PHA Plans

Streamlined Annual Version

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

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

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

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

Streamlined Annual PHA Plan
For Fiscal Year: 2008
PHA Name: Puerto Rico Department of Housing (PRDH-RQ901)

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: Puerto Rico Department of Housing **PHA Number:** RQ-901

PHA Fiscal Year Beginning: 07/2008

PHA Programs Administered:

Public Housing and Section 8	Section 8 Only	Public Housing Only
Number of public housing units:	Number of S8 units: 8614	Number of public housing units:
Number of S8 units:		

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

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

PHA Plan Contact Information:

Name: Carmiña M. Osorio Aponte Phone: 787-274-2527 x 2402
TDD: Email (if available): cmosorio@vivienda.gobierno.pr

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)

* At Puerto Rico Department of Housing, HCVP Quality Control Office located on the first floor of the parking building of Juan C. Cordero building at 606 Barbosa Avenue, Rio Piedras, Puerto Rico

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)

* At Puerto Rico Department of Housing, HCVP Quality Control Office located on the first floor of the parking building of Juan C. Cordero building at 606 Barbosa Avenue, Rio Piedras, Puerto Rico

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

Table of Contents
[24 CFR 903.7(r)]

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

A. PHA PLAN COMPONENTS

1. Site-Based Waiting List Policies

903.7(b)(2) Policies on Eligibility, Selection, and Admissions

2. Capital Improvement Needs

903.7(g) Statement of Capital Improvements Needed

3. Section 8(y) Homeownership

903.7(k)(1)(i) Statement of Homeownership Programs

4. Project-Based Voucher Programs
5. PHA Statement of Consistency with Consolidated Plan. Complete only if PHA has changed any policies, programs, or plan components from its last Annual Plan.
6. Supporting Documents Available for Review
7. Capital Fund Program and Capital Fund Program Replacement Housing Factor, Annual Statement/Performance and Evaluation Report
8. Capital Fund Program 5-Year Action Plan

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(A) GENERAL .....

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).

    1. Status of HOPE VI revitalization grant(s):

HOPE VI Revitalization Grant Status
a. Development Name: b. Development Number:
c. Status of Grant: Revitalization Plan under development Revitalization Plan submitted, pending approval Revitalization Plan approved 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:
The PRDH-HCVP administers a Section 8 Homeownership program pursuant to Section 8 (y) of the U.S.H.A. of 1937. The Homeownership Program was implemented during 2005 to target families that may be eligible for obtaining a mortgage. This PHA included on its program, design interfacing with other federal and state programs, including HOME, FSS and PRDH's program "La Llave para tu Hogar". The purpose is to further the acquisition process for the families participating in the renting program.

Administrative and policy changes were undertaken in order to implement the Homeownership program:

* The FSS program was evaluated and the employees sharing responsibilities in said program have been reoriented in order to refocus the program toward homeownership goal.

* The FSS families will be able to invest the fund accumulated in the escrow accounts in the acquisition of their first home. Closing cost may be covered with those funds as well other necessary costs.

* The tenant based participant families in the higher income groups are our target for outreach purposes. We are providing small groups detailed orientation on the homeownership opportunity in an average of twice a month, and thereafter, on an individual basis.

* We have an arrangement with an entity denominated "Homeownership One Stop Center" for the counseling for our qualifying participants on budgeting, banking services available and unit maintenance for owners.

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:

The PRDH-HCVP for Homeownership limits the Homeownership voucher for portability to extreme needy cases until the program grows sufficiently to support ample portability cooperative agreements that could be enacted with other PHA's outside our jurisdiction.

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

* The tenant based participant families in the higher income groups are our target for outreach purposes. We are providing small groups detailed orientation on the homeownership opportunity in an average of twice a month, and thereafter, on an individual basis.

* We have an arrangement with an entity denominated "Homeownership One Stop Center" for the counseling for our qualifying participants on budgeting, banking services available and unit maintenance for owners.

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

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

Establishing a minimum homeowner down payment requirement of at least 3 percent of purchase price and requiring that at least 1 percent of the purchase price comes from the family's resources.
Requiring that financing for purchase of a home under its Section 8 homeownership will be provided, insured or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards.
Partnering with a qualified agency or agencies to administer the program (list name(s) and years of experience below):
Demonstrating that it has other relevant experience (list experience below):

4. Use of the Project-Based Voucher Program

Intent to Use Project-Based Assistance

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

1. Yes No: Are there circumstances indicating that the project basing of the units, rather than tenant-basing of the same amount of assistance is an appropriate option? If yes, check which circumstances apply:

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

   * Lack of suitable rental units at FMR rates

2. Indicate the number of units and general location of units (e.g. eligible census tracts or smaller areas within eligible census tracts):
   - 88 units in Cabo Rojo, PR
   - 120 in Santa Isabel

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)

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**
	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;	5 Year and Annual Plans
X	*PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Streamlined Annual Plan*	Streamlined Annual Plans
	Certification by State or Local Official of PHA Plan Consistency with Consolidated Plan.	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. 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. 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. 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. Check here if included in Section 8 Administrative Plan.	Annual Plan: Rent Determination
	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation).	Annual Plan: Operations and Maintenance
	Results of latest Public Housing Assessment System (PHAS) Assessment (or other applicable assessment).	Annual Plan: Management and Operations
	Follow-up Plan to Results of the PHAS Resident Satisfaction Survey (if necessary)	Annual Plan: Operations and Maintenance and Community Service & Self-Sufficiency

X	Results of latest Section 8 Management Assessment System (SEMAP)	Annual Plan: Management and Operations
	Any policies governing any Section 8 special housing types Check here if included in Section 8 Administrative Plan	Annual Plan: Operations and Maintenance
	Public housing grievance procedures Check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures
	Section 8 informal review and hearing procedures. Check here if included in Section 8 Administrative Plan.	Annual Plan: Grievance Procedures
	The Capital Fund/Comprehensive Grant Program Annual Statement /Performance and Evaluation Report for any active grant year.	Annual Plan: Capital Needs
	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grants.	Annual Plan: Capital Needs
	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans, or any other approved proposal for development of public housing.	Annual Plan: Capital Needs
	Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. See PIH Notice 99-52 (HA).	Annual Plan: Capital Needs
	Approved or submitted applications for demolition and/or disposition of public housing.	Annual Plan: Demolition and Disposition
	Approved or submitted applications for designation of public housing (Designated Housing Plans).	Annual Plan: Designation of Public Housing
	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act, Section 22 of the US Housing Act of 1937, or Section 33 of the US Housing Act of 1937.	Annual Plan: Conversion of Public Housing
	Documentation for required Initial Assessment and any additional information required by HUD for Voluntary Conversion.	Annual Plan: Voluntary Conversion of Public Housing
	Approved or submitted public housing homeownership programs/plans.	Annual Plan: Homeownership
	Policies governing any Section 8 Homeownership program (Section _____of the Section 8 Administrative Plan)	Annual Plan: Homeownership
	Public Housing Community Service Policy/Programs 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). Check here if included in the public housing A & O Policy.	Annual Plan: Pet Policy
X	The results of the most recent fiscal year audit of the PHA conducted under the Single Audit Act as implemented by OMB Circular A-133, the results of that audit and the PHA's response to any findings.	Annual Plan: Annual Audit
	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)
	Consortium agreement(s) and for Consortium Joint PHA Plans Only: Certification that consortium agreement is in compliance with 24 CFR Part 943 pursuant to an opinion of counsel on file and available for inspection.	Joint Annual PHA Plan for Consortia: Agency Identification and Annual Management and Operations

