the cost of utilities not included in the rent. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on an individual family's actual energy consumption.

The PHA's utility allowance schedule, and the utility allowance for an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards. The PHA may not provide any allowance for non-essential utility costs, such as costs of cable, telephone (includes land -line and cellular service), air conditioning unit or satellite television.

The PHA must classify utilities in the utility allowance schedule according to the following general categories: space heating, cooking, water heating, water, sewer, trash collection; other electric, refrigerator (amortized cost if tenant-supplied), range (amortized cost if tenant-supplied) and other specified services.

The PHA will review the utility allowance schedule annually. If the review finds a utility rate has changed by 10 percent 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 reexamination. The approved utility allowance schedule is given to families along with their voucher. The utility allowance is based on the actual unit size selected. Where the calculation on the HUD 50058 results in a utility reimbursement payment due the family [24 CFR 982.514(b)], the PHA will provide a utility reimbursement payment for the family each month. The check will be made out directly to the tenant.

#### V. Continued Assistance

To be eligible for continued participation in the Section 8 program, a family must meet all of the requirements listed below. They must:

1. Qualify as a family (as previously defined);
2. Comply with the Section 8 family obligations and be in good standing. For purposes of this plan, good standing is defined as the family complying with Section 8 obligations, documents are complete, rent (if applicable) up to date, and utility payments are up to date;
3. Not have been absent, as defined in Section E of this Chapter, from the unit for 90 or more consecutive days.

## CHAPTER 8

### SUBSIDY STANDARDS [24 CFR 982.54(d)(9)]

#### Introduction

According to HUD guidelines, PHA's must establish standards for determination of family unit size, as well as, that such standards provide for a minimum commitment of subsidies 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 (family unit size) for various sized families when they are selected from the waiting list, and the PHA's procedures when a family's size changes, or a family selects a unit size that is different from the voucher.

#### A. Determining Family Unit (Voucher Size) [24 CFR 982.402]

The PHA does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom on the voucher. The Municipality's subsidy standards for determining voucher size shall be applied in a manner consistent with Fair Housing guidelines.

It should be noted that the Municipality considers an adult as a person 21 years or older for purposes of subsidy standards. All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements:

#### 1. Occupancy Standards

Based on the family composition the subsidy to be paid will be based upon the unit size that the family is eligible to occupy. The following table will be used to determine unit size for the family:

<b>Unit Size</b>	<b>MINIMUM NO. OF PERSON IN HOUSEHOLD</b>	<b>MAXIMUM NO. OF PERSONS IN HOUSEHOLD</b>
0 BR	-0-	-1-
1 BR	-1-	-2-
2 BR	-2-	-4-
3 BR	-4-	-6-
4 BR	-6-	-8-

2. Determination of Unit Size in Relation to Family Composition

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

- a. A family may select a unit that is larger than the bedroom size authorized by the PHA, but the family must pay the increased cost unless an owner is willing to accept a lesser rent.
- b. The unit size on the Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.
- c. One bedroom will be generally assigned for each two-family members. The Municipality will consider factors such as family characteristics including sex, age, or relationship. Consideration will also be given for medical reasons and the presence of a live-in aide.
- d. Head of household and spouse/significant other shall occupy the same bedroom.
- e. If there is no spouse/significant other occupying the same bedroom as the head of household, the head of household can share a bedroom with a child aged one or under.

- f. Persons of different generations, (i.e., grandparent and grandchild), will be allocated in a separate bedroom.
- g. Foster children will be included in determining unit size.
- h. Live-in attendants will be provided a separate bedroom. No additional bedrooms are provided for the attendant's family.
- i. Space may be provided for a child who is away at school, but who lives with the family during school recess.
- j. Space will not be provided for a family member, other than a spouse/significant other, who will be absent most of the time, such as a member who is away in the military.
- k. A single pregnant woman with no other family members will be treated as a two-person family.
- l. Single person families will be allocated one bedroom unit.
- m. Two children of different sex under age 4 are to share a bedroom. Bedrooms will be assigned to all other family members on the basis of two members of the same sex per bedroom.
- n. The subsidy standards provide for the smallest number of bedrooms required to house a family without causing overcrowding;
- o. The subsidy requirements are consistent with space requirements under the Housing Quality Standards;
- p. The subsidy standards have been applied consistently for all families of like size and composition;

- q. Any live-in aide which has been authorized by the Municipality to reside within the unit to care for a family member, who is either disabled or at least 50 years of age, will be counted in determining the family unit size;
- r. The Municipality has agreed, that unless a live-in-aide resides with the family, the family unit size for any family consisting of a single person must be either a zero or one bedroom unit.
- s. The Municipality will grant an exception to its established subsidy standards, in determining the family unit size for a dwelling unit, if it determines that the exception is justified by the age, sex, health, handicapped or relationship of family members or other personal circumstances.

B. Unit Size Selected [24 CFR 982.402(c)]

The family may select a different size dwelling unit than that listed on the Voucher. In so doing, there are three criteria to consider:

1. Subsidy Location: The family unit size as determined for a family under the PHA subsidy standard for a family assisted is based on the adopted payment standard. The payment standard for a family shall be the lower of:
  - a. The payment standard amount for the family unit size;
  - b. The payment standard amount for the unit size rented by the family.
2. 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.

3. HQS: 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 table in Section A, subsection 1 of this chapter. The levels may be exceeded if a room in addition to bedrooms and living room is used for sleeping. Any such rooms must meet HQS acceptability criteria, i.e., windows that open, which allow ventilation.

C. PHA Error

If the Municipality of Juana Díaz errs in the bedroom size designation, the family will be issued a Voucher of the appropriate size.

D. Changes in Family Composition

The members of the family residing in the unit must be approved by the Municipality. 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 30 days and complete an interim re-exam.

E. Under-housed and Over-housed Families

If a unit does not meet HQS space standards due to an increase in family size, (unit too small), the Municipality will issue a new voucher of the appropriate size.

The Municipality will also notify the family of the circumstances under which an exception will be granted, such as:

- If a family with a disability is under-housed in an accessible unit;

- If a family requires the additional bedroom, because of a health problem, which has been verified by the Municipality.

F. Option to Lower Payment Standard

According to PIH Notice 2005-9, dated February 25, 2005, the PHA may opt to lower the payment standard. The lower payment standard will apply immediately to all new applications, all movers, and stayers with a new HAP contract, provided the owner offers or requires a new lease. For all other tenant-based rental voucher participants, the decreased payment standard amounts are not applied until the second regular reexamination after the payment is lowered.

## CHAPTER 9

### Lease Approval and Contract Execution [24 CFR 982.302]

#### Introduction

After issuing a voucher to families, they may search for a unit anywhere within the jurisdiction of the PHA, or outside of the PHA's jurisdiction if they qualify for portability. 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 the Municipality. This chapter defines the types of eligible housing, the Municipality's policies which pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests for Tenancy Approval (RFTA).

#### 1. Program Requirements [24 CFR 982.302 & 982.305(b)]

The family must submit the RFTA in the form and manner required by the Municipality of Juana Díaz. The Municipality will not approve any family to lease a unit or execute a HAP contract until it has been determined by the Municipality that the following has been met:

- A. The unit is eligible;
- B. The unit has been inspected by the Housing Inspector and passes HQS;
- C. The lease is approved including all the required lease provisions and has been duly executed between the owner and family participant;
- D. The rent to the owner has been determined to be reasonable;
- E. The total of contract rent plus any utility allowance does not exceed the FMR/exception rent limit and is within the Payment Standard established by the Municipality;
- F. The security deposit is approved in accordance with any limitations in this plan;

- G. The proposed lease complies with HUD and PHA requirement;
- H. The owner is approved, and there exist no conflicts of interest.

2. Actions prior to lease term

It will be required that all of the following must always be completed before the beginning of the lease term:

- A. The unit has been inspected by the Municipality and it has been determined that the dwelling unit satisfies HQS;
- B. The lease has been duly executed by both the landlord and tenant, and the Municipality has approved the leasing of the unit in accordance with program requirements.

3. HAP Execution

Prior to contract and lease execution, lease provisions, lease approval procedures, Housing Quality Inspections and payment procedures will be fully discussed with the owner and, as is required by Law, all records and documents related to the lease approval will be filed and retained within the tenant's file for as long as the family remains in good standing within the program as well as in the unit.

Every effort will be made by the Municipality of Juana Díaz to execute a HAP contract before the beginning of the lease term. The Municipality will not pay any housing assistance payment to the owner until the HAP contract has been duly executed. Should the HAP contract be executed during the period of 60 calendar days from the beginning of the lease term, the Municipality will make housing assistance payments after execution of the HAP contract. Any HAP contract executed after the 60-day period is void and the Municipality will not pay any housing assistance payment to the owner.

4. Notice to Family and Owner

The Municipality of Juana Díaz will promptly notify both the family and owner, after having received the family's request for lease approval to lease a particular unit.

5. Procedure After PHA approval

When the Municipality of Juana Díaz has authorized the family to lease the unit, the owner and the Municipality may then execute the HAP contract. The owner will receive a briefing on the program and the Section 8 Director will closely work with both the family and the owner to expedite this same procedure. At this time, the Section 8 Director will coordinate with the owner, and based on these instructions, as to where the payment of subsidies will be direct to, or specific instructions on the persons authorized to pick up the same at the Municipality of Juana Díaz.

6. Landlord Rejections

It will be the policy of the Municipality of Juana Díaz not to enter into a HAP contract with any owner who refuses or has a history of refusing to evict families, who disturb the peaceful enjoyment of the property, engage in drug-related or violent criminal activity, and threaten the health or safety of other residents, managers, employees of the Section 8 Office or the owner. This is in accordance with established HUD regulations as set forth in the Quality Housing and Work Responsibility Act of 1998.

In this regard, a dwelling unit will not be approved if the Municipality has been informed by HUD or otherwise, that the owner is debarred, suspended, or subject to a limited denial of participation under 24 CFR Part 24. When directed by HUD, the unit will not be approved if:

- a. The federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending;
- b. A Court or Administrative Agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

As part of its administrative discretion, the Municipality of Juana Díaz may deny approval to lease a unit from an owner for any of the following reasons including but not limited to those aforementioned:

- a. The owner has violated obligations under a housing assistance payment contract under Section 8 of the 1937 Act (42 USC1437);

- b. The owner has committed fraud, bribery of any other corrupt or criminal act in connection with any federal housing program;
- c. The owner has engaged in drug trafficking;
- d. The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based program, or with applicable housing standards for units leased with Housing Choice Voucher Assistance or leased under another federal housing program;
- e. The owner has a history or practice of renting units that fail to meet State or Local housing codes;
- f. The owner has not paid State or Local real estate taxes, fines, or assessments.

It should be clearly noted that nothing contained within 24 CFR Part 24 (982.306) is intended to give any owner any right to participate in the program. For purposes of this plan the term “owner” includes a principal or other interested parties.

7. Initial Lease Term

It will be the policy of the Municipality of Juana Díaz that the initial lease term will be for no more than one year after the execution of the HAP contract between the owner and the Municipality. The prevailing practice in the local housing market is to execute a lease contract of no more than one year. This is in accordance with established HUD regulations as set forth in the Quality Housing and Work Responsibility Act, section 545.

8. Security Deposit Requirements [24 CFR 982.313]

Owners may collect a security deposit that is not greater than one month's rent, which is the acceptable general practice within the Municipality. Every attempt will be made to brief the owners and tenants of the importance of this and encourage communication between the two parties.

If the owner fails to collect a security deposit, the Municipality will not be liable for any damages caused by the tenants in accordance with established federal regulations. The owner as well as the family will be briefed on their responsibilities concerning this.

9. Disapproval of RFTA

If the Municipality determines that the request cannot be approved for any reason, the landlord and the family will be notified. The Municipality will instruct the owner and family of the steps that are necessary to approve the request.

If for any reason, a RFTA is not approved, the Municipality will furnish another RFTA form to the family provided that time remains on the term of the voucher so that the family can continue to search for eligible housing.

10. Lease Review [24 CFR 982.308]

The Municipality will review the lease, particularly noting the approval of optional charges and compliance with Federal Regulations as well as State and Local Law. The tenant must also have the legal capacity to enter a lease under State Law. Responsibilities for utilities, appliances, and optional services must correspond to those provided on the RFTA.

The family and owner must submit a standard form of the model lease used in the locality by the owner. This same lease is generally used by the landlord for other unassisted tenants in the premises. The terms and conditions of the lease must be consistent with State Law. If the standard form of the lease is not present, the Municipality will provide a model that can be used, which complies with HUD Regulations and State Law.

At a minimum the lease must specify:

- The names of the owner and tenant;
- The address of the unit rented (including apartment number, if any);
- The amount of the monthly rent to owner;
- The utilities and appliances to be supplied by the owner;
- The HUD prescribed tenancy addendums must be included in the lease word-for-word before the lease is executed;

- ❑ The lease must provide that drug-related criminal activity engaged in by the tenant, any household member, or any guest on or near the premises, or any person under the tenant's control on the premises are grounds to terminate tenancy;
- ❑ The lease must also provide that the owner may evict family when the owner determines that:
  1. Any household member is illegally using a drug;
  2. A pattern of illegal use of drugs by any household member interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- ❑ The lease must also provide that the following types of criminal activity by a "covered person" are grounds to terminate tenancy:
  1. Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of their premises by persons residing in the immediate vicinity of the premises;
  2. Any violent criminal activity on or near the premises by a tenant, household member, or guest;
  3. Any violent criminal activity on the premises by any other person, under the tenant's control.
- ❑ The lease must provide that the owner may terminate tenancy if a tenant is:
  1. Fleeing to avoid prosecution, custody or confinement after conviction for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees;
  2. Violating a condition of probation or parole imposed under Federal or State Law.

11. Rent Limitations [24 CFR 982.507]

The Municipality will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for a lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.

By accepting each monthly housing assistance payment from the Municipality, the owner certifies that the rent to the owner is not more than rent charged for comparable unassisted units in the premises. The owner is required to provide the PHA with information requested on rents charged on the premises or elsewhere. Moreover, during the tenancy, the rent to the owner may not be more than the most current reasonable rent as determined by the Municipality.

12. Disapproval of Proposed Rent [24 CFR 982.502]

If the proposed rent is not reasonable, at the request of the family, the Municipality will negotiate with the owner to reduce the rent to a reasonable rent or to include some or all of the utilities in the rent to the owner.

If the rent can be approved after negotiations with the owner, the PHA will continue processing the Rental Agreement and lease. If the revised rent involves a change in the provision of utilities then a new Rental Agreement must be submitted.

If the owner and the Municipality cannot reach an agreement on the contract rent, the PHA will inform the family that the lease is disapproved and authorize them to locate another unit to lease.

13. Policy statement about a family to prospective owners [24 CFR 982.307(b) & 982.54(d)(7)]

It is the position of the Municipality of Juana Díaz, as such will so advise the owners, that they and not the Municipality is permitted and encouraged to screen prospective families on the basis of their tenancy history. All owners will be so advised that they may consider a family's background with respect to such factors as:

- a. Payment of rent and utility bills;
- b. Caring for the unit and surrounding premise;

- c. Respect for the rights of others to the peaceful enjoyment of their dwelling unit;
- d. Drug related criminal activity or other criminal activity that may indeed pose a threat to the life, safety or property of others;
- e. Compliance with other essential condition of tenancy.

The Municipality feels that the release of past history of a given family may in fact, block the family's efforts to find suitable housing, when in fact, this same family may have changed both their attitude and behavioral patterns for the better.

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

The Municipality of Juana Díaz will comply with HUD regulations regarding the provisions of sex offender and other criminal background information to owners.

14. Change in Total Tenant Payment (TTP) Prior to HAP Effective Date

When the family report changes in factors that will affect the total family share prior to the effective date of the HAP contract at admission, the information will be verified and the total family share will be recalculated. If the family does not report any change, the PHA need not obtain new verifications before signing the HAP.

15. Contract Execution Process (24 CFR 982.305(c))

The Municipality prepares the Housing Assistance Payment (HAP) contract for execution. The family and the owner will execute the lease agreement and this same agreement will be notarized. Notwithstanding, the owner and the Municipality will execute the HAP contract. Copies of the documents will be furnished to the parties who signed the respective documents. The PHA will retain a copy of all signed documents.

The Municipality will make every effort to execute the HAP contract before the commencement of the lease term. The HAP contract may not be executed more than 60 days after commencement of the lease term and no payments will be made until the contract is executed.

The following PHA representative(s) is/are authorized to execute a contract on behalf of the Municipality of Juana Díaz: Duly elected Mayor of the City and/or his/her authorized representative.

Owners must provide the current address of their residence (not a Post Office Box). If families lease properties owned by relatives, the owner's current address will be compared to the subsidized unit's address. The owner will also submit documents prior to execution of the HAP contract. These documents are required by State Law and they are:

- a. The deed to the property;
- b. A certification that the Owner has no debt with the Municipality nor with the State;
- c. Certification that the Owner has his personal finances up-to-date;
- d. Certificate of Good Conduct;
- e. Certification that the Owner does not owe Child Support;
- f. Owners must provide an employer identification or social security number;
- g. Any other document required, by the Municipality.

Furthermore, and unless there was a lease effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. The PHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

## CHAPTER 10

### HOUSING QUALITY STANDARDS AND INSPECTIONS [24 CFR 982.401]

#### Introduction

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant-based programs. HQS standards are required both at initial occupancy and during the term of the lease. 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 assisted lease and HAP contract.

The Municipality of Juana Díaz will inspect each unit under contract at least annually. Furthermore, the Municipality will also have a quality control inspector or inspection supervisor perform quality control inspections on the number of files required for file sampling by SEMAP annually to maintain the PHA's required standards and to assure consistency in the PHA's program. This chapter describes the PHA's procedures for performing HQS and other types of inspections, and the Municipality's standards for 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. The use of the "HQS" in this Administrative Plan refers to both the combination of HUD and PHA requirements.

#### Inspections

Housing to be utilized and approved for the program will be subject to meeting the Performance Requirements as set forth within the Federal Register 982.401 with the exceptions of requiring mechanical equipment such as cooling or ventilating under the criteria Thermal Environment. Natural ventilation, when appropriate under windows and air circulation criteria will be considered acceptable.

Efforts will be made at all times to encourage Owners to provide housing above HQS minimum standards. The Municipality will not promote any additional acceptability criteria which are likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

Notwithstanding, all utilities and Owner provided appliances (i.e., refrigerator, stove and oven or range) must be installed by the initial inspection date. If the tenant is responsible for supplying the stove and/or refrigerator, the PHA will allow the stove and refrigerator to be placed in the unit after the unit has passed all other HQS.

1. Types of Inspections Performed [24 CFR 982.401(a) & 982.405]

There are four types of inspection that will be carried-out by the Municipality of Juana Díaz:

- a. Initial/Move-in - Conducted upon receipt of the Request for Tenancy Approval (RFTA).
- b. Annual - Conducted within twelve months of the last annual inspection.
- c. Special - Conducted at the request of the owner, family, an agency and/or third party. This would also include emergency inspections.
- d. Quality Control.

2. Initial HQS Inspections [24 CFR 982.401(a) & 982.305(b)(2)]

The Housing Inspector must inspect the unit, determine whether the unit meets with HQS, and notify the family of the determination within a reasonable time after the family submits a Request for Tenancy Approval. To the extent practicable, such inspection and determination must be completed within 15 days after the family and the owner submits a Request for Tenancy Approval. The 15-day clock is suspended during any period when the unit is unavailable for inspection.

Consequently, the unit must be vacant or occupied by the family to be inspected.

The initial inspection will be conducted to:

- a. Determine if the unit and property meet HQS as defined in this plan.
- b. Document the current condition of the unit to assist in future evaluations whether the condition of the unit exceeds normal wear and tear.

- c. Document the information to be used for determination of rent reasonableness.

If the unit fails the Initial Inspection, the owner will be notified in writing and advised to notify the Municipality once the repairs have been completed. On the Initial Inspection the Owner will be given 30 days to correct the items noted as fail. This will be done at the Inspector's discretion and depending on the amount of and complexity of the work to be done. The owner will be allowed up to two 30-day re-inspections for the repair work to be completed. If the time period given by the Inspector to correct the repairs has elapsed, or the maximum number of failed re-inspections has occurred, the family will be advised that they must select another unit, if time remains on the term of the voucher.

3. Annual HQS Inspections [24 CFR 982.405(a)]

As required by SEMAP, the Municipality conducts a HQS Inspection annually, whereby, at a minimum it is carried-out 90 days prior to the anniversary date of the last annual inspection. Special inspections may be scheduled between anniversary dates.

The landlord must correct HQS deficiencies that cause a unit to fail unless it is a fail for which the tenant is responsible. The family must allow the PHA to inspect the unit at reasonable times with notice in accordance with 24 CFR 982.551(d).

- (a) Inspection - The Municipality will notify the family by mail or by phone at least 14 days prior to the inspection. If the family is unable to be present, they must reschedule the appointment so that the inspection is completed within a reasonable period of time.
- (b) Reinspection - The family and owner are provided a notice of the reinspection appointment by mail. If the family is not at home for the reinspection appointment, a second notification will be sent where another appointment is automatically scheduled within 14 days.
- (c) The family is also notified that it is a Family Obligation to allow the PHA to inspect the unit. If the family was responsible for a breach of HQS identified in the "Denial or Termination of Assistance" chapter of this same Administrative Plan, they will be advised of their responsibility to take corrective action.

- (d) If the family is not at home for a third scheduled inspection, they may be proposed for termination for failure to comply with a Family Obligation.

4. Time Standards for Repairs

The owner must correct emergency items, which endanger the family's health or safety within 24 hours of notification. For non-emergency items, repairs must be made within a time frame set by the Section 8 Inspector, but not later than 30 days. For major repairs, the Section 8 Director may approve an extension beyond 30 days.

5. Special Inspections [24 CFR 982.405(c)]

If at any time the family or owner notifies the Municipality that the unit does not meet HQS, the Municipality may conduct an inspection. The PHA may also conduct a special inspection based on information from third parties such as neighbors or public officials.

The Municipality will inspect only the items which were reported, but if the Inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs. However, if the annual inspection date is within 30 days of a special inspection, and as long as all items are inspected that are included in an annual inspection, the special inspection will be categorized as annual and all annual procedures will be adhered to.

6. Quality Control

Quality Control inspections will be performed by a Quality Control Inspector or designate of the Section 8 Director on the number of files required by SEMAP. The purpose of Quality Control inspections is to ascertain whether each inspector is conducting accurate and complete inspections, and to ensure that there is consistency in the application of HQS.

The sampling of files will include recently completed inspections (within the prior 3 months) and a cross-section of neighborhoods.

7. Emergency Repairs [24 CFR 982.404(a)]

An emergency is defined as a violation which threatens the life, safety, health of the family. If the emergency repair items(s) are not corrected in the time period required by the Municipality, and the owner is responsible, the housing assistance payment will be abated and the HAP contract terminated. If

the emergency repair items(s) are not corrected within the time frame required by the Municipality, and it is the responsibility of the Family, the PHA will terminate the assistance.

8. Owner & Family Responsibility [24 CFR 982.404 & 982.54(d)(14)]

A. Owner Responsibility for HQS

1. The owner must maintain the unit in accordance with HQS.
2. If the owner fails to maintain the dwelling unit in accordance with established HQS, the Municipality will take prompt and vigorous action to enforce the owner obligations. The Municipality of Juana Díaz's remedies for breach of HQS include abatement of housing assistance payments or termination of the HAP contract.
3. The Municipality of Juana Díaz will not make any housing assistance payments for a dwelling unit that fails to meet HQS, unless the owner corrects the defect within the period specified by the Municipality and the correction is verified. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects the owner must correct the deficiencies detected within the specified time frame established by the Municipality.
4. The owner is not responsible for a breach of the HQS not caused by the owner, and for which the family is responsible. Furthermore, the Municipality may terminate assistance to a family because of any HQS breach it causes.

B. Family Responsibility for HQS

1. The family is responsible for a breach of the HQS that is caused by any of the following:
  - a. The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;

- b. The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant;
    - c. Any member of the household or a guest damages the dwelling unit or premises (damage beyond ordinary wear and tear).
  - 2. If an HQS breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family caused defects, the family must correct the defect within the time frame established by the Municipality.
  - 3. If the family has caused a breach of the HQS, the Municipality will take prompt and vigorous action to enforce the family obligations. The Municipality may terminate assistance for the family.
9. Consequences due to Non-Compliance by the Owner  
[24 CFR 982.405 & 982.453]

When it has been determined that a unit on the program fails to meet HQS and the owner is responsible for completing the necessary repair(s) in the time frame specified by the Municipality, and the owner failed to repair after timely notice, the assistance payment to the owner will be abated.

10. Rent Increases

No rent increases will be approved if the unit is in a failed condition.

11. Notice of Abatement

A notice will be sent to the owner, and the abatement will be effective from the day of the failed inspection when the owner failed to repair after timely notice. The abatement is in effect until the unit passes or goes into default. The PHA will inspect abated units within 30 days of the previous inspection. A reinspection date is provided on the abatement letter, however, the PHA will reinspect earlier upon the owner's request.

If the owner makes repairs during the abatement period, payment will resume on the day the unit passes inspection. The family will be notified of the reinspection date. No retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS.

12. Termination of Contract

If the owner is responsible for repairs, and failed to correct all the deficiencies cited prior to the end of the abatement period, the owner will be sent a HAP Termination notice. Prior to the effective date of the termination, the abatement will remain in effect. Notwithstanding, if the repairs are completed prior to the effective termination date, the termination may be rescinded by the Municipality if the tenant chooses to remain in the unit.

13. Consequences due to Non-Compliance by the Family  
[24 CFR 982.404(b)]

If emergency or non-emergency violations of HQS are determined to be the responsibility of the family, the Municipality will require the family to make any repair(s) or corrections within 30 days. If the repair(s) or corrections(s) are not made in this time frame, the Municipality will terminate assistance to the family, after providing an opportunity for an informal hearing. Extensions in these cases may be approved by the Section 8 Director. 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.

14. Emergency Fail Items

The following items constitute examples of emergency items for the Municipality and need to be abated within 24 hours:

- A. No hot or cold water;
- B. No electricity;
- C. Major plumbing leak;
- D. Broken lock(s) on the first floor doors;
- E. Broken window panes that unduly allow weather elements into the unit;
- F. Electrical outlet smoking or sparking;

- G. Exposed electrical wires which could result in shock or fire;
- H. Security risks such as a broken doors or windows that would allow intrusion;
- I. Other conditions, which pose an immediate threat to health or safety.