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Par

PHA Name:	**Grant Type and Number** Capital Fund Program Grant No: Replacement Housing Factor Grant No:

Original Annual Statement Reserve for Disasters/ Emergencies Revised Annual Statement (revision no:)
Performance and Evaluation Report for Period Ending: Final Performance and Evaluation Report

Line No.	**Summary by Development Account**	**Total Estimated Cost**	
		Original	**Revised**
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 Collaterization 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		

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP
Part II: Supporting Pages

PHA Name:	**Grant Type and Number** Capital Fund Program Grant No: Replacement Housing Factor Grant No:	**Federal F**

Development Number	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost	To

(45) Manufactured home. A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the H QS. A special housing type: see Sec. 982.620 and Sec. 982.621.

(46) Manufactured home space. In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See Sec. 982.6 22 to Sec. 982.624.

(47) Mutual housing. Included in the definition of cooperative.

(48) Notice of Funding Availability (NOFA). For budget authority that HUD distributes by competitive process, the Federal Register document that invites applications for funding. This document explains how to apply for assistance and the criteria for awarding the funding.

(49) Over-FMR tenancy. A tenancy for which the initial gross rent exceeds the FMR/exception rent limit.

(50) Owner. Any person or entity with the legal right to lease or sublease a unit to a participant.

(51) Participant (participant family). A family that has been admitted to the HA program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the HA for the family (first day of initial lease term).

(52) Payment standard. In a voucher or over -FMR tenancy, the maximum subsidy payment for a family (before deducting the family contribution). For a voucher tenancy, the HA sets a payment standard in the range from 80 percent to 100 percent of the current FMR/exception rent limit. For an over -FMR tenancy, the payment standard equals the current FMR/exception rent limit.

(53) Person with disabilities defined in 24 CFR 8.3.

	Original	Revised	Actual	
(54) Portability. Renting a dwelling unit with Section 8 tenant -based assistance outside the jurisdiction of the initial HA.				
(55) Premises. The building or complex in which the dwelling unit is located, including common areas and grounds.				
(56) Private space. In shared housing: The portion of a contract u nit that is for the exclusive use of an assisted family.				

Capital Fund Program Five-Year Action Plan
Part I: Summary

PHA Name				**Original 5-Year** **Revision No:**
Development Number/Name/ HA-Wide	Year 1	Work Statement for Year 2 FFY Grant: PHA FY:	Work Statement for Year 3 FFY Grant: PHA FY:	Work Statem for Year FFY Grant: PHA FY:
	Annual Statement			
CFP Funds Listed for 5-year planning				
Replacement Housing Factor Funds				

Capital Fund Program Five-Year Action Plan
Part II: Supporting Pages—Work Activities

Activities for Year 1	Activities for Year :____ FFY Grant: PHA FY:			Activities fo FFY G PHA
	Development Name/Number	**Major Work Categories**	**Estimated Cost**	**Development Name/Number**	**Maj Ca**
See					
Annual					
Statement					
Total CFP Estimated Cost			$		

Capital Fund Program Five-Year Action Plan
Part II: Supporting Pages—Work Activities

Activities for Year :____ FFY Grant: PHA FY:			Activities for Y FFY Gran PHA FY
Development Name/Number	**Major Work Categories**	**Estimated Cost**	**Development Name/Number**	**Major W Categor**

Total CFP Estimated Cost		$		

Streamlined PHA Plan
PHA Certifications of Compliance

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

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

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the streamlined Annual PHA Plan for PHA fiscal year beginning July 1st. 2008, hereinafter referred to as the Streamlined Annual Plan, of which this document is a part and make the following certifications, agreements with, and assurances to the Department of Housing and Urban Development (HUD) in connection with the submission of the Streamlined Plan and implementation thereof:

1. The streamlined Annual Plan is consistent with the applicable comprehensive housing affordability strategy (or any streamlined Plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, and provided this Board or Boards an opportunity to review and comment on any program and policy changes since submission of the last Annual Plan.
3. The PHA made the proposed streamlined Annual Plan, including policy and program revisions since submission of the last Annual Plan, and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the streamlined Plan and invited public comment.
4. The PHA will carry out the streamlined Annual Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
5. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
6. For streamlined Annual Plans that include a policy or change in policy for site-based waiting lists:
The PHA regularly submits required data to HUD's MTCS in an accurate, complete and timely manner (as specified in PIH Notice 99-2);
· The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
· Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
· The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
· The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(b)(2).
7. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
8. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
9. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
10. The PHA has submitted with the streamlined Plan a certification with regard to a drug-free workplace required by 24 CFR Part 24, Subpart F.
11. The PHA has submitted with the streamlined Plan a certification with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment
and implementing regulations at 49 CFR Part 24.

12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.

17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments.).
19. The PHA will undertake only activities and programs covered by the streamlined Annual Plan in a manner consistent with its streamlined Annual Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its streamlined Plan.
20. All certifications and attachments (if any) to the streamlined Plan have been and will continue to be available at all times and all locations that the PHA streamlined Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the streamlined Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its streamlined Annual Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA certifies that the following policies, programs, and plan components have been revised since submission of its last Annual PHA Plan (check all policies, programs, and components that have been changed):

__
__ 903.7a Housing Needs
__ 903.7b Eligibility, Selection, and Admissions Policies
__ 903.7c Financial Resources
__ 903.7d Rent Determination Policies
__ 903.7h Demolition and Disposition
__ 903.7k Homeownership Programs
__ 903.7r Additional Information
- __ A. Progress in meeting 5-year mission and goals
- __ B. Criteria for substantial deviation and significant amendments
- __ C. Other information requested by HUD
  - __ 1. Resident Advisory Board consultation process
  - __ 2. Membership of Resident Advisory Board
  - __ 3. Resident membership on PHA governing board
  - __ 4. Prohibition Sex Offenders Policy
  - __ 5. Violence Against Women Act (VAWA)

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

PRDH	RQ901
PHA Name	PHA Number

Streamlined Annual PHA Plan for Fiscal Year: 2008-2009

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
Jorge Rivera Jimenez	Secretary of Housing - Commonwealth of Puerto Rico
Signature	Date
X	

STATEMENTS

Mandatory Prohibition of Sex Offenders

Puerto Rico Department of Housing (PRDH) has established standards that prohibit admission to the program if any member of the household is subject to a lifetime registration under a State sex offender registration program (24 CFR 982.553(2). The PRDH (RQ901) 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 were the dwelling unit is located and in other States where the household members are known to have resided. The screening is to be carried-out through the Puerto Rico Police Department, which issues a ***Certificate of Conduct***.