## CHAPTER 11

### REDETERMINATION/RECERTIFICATIONS AND VERIFICATION OF FAMILY INCOME AND COMPOSITION [24 CFR 982.516]

#### Introduction

In accordance with Federal Regulations, the Municipality of Juana Díaz will reexamine the income and household composition of families at least annually. Families will provide accurate annual and interim rent adjustments. Recertifications and interim examinations will be process in a manner that ensures families are given 30 days notice of rent increases. The chapter outlines the policies and procedures adopted by the Municipality for conducting annual recertifications as well as the coordination of annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

#### A. Annual Activities [24 CFR 982.516 & 982.405]

There three activities that the Municipality must conduct on an annual basis:

- Recertification of income and family composition.
- HQS Inspections (See Chapter 10, "Housing Quality Standards and Inspections").
- Rent increases, if requested by the Owner.

The Municipality produces a monthly listing of units under contract to ensure that timely reviews of rent to owner, housing quality, and factors related to a total tenant payment/family share can be made. Requests for rent adjustments and other monetary changes will be transmitted to the Municipal Finance Department.

B. Annual/Initial Recertification/Reexamination [24 CFR 982.516]

1. Initial determination and regular determination

Initial certification (regular determination) will be carried out prior to the signing of the HAP contract between the Municipality and the owner.

2. Redetermination of family income

Redetermination of family income and composition will be conducted on an annual basis by the Municipality as specified in 24 CFR part 5, subpart F. All redetermination will be effective on the anniversary date of the HAP contract.

Ninety (90) to seventy-five (75) days prior to the expiration of the HAP contract, the participating family will be notified in writing that an annual reexamination will be made in the following order:

- 90 to 75 days initial notice
- 60 days second notice
- 30 days final notice
- Cancellation notice due to noncompliance by the family

Step 1: An initial 90 to 75 -day notice will be sent to the family requesting that they fill out a recertification application (form included with notice) and a scheduled interview. The tenant will be interviewed and the following documents will be requested based on the information provided:

1. Signed consent form to release information;
2. Sign verification of income form;
3. Change in family composition:
  - a. Copy of S.S.N. card
  - b. Copy of birth certificate
  - c. Photograph
  - d. Sworn Statement
4. Form W-5 from the State Labor Department;
5. Verification of student status if deem necessary (under the new regulations a full-time student is defined as a person who is attending school or vocational training on a full-time basis);

6. Issuance of Certificate of Good Conduct from the State Police Department;
7. Any other document that are deemed necessary, so as to complete the recertification process of the family;
8. A date will be set for submitting the requested documents.

Step 2: During the follow-up notice, the Municipality will make a second request in writing requesting those items not submitted or received in order to complete the reexamination process. The Municipality will begin to compile the information received, assure for completeness and accuracy, and will follow-up on third party verification, thus, initiating the necessary action to certify said information. The appropriate form designated by the Municipality will be prepared and said form will be signed by the family. Form 50058 will also prepared so that the verified information can be entered into the system and electronically sent to MTCS in accordance with existing HUD regulations.

Step 3: The yearly mandatory inspections will be carried out and both owner and family will be notified in writing of the results of the reexamination and changes in family contribution or eligibility for the unit they may occupy if any. A final notice will be issued that will contain a scheduled date to sign the addendum to the original contract reflecting these same changes for the coming year.

In the event that for some unforeseen reason there is a delay in completing said reexamination, the owner and tenant would be notified of an extension, under the same terms and conditions presently existing, until the reexamination is completed. Families that do not comply with the submission of documents for the annual reexaminations once given all opportunities will be notified of their cancellation as participants within the program and will be advised of their rights as well as informed that they are entitled to request an informal hearing as established in this plan. The final determination of said hearing will be maintained within the family's file. A copy of the determination will be directed to the owner stating that the housing assistance payments will be discontinued.

I. Interim Recertification Policy[24 CFR 982.516]

When a participating family, due to unforeseen or temporary events, request an adjustment in the family contribution, the documents submitted or the reasons will be verified by the Section 8 Director or designated staff member. The common reasons for a family to make this request are: (1) Loss of income or job, (2) Medical Expenses (Applies only to Elderly or disabled Family); (3) Increase of family composition.

Interim recertification of income and change of family composition will be conducted by the housing staff within a responsible time after the family has made such request. When a tenant family comes in to inform of any changes not directly related to their annual reexamination, Form 50059 will be prepared and signed by the family.

After the interview, the following forms/documents are requested:

1. Signed recertification/redetermination form;
2. Signed consent to release information, if applicable;
3. Signed verification of income form, if applicable;
4. Change in family composition (same as in annual recertification);
5. W-5 form for any member who claims to be unemployed;
6. A certificate of good conduct from the State Police Department, (if applicable);
7. Whatever document is deemed pertinent for the completion of the recertification process.

Upon filling out the recertification form, the Section 8 Office will request the aforementioned documents from the participant family and a date will be scheduled by the Municipality for the family to present its situation to the Section 8 Director. This will allow the family to comply with the documents requested by the Municipality as well as the verification of the validity of the information provided by the family in accordance with 24 CFR part 5, subpart F, section 982.516.

In accordance with established federal regulations, the case will be analyzed with the existing conditions and a new computation of tenant rent will be prepared. A notice will be sent to both the tenant and landlord informing them of the changes and the dates that they will become effective. For certain extraordinary reasons this determination could in fact be ruled retroactively. The correspondence notifying both the family and the landlord would constitute a valid amendment to the lease and Housing Assistance Payment contracts, respectively.

The tenant will be instructed to notify the Municipality of any change of the conditions which originated the verification and periodic reexaminations would henceforth be scheduled. The family will be advised, that failure to comply with this same condition, could result in a decision to increase the family participation, effective the condition, which originally caused the adjustment ceased to exist.

D. Adjusted Income

Adjusted income means annual income of the members of the family residing or intending to reside in the dwelling unit, after making the mandatory deductions as per 24 CFR part 5, section 5.61 and as set forth in Chapter 7, Section A, subpart 3, of this Administrative Plan.

E. PHA Errors

If the Municipality makes a calculation error at admission to the program or at an annual reexamination, an interim examination will be conducted, if necessary, to correct the error, but the family will not be charged retroactively. Families will be given decreases, when applicable, retroactive to when the decrease for the change would have been effective if the information was calculated correctly by the PHA.

F. Notification of results of recertifications

The HUD form 50058 will be completed and transmitted as required by HUD. A notice of rent change will be mailed to the owner and the tenant. If the family disagrees with the rent adjustment, they may request an informal hearing.

G. Rent Determination [24 CFR Part 5, Section 5.613]

1. Total Tenant Payment

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

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

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

G. Minimum Rent [24 CFR 5.626]

The established "Minimum rent" for the Municipality of Juana Díaz is \$50.00. 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.

## H. Hardship exemption

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

## I. Request for Hardship Exemption

1. If a family requests a hardship exemption, the Municipality of Juana Díaz will suspend the minimum rent requirement beginning the month following the family's hardship request until the Municipality of Juana Díaz determines whether there is a qualifying financial hardship and whether it is temporary or long-term.
2. If the Municipality of Juana Díaz determines that there is a qualifying financial hardship, but that it is temporary, the Municipality of Juana Díaz will not impose a minimum rent for a period of any more than 90 days from the date of the family's request. At the end of the 90-day suspension period, a minimum rent is imposed retroactively to the time of suspension. The family will be afforded a responsible repayment agreement for the amount of back rent owed.

- a. If the Municipality of Juana Díaz has determined that there is no qualifying hardship exemption, the Municipality of Juana Díaz will reinstate the minimum rent including the back payment for minimum rent from the time of suspension on terms and conditions established by the Municipality.
- b. If the Municipality of Juana Díaz determines that there is a qualifying long-term financial hardship, the family will be exempted from the minimum rent requirement in compliance with 24 CFR Part 5, Section 5.616.

J. Appeal of financial hardship

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

L. Timely Reporting of Changes in Income [24 CFR 982.516(c)]

1. Standard for Timely Reporting of Changes

The Municipality requires that families report certain changes to the PHA within 30 days of when the change occurs in accordance with the Interim Reexamination Policy Section within this chapter. In such cases, the family will be given a reexamination form, a list of documents needed and scheduled for an interim re-exam at which time the family will be interviewed by the prospective Housing Program Coordinator.

It will be the policy of the Municipality to require families to present any change affecting family composition and/or income before the 15<sup>th</sup> of every month so that the change can be effective the first of the following month, otherwise the change will become effective 30 days later.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

2. Procedures when the Change is Reported in a Timely Manner

The Municipality will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

- A. **Increases in the Tenant Rent** - are effective on the first of the month following at least a thirty day notice.
- B. **Decrease in the Tenant Rent** - are effective the first month following that in which the change is reported.

The change may be implemented based on documentation provided by the family, pending third-party verification.

3. Procedures when the Change is Not Reported by the Family in a Timely Manner

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

- A. **An increase in Tenant Rent** - will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpaid housing assistance and may be required to sign a Repayment Agreement or make a lump sum payment.
- B. **Decrease in Tenant Rent** - will be effective on the first of the month following the month that the change is reported.

4. Procedures when the Change is Not Processed by the PHA in a Timely Manner

“Processed in a timely manner” means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the PHA in a timely manner.

In this case, an increase will be effective after the required thirty days' notice prior to the first of the month after completion of processing by the PHA. If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

5. Misrepresentation of Family Circumstances

If any participant deliberately misrepresents the information on which eligibility or tenant rent is established, the PHA may terminate assistance and may refer the family file/record to the proper authorities for appropriate disposition.

## CHAPTER 12

### MOVES WITH CONTINUED ASSISTANCE/PORTABILITY [24 CFR 982.314, 982.353, 982.355(a)]

#### Introduction

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

A. General Procedures (Whenever this Municipality for portability purposes is the Initial PHA)

A family must live in the initial PHA's jurisdiction and hold a housing voucher or be a current participant to be eligible for portability. Furthermore, the family may lease a dwelling unit anywhere in the United States where there is a tenant-based subsidized housing program or in the same state or MSA. The family could decide to reside in an adjacent MSA to the initial PHA. According to existing regulations, if no PHA with a tenant-based program in this jurisdiction, assistance is administered by the initial PHA.

The family could decide to reside within the initial PHA's MSA and/or the following Municipalities within the initial PHA, namely the Municipality of Juana Díaz: (1) Ponce, (2) Santa Isabel, (3) Coamo, (4) Villalba, (5) Ciales, (6) Orocovis, and (7) Jayuya. The initial PHA, namely the Municipality of Juana Díaz, thus, expanding the housing choice of the families within the Housing Choice Voucher Program and complying with HUD's deconcentration policy as well as moving them poverty areas, will administer the assistance.

B. Limitations on Participation

The family will not be allowed to port under the following conditions:

1. A non resident applicant will be required by the Municipality, as the initial PHA, to reside within the jurisdiction a minimum of 12 months;
2. Families that have exceeded the limit of 5 moves within a one year period following the execution of the initial lease and HAP contract;
3. If the family is an FSS Family and they are in their first year of the executed contract of participation;
4. The initial PHA may also deny a move under grounds covered by section 982.552 of the Federal Register;
5. In accordance with QWHRA, families with lease violations will not be allowed to port out.
6. According to PIH Notice 2005-9, dated February 25, 2005, Section 3, subpart c, the PHA may opt to deny portability moves, and moves within the PHA jurisdiction, if the PHA does not have sufficient funds in its calendar year budget to subsidize families that relocate to a higher cost area or unit.

C. Allowable Moves

A family may move to a new unit after the first year of the initial lease-up with continued assistance if:

1. The assisted lease for the old unit has terminated because the PHA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.
2. The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a not-for-cause court judgment or other process allowing the owner to evict under State Law.
3. The family has given proper notice of lease termination (and if the family has a right to terminate the lease on notice to the owner).
4. Proper notice by the owner and/or family will be 90 days prior to the HAP contract reaching full term.

D. Portability [24 CFR 982.3253]

Portability applies to families moving out of or into the PHA's jurisdiction within the United States and its territories.

E. Income Limits under Portability

Families must meet income guidelines for eligibility in the receiving jurisdiction if:

1. Leasing a unit for the first time;
2. Changing types of assistance (Certificate to Voucher)

F. Initial PHA Responsibilities under QHWA

The family information packet will include a written explanation of how portability works, its meaning from the family's perspective as well as specific procedures which the family will need to follow in order to be allowed to port out of the Municipality.

Income eligibility of the family will be determined in accordance with established Federal Regulations as well as identify the receiving PHA if more than one PHA has jurisdiction. The family will be advised as to how, and when to contact the receiving PHA. HUD Form 52665, part I will be completed and forward to the receiving PHA with supporting documentation. All pertinent forms will be forward to the receiving PHA via certified mail unless an emergency exist and then said documents will be forward via a facsimile.

G. Receiving PHA Responsibilities under QWHRA

The receiving PHA must perform all regular PHA functions and responsibilities as required by existing HUD regulations. Part II of HUD Form 52665, will always be used, to report information pertaining to the family to initial HA such as:

1. Initial billing and subsequent changes;
2. Absorption - if the receiving PHA misses initial billing deadline or has an established policy and has sufficient funding in the ACC to absorb the family;
3. Family leaves the program.

#### H. Billing Issues under Portability

The receiving PHA must meet the initial billing deadline by completing Part II of HUD 52665 and attach from HUD 50058 within 10 working days as established by QHWRA. Form 52665 will automatically requisitions monthly amount due for each subsequent month. The initial PHA must make payments within 30 calendar days following receipt of said form unless each PHA agreed to a different schedule.

#### I. Restrictions on Moves [24 CFR 982.314 & 982.552(a)]

After initial lease-up families will not be permitted to move within the Municipality's jurisdiction during the initial first year of assisted occupancy. Also, after initial lease-up families will not be permitted to move outside the Municipality's jurisdiction under portability during this first year of assisted occupancy. Families will not be permitted to move more than once in a 12-month period. The PHA will deny permission to move if there is insufficient funding for continued assistance.

The Section 8 Director or his/her designate may make an exception to these restrictions if there is an emergency reason for the move over which the participant has no control, and includes, for example, a termination of a HAP contract due to the owner's violation of the HAP contract, or when, in change of ownership, the new owner refuses to sign a HAP contract.

## CHAPTER 13

### OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

[24 CFR 982.502, 982.504, 985.505, 982.507]

#### Introduction

The policies outlined in this chapter reflect the amendments to the HUD regulations, which were implemented by the enactment of the Quality Housing and Work Responsibility Act of 1998 for the Section 8 Tenant-Based Assistance Program as well as the procedures adopted by the Municipality of Juana Díaz for determination of rent-reasonableness, payments to owners, adjustments to the payment standards, and rent adjustments.

The Municipality of Juana Díaz will determine rent reasonableness in accordance with 24 CFR 982.507(a). It is the responsibility of the Municipality to ensure that the rents charged by owners are reasonable based upon unassisted comparable units in the rental market, using the criteria specified in 24 CFR 982.507(b). Furthermore, the Municipality of Juana Díaz will base its determination upon a survey of comparable units located in the same neighborhood as the unit for which the reasonable rent is being determined.

#### A. Payments to Owners [24 CFR 982.451]

The details for processing of the monthly payments for owners, the calculation, preparation and delivery of the checks, and the establishment of accounting and auditing procedures will be the responsibility of the program's accountant.

The monthly checks to owners and negative rents to families will be delivered during the first week of the month to which the payment actually applies. If for unforeseen reason this is not possible, a notice will be given to owners and recipients of negative rent of the possible payment date.

In accordance with the Quality Housing and Work Responsibility Act, the Municipality of Juana Díaz can be held liable for late payment of the housing assistance payment by the owner. Any late payment penalties must be imposed by the owner in accordance with the generally accepted practices in the local housing market. A late payment fee must be paid from the Municipality of Juana Díaz's administrative fee unless authorize by HUD to make such payment

from another source. Furthermore, no late fee may be charged if HUD determines that the late payment is due to factors beyond the control of the Municipality.

B. Rent to Owner

The rent to the owner is limited by rent reasonableness. The PHA must demonstrate that the rent to the owner is reasonable in comparison to rent for other comparable unassisted units. The only other limitation on rent to the owner is the maximum rent standard at initial occupancy as established by 24 CFR 982.508. During the initial term of the lease, the owner may not raise the rent of the unit.

C. Rent Reasonableness [24 CFR 982.507]

1. Determination

In accordance with 24 CFR part 982, subpart K, section 982.503, the Municipality will not approve a lease until it is determined that the initial rent to the owner is reasonable.

The Municipality will redetermine the reasonable rent under the following conditions:

- a. Before any increase in the rent to the owner;
- b. If there is a five percent decrease in the published FMR in effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary;
- c. If directed by HUD.

The Municipality of Juana Díaz will redetermine the reasonable rent at any other time that it deems necessary as a form of efficient management of the limited funds available.

2. Comparability

The Municipality of Juana Díaz will determine whether the rent to the owner is a reasonable rent in comparison to rent for other comparable unassisted units. So that said determination can be ascertained, the following will be considered:

- a. The location, quality, size, unit type, number of bedrooms, and age of the contract unit;
- b. Any amenities, facilities, housing services, maintenance and utilities to be provided by the owner in accordance with the lease.

D. Owner Certification

By accepting each monthly housing assistance payment from the Municipality of Juana Díaz, the owner certifies that the rent paid is not more than rent charged for comparable unassisted units in the premises. The owner must give the Municipality of Juana Díaz information requested by the PHA on rents charged by the owner for other units in the premises or elsewhere.

Additionally, the Section 8 Director will establish a data bank by obtaining information as to rental values in various areas of his jurisdiction and will compare them to proposed rents in the requests submitted by owners and applicants for lease approval.

At the time of the application being filled out, the applicant will provide information as to the actual being paid, which may be verified by a letter from the landlord or agent. This too will constitute an index, and in some cases, an element to compare and allow Rent Reasonable Certification. It will be certified by the Section 8 Director based on the survey conducted by the Housing Inspector in the form used by the Municipality of Juana Díaz to validate such certification. The Certification of Rent Reasonableness will be kept within the tenant's file for as long as the family is a participant within the Program.

E. Payment Standards [24 CFR 982.503]

A payment standard will be set between 90%-110% of the Fair Market Rent for the PHA jurisdiction as established by QWHRA. The Municipality of Juana Díaz has a payment standard of 100% of the Fair Market Rent established by HUD.

The local area Office of HUD, namely the Economic and Market Analysis Division (EMAD), as well as the HUD Public Section 8 Director will be consulted on an annual basis, so as to confirm that the FMR employed are both accurate and reflect the general cost of housing for our area.

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

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

Furthermore, the PHA may opt to lower the payment standard. In the tenant-based rental voucher program, a lower payment standard applies to all new admissions, all movers, and stayers with a new HAP contract, e.g., when the owner offers or requires a new lease. For all other tenant-based rental voucher participants, decreased payment standard amounts are not applied until the second regular reexamination after the payment standard has been revised.

C. Exceptions to FMR on a Unit by Unit Basis

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

D. Affordability Adjustments

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

E. Rent Adjustments [24 CFR 982.503]

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

I. Financial Feasibility

Before increasing the Payment Standard, the PHA will review the budget to determine the impact that the projected subsidy increases would have on available funding for the program and the number of families that are being or will be served. For this purpose, the PHA will compare the number of families who could be served under a higher Payment Standard with the number assisted under the current Payment Standard.

J. Exception Payment Standards [24 CFR 982.503(c)]

The PHA will maximize housing opportunities outside areas of poverty concentration and/or approving a higher payment standard for families who have a family member that is elderly or handicapped as a reasonable accommodation as well as families that are too large and are experiencing a hard time finding affordable housing.

## CHAPTER 14

### CONTRACT TERMINATIONS [24 CFR 982.311 & 982.314]

#### Introduction

This chapter describes the circumstances under which the HAP contract can be terminated by the Municipality of Juana Díaz and/or the owner as well as the policies and procedures adopted for such terminations.

#### A. Contract Terminations [24 CFR 982.311]

The term of the HAP Contract is the same as the lease that is signed between the owner and the family. The contract between the owner and the Municipality may be terminated contingent upon the termination of the lease by the owner or the tenant.

No future subsidy payments on behalf of the family will be made by the Municipality to the owner after the month in which the contract has been terminated. The owner must reimburse the Municipality for any subsidies paid by the PHA for any period thereafter. If the family continues to occupy the unit after termination of the contract, the family is responsible for the total amount of rent due to the owner.

After a contract termination and the family meets the criterion for a move with continued assistance, the family is eligible to lease-up in another unit. The contract for the new unit may begin during the month in which the family vacated the old unit.

#### B. Termination of HAP Contract due to Family Move [24 CFR 982.314(c)(2)]

During the briefing, the family will be informed of established procedures within this same program that once they chose to relocate to another dwelling unit, they must notify the owner of their intent to move in written form and with a copy of said notification to the Municipality. The family must give the owner at least a ninety (90) day notice. This same time requirement must be adhered to by the owner should he or she decide to terminate the contract or not renew it. A written statement of this will be provided to the family as well as owner in their respective packets.

Since the leases are based upon a monthly rent structure, the family must be made aware that if the owner is not notified well in advance, the owner could conceivably spend sometime looking for a new tenant. If the owner is able to secure another tenant to occupy the unit at the time the family vacates, a portion of the deposit could be returned to the outgoing tenant. The same can be said for the owner with the exception that the family needs time to locate a suitable dwelling unit to meet their needs.

By making this request of both the owner and family participant, the Municipality will in fact have the necessary elements to judge if proper notice was given to the landlord or vice versa, and in addition, send the Housing Inspector to review any claim of damages which could be claimed at that time.

If the family vacates the unit in violation of the lease or tenancy agreement, the owner will receive the housing assistance payment due under the HAP Contract for the period of the month that the unit was occupied and no other payment will be made as soon as the Municipality has been informed of the noncompliance by the participant family. The owner must reimburse the PHA for any excess amounts collected from the PHA after the last payment has been made.

C. Termination of Tenancy by the Owner: Eviction  
[24 CFR 982.310 & 982.455]

In the case where the owner requests eviction he will be required to follow the contractual obligations and procedures and the Section 8 Director will be assisted by an in-consultation with the Municipality's Legal Counsel.

The owner, notwithstanding, will not evict any family unless he complies with State and/or Local Law as well as section 983.310(e) of the Federal Register. The owner will provide a copy of the eviction notice to the Municipality. The owner may only evict the tenant from the unit by instituting a court action.

During the term of the lease, the owner may not terminate the tenancy except for the grounds specified in HUD regulations. During the term of the lease the owner may only evict for:

1. Serious or repeated violations of the lease, but not limited to failure to pay rent or other amounts due under the lease.
2. Violations of Federal, State and Local law that impose obligations on the tenant in connection with the occupancy or use of the premise, or criminal activity by the tenant, any member of the household, a guest or another person under

the tenant's control that threatens the health, safety, or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises or any drug related criminal activity on or near the premises.

3. The owner must provide the tenant a written notice of termination specifying the grounds for termination of the lease. The Owner must serve this notice during the term of the tenancy, and the tenancy does not terminate before this notice given. This notice is required in addition to any requirements mandated by State or Local law.
4. The PHA will continue to make housing assistance payments until the family moves or is evicted from the dwelling unit and the contract has not been violated. Furthermore, by endorsing the monthly check from the PHA, the Owner certifies that the tenant is still in the unit, the rent is reasonable and he/she is in compliance with the contract.
5. If the action is finalized in court, the owner will provide the corresponding documents to the Municipality including the court notice of the move-out date.
6. If an eviction is not due to a serious or repeated violation of the lease, and if the Municipality has no other grounds for termination of assistance, the Municipality will issue a new voucher so that the family can move with continued assistance.

D. Evidence of Criminal Activity

The Owner may terminate tenancy and evict by judicial action for criminal activity by a family member if the owner determines they have engaged in a criminal activity under the following:

1. Regardless of arrest or conviction;
2. Without satisfying the standard of proof used for a criminal conviction.

E. Termination of the Contract by the PHA [24 CFR 982.404(a), 982.453, 982.454 & 982.552(a)(3)]

The term of the HAP contract terminates when the lease terminates, or the program assistance for the family is terminated, or when the owner has breached the HAP contract. Moreover, the PHA may terminate HAP contracts, in accordance with HUD requirements, if the PHA determines that *“funding under the consolidated ACC is insufficient to support continued assistance for families in the program”* (Section 982.454). Before terminating HAP contracts due to insufficient funding, the PHA will ensure that said determination has been duly documented. It should be noted that the contract will terminate automatically if 180 days have passed since the last housing assistance payment to the owner.

F. Notice of Termination

When the PHA terminates the HAP contract, the Municipality will provide the owner and family written notices of termination of the contract, which will be at the end of the calendar month that follows in which the notice was served to the Owner.

G. Termination of Tenancy Decisions

If the law and regulation permit the owner to take action but doesn't require any action to be taken, the owner can decide whether to take action. Relevant circumstances for consideration, include:

- The seriousness of the offense;
- The effect on the community;
- The extent of participation by household members;
- The effect on uninvolved household members;
- The demand for assisted housing by families who will adhere to responsibilities;
- The effect on the integrity of the program;
- The extent to which the leaseholder has shown personal responsibility and taken reasonable steps to prevent or mitigate the offending action

H. Exclusion of culpable household member

The owner may require a tenant to exclude a household member in order to continue to reside in the assisted unit.

Actions of termination by the owner must be consistent with the fair housing and equal opportunities as specified in 24 CFR 5.105.

## CHAPTER 15

### DENIAL OR TERMINATION OF ASSISTANCE [24 CFR 982.4, 982.54, 982.551, 982.552 & 982.553]

#### Introduction

This chapter outlines the procedures adopted by the Municipality of Juana Díaz required to deny and/or terminate assistance to families, the policies for denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract. Also, the informal hearing procedures established by the Municipality of Juana Díaz are set forth.

A. PHA Denial or Termination of Assistance for a Family  
[24 CFR 982.552]

According to Section 982.553 of the Federal Regulation, the Municipality of Juana Díaz *may* terminate assistance for participation under the Housing Choice Voucher Program because of the family's action or failure to act. The provisions of this section do not affect denial or termination of assistance for grounds other than action or failure to act by the family.

1. Denial of Assistance

Denial of assistance for applicant by the Municipality may include any or all of the following:

- a. Denying listing on the waiting list;
- b. Denying or withdrawing a voucher;
- c. Refusing to enter into a HAP contract or approve a lease;
- d. Refusing to process or provide assistance under portability procedures.