The PRDH will deny admission if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. Sex offenders, not subject to lifetime registration, will be denied assistance for the entire period they are subject to registration as sex offenders.

Domestic Violence

PRDH Administrative Plan was amended to support or assist Domestic Violence victims accordingly to the Violence against Women Act (VAWA), Public Law 109-162. Sections 606 and 607 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 immediate families- from losing their HUD- assisted housing as a consequence of the abuse of which they were the victim. PRDH (RQ901) has adopted the following goals and objectives, for Domestic Violence policy:

- The applicant/tenant/victim will be treated with respect and dignity.
- PRDH will notify Housing Choice Vouchers owners of VAWA.

PRDH will notify vouchers 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.

VAWA will be incorporated into the landlord and tenant orientation process.

_____

Jessica Del Valle Laboy
Acting Assistant Secretary
Housing Subsidy and Community Development

PRDH-RQ901
HCVP- SECTION 8

LIST OF SUPPORTING DOCUMENTS AVAILABLE FOR REVIEW

ANNUAL PLAN FY 2008

- Plan Certification of Compliance with the PHA Plans and Related Regulations
- State/Local Government Certification of Consistency with Consolidated Plan
- Consolidated Plan for the jurisdiction in which the PHA is located
- Section 8 Administrative Plan
- Section 8 Rent determination (Payment Standard) policies (see Adm. Plan)
- Section 8 Informal Review and hearing procedures (see Adm. Plan)
- Cooperative Agreements between the PHA and the TANF agency
- FSS Action Plan for Section 8
- Most recent fiscal year audit (2005-2006) of the PHA conducted under section 5(h)(2) of the U.S. Housing Act of 1937

Attachment

Members of the Resident Advisory Board
PRDH Section 8
FY 2008-2009

NAME	*SOCIAL SECURITY*	*ADDRESS*	*PHONE #*
Roberto Colón	*583-37-6137*	*Urb. Santa María #5319, Ponce, PR*	*787-432-8022*
Wanda Desjardín	*583-57-9255*	*Calle Campanilla P-12, Lomas Verdes, Bayamón, PR*	*939-940-3121*
Janice Alvarado Roig	*584-13-2879*	*Calle Arcángel 1305, Villa Gerena, Mayagüez, PR 00681-2184*	*787-834-3834*
Lilia Otero	*583-30-2720*	*107 Eduard Riera, Apt. 2, Mayagüez, PR 00681*	*787-805-5974*
Ramón Morales	*583-30-2664*	*107 Eduard Riera, Apt. 2, Mayagüez, PR 00681*	*787-805-5974*

PHA Plans

Streamlined 5-Year/Annual Version

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

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

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

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

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

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

Streamlined Five-Year PHA Plan
Agency Identification

PHA Name: Puerto Rico Department of Housing
PHA Number: RQ 901

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

PHA Programs Administered:

☐ **Public Housing and Section 8**
Number of public housing units:
Number of S8 units:

☒ **Section 8 Only**
Number of S8 units:

☐ **Public Housing Only**
Number of public housing units:

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

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

Public Access to Information

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

☒ Main administrative office of the PHA; Administration for the Revitalization of Communities, Central Office 889 San Patricio Ave. Río Piedras, PR
☐ PHA development management offices
☐ PHA local offices

Display Locations For PHA Plans and Supporting Documents

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

☒ Main administrative office of the PHA; Administration for the Revitalization of Communities, Central Office 889 San Patricio Ave. Río Piedras, PR
☐ PHA development management offices
☐ PHA local offices
☐ Main administrative office of the local government
☐ Main administrative office of the County government
☐ Main administrative office of the State government
☐ Public library
☐ PHA website
☒ Other (list below)

At the Section 8, Quality Control & Monitoring Unit temporarily located at the Empire Plaza Building at 1052 Muñoz Rivera Ave., 10th floor, Río Piedras, Puerto Rico.

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)

At the Section 8, Quality Control & Monitoring Unit temporarily located at the Empire Plaza Building at 1052 Muñoz Rivera Ave., 10th floor, Río Piedras, Puerto Rico.

Streamlined Five-Year PHA Plan
PHA Fiscal Years 2005- 2009
[24 CFR Part 903.12]

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

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

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

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

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

☒ PHA Goal: Expand the supply of assisted housing
Objectives:
- ☒ Apply for additional rental vouchers:
- ☐ Reduce public housing vacancies:
- ☐ Leverage private or other public funds to create additional housing opportunities:
- ☒ Acquire or build units or developments
- ☐ Other (list below)

☒ PHA Goal: Improve the quality of assisted housing
Objectives:
- ☐ Improve public housing management: (PHAS score)
- ☒ Improve voucher management: (SEMAP score)
- ☒ Increase customer satisfaction:
- ☒ Concentrate on efforts to improve specific management functions: (list; e.g., public housing finance; voucher unit inspections)
- ☐ Renovate or modernize public housing units:
- ☐ Demolish or dispose of obsolete public housing:
- ☐ Provide replacement public housing:
- ☐ Provide replacement vouchers:
- ☐ Other: (list below)

☒ PHA Goal: Increase assisted housing choices
Objectives:
- ☐ Provide voucher mobility counseling:
- ☒ Conduct outreach efforts to potential voucher landlords
- ☐ Increase voucher payment standards
- ☒ Implement voucher homeownership program:
- ☐ Implement public housing or other homeownership programs:
- ☐ Implement public housing site-based waiting lists:
- ☐ Convert public housing to vouchers:
- ☐ Other: (list below)

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

☒ PHA Goal: Provide an improved living environment
Objectives:
- ☐ Implement measures to deconcentrate poverty by bringing higher income public housing households into lower income developments:
- ☐ Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments:
- ☐ Implement public housing security improvements:
- ☒ Designate developments or buildings for particular resident groups (elderly, persons with disabilities)
- ☐ Other: (list below)

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

☒ PHA Goal: Promote self-sufficiency and asset development of assisted households
Objectives:
- ☐ Increase the number and percentage of employed persons in assisted families:
- ☐ Provide or attract supportive services to improve assistance recipients' employability:
- ☒ Provide or attract supportive services to increase independence for the elderly or families with disabilities.
- ☒ Other: (list below):

  Include Section 8 participants in the ARCo's Individual Developments Account Program. [IDA]

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

☒ PHA Goal: Ensure equal opportunity and affirmatively further fair housing
Objectives:
- ☐ Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability:

☐ Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability:

☒ Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required:

☐ Other: (list below)

Other PHA Goals and Objectives: (list below)

- Expand the existing Project Based Program, so as to increase the stock of decent, safe and sanitary housing available for the needy people in this jurisdiction.
- Providing eligible participants the opportunity to acquire their own homes with the financial and counseling assistance of the Section 8 Homeownership Program.
- Provide excellent customer service through each of our personnel and the Customer Service Unit.