2. Termination of Assistance for a participating family

Termination of Assistance for a participating family by the Municipality may include, but not limited to, any or all of the following:

- a. Refusing to enter into a HAP contract or approve a lease;
- b. Terminating assistance payments under an outstanding HAP contract;
- c. Refusing to process or provide assistance under portability procedures;

B. Grounds for Denial or Termination of Assistance  
[24 CFR 982.551 & 982.553]

1. The Municipality *may* at any time deny program assistance for an applicant or terminate program assistance for a participating family, for any of the following reasons:
  - a. If the family violates any family obligations under the program, crime committed or alcohol abuse by the family;
  - b. If any member of the family has been evicted from federally assisted housing in the last five years;
  - c. If the PHA has ever terminated assistance under the program for any member of the family;
  - d. If any member of the family has committed fraud, bribery, or any corrupt or criminal act in connection with any Federal housing program;
  - e. If the family currently owes rent or other amounts to the Municipality of Juana Díaz or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act;
  - f. If the family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease;

- g. If the family breaches an agreement with the Municipality of Juana Díaz to pay amounts owed, or amounts paid to an owner by the PHA. The Municipality, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to the Municipality or amounts paid to an owner by the PHA. The Municipality may prescribe the terms of the agreement;
- h. If a family participating in the FSS program fails to comply, without good cause, with the family's FSS contract of participation;
- i. If the family is under contract and 180 days have elapsed since the Municipality's last housing assistance payment. Furthermore, the family has not requested to be recertified, to move, before the 180 day period has elapsed or within the 14 days stated in the proposed notice of termination from the Municipality, whichever is later;
- j. If any member of the family commits drug-related or violent criminal activity. The Municipality may terminate or deny 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;
- k. If the Municipality seeks to deny or terminate assistance because of illegal use, or possession for personal use, of a controlled substance, such use or possession for personal use, of a controlled substance, such use or possession must have occurred no more than one-year prior to the date that the Municipality notifies the family of its decision to deny or terminate assistance;
- l. The Municipality may not deny or terminate assistance for such use or possession by a family member if the family member can demonstrate that he/she:
  - 1. Has an addiction to a controlled substance, has a record of such an impairment or is regarded as having such an impairment;

2. Is recovering, or has recovered from, such an addiction and does not currently use or possess controlled substances. The Municipality will require the family member to submit evidence of participation in, or successful completion of, a treatment program as a condition to being allowed to reside in the unit.
  - m. If the family has engaged in or threatened abusive or violent behavior towards the personnel of the Municipality.
2. The Municipality of Juana Díaz *must* deny admission or terminate assistance for any of the following grounds:
    - a. If the family was evicted from housing assisted under the Section 8 Program for serious violation of the lease;
    - b. If any member of the family fails to sign and submit consent forms allowing the Municipality to obtain wage and income information in accordance with HUD regulations at 24 CFR 5, subparts B and F, respectively, addressing the Municipality's ability to gather family income, wage and expense information;
    - c. If a family member has been convicted of manufacturing or producing methamphetamine on the premises of any federally assisted housing property. For purposes of this plan, "premises" is defined to be any building and/or complex in which the dwelling unit is located, including common areas and grounds. Section 8 Rental Assistance will be immediately and permanently denied/terminated.
    - d. If any family member abuses or shows a pattern of abuse of alcohol and it is determined by the Municipality that it has reasonable cause to believe that abuse or pattern of abuse may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents. This applies to denial of assistance only;

- e. If the family fails to submit the required evidence of citizenship or eligible immigration status based on non-citizen rule regulations (24 CFR 5.506 and 5.518) and applicable informal hearing procedures;
- f. If any household member is subject to a lifetime registration requirement under a State sex offender registration program.

C. Consideration of Circumstances

In determining whether to deny admission or terminate assistance because of action or failure to act by any member of the family:

- 1. The Municipality will consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.
- 2. The Municipality will impose, as a condition for continued assistance for other family members, a requirement that other family members who participated in or were culpable for the action or failure will not reside in the unit. The Municipality will permit the other members of the participant family to continue receiving assistance.
- 3. In determining whether to deny admission or terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the Municipality will consider whether the household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program and/or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the Municipality will require submission and the same will be verified according to established procedures set forth within this same Administrative Plan.
- 4. The Municipality's admission and eviction actions will be consistent with the Fair Housing and Equal Opportunity provisions as set forth in 24 CFR 5.105.

D. Notice of Termination of Assistance

When a contract is terminated at a time when the family is ineligible for payments, the contract will not be renewed and all parties involved will be informed in writing stating the reason for such a decision.

In the case of an overcrowded unit where it is determined by the Section 8 Director that the dwelling unit is not decent, safe and sanitary by reason of an increase in family size, and the PHA finds another acceptable dwelling unit available for occupancy by the family, and the lease with the first owner will be terminated in accordance with established federal regulations. The payments will be made available to the family for occupancy in the acceptable unit, unless the family indicates a valid reason for rejecting the new unit, the contract can be terminated.

The reasons for termination of the housing assistance payments are clearly stated in the different contract documents and in every case written notification will be directed to both the owner and the tenant, stating the reasons and the effective date of the termination.

If it is determined by the Municipality to terminate assistance to the family a written notification will be sent clearly stating the reasons for the decision and an opportunity will be afforded to the family to appeal the decision and for an informal hearing in accordance with the "Complaints and Review" chapter of this plan and existing federal regulations as well as Section 982.552 and 982.553, respectively.

Once the family has been afforded the opportunity to appeal the decision made by the Municipality to terminate their assistance or denial of assistance because of failure to act and/or inaction by the family, the family must wait five (5) years before they may reapply. Also, if the participant family decides to voluntarily hand in their voucher, they must wait five (5) years before reapplying.

E. Screening and Eviction for Drug Abuse and Other Criminal Activity [24 CFR 982.553]

1. Purpose

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

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

## 2. **Administration**

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

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

### F. **Denial of Admission and Termination of Assistance for Criminals and Alcohol Abusers**

#### 1. **Prohibiting Admission of Drug Criminals**

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

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

The Municipality has established the following standards for prohibiting admission:

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

2. **Prohibiting Admission of Other Criminals**

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

3. **Prohibiting Admission of Alcohol Abusers**

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

4. **Terminating Assistance for Drug Criminals and Other Criminals**

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

- a. Any household member is currently engaged in any illegal use of a drug;
- b. A pattern of illegal use of a drug by any household member interferes with the health, safety, or right to

peaceful enjoyment of the premises by other residents;

- c. The Municipality will immediately terminate assistance for a family under the program if it determined that any member of the household has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing;
- d. The Municipality will terminate assistance under the program to a family if it is determined that any family member has violated the family's obligation under Section 982.551, which states that the family will not engage in any drug-related criminal activity.

5. **Terminating Assistance for Alcohol Abusers**

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

G. **Notice of Termination of Assistance**

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

H. **Family Obligations [24 CFR 982.551]**

In accordance with HUD regulations, the family must supply any information that the Municipality of Juana Díaz or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status. *"Information"* includes any requested certification, release or other documentation. Furthermore, the family is required to supply any information requested by the Municipality or HUD for use in regularly scheduled reexamination or interim reexamination of family income and composition.

## I. Enforcing Family Obligations

### 1. HQS Breach

The inspector will determine if an HQS breaches as identified in 24 CFR 982.404(b) is the responsibility of the family. Families may be given extension to cure HQS breaches by the Section 8 Director or his/her designate.

### 2. Lease Violations

The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance.

- a. If the owner terminates tenancy through court action for serious or repeated violations;
- b. If the owner notifies the family of termination of tenancy for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the Municipality determines that the cause is a serious or repeated violation of the lease based on available evidence. Available evidence may include, but is not limited to police reports;
- c. Nonpayment of rent is considered a serious violation of the lease, unless the reason for non-payment is covered by State or Local law such as a rent deposit with the Court.

### 3. Notification of Eviction

If the family request assistance to move and they did not notify the Municipality of an eviction within 30 days of receiving said notice, the move will be denied.

### 4. Proposed Additions to the Family

New family members must meet HUD and the Municipality's eligibility requirements as enumerated in this same Administrative Plan. Program participants must report all changes in household composition to the Municipality between annual reexaminations. This includes additions due to birth, adoption, and court-award custody.

The family must obtain the Municipality's approval prior to all other additions to the household.

5. Family Member Moves Out

Families are required to notify the Municipality if any family member leaves the assisted household. When the family notifies the Municipality, they must furnish the following information:

- a. The date the family member moved out;
- b. A notarized statement as to whether the family member is temporarily or permanently absent.

J. Option Not To Terminate For Misrepresentation [24 CFR 982.551 & 982.552(c)]

If the family has misrepresented any facts that caused the Municipality to overpay assistance, the Municipality may choose not to terminate and may offer to continue assistance provided that the family executes a Repayment Agreement and makes payments in accordance with the agreement or reimburses the Municipality in full.

K. Misrepresentation in Collusion with Owner [24 CFR 982.551 & 982.552(c)]

If the family intentionally, willingly, and knowingly commits fraud or is involved in any other illegal scheme with the owner, the Municipality will deny and/or terminate the assistance to the family.

L. Missed Appointments and Deadlines [24 CFR 982.551 & 982.552(c)]

It is a Family Obligation to supply information, documentation, and certification as needed for the Municipality to fulfill its responsibilities. The Municipality schedules appointments and sets deadlines in order to obtain the required information. The obligations also require that the family allow the Municipality to inspect the unit, and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or supply information required by the deadline without notifying the Municipality, may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or failure to allow the Municipality to inspect the unit.

The family will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, as specified within this same plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

1. Eligibility for admissions;
2. Verification procedures;
3. Voucher Issuance and Briefings;
4. Housing Quality Standards Inspections;
5. Recertifications;
6. Appeals.

Acceptable reasons for missing appointments or failing to provide information by deadlines established:

1. Medical emergency;
2. Family emergency;
3. Other circumstances beyond the family's control, as approved by the Section 8 Director or his/her designate.

M. Procedure when Appointments are Missed or Information not Provided

Needless to say, the family will be afforded two opportunities before being issued a Notice of Termination or denial for breach of a family obligation.

After issuance of the termination notice for missed re-exam or inspection, if the family corrects the breach within the time allowed to request a hearing, the notice will be rescinded. Termination notices issued for other reasons will not be rescinded, even if the family offers to correct the breach.

## CHAPTER 16

### OWNER DISAPPROVAL AND RESTRICTION [24 CFR 982.54, 982.306 & 982.453]

#### Introduction

It is the policy of the Municipality of Juana Díaz to recruit owners to participate in the voucher program. The Municipality will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the Municipality. This chapter outlines the criteria for owner disapproval, and the various penalties imposed to the owner for violations as well as approval and/or disapproval of the participation of an owner in certain categories.

#### A. Disapproval of Owner [24 CFR 982.306 & 982.54(d)(8)]

As part of its administrative discretion, the Municipality of Juana Díaz may deny approval to lease a unit from an owner for any of the following reasons including but not limited to those aforementioned:

1. The owner has violated obligations under a housing assistance payment contract under Section 8 of the 1937 Act (42 USC1437);
2. The owner has committed fraud, bribery of any other corrupt or criminal act in connection with any federal housing program;
3. The owner has engaged in drug trafficking;
4. The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based program, or with applicable housing standards for units leased with Housing Choice Voucher Assistance or leased under another federal housing program;
5. The owner has a history or practice of renting units that fail to meet State or Local housing codes, including established Housing Quality Standards;

6. The owner has not paid State or Local real estate taxes, fines, or assessments;
7. The Municipality will require that the owner certify whether they are related to the participating family in anyway;
8. HUD has informed the Municipality that a court or administrative agency has determined the owner has violated the Fair Housing Act or other federal equal opportunity requirements;
9. HUD or another agency directly related has informed the Municipality that the owner has been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

It should be clearly noted that nothing contained within 24 CFR Part 24 (982.306) is intended to give any owner any right to participate in the program. For purposes of this plan the term "owner" includes a principal or other interested parties.

B. Owner Restrictions and Penalties [24 CFR 982.453]

If an owner has committed fraud, abuse or is guilty of frequent or serious contract violations, the Municipality will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The Municipality may also terminate some or all of the contracts with the owner.

Before imposing any penalty against the owner the Municipality will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

C. Change in Ownership

A change in ownership requires assumption of the existing contract. The Municipality will process a change of ownership only upon the written request of the new owner and only if accompanied by a copy of the escrow statement or other documents showing the transfer of the title, and the Social Security number of the new owner.

The Municipality may approve the assignment of the HAP contract at the new owner's request. The Municipality may deny approval of the assignment of the contract, for any of the reasons listed in Section A of this chapter.

## CHAPTER 17

### OWNER OR FAMILY DEBTS [24 CFR 982.552]

#### Introduction

The chapter describes the Municipality of Juana Díaz' policies for the recovery of monies which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the policy of the Municipality to meet the informational needs of owners and families, alike, as well as to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain the documentation to support the Municipality's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner, the family and/or any other interested parties.

When families or owners owe money to the Municipality, the Municipality will make every effort to collect it. The Municipality will use a variety of collection tools to recover debts including, but not limited to:

- (1) Abatements/Contract holds;
- (2) Civil Suits;
- (3) Payment Agreements;
- (4) Reductions in HAP to owner;
- (5) Requests for lump sum payments;

A. Policy Concerning Repayment by a Family Participant to the PHA of Amounts Owed [24 CFR 982.552(c)(v-vii)]

The Municipality will determine the following:

Step 1: Once it has been determined that the tenant owes money to the Municipality a payment plan shall be established.

Step 2: Once the payment plan has been established, it will be forwarded to the Finance Department, who has the faculty to enforce all payment plans. According to established procedures in the Finance Department, late penalties will be imposed when the family does not comply with the terms established.

Step 3: After various attempts to get the tenant to comply with the terms of the payment schedule, the tenant will have the participation canceled since this will form part of the signed agreement. Once the participation has been terminated because of default on their payment plan, the family will have to wait five (5) years before they can reapply.

B. Debts Due to Misrepresentation/Non-Reporting of Information [24 CFR 982.163]

HUD's definition of program fraud and abuse is a single act or pattern of actions that:

*"Constitutes false statement, omission, or concealment of substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 Program funds in violation of Section 8 Program requirements."*

1. Family Error/Late Reporting

Families who owe money to the PHA due to the family's failure to report increases in income will be required to repay in accordance with the guidelines in the Payment Agreement section of this chapter, or make a lump sum payment.

## 2. Program Fraud

Families who owe money to the Municipality of Juana Díaz due to program fraud will be required to repay in accordance with the guidelines established in the Payment Agreement section of this chapter.

If a family owes an amount as a result of program fraud, the case may be referred to the Inspector General of the United States and the Puerto Rico Department of Justice as well as referred to the Municipal Legal Division for criminal prosecution.

### C. Owner debts to the PHA [24 CFR 982.453(b)]

If the Municipality determines that the owner has received housing assistance or claim payments the owner is not entitled to, the Municipality will reclaim the amounts from future housing assistance payments or claim payments owed the owner for any units under contract.

If future housing assistance payments or claim payments are insufficient to reclaim the amounts owed, the Municipality will:

- (1) Require the owner to pay the amount in full within 30 days;
- (2) Enter into a payment agreement with the owner for the amount owed;
- (3) Pursue collections through the local court system;
- (4) Restrict the owner from future participation.

## CHAPTER 18

### COMPLAINTS AND APPEALS

#### Introduction

The chapter outlines the policies, procedures, and standards to be used when families disagree with a decision by the Municipality of Juana Díaz. The procedures and requirements are explained for informal reviews and hearings. It is the policy of the Municipality to ensure that all families have the benefit of protection due them under the law.

#### A. Informal Review [24 CFR 982.54(d)(12)]

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

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

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

#### B. When an informal review and/or hearing is not required

The Municipality of Juana Díaz is *not required* to give an applicant the opportunity for an informal review and/or hearing for any of the following:

- Discretionary administrative determinations by the Municipality;
- General policy issues or class grievances;

- A determination of the family's unit size under the Municipality's subsidy standards;
- The Municipality's determination not to approve an extension or suspension of the voucher term;
- The Municipality's determination not to grant approval of the tenancy;
- A determination by the Program Staff that the unit selected is not in compliance with Housing Quality Standards and/or because of the family size or composition;
- Establishment of the Municipality's schedule of utility allowances;
- The Municipality's determination to exercise or not to exercise any right or remedy against an owner under a HAP contract.

C. When an informal review is required

Except as noted above in Section B of this chapter, the Municipality must give an applicant the opportunity for an informal hearing to review of its decision to deny housing assistance.

D. When an informal hearing is required

The Municipality *must* give a participant family an opportunity for an informal hearing to consider whether the following decisions are in accordance with the Law, HUD regulations and/or the Municipality of Juana Díaz's policies.

1. A determination of a family's annual or adjusted income and the use of such income to compute the housing assistance payments;
2. A determination to terminate assistance for a participant family because of the family's action or failure to act;
3. A determination of the appropriate utility allowance, if any, for tenant-paid utilities from the Municipality utility allowance schedule.

4. A determination of unit size under the Municipality subsidy standards.
5. A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under the Municipality's policy and HUD rules.

E. Requesting an Informal Hearing

The participant family must request an informal hearing in writing. The request must state why the family disagrees with the Municipality's decision. The request must either be delivered to the Section 8 Office's front desk or postmarked no later than 15 days after the date that the Notice of Termination was mailed. The Notice of Termination letter will be mailed in a certified mail envelope.

Moreover, extenuating circumstances that prevent a participant from requesting an informal hearing within 15 calendar days after receiving this same Notice of Termination will be taken into consideration. The participant must provide documentation verifying the need for more time (airline tickets and travel itinerary, funeral announcement, verification of lengthy hospitalization). The decision to provide additional time is solely at the Municipality's discretion.

F. Hearing Procedures [24 CFR 982.555 (a-f) & 982.54(d)(13)]

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

■ Notification of parties concerned

If a written request for an informal hearing is received by the due date, a hearing will be scheduled. A written notice will be sent to all concerned parties indicating place and time for the hearing.

■ Grieved family's and PHA's right to view documents

The family will be given an opportunity to review any HA documents that are deemed necessary before the hearing. The PHA will permit the family to copy any such document pertaining to the case at the family's expense.

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

- Representation of the Family

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

- Hearing Officers

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

- Evidence

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

- Decision of Case

When deciding the case, the Hearing Officer will only consider evidence presented at the hearing. Information that is not produced by the scheduled date of hearing will not be considered.

- Issuance of Decision

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

- Written Notice

A copy of the Hearing Officer's report will be given to the appropriate housing staff and a copy of the decision will be sent to the family and if applicable to the owner informing of the decision. A copy will be placed in the family's file.

- Rehearing

A rehearing may be requested to rectify any obvious mistakes of law made during the hearing or any obvious injustice that was not known at the time of the hearing. A rehearing will be allowed if the facts show that the hearing procedure was defective. To request a rehearing, the participant, or the participant's representative, must submit a written request to the Executive Director, namely the Mayor of the Municipality of Juana Díaz. This request must be submitted within 14 days of the date of the hearing decision mailed. The request must demonstrate just cause. Any new factual matters or legal arguments not raised in the original proceedings must be specified in the written request.

- Decision of the Executive Director

It is at the Mayor's sole discretion that a request for a rehearing will be granted or denied. At the Executive Director's discretion, a rehearing may be limited to written submissions by both parties.

- Effect of Decision

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

G. Appointment Policy for Informal Hearings and/or Reviews

A participant family who does not meet the Municipality's appointment policy will automatically lose their informal hearing.

H. Complaints to the Municipality

The Municipality will respond promptly to complaints from families, owners, employees, and members of the public. The Municipality's hearing procedures will be provided to the families in the briefing packet.

## CHAPTER 19

### SPECIAL HOUSING TYPES [24 CFR 982.601]

#### Introduction

The Municipality of Juana Díaz will permit the use of special housing types in its program.

#### A. Policy-Type of Unit Required

Without incurring vacancies, the Municipality will make every reasonable effort to provide units or special housing types for the disabled families with physically disabled and/or elderly members who require such units:

1. The Municipality will give elderly families a preference in admission to projects for the elderly;
2. The Municipality has agreed not to set a minimum age for the admission of disabled or disabled persons;
3. The Municipality will not exclude elderly families with children having units of the appropriate size;
4. For intentions of this same plan, specially designed units are sometimes referred to as accessible or barrier-free units. These may include ramps, grab bars, lower counters or special facilities, etc;
5. Moreover, the Municipality is aware that families which meet the HUD definition of disabled or disabled often do not require specially designed units. An example of this would be a person who is mentally disabled would not be in need of a unit designed for a person with a mobility impairment and will not be offered such a unit.

B. Large Families

When it is determined that a qualified family such as a single mother with numerous small children (four, five, or six), it becomes difficult to find an owner many times who are desirous to rent either an apartment or a single detached unit to this same family.

In this regard, should this same family find it totally impossible to locate an acceptable unit on its own, the Municipality will provide the following assistance:

1. Meet with homeowners who possess the proper sized units for the families involved and attempt to persuade them to accept these families;
2. Meet with representatives of the State Housing Department and Family Department in order to obtain assistance to resolve the problems;
3. It should clearly be noted, that the Municipality will do everything within its authority to assist disabled, elderly and large families obtain suitable, clean, safe and decent housing.

## CHAPTER 20

### SECTION 8 HOMEOWNERSHIP PROGRAM [24 CFR 982.625]

#### Introduction

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

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

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

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

**ACTIVITIES:**

**☐ PROVIDE GREATER ASSISTANCE IN MEETING BOTH  
DOWN PAYMENT AND CLOSING COST REQUIREMENTS**

One of the greatest barriers to homeowners by potential low income purchases, are the initial costs, such as down payment and closing costs. The Municipality will, working with such housing agencies as previously set-forth within this same submission, create both a viable and effective program whereby low income families have the opportunity to become first-time homeowners.

**OBJECTIVE: CREATE AFFORDABLE HOUSING WITHIN  
THE COMMUNITY**

Affordable housing within the Municipality of Juana Díaz has been adversely impacted by the following factors over time:

1. Family Income;
2. Land Costs;
3. Financing;
4. Lack of Available Land for Development.

Bearing this in mind, the Municipality of Juana Díaz will develop a strategy that identifies policies, which may require modification, and initiate the following actions that will address the problem of affordable housing and the establishment of the Homeownership Program.

**ACTIVITIES:**

**☐ IMPROVE LAND DEVELOPMENT REGULATIONS**

At the present time the Puerto Rico Planning Board is the primary regulatory agency of the State government, that deals with land use and requirements for construction of housing sub-division, which combined with requirements of other State agencies tend to create obstacles to affordable housing. In this regard, the municipality will be working with our elected

officials, namely-both the State Representative in the House of Representatives and our State Senator, in order to study existing applicable regulations and their impact upon the local housing market. Additionally, both the Mayor and representatives of the municipality will be working with their counterparts within the Planning Board in reviewing existing land policies.

## **□ PROVIDING FOR THE COORDINATION OF FUNDING**

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

1. Assistance will be provided for:
  - a. First time homeowner;
  - b. Family that owns or is acquiring shares in cooperative.
2. The Program will become available to families participating in our Family Self Sufficiency Program;
3. The total family that will be serviced through this program will be limited to approximately 15 families;
4. Funding levels.

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

## CHAPTER 21

### FAMILY SELF SUFFICIENCY PROGRAM [24 CFR 984.101]

#### Introduction

The objective of the FSS Program is to promote the development of local strategies to coordinate the use of assistance under the Tenant-based Housing Assistance Program (Housing Choice Voucher Program) with public and private resources, to enable families for whom assistance under this same program is afforded, achieve economic independence and self-sufficiency. Components of the FSS Program include job development and training, personal and career counseling, childcare, and housing. Further policies and procedures of the FSS program are contained in the Family Self-Sufficiency Action Plan.

The Municipality of Juana Díaz has developed and implemented an FSS Program in conformity with the Housing Choice Voucher Program (Section 8) regulations and applicable civil rights authorities.

The Municipality has appointed an oversight committee to evaluate the administration of its FSS Program as well as the restructuring of its Program Coordinating Committee. Professional representatives from public and private enterprises, church groups, community leaders, local business, and other resources will integrate the Program Coordinating Committee (PCC). The representatives from these entities will have an input in the program design and action steps of the FSS Program and are responsible for such functions:

1. Developing a working relationship with the FSS Coordinator and other related Program Staff in the achievement of the program objectives.
2. Coordinating the needed actions for the selection of committee representatives.
3. Making specific commitments of time, staff, and resources to the program.
4. Providing input into the program research and evaluation process.

A. Program Eligibility [24 CFR 984.203]

In addition to meeting the Housing Choice Voucher Program requirements, prospective FSS participants must meet the following criteria:

1. Agree to cooperate with all FSS program requirements, including case management;
2. Agree to follow their proscribed Action Plan, developed in consultation with the Program Coordinator, in meeting their individual plan to become self-sufficient;
3. Does not owe any money to the Municipality of Juana Díaz and is in complete compliance with the Section 8 Program;
4. Attend a briefing on the FSS Program.

B. FSS Program Graduation [24 CFR 303(g)]

An FSS participant can graduate from the program if the participant has:

- ✓ Met the established goals as set forth in their Contract of Participation [24 CFR 303] and have been off of all social services program for at least one year prior to graduation;
- ✓ Has a TTP that is equal or greater than the Fair Market Rent established for the Municipality.

C. FSS Program Termination [24 CFR 303(c)]

FSS participants who breach their FSS contract and fail to work towards the goals and objectives of their individual Action Plan may be terminated from further participation in the FSS Program. The family's Section 8 Housing Voucher will be changed to a non-FSS voucher and the family may continue to receive rental assistance so long as they are otherwise eligible. Any FSS participant that is terminated from the program will forfeit their escrow accounts to the Municipality.

Participants may be terminated from the FSS Program for any of the following:

- ✓ The participant and the Municipality agree to terminate the contract;

- ✓ The Municipality determines that the family has not fulfilled its responsibilities under the FSS Program;
- ✓ An act occurs that is inconsistent with the purpose of the FSS program such as noncompliance with the lease, noncompliance with the Section 8 Program family obligations;
- ✓ The participant does not complete the contract prior to the expiration date;
- ✓ The participant exercises portability to a jurisdiction that does not have an FSS program or the family is not accepted into the new jurisdiction's FSS Program.

D. Outreach Efforts

The Municipality of Juana Díaz will utilize the following methods to notify current Section 8 voucher program participants of the availability and advantages of participating in the FSS Program:

1. Written notification to all existing program participants;
2. FSS briefings conducted at the Section 8 Office;
3. Brochures provided to current program participants as well as families entering into the tenant-based Housing Choice Voucher Program.