Executive Summary (optional)

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

This Administration has taken measures to expand the existing Project Based Program, so as to increase the stock of decent, safe and sanitary housing available for the needy people in this jurisdiction. On such matter, we selected four proposals for the development of project-based units for which three AHAP have been signed and construction has begun. These projects should be available for occupation by the end of the fiscal year.

This PHA is providing eligible participants the opportunity to acquire their own homes with the financial and counseling assistance of the Section 8 Homeownership Program. Interested and eligible participants have been identified and oriented, few of which are close to acquiring their first homes.

We will continue our approach on providing excellent customer service through each of our personnel and Customer Service Unit. This division provides a unique and personalized customer service by phone through a toll free number [1-866-SEC-OCHO] and for residents in the metropolitan area at 787.274.2416 and 2426. The "Customer Service Unit" receives any complaints and/or comments from our clients, and is in charge of assisting the situation until its final solution in the shortest possible time.

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

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

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

Housing Needs of Families on the PHA's Waiting Lists			
Waiting list type: (select one) ☒ Section 8 tenant-based assistance ☐ Public Housing ☐ Combined Section 8 and Public Housing ☐ Public Housing Site-Based or sub-jurisdictional waiting list (optional) If used, identify which development/subjurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	15,207		1,248
Extremely low income <=30% AMI	5,939	39%	
Very low income (>30% but <=50% AMI)	9,268	61%	
Low income (>50% but <80% AMI)	-0-	-0-	
Families with children	12,497	82%	
Elderly families	2,733	18%	
Families with Disabilities	98	6%	
Race/ethnicity	N/A	N/A	

Streamlined Annual PHA Plan
PHA Fiscal Year 2005
[24 CFR Part 903.12(b)]

Table of Contents

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

A. ANNUAL STREAMLINED PHA PLAN COMPONENTS

- ☒ 1. Housing Needs
- ☒ 2. Financial Resources
- ☒ 3. Policies on Eligibility, Selection and Admissions
- ☒ 4. Rent Determination Policies
- ☐ 5. Capital Improvements Needs
- ☐ 6. Demolition and Disposition
- ☒ 7. Homeownership
- ☒ 8. Civil Rights Certifications (included with PHA Certifications of Compliance)
- ☒ 9. Additional Information
  - a. PHA Progress on Meeting 5-Year Mission and Goals
  - b. Criteria for Substantial Deviations and Significant Amendments
  - c. Other Information Requested by HUD
    - i. Resident Advisory Board Membership and Consultation Process
    - ii. Resident Membership on the PHA Governing Board
    - iii. PHA Statement of Consistency with Consolidated Plan
    - iv. (Reserved)
- ☒ ~~10. Project-Based Voucher Program~~
- ☒ 11. Supporting Documents Available for Review
- ☐ 12. FY 20__ Capital Fund Program and Capital Fund Program Replacement Housing Factor, Annual Statement/Performance and Evaluation Report
- ☐ 13. Capital Fund Program 5-Year Action Plan
- ☐ 14. Other (List below, providing name for each item)

B. SEPARATE HARD COPY SUBMISSIONS TO LOCAL HUD FIELD OFFICE

Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans;*
Certification by State or Local Official of PHA Plan Consistency with Consolidated Plan.
For PHAs APPLYING FOR CAPITAL FUND PROGRAM (CFP) GRANTS:
Form HUD-50070, *Certification for a Drug-Free Workplace*;
Form HUD-50071, *Certification of Payments to Influence Federal Transactions*;
Form SF-LLL & SF-LLLa, *Disclosure of Lobbying Activities.*

Housing Needs of Families on the PHA's Waiting Lists			
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Characteristics by Bedroom Size (Public Housing Only)	N/A	N/A	N/A
1BR	N/A	N/A	N/A
2 BR	N/A	N/A	N/A
3 BR	N/A	N/A	N/A
4 BR	N/A	N/A	N/A
5 BR	N/A	N/A	N/A
5+ BR	N/A	N/A	N/A

Is the waiting list closed (select one)? ☒ No ☐ Yes

If yes:

How long has it been closed (# of months)?

Does the PHA expect to reopen the list in the PHA Plan year? ☐ No ☐ Yes

Does the PHA permit specific categories of families onto the waiting list, even if generally closed? ☐ No ☐ Yes

Housing Needs of Families on the PHA's Waiting Lists
BY REGIONAL OFFICE

AGUADILLA
REGIONAL OFFICE

Waiting list type: (select one)

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

	# of families	% of total families	Annual Turnover
Waiting list total	382		120
Extremely low income <=30% AMI	115	30%	
Very low income (>30% but <=50% AMI)	267	70%	
Low income (>50% but <80% AMI)	-0-	---	
Families with children	356	93%	
Elderly families	24	7%	
Families with Disabilities	2	1%	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			

Housing Needs of Families on the PHA's Waiting Lists			
4 BR			
5 BR			
5+ BR			

Is the waiting list closed (select one)? ☒ No ☐ Yes
If yes:
How long has it been closed (# of months)?
Does the PHA expect to reopen the list in the PHA Plan year? ☐ No ☐ Yes
Does the PHA permit specific categories of families onto the waiting list, even if generally closed?
☐ No ☐ Yes

Housing Needs of Families on the PHA's Waiting Lists

ARECIBO
REGIONAL OFFICE

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

	# of families	% of total families	Annual Turnover
Waiting list total	1,616		96
Extremely low income <=30% AMI	557	34%	
Very low income (>30% but <=50% AMI)	1,059	66%	
Low income (>50% but <80% AMI)	---	---	
Families with children	1593	99%	
Elderly families	20	1%	
~~Families with Disabilities~~	3	---	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			

Is the waiting list closed (select one)? ☒ No ☐ Yes
If yes:
How long has it been closed (# of months)?
Does the PHA expect to reopen the list in the PHA Plan year? ☐ No ☐ Yes
Does the PHA permit specific categories of families onto the waiting list, even if generally closed?
☐ No ☐ Yes

Housing Needs of Families on the PHA's Waiting Lists

BAYAMON
REGIONAL OFFICE

Waiting list type: (select one)
- ☒ Section 8 tenant-based assistance
- ☐ Public Housing
- ☐ Combined Section 8 and Public Housing
- ☐ Public Housing Site-Based or sub-jurisdictional waiting list (optional)

If used, identify which development/subjurisdiction:

	# of families	% of total families	Annual Turnover
Waiting list total	3465		240
Extremely low income <=30% AMI	1309	38%	
Very low income (>30% but <=50% AMI)	2156	62%	
Low income (>50% but <80% AMI)	---	---	
Families with children	2871	83%	
Elderly families	551	16%	
Families with Disabilities	43	1%	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			

Is the waiting list closed (select one)? ☒ No ☐ Yes

If yes:

How long has it been closed (# of months)?

Does the PHA expect to reopen the list in the PHA Plan year? ☐ No ☐ Yes

Does the PHA permit specific categories of families onto the waiting list, even if generally closed? ☐ No ☐ Yes

CAROLINA
REGIONAL OFFICE

Waiting list type: (select one)
- ☒ Section 8 tenant-based assistance
- ☐ Public Housing
- ☐ Combined Section 8 and Public Housing
- ☐ Public Housing Site-Based or sub-jurisdictional waiting list (optional)

If used, identify which development/subjurisdiction:

	# of families	% of total families	Annual Turnover
Waiting list total	1988		180

Housing Needs of Families on the PHA's Waiting Lists			
Extremely low income <=30% AMI	626	31%	
Very low income (>30% but <=50% AMI)	1362	69%	
Low income (>50% but <80% AMI)	---	---	
Families with children	1704	86%	
Elderly families	255	13%	
Families with Disabilities	29	1%	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	

Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			

Is the waiting list closed (select one)? ☒ No ☐ Yes
If yes:
How long has it been closed (# of months)?
Does the PHA expect to reopen the list in the PHA Plan year? ☐ No ☐ Yes
Does the PHA permit specific categories of families onto the waiting list, even if generally closed? ☐ No ☐ Yes

CAGUAS
REGIONAL OFFICE

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

	# of families	% of total families	Annual Turnover
Waiting list total	1791		168
Extremely low income <=30% AMI	688	38%	
Very low income (>30% but <=50% AMI)	1103	62%	
Low income (>50% but <80% AMI)	---	---	
Families with children	1471	82%	
Elderly families	312	17%	
Families with Disabilities	8	---	
Race/ethnicity	N/A	N/A	

Housing Needs of Families on the PHA's Waiting Lists			
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			

Is the waiting list closed (select one)? ☒ No ☐ Yes
If yes:
How long has it been closed (# of months)?
Does the PHA expect to reopen the list in the PHA Plan year? ☐ No ☐ Yes
Does the PHA permit specific categories of families onto the waiting list, even if generally closed? ☐ No ☐ Yes

HUMACAO
REGIONAL OFFICE

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

	# of families	% of total families	Annual Turnover
~~Waiting list total~~	~~1169~~		60
Extremely low income <=30% AMI	585	50%	
Very low income (>30% but <=50% AMI)	584	50%	
Low income (>50% but <80% AMI)	---	---	
Families with children	1036	89%	
Elderly families	130	11%	
Families with Disabilities	3	---	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			

Housing Needs of Families on the PHA's Waiting Lists			
5 BR			
5+ BR			

Is the waiting list closed (select one)? ☒ No ☐ Yes
If yes:
How long has it been closed (# of months)?
Does the PHA expect to reopen the list in the PHA Plan year? ☐ No ☐ Yes
Does the PHA permit specific categories of families onto the waiting list, even if generally closed?
☐ No ☐ Yes

MAYAGUEZ
REGIONAL OFFICE

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

	# of families	% of total families	Annual Turnover
Waiting list total	1382		36
Extremely low income <=30% AMI	999	72%	
Very low income (>30% but <=50% AMI)	383	28%	
Low income (>50% but <80% AMI)	---	---	
Families with children	1125	81%	
Elderly families	253	18%	
Families with Disabilities	4	1%	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	

Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			

Is the waiting list closed (select one)? ☒ No ☐ Yes
If yes:
How long has it been closed (# of months)?
Does the PHA expect to reopen the list in the PHA Plan year? ☐ No ☐ Yes
Does the PHA permit specific categories of families onto the waiting list, even if generally closed?
☐ No ☐ Yes

Housing Needs of Families on the PHA's Waiting Lists

PONCE
REGIONAL OFFICE

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

	# of families	% of total families	Annual Turnover
Waiting list total	1742		36
Extremely low income <=30% AMI	536	31%	
Very low income (>30% but <=50% AMI)	1206	69%	
Low income (>50% but <80% AMI)	---	---	
Families with children	1443	83%	
Elderly families	295	17%	
Families with Disabilities	4	---	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	

Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			

Is the waiting list closed (select one)? ☒ No ☐ Yes
If yes:
How long has it been closed (# of months)?
Does the PHA expect to reopen the list in the PHA Plan year? ☐ No ☐ Yes
Does the PHA permit specific categories of families onto the waiting list, even if generally closed?
☐ No ☐ Yes

SAN JUAN
REGIONAL OFFICE

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

	# of families	% of total families	Annual Turnover

Housing Needs of Families on the PHA's Waiting Lists			
Waiting list total	1672		300
Extremely low income <=30% AMI	524	31%	
Very low income (>30% but <=50% AMI)	1148	69%	
Low income (>50% but <80% AMI)	---	---	
Families with children	873	52%	
Elderly families	797	48%	
Families with Disabilities	2	---	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Race/ethnicity	N/A	N/A	
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			

Is the waiting list closed (select one)? ☒ No ☐ Yes
If yes:
How long has it been closed (# of months)?
Does the PHA expect to reopen the list in the PHA Plan year? ☐ No ☐ Yes
Does the PHA permit specific categories of families onto the waiting list, even if generally closed? ☐ No ☐ Yes

B. Strategy for Addressing Needs

Provide a brief description of the PHA's strategy for addressing the housing needs of families on the PHA's public housing and Section 8 waiting lists **IN THE UPCOMING YEAR**, and the Agency's reasons for choosing this strategy.

(1) Strategies

Need: Shortage of affordable housing for all eligible populations

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

Select all that apply

- ☐ Employ effective maintenance and management policies to minimize the number of public housing units off-line
- ☐ Reduce turnover time for vacated public housing units
- ☐ Reduce time to renovate public housing units
- ☐ Seek replacement of public housing units lost to the inventory through mixed finance development
- ☐ Seek replacement of public housing units lost to the inventory through section 8

replacement housing resources

☒ Maintain or increase section 8 lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction

☒ Undertake measures to ensure access to affordable housing among families assisted by the PHA, regardless of unit size required

☒ Maintain or increase section 8 lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration

☒ Maintain or increase section 8 lease-up rates by effectively screening Section 8 applicants to increase owner acceptance of program

☒ Participate in the Consolidated Plan development process to ensure coordination with broader community strategies

☒ Other (list below)

A market study is been conducted by a consultant for the PRDH in order to identify the rents for this jurisdiction market. Our payment standard is established according to the availability of funds for this fiscal year in 100% of the fair market rent.

Announcements has been and will continue to be published inviting housing owners to offer their units to Section 8 participants, providing prompt rent payments and the assurance that the tenants will take good care of their properties.

The Administration for the Revitalization of Communities signed several AHAP for the new construction and rehabilitation of project based developments for the elderly in order to expand the existing Project Based Program and by this matter increase the stock of decent, safe and sanitary housing to our applicants and participants that need better houses. We will also announce the availabity of an additional 600 vouchers for the development of new construction or rehabilitation of some project based protects.

Strategy 2: Increase the number of affordable housing units by:
Select all that apply

☒ Apply for additional section 8 units should they become available

☐ Leverage affordable housing resources in the community through the creation of mixed - finance housing

☒ Pursue housing resources other than public housing or Section 8 tenant-based assistance.

☒ Other: (list below)

The PHA has started action to expand the project-based program from 292 to 479 units. An additional 600 voucher will be assigned for the rehabilitation and new construction of more project based projects.

Affordable housing units are available through special funding from the Commonwealth of Puerto Rico for housing subsidy for elderly families and women victims of domestic violence.

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

Strategy 1: Target available assistance to families at or below 30 % of AMI
Select all that apply

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

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

Strategy 1: Target available assistance to families at or below 50% of AMI
Select all that apply

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

Strongly encourage participation in the Homeownership Program.

Need: Specific Family Types: The Elderly

Strategy 1: Target available assistance to the elderly:
Select all that apply

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

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to Families with Disabilities:
Select all that apply

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

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

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

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

Strategy 2: Conduct activities to affirmatively further fair housing
Select all that apply

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

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

(2) Reasons for Selecting Strategies
Of the factors listed below, select all that influenced the PHA's selection of the strategies it will pursue:

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

2. Statement of Financial Resources

[24 CFR Part 903.12 (b), 903.7 (c)]
List on the following table the financial resources that are anticipated to be available to the PHA for the support of Federal public housing and tenant-based Section 8 assistance programs administered by the PHA during the Plan year. Note: the table assumes that Federal public housing or tenant based Section 8 assistance grant funds are expended on eligible purposes; therefore, uses of these funds need not be stated. For other funds, indicate the use for those funds as one of the following categories: public housing operations, public housing capital improvements, public housing safety/security, public housing supportive services, Section 8 tenant-based assistance, Section 8 supportive services or other.

Financial Resources: Planned Sources and Uses		
Sources	**Planned $**	**Planned Uses**
1. **Federal Grants (FY 20__ grants)**		
a) Public Housing Operating Fund		
b) Public Housing Capital Fund		
c) HOPE VI Revitalization		
d) HOPE VI Demolition		
e) Annual Contributions for Section 8 Tenant-Based Assistance	$42,019,400	
f) Resident Opportunity and Self-Sufficiency Grants		
g) Community Development Block Grant		
h) HOME		
Other Federal Grants (list below)		
2. Prior Year Federal Grants (unobligated funds only) (list below)		
3. Public Housing Dwelling Rental Income		
4. Other income (list below)		
4. Non-federal sources (list below)		
Total resources		

3. PHA Policies Governing Eligibility, Selection, and Admissions

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

A. Public Housing

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

(1) Eligibility

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

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

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

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

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

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

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

(2)Waiting List Organization

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

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

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

- ☐ PHA main administrative office
- ☐ PHA development site management office
- ☐ Other (list below)

c. Site-Based Waiting Lists-Previous Year

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

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

2. What is the number of site based waiting list developments to which families may apply

at one time? ___

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

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

d. Site-Based Waiting Lists – Coming Year

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

1. How many site-based waiting lists will the PHA operate in the coming year?

2. ☐ Yes ☐ No: Are any or all of the PHA's site-based waiting lists new for the upcoming year (that is, they are not part of a previously-HUD-approved site based waiting list plan)?
If yes, how many lists?

3. ☐ Yes ☐ No: May families be on more than one list simultaneously
If yes, how many lists?

4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists (select all that apply)?

☐ PHA main administrative office
☐ All PHA development management offices
☐ Management offices at developments with site-based waiting lists
☐ At the development to which they would like to apply
☐ Other (list below)

(3) Assignment

a. How many vacant unit choices are applicants ordinarily given before they fall to the bottom of or are removed from the waiting list? (select one)

☐ One
☐ Two
☐ Three or More

b. ☐ Yes ☐ No: Is this policy consistent across all waiting list types?

c. If answer to b is no, list variations for any other than the primary public housing waiting list/s for the PHA:

(4) Admissions Preferences

a. Income targeting:

☐ Yes ☐ No: Does the PHA plan to exceed the federal targeting requirements by targeting more than 40% of all new admissions to public housing to families at or below 30% of median area income?

b. Transfer policies:

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

- ☐ Emergencies
- ☐ Over-housed
- ☐ Under-housed
- ☐ Medical justification
- ☐ Administrative reasons determined by the PHA (e.g., to permit modernization work)
- ☐ Resident choice: (state circumstances below)
- ☐ Other: (list below)

c. Preferences

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

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

Former Federal preferences:

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

Other preferences: (select below)

- ☐ Working families and those unable to work because of age or disability
- ☐ Veterans and veterans' families
- ☐ Residents who live and/or work in the jurisdiction
- ☐ Those enrolled currently in educational, training, or upward mobility programs
- ☐ Households that contribute to meeting income goals (broad range of incomes)
- ☐ Households that contribute to meeting income requirements (targeting)
- ☐ Those previously enrolled in educational, training, or upward mobility programs
- ☐ Victims of reprisals or hate crimes
- ☐ Other preference(s) (list below)

3. If the PHA will employ admissions preferences, please prioritize by placing a "1" in the space

that represents your first priority, a "2" in the box representing your second priority, and so on. If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use "1" more than once, "2" more than once, etc.

☐ Date and Time

Former Federal preferences:

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

Other preferences (select all that apply)

☐ Working families and those unable to work because of age or disability
☐ Veterans and veterans' families
☐ Residents who live and/or work in the jurisdiction
☐ Those enrolled currently in educational, training, or upward mobility programs
☐ Households that contribute to meeting income goals (broad range of incomes)
☐ Households that contribute to meeting income requirements (targeting)
☐ Those previously enrolled in educational, training, or upward mobility programs
☐ Victims of reprisals or hate crimes
☐ Other preference(s) (list below)

4. Relationship of preferences to income targeting requirements:

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

(5) Occupancy

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

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

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

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

(6) Deconcentration and Income Mixing

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

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

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

B. Section 8

Exemptions: PHAs that do not administer section 8 are not required to complete sub-component 3B.
Unless otherwise specified, all questions in this section apply only to the tenant-based section 8 assistance program (vouchers, and until completely merged into the voucher program, certificates).

(1) Eligibility

a. What is the extent of screening conducted by the PHA? (select all that apply)
☒ Criminal or drug-related activity only to the extent required by law or regulation
☐ Criminal and drug-related activity, more extensively than required by law or regulation
☐ More general screening than criminal and drug-related activity (list factors):
☐ Other (list below)

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

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

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

e. Indicate what kinds of information you share with prospective landlords? (select all that apply)
☐ Criminal or drug-related activity
☒ Other (describe below)

The applicant's experience with previous landlords regarding payment of rent and maintenance of unit.

(2) Waiting List Organization

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

- ☒ None
- ☐ Federal public housing
- ☐ Federal moderate rehabilitation
- ☐ Federal project-based certificate program
- ☐ Other federal or local program (list below)

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

- ☐ PHA main administrative office
- ☒ Other (list below)

At either of our nine (9) regional offices strategically located throughout the Island of Commonwealth of Puerto Rico.

- Aguadilla - Kennedy Ave., in front of José De Diego Public Housing offices
- Arecibo – Carr. 653, km 1.7, Durán Building
- Bayamón – #2 Ave. corner 167 Ave., Santander Bank Building 5th floor
- Caguas – Government Center Bldg, Office 10, 1st Floor
- Carolina – Fidalgo Díaz, Ave., Commercial Center Valle Arriba Heights
- Humacao – #3 St., Boulevard del Río Government Center, Tower 2, 3rd floor
- Mayagüez – 200 Méndez Vigo, St. corner to Oriente St., Marina Meridional
- Ponce – #606 Tito Castro Ave., La Rambla Plaza, Suite 215
- San Juan – #1550 Ponce de León Ave., Margina G-5, Río Piedras
- "Centro de Gestión Unica" – Puerto Rico Department of Housing Main Building – Juan C. Cordero Dávila Bldg. #606 Barbosa Ave. Río Piedras

(3) Search Time

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

If yes, state circumstances below:

Because of limitations on the availability of decent housing on the Island and high rents in the low poverty concentration areas, this HA provides extensions of 30 days to voucher holders up to 120 days, when necessary.

(4) Admissions Preferences

a. Income targeting

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

b. Preferences

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

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

Former Federal preferences

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

Other preferences (select all that apply)

☐ Working families and those unable to work because of age or disability
☒ Veterans and veterans' families
☐ Residents who live and/or work in your jurisdiction
☐ Those enrolled currently in educational, training, or upward mobility programs
☐ Households that contribute to meeting income goals (broad range of incomes)
☐ Households that contribute to meeting income requirements (targeting)
☐ Those previously enrolled in educational, training, or upward mobility programs
☐ Victims of reprisals or hate crimes
☒ Other preference(s) (list below)

- Witness of a criminal activity that is under the protection of a law enforcement agency
- Child Abuse

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

☒ Date and Time

Former Federal preferences:

1 ☒ Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)

2 ☒ Victims of domestic violence
1 ☒ Substandard housing
1 ☒ Homelessness
☐ High rent burden

Other preferences (select all that apply)
☐ Working families and those unable to work because of age or disability
2 ☒ Veterans and veterans' families
☐ Residents who live and/or work in your jurisdiction
☐ Those enrolled currently in educational, training, or upward mobility programs
☐ Households that contribute to meeting income goals (broad range of incomes)
☐ Households that contribute to meeting income requirements (targeting)
☐ Those previously enrolled in educational, training, or upward mobility programs
☐ Victims of reprisals or hate crimes
☒ Other preference(s) (list below)

- 1 Witness of a criminal activity that is under the protection of a law enforcement agency.
- 2 Child Abuse

4. Among applicants on the waiting list with equal preference status, how are applicants selected? (select one)
☒ Date and time of application
☐ Drawing (lottery) or other random choice technique

5. If the PHA plans to employ preferences for "residents who live and/or work in the jurisdiction" (select one)
☐ ~~This preference has previously been reviewed and approved by HUD~~
☐ The PHA requests approval for this preference through this PHA Plan

6. Relationship of preferences to income targeting requirements: (select one)
☐ The PHA applies preferences within income tiers
☒ Not applicable: the pool of applicant families ensures that the PHA will meet income targeting requirements

(5) Special Purpose Section 8 Assistance Programs

a. In which documents or other reference materials are the policies governing eligibility, selection, and admissions to any special-purpose section 8 program administered by the PHA contained? (select all that apply)
☒ The Section 8 Administrative Plan
☒ Briefing sessions and written materials
☒ Other (list below)
- Manual of Standard Operating Procedures

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

the public?

☒ Through published notices
☐ Other (list below)

4. PHA Rent Determination Policies

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

A. Public Housing

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

(1) Income Based Rent Policies

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

a. Use of discretionary policies: (select one of the following two)

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

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

b. Minimum Rent

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

☐ $0
☐ $1-$25
☐ $26-$50

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

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

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

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

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

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

☐ For the earned income of a previously unemployed household member
☐ For increases in earned income
☐ Fixed amount (other than general rent-setting policy)
If yes, state amount/s and circumstances below:

☐ Fixed percentage (other than general rent-setting policy)
If yes, state percentage/s and circumstances below:

☐ For household heads
☐ For other family members
☐ For transportation expenses
☐ For the non-reimbursed medical expenses of non-disabled or non-elderly families
☐ Other (describe below)

e. Ceiling rents

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

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

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

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

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

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

f. Rent re-determinations:

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

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

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

(2) Flat Rents

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

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

B. Section 8 Tenant-Based Assistance

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

(1) Payment Standards

Describe the voucher payment standards and policies.

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

- ☐ At or above 90% but below100% of FMR
- ☒ 100% of FMR
- ☐ Above 100% but at or below 110% of FMR
- ☐ Above 110% of FMR (if HUD approved; describe circumstances below)

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

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

☐ Other (list below)

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

☐ FMRs are not adequate to ensure success among assisted families in the PHA's segment of the FMR area
☐ Reflects market or submarket
☐ To increase housing options for families
☐ Other (list below)

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

☒ Annually
☐ Other (list below)

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

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

(2) Minimum Rent

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

☐ $0
☒ $1-$25
☐ $26-$50

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

5. Capital Improvement Needs

[24 CFR Part 903.12(b), 903.7 (g)]
Exemptions from Component 5: Section 8 only PHAs are not required to complete this component and may skip to Component 6.

A. Capital Fund Activities

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

(1) Capital Fund Program

a. ☐ Yes ☐ No Does the PHA plan to participate in the Capital Fund Program in the upcoming year? If yes, complete items 12 and 13 of this template (Capital Fund Program tables). If no, skip to B.

b. ☐ Yes ☐ No: Does the PHA propose to use any portion of its CFP funds to repay debt

incurred to finance capital improvements? If so, the PHA must identify in its annual and 5-year capital plans the development(s) where such improvements will be made and show both how the proceeds of the financing will be used and the amount of the annual payments required to service the debt. (Note that separate HUD approval is required for such financing activities.).

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

Applicability of sub-component 5B: All PHAs administering public housing. Identify any approved HOPE VI and/or public housing development or replacement activities not described in the Capital Fund Program Annual Statement.

(1) Hope VI Revitalization

a. ☐ Yes ☐ No: Has the PHA received a HOPE VI revitalization grant? (if no, skip to next component; if yes, provide responses to questions on chart below for each grant, copying and completing as many times as necessary)

b. Status of HOPE VI revitalization grant (complete one set of questions for each grant)
Development name:
Development (project) number:
Status of grant: (select the statement that best describes the current status)
☐ Revitalization Plan under development
☐ Revitalization Plan submitted, pending approval
☐ Revitalization Plan approved
☐ Activities pursuant to an approved Revitalization Plan underway

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

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

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

6. Demolition and Disposition

[24 CFR Part 903.12(b), 903.7 (h)]
Applicability of component 6: Section 8 only PHAs are not required to complete this section.

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

Demolition/Disposition Activity Description
1a. Development name: 1b. Development (project) number:
2. Activity type: Demolition ☐ Disposition ☐
3. Application status (select one) Approved ☐ Submitted, pending approval ☐ Planned application ☐
4. Date application approved, submitted, or planned for submission: (DD/MM/YY)
5. Number of units affected: 6. Coverage of action (select one) ☐ Part of the development ☐ Total development
7. Timeline for activity: a. Actual or projected start date of activity: b. Projected end date of activity:

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

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

(1) ☒ Yes ☐ No: Does the PHA plan to administer a Section 8 Homeownership program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982 ? (If "No", skip to the next component; if "yes", complete each program description below (copy and complete questions for each program identified.)

(2) Program Description

a. Size of Program

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

If the answer to the question above was yes, what is the maximum number of participants this fiscal year?___

b. PHA-established eligibility criteria

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

- The PHA will initially limit portability to extreme needy cases until the program grows sufficiently to support ample portability cooperative agreements that will be enacted with other PHAs. The extreme needdy cases are defined as families where the householder needs to move because of job opportunities, disabled family member in need of specialized medical services available in the area, and other conditions to be further defined.

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

This PHA implemented the Section 8 Homeownership program pursuant to Section 8 (y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982.

The Homeownership Program was implemented to target families that may be eligible for obtaining a mortgage. The PHA included on its program, design interfacing with other federal and state programs, including HOME, CHDO's, FSS, Puerto Rico Family Department, "La Llave para tu Hogar", among others. The purpose is to further the acquisition process for the family participating in the program.

Several administrative and policy changes are undertaken in order to implement the Homeownership program.

- The FSS Program was evaluated and the employees sharing responsibilities in said Program have been reoriented in order to refocus it toward homeownership goals.
- The FSS families will be able to invest their funds from their escrow account in the acquisition of their first home. Closing costs may be covered with those funds as well as other necessary costs.
- The participant families in higher income groups will become the main target to buy their homes assisted through HOME Programs. This upward mobility will in the long run release rental assistance for very lower income persons. The information regarding the requisites of the Program, as well as the housing units available, prices and subsidies will be offered while the family is still a Section 8 participant.
- Counseling regarding budget, bank services, house maintenance and improvements, will be offered to qualifying participants.

(3) Capacity of the PHA to Administer a Section 8 Homeownership Program

The PHA has demonstrated its capacity to administer the program by (select all that apply):
a. ☒ Establishing a minimum homeowner downpayment requirement of at least 3 percent of purchase price and requiring that at least 1 percent of the purchase price comes from the family's resources.
b. ☐ Requiring that financing for purchase of a home under its Section 8 homeownership will be provided, insured or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector

underwriting standards.
c. ☐ Partnering with a qualified agency or agencies to administer the program (list name(s) and years of experience below).
d. ☐ Demonstrating that it has other relevant experience (list experience below).

8. Civil Rights Certifications

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

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

9. Additional Information

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

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

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

The goals and objectives established in the 5-Year Plan for the period of FY 2000 – 2005 have been mostly achieved. We have:

- Substantial improvement in program management [SEMAP]
- reduced the time for inspections
- conducted several meetings and large orientations with groups of landlords.
- achieved a 98% occupation
- implemented the Section 8 to Homeownership Program
- attended all families regardless of race, color, religion, origin, sex and disability.

B. Criteria for Substantial Deviations and Significant Amendments

(1) Amendment and Deviation Definitions

24 CFR Part 903.7(r)

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

a. Substantial Deviation from the 5-Year Plan

b. Significant Amendment or Modification to the Annual Plan

- Changes to rent or admissions policies or organization of the waiting list;

- Additions of non-emergency work items (items not included in the current Annual Statement or Five-year Action Plan) or change in the use of replacement reserve funds under the Capital Fund;
- Additions of new activities not included in the current PHDEP Plan; and
- Any change with regard to demolition or disposition, designation, homeownership programs or conversion activities.

C. Other Information

[24 CFR Part 903.13, 903.15]

(1) Resident Advisory Board Recommendations

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

If yes, provide the comments below:

Not pertinent to the PHA Annual Plan

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

☐ Considered comments, but determined that no changes to the PHA Plan were necessary.

☐ The PHA changed portions of the PHA Plan in response to comments
List changes below:

☐ Other: (list below)

(2) Resident Membership on PHA Governing Board

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

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

N/A ☐ Yes ☐ No:

If yes, complete the following:

Name of Resident Member of the PHA Governing Board:

Method of Selection:

☐ Appointment

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

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

Description of Resident Election Process

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

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

Eligible candidates: (select one)

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

Eligible voters: (select all that apply)

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

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

N/A

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

Date of next term expiration of a governing board member:

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

(3) PHA Statement of Consistency with the Consolidated Plan

[24 CFR Part 903.15]

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

Consolidated Plan jurisdiction: (provide name here)

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

- ☐ The PHA has based its statement of needs of families on its waiting list on the needs expressed in the Consolidated Plan/s.
- ☐ The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
- ☒ The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.
- ☐ Activities to be undertaken by the PHA in the coming year are consistent with the initiatives contained in the Consolidated Plan. (list below)
- ☐ Other: (list below)

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

- It furthers three (3) basic national goals directed mainly and developed towards benefiting particularly low and very low-income families. These goals are, to expand economic opportunities to provide a suitable living environment and to provide decent housing.
- Provide Project Based units for the elderly, in order to improve their quality of housing units and to encourage the availability of affordable and accessible housing for people with disabilities.
- Monitoring activities will be conducted in accordance with OMB and the HUD regulations for each program.

(4) (Reserved)

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

This PHA will implement the utilization of the Tenant Assessment Subsystem [TASS] as an Upfront Income Verification [UIV] to verify the household income of program participants, as a key strategy in reducing income and rent errors attributable to unreported income and to increase accuracy and efficiency in determining family eligibility and computing