E. Development of Action Plans

Each FSS participant shall sign an FSS Contract of Participation and complete an individual Action Plan upon acceptance into the FSS Program. The Action Plan shall be developed in consultation with the Self-Sufficiency coordinator and shall outline the specific goals and objectives necessary for the family to achieve economic self-sufficiency.

F. Portability

Current participants in Municipality of Juana Díaz's FSS Program may utilize the Section 8 Program's portability feature. FSS participants requesting to utilize the portability feature of the Section 8 Program shall be advised of the following options available to both the program participant and the receiving Housing Authority.

1. The FSS participant can request to remain in Municipality of Juana Díaz's FSS program as long as the distance from the new location would not hinder the participant's ability to meet their contractual obligations under the FSS program.
2. The receiving Housing Authority can elect to absorb the FSS participant into their program, if such a program is available in the receiving Housing Authority's jurisdiction.
3. The FSS program participant can request to be released from the FSS Contract of Participation and relinquish all funds accumulated in the participant's escrow account.
4. The FSS program participant can graduate from the FSS program, if they have met their necessary requirements.

G. Program Monitoring

Participants shall meet with the FSS Coordinator as often as necessary to evaluate progress towards goals and objectives listed in the Action Plan. The Coordinator will assist participants in linking up to available services. Participation in the FSS Program shall continue so long as the family fulfills their FSS contract and the family meets all eligibility requirements relative to the Section 8 Program.

## CHAPTER 22

### PROGRAM INTEGRITY [24 CFR 792.101 to 792.204 & 982.54]

#### Introduction

The Municipality of Juana Díaz is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources reach all who need it and qualify, so that program integrity can be achieved and maintained. The Municipality of Juana Díaz will take any and all necessary steps to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously. This chapter outlines the Municipality's policies for the prevention, detection and investigation of program abuse and fraud.

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

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

1. To provide low and very low income families the opportunity of choice and mobility in selecting where they want to live;
2. To maintain the essential elements of a private relationship between the tenant and the landlord on matters other than rent;
3. To develop and implement a strong financial management system so as to ensure HUD's goal of improving efficiency and oversight to make certain that the correct amount of assistance goes to the families that needed it the most;

4. To develop strategies to coordinate the use of housing assistance under the Housing Choice Voucher Program with public and private resources, to enable families eligible to receive assistance under this same program to achieve economic independence and self-sufficiency.

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

1. Completed within a timely manner in compliance with HUD's requirements;
  2. That they are indeed in total compliance with existing Federal and State applicable regulations.
  3. Compliance with the Rental Housing Integrity Improvement Project (RHIIP) as established by HUD regulations and guidelines.
  4. Compliance with the Upfront Income Verification Process.
  5. Compliance with the SEMAP Indicators.
- A. **Criteria for Investigation of Suspected Abuse and Fraud**

Under no circumstances will the Municipality undertake an inquiry or audit of a participating family arbitrarily. The Municipality's expectation is that participating families will comply with HUD's requirement provisions of the voucher and other program rules. The housing staff will make every effort to brief and educate families in order to avoid unintended violations. Moreover, the Municipality has an obligation to HUD, to the Community as well as families in need of rental housing assistance, to monitor participants and owner for compliance and, when indicators of possible abuse are brought to the Municipality's attention, to investigate such claims.

The Municipality will initiate an investigation of a participating family only in the event of one or more of the following circumstances:

1. **Referrals, Complaints and Tips**

The Municipality will follow-up on referrals from other agencies or individuals which are received by mail, telephone or in person, which allege that a family is in non-compliance with, or otherwise violating the

family obligations or any other program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the case file.

2. Internal File Review

A follow-up will be made if the housing staff discovers during the process of annual certification and/or reexamination or quality control review information or facts which conflict with previous file data, the Municipality's knowledge of the family, or is discrepant with statements made by the family.

3. Verification Document

A follow-up will be made if the Municipality receives independent verification or documentation which conflicts with representations in the family's file such as public record information and/or reports from other agencies.

B. Steps to be taken by the Municipality to Prevent Program Abuse and Fraud

The Municipality will utilize various methods to prevent program abuse, non-compliance, and willful violations of program rules by applicants and participating families. The objective of this policy is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families.

- Review and explanation of Forms - the housing staff is responsible for explaining thoroughly all required forms and review the contents of all (re)certifications documentation prior signatures.
- Landlord/Tenant Fraud Letters - are required to sign a certification indicating acknowledgment of the landlord's and tenant's responsibilities to adhere to program requirements.

C. Steps to be taken by the Municipality to Detect Program Abuse and Fraud

The Housing Staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

1. Quality Control File Review - prior to initial certification, and at the completion of all subsequent reexaminations, a random selection of files will be reviewed per year as per HUD regulations in accordance with SEMAP. Such reviews will include, but are not limited to:

- ✓ Assurance that verification of all income and deductions is present.
- ✓ Authenticity of file documents.
- ✓ All forms are correctly dated and signed.

2. Observation

The Municipality's management and staff, but in particular the Housing Staff will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

3. Public Record Bulletins

These documents may be viewed by management and staff.

D. **The Municipality's Handling of Allegations of Possible Abuse and Fraud**

The Municipal Housing Staff will encourage all participating families to report suspected abuse. All such referrals, as well as referrals from community member and other agencies, will be thoroughly documented and placed in the case file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The housing staff in charge of participant case files will not follow up on allegations which are vague or otherwise non-specific. They will only review allegations which contain one or more indecently verifiable facts.

1. File Review

An internal file review will be conducted to determine if the subject of the allegation is a client of the Municipality and, if so to determined whether or not the information reported has been previously disclosed by the family. Any file

documentation of past behavior as well as corroborating complaints will be evaluated.

2. Conclusion of Preliminary Review

If, at the conclusion of the preliminary file review, there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the staff will initiate an investigation to determine if the allegation is true or false and/or the case will be referred to the Municipal Internal Auditors Office for the appropriate course of action.

E. Overpayments to Owners

If the landlord has been overpaid as a result of fraud, misrepresentation or violation of the Contract, the Municipality may terminate the Contract and arrange for restitution to the Municipality and/or family as appropriate.

The Municipality will make every effort to recover any overpayments made as a result of landlord fraud or abuse. Payments otherwise due to the owner may be debited in order to repay the Municipality or the tenant, as applicable.

F. How the Municipality will investigate allegations of Abuse and Fraud

If the Municipality determines that an allegation or referral warrants follow-up, the case will be referred to the Municipal Internal Auditor's Office and/or person designated by the Section 8 Director to monitor the program compliance. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the Municipality will secure the written authorization, where necessary, from the program participant for the release of information.

1. Employers and Ex-Employers

Employers and ex-employers may be contacted to verify wages which may have been previously undisclosed or misreported.

2. Neighbors/Witness

Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to the Municipality's review.

3. Other Agencies

Investigators, case workers or representatives of other benefit agencies may be contacted.

4. Interviews with Head of Household or Family Members

The Municipality will discuss the allegation, or details thereof, with the Head of Household or family members by scheduling an appointment at the appropriate Municipal office or conducting a field interview. A high standard of courtesy and professionalism will be maintained by the Municipal staff person who conducts such interviews. Under no circumstances will inflammatory language, accusation, or any unprofessional conduct or language be tolerated by the management. An additional staff person may attend such interviews, if necessary.

G. **Placement of Documents, evidence and statements obtained by the Municipality**

Documents and other evidence obtained by the Municipality during the course of an investigation will be considered "case product" and will either be kept in the participant's file, or in a separate "case file". In either case, the participant's file or case file shall be kept in a restricted area. Such cases under review will not be discussed among Municipal staff unless they are involved in the process, or have information which may assist in the investigation.

H. **Conclusion of the Municipality Investigative Review**

At the conclusion of the investigative review, the reviewer will report the findings to the Section 8 Director, and disclose whether a violation has occurred, a violation has not occurred, or whether the facts are inconclusive.

I. **Evaluation of the Findings**

If it is determined that a program violation has occurred, the Municipality will review the facts to determine:

- The type of violation (procedural, non-compliance, or fraud);
- Whether the violation was intentional or unintentional;
- What amount of money, if any, is owed by the family;
- If the family is eligible for continued occupancy.

In deciding whether to take action against a tenant, landlord or both, the Municipality will take into consideration whether the tenant was in collusion with the owner, or the tenant was confronted by the owner after the tenancy had begun and was compelled by the owner to make the payments to avoid adverse action.

**J. Procedures for Violations Which Have Been Documented**

Once a program violation has been documented, the Municipality will propose the most appropriate remedy based upon the type of severity of the violation.

1. Procedural Non-compliance

This category applies when the family “fails to” observe a procedure or requirement of the Municipality, but does not misrepresent a material fact, and there are no retroactive assistance payments owed by the family.

Examples of non-compliance violations are:

- ✗ Failure to appear at a pre-scheduled appointment.
- ✗ Failure to return verification within the time period specified by the Municipality.

2. Procedural Non-compliance - Overpaid Assistance

When the family owes money to the Municipality for failure to report changes in income or assets.

In such cases a warning notice will be sent to the family in the form of a proposed termination letter which contains the following:

- a. A description of the non-compliance and the procedure, policy or obligation which was violated.
- b. The family's right to request an informal hearing, including their right to review their file and obtain representation at their own expense.

3. Intentional Misrepresentations

When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results, or would have resulted, in an overpayment of housing assistance by the Program, the Municipality will evaluate whether or not:

- a. The participant had knowledge that his/her actions were wrong.
- b. The participant willfully violated the family obligations or the law.

✓ Knowledge that action or inaction was wrong:

This will be evaluated by determining if the participant was made aware of program requirements and prohibitions. The participant's signature on various documents, the Voucher, Family Statement of Responsibility and Drug-free household certification are adequate to establish knowledge of wrong-doing.

✓ The participant willfully violated the law: Any of the following circumstances will be considered adequate to demonstrate willful intent:

- (a) An admission by the participant of the misrepresentation;
- (b) That the act was done repeatedly;
- (c) If a false name or Social Security Number was used;
- (d) If there were admissions to others of the illegal action or omission;

- (e) That the participant omitted material facts which were known to him/her (e.g, employment of self or other household member (s));
- (f) That the participant falsified, forged or altered documents;
- (g) That the participant uttered and certified to statements at a interim reexamination which were later independently verified to be false.

4. Dispositions of Cases Involving Misrepresentations

In all cases of misrepresentations involving efforts to recover monies owed, the Municipality may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions.

(a) Criminal prosecution

If it has been established by the Municipality criminal intent, and the case meets the criteria for prosecution, the Municipality may:

-Refer the case to the Puerto Rice Justice Department, notify HUD's Inspector General, refer the case the Municipal Legal Division for appropriate action and terminate rental assistance.

(b) Administrative Remedies:

**X** Terminate assistance and demand payment of restitution in full.

**X** Terminate assistance and execute an administrative repayment agreement in accordance with the Municipality's Repayment Policy.

- ✗ Terminate assistance and pursue restitution through civil litigation.
- ✗ Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with the Municipality's repayment policy.

5. The Case Conference

When the Municipality has established that material misrepresentation(s) have occurred or wishes to clarify discrepancies, a Case Conference may be scheduled with the family representative, owner, or others (referred to as "involved parties") and the Municipal Staff who is/are most knowledgeable about the circumstances.

The initial conference will take place prior to any proposed action by the Municipality. The purpose of the conference is to review the information and evidence obtained by the Municipality with the involved parties, and to provide them with an opportunity to explain any document findings. Any documents or mitigating circumstances presented will be taken into consideration by the Municipality. The involved parties will be given up to 30 days to furnish any mitigating evidence.

A secondary purpose of the Case Conference with the family is to assist the Municipality in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, the Municipality will consider:

- ✓ The duration of the violation and number of false statements;
- ✓ The involved parties' ability to understand the rules;
- ✓ The involved parties' willingness to cooperate, and to accept responsibility for his/her actions;

- ✓ The amount of money involved;
- ✓ The involved parties' past history;
- ✓ Whether or not criminal intent has been established.

6. Notification to Participant of Proposed Action

The Municipality will notify the involved parties of the proposed action.

## CHAPTER 23

### MONITORING AND RECORD KEEPING

#### Introduction

The Municipality of Juana Díaz maintains complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. In addition, the Municipality will furnish to HUD accounts, other records, reports, documents and other information as required and requested. This chapter delineates the record keeping practices that are to be followed by the Municipality in accordance with HUD requirements.

#### A. Monitoring Program Performance

The Municipality will collect and analyze all data that will permit it to determine:

1. That at least 75 percent of families initially provided assistance in each fiscal year must have incomes no higher than 30 percent of median income for the PHA area is fulfilled;
2. Determine Reasonableness of Rents prior to signing a HAP contract;
3. That HAP's and utility payments are completed and made on schedule;
4. The Housing Quality Standards are met and are conducted in a timely manner as required by QHWRA;
5. That the income eligibility requirement under the QHWRA is fulfilled;
6. That families are neither discriminated against nor abused;
7. That outreach efforts to both, landlords and families, are adequate;

8. That the payment standard as established by the PHA is in compliance with QHWRA and is revised annually based on the needs of the participant family;
9. That reporting to MTCS is fully complied with and on time;
10. That the PHA annual plan is being adhered to as required under QHWRA;
11. Adequacy of allowance for utilities and revision of the same at least annually utilizing established procedures;
12. Performance under the program is in compliance with existing regulations;

Dates for these will be available from the Permanent Records and Registers to be established, and from the accounting records, and inspection forms executed by both the Inspector and each family, as well as from the Director's involvement in the rental market within the Municipality.

In order to better concentrate our efforts on any area where a problem may be encountered, we must have the necessary means so as to assign the main task to the Section 8 Director and his staff, which is complemented by municipal resources.

B. Recordkeeping and Other Data

As prescribed by HUD, the Municipality maintains a program file on each participating family (active and terminated) that contains a complete and accurate account of the case history of the family. These family files are used to facilitate case management and program auditing.

The Municipality maintains current family files for active participants that include permanent family and owner records, and three years of those records that are updated annually (i.e., current and two prior years). Annual records collected in the current family file document the activity of the family/owner and the accurate completion of interim and annual recertifications, support note, and evidence of family/owner non-compliance more than three years old. Upon recertification, the files shall be purged of correspondence and notices that are no longer applicable because the reason for notice has been resolved. Note documentation that supports' family/owner non-compliance or other long-term agreements/conditions must and will be maintained in the file.

C. Below is Table I showing the contents of the Current Family File.

<b>Table I</b>		
<b>Current Family File</b>		
<b>Record Keeping &amp; Retention</b>		
<b>Required Documents</b>	<b>Family(F)/ Owner(O)</b>	<b>Retention</b>
<b>Permanent Records:</b>		
Family Photo	F	Permanent
Birth Certificates and Social Security Cards (all new members)*	F	Permanent
Preference Verification	F	Permanent
Determination of Family Eligibility	F	Permanent
Certification of Drug Free Household**	F	Permanent
Application	F	Permanent
Voucher	F	Permanent
Initial Request for Lease Authorization	F	Permanent
Initial Inspection	O	Permanent
Initial Rent Reasonableness Certification	O	Permanent
Proof of Ownership of Property	O	Permanent
Documents Required of Owner	O	Permanent
Family Affidavit	F	Permanent
Owner Fraud Certification	O	Permanent
Initial HAP Contract	O	Permanent
Initial Lease Agreement	O	Permanent
Release of Information Authorization Forms	F	Permanent
Family Statement of Obligations	F	Permanent
<b>Annual Records:</b>		
Recertification Application	F	3 Years

<b>Current Family File</b>		
<b>Record Keeping &amp; Retention</b>		
<b>Required Documents</b>	<b>Family(F)/ Owner(O)</b>	<b>Retention</b>
Income Documentation	F	3 Years
Income Verification Information provided by family	F	3 Years
Expense Verification Information provided by family	F	3 Years
Participant Data Summary (HUD-50058)	F	3 Years
Other Participant Information	F	3 Years
Latest Unit Inspection	O	3 Years
Other Documents relating to family as determined by the Municipality of Juana Díaz	F	3 Years
**Including new members added in subsequent years		

D. Summary

In closing, the Municipality of Juana Díaz has agreed that participation in the Housing Choice Voucher Program requires compliance with all HUD regulations and other requirements. In the case where a particular work element was not touched upon, herein, the PHA has agreed to utilize existing or previously approved regulations to cover the same, in addition to complying with the consolidated ACC and the PHA's HUD approved applications for program funding. The following actions will be undertaken by the Municipality to ensure fulfillment of its responsibilities to HUD in administering its ACC as follows:

1. Newspaper and radio will be utilized to inform both families and owners of the availability and nature of housing assistance payments for extremely low and very low-income families. Written material will be prepared for orientation and included in what we have called a "Family Information Packet" as well as a "Homeowners Information Packet." In addition, the various proposed outreach efforts to be performed, have been discussed.

2. In order to fulfill our responsibility to receive and review the applications of eligible families for the Voucher Program, as well as verifying income and other pertinent factors therein contained, we have included the following action to be undertaken:
  - We have retained a consultant to train, coordinate and supervise the development and implementation of this same program on an ongoing basis. We are confident that with the basic organizational structure we have included herein, along with the ongoing supervision of our consultant, we will continue to both create and develop both a viable and effective program that will in fact be in compliance with existing regulations.
  - Whenever possible, members of the PHA staff will assist to seminars or conferences so as to learn the latest in the Housing industry and maintain the PHA updated on the latest regulations enacted by HUD. This same PHA staff member will conduct in-house training for the rest of the PHA staff.
3. To meet our responsibilities regarding Issuance of Vouchers, we have contemplated the establishment of a Performance Record of Vouchers. This will permit the PHA to assure that the number of vouchers and/or funds assigned for Housing Assistance payments is not exceeded, and to that extent, that the 75 percent of families initially provided assistance in each fiscal year must have incomes no higher than 30 percent of median income.
4. In order to provide documented basis upon notification to ineligible families a file will be established which will contain the necessary application, the verifications and the reasons for the determination of ineligibility, as well as a copy of the notification to the applicant and any informal hearing or appeal material such as the signed interview forms we have implemented.
5. In order to meet our responsibility to provide each voucher holder with basic information on:

- a. Applicable Housing Quality Standards;
- b. Inspection Procedures;
- c. Search, selection and basic program rules

Our local housing staff will provide an application briefing, to all approved eligible families. Evidence to support that this was in fact followed, will be contained within each of the eligible family's file.

6. In order to meet our responsibility on the determination of the Tenant Rent, we rely heavily upon our trained housing staff. Computations should be supported by information of the applicant once it has been verified as well as analyzed within the appropriate computation form. Documents which gave basis to the amount of the Tenant Rent and other supporting documents will be included within each family's file. Also information on each family will be submitted to HUD via its MTCS system. This file will also validate that the computation was done according to established procedures.
7. In order to meet our responsibilities in determining Housing Assistance Payments as well as rent reasonableness, we will review the lease approval request, in order that the proposed rent does not exceed the established PHA Payment Standard. Proper credit for utilities will also be reviewed and then the amount for Housing Assistance Payments will be determined. Each file will be fully documented and the appropriate housing staff member will certify the rent reasonableness.
8. In order to meet our responsibilities in making prompt and accurate Housing Assistance Payments, a system will be established whereby we can assure ourselves that the funds are always available. This will constitute a coordinated effort between the Municipality's Finance Department and Section 8 Office. The PHA staff will prepare a monthly payroll of the payments to be made based upon the existing contract with the owners. The record where vacancies and/or intention to vacate are recorded will be checked to avoid improper payments. Negative rent to tenants where applicable are simultaneously processed. The Program Coordinator will

have a clear address or instructions from the landlords as to where the check is to be mailed or who is authorized to pick it up. When picked up, a receipt should be requested from the person that receives it. Payments should be in the hands of landlords not later than the 1<sup>st</sup> day of every month. We are aware of the negative impact this could have in landlord participation on the program and, therefore, utmost care will be given to avoid delays. However, should a delay occur for an unforeseen motive, the owner will be notified and an explanation will be given.

9. In order to meet our responsibility in performing annual reexamination in a timely manner, a letter will be sent to the family with instructions. The Recertification form will be filled, verified and analyzed, and the new tenant rent will be determined at that time. The family and owner will be notified and once any appeal or objection has been clarified, the corresponding amendments to the lease and contract will be made. Supporting documents will be kept on file at all times. When a family requests a special reexamination due to the fact that they are seeking an interim adjustment because of a temporary situation such as unemployment which merits and adjustments in gross family contribution, the Program Coordinator will request the necessary documents (such as layoff notice from the employer, determination of compensation from unemployment, etc.) and make the computations for the tenant rent. The decision will be made known to the family and landlord in writing and the PHA's accounting division notified for payments and budget review.
10. In order to meet our responsibilities with reporting family information electronically to MTCS as required by HUD, the PHA will ensure that its internet connection is working properly or will find the means to transmit said information.
11. In order to meet the Municipality's responsibilities with respect to inspection, the Housing Office will designate an Inspector in accordance with the program's financial resources. A record of the inspections will be kept to assure all properties under contract have been inspected and that those, which require additional follow-up are reinspected and deficiencies corrected.

12. At the request of families, when situations so warrant, the Program Inspector may perform additional inspections or may schedule monitoring inspections. However, at least an annual inspection will be made to coincide with the annual reexaminations. Forms for these inspections and training on Housing Qualities Standards and Criteria will be among the tools available to the Inspector.
13. In order to meet the Municipality's responsibilities concerning eviction cases, it is assumed that both the reason and procedures for eviction are included in the leases. Requirements set forth in Federal Register 982.310 must be met. The Municipality's legal counsel will be available for consultation with the Section 8 Director, whenever necessary.
14. The Municipality agrees to comply with Equal Opportunity Requirements by extending the present compliance commitments and norms to the programs being administered by the Municipality of Juana Díaz and the corresponding actions.

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

- A. Completed within a timely manner in compliance with HUD's requirements;
- B. That they are indeed in total compliance with existing federal and state applicable regulations;
- C. Compliance with the Rental Housing Integrity Improvement Project (RHIIP) as establish by HUD regulations and guidelines;
- D. Compliance with Upfront Income Verification (UIV) Process;
- E. Compliance with the SEMAP Indicators.

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

- A. Families Assisted; Subsidies granted;
- B. Complaints resolved;
- C. Compliance with the Rental Housing Integrity Improvement Project (RHIIIP) as established in HUD regulations so as to assure improving any and all deficiencies detected during the RIM Reviews and/or SEMAP Certification conducted by HUD or its designee;
- D. FSS families that moved onto become first-time homeowners;
- E. The effectiveness of communication by and between the various Municipal, State and Federal Agencies as well as with citizens.

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

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

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

- 1. Cash/Management System;
- 2. Budget Controls;
- 3. Effective Internal Control System so as to reduce administrative errors;

4. Families serviced by income level (low, extremely low and moderate);
5. Compliance with HQS, Quality control and Targeting as set forth in HUD regulations;
6. Timely, accurate and complete information for management forecasting and policy decision making;
7. Preparing the necessary financial data to report to HUD; Staff resources and performance;

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

# GLOSSARY

## Definition of Terms and Concepts

In addition to the terms and concepts used in both the Existing Certificate and Voucher Programs, the following terms, definitions and concepts also apply:

- A. **Extremely low-income family** - A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.
- B. **Very low-income family** - A family whose income does not exceed 50 percent of the Median Income for the area, as determined by HUD.
- C. **Full-time student** - A person who is attending school or vocational training on a full-time basis.
- D. **Responsible entity** - For the public housing and Section 8 tenant-based assistance (part 982) means the PHA administering the program under an ACC with HUD.
- E. **Tenant Rent** - the amount payable monthly by the family as rent to the unit owner.
- F. **Applicable Payment Standard** - The maximum subsidy payment for a family (before deducting the family contribution). The PHA sets a payment standard in the range from 90%-110% of the current FMR/exception rent limit.
- G. **Exception Rent** - an amount that exceeds the published FMR.
- H. **Family Self-Sufficiency Program (FSS Program)** -The program that is established by a PHA in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services.
- I. **Family unit size** - The appropriate number of bedrooms for a family, as determined by the PHA under the PHA subsidy standards.

- J. **Funding increments** - Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contracts for the PHA program.
- K. **Gross rent** - The sum of the rent to the owner plus any utility allowance.
- L. **HAP contract** - Housing assistance payments contract.
- M. **Housing assistance payment** - the monthly assistance payment by a PHA which includes:
1. A payment to the owner for rent to the owner under the family's lease;
  2. An additional payment to the family if the total assistance payment exceeds the rent to the owner.
- O. **Budget authority** - an amount authorized and appropriated by the Congress for payment to the PHA's under the program.
- P. **Applicant (applicant family)** - A family that has applied for admission to a program but is not yet a participant in the program.
- Q. **Admission** - the point when the family becomes a participant in the program. The date used for this purpose is the effective date of the first HAP contract for a family in a tenant-based program.
- R. **Administrative Fee Reserve (formerly "Operating Reserve")** - It is an account established by the PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes.
- S. **Contiguous MSA** - in portability (under subpart H of this part 982) a MSA is one that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.
- T. **Contract Authority** - The maximum annual payment by HUD to a PHA for a funding increment.
- U. **Participant (participant family)** - A family that has been admitted to the PHA program is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family.

- V. **Premises** - The building or complex in which the dwelling unit is located, including common areas and grounds.
- W. **Reasonable rent** - A rent to the owner that is not more than rent charged:
  1. For comparable units in the private unassisted market; and
  2. For comparable unassisted units in the premises.
- Z. **Rent to the owner** - The total monthly rent payable to the owner under the lease for the unit. Rent to the owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.
- AA. **Special Admission** - Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.
- BB. **Subsidy Standards** - Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidies for families of different sizes and compositions.
- CC. **Suspension** - Stopping the clock on the term of a family's voucher for such period as determined by the PHA, from the time when the family submits a request for PHA approval to lease a unit, until the time when the PHA approves or denies the request.
- DD. **Tenant** - The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.
- EE. **Violent criminal activity** - Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.
- FF. **Voucher (rental voucher)** - A document issued by the PHA to a family selected for admission to the Housing Choice Voucher Program. This document describes the program and the procedures for the PHA approval of a unit selected by the family. The voucher also states obligations of the family under the program.

GG. **The Housing Choice Voucher Program** - The rental voucher program and is representative of the merger of the old Voucher Program with the Certificate Program under the Quality Housing & Work Responsibility Act of 1998.

HH. **Waiting List Admission** - An admission from the PHA waiting list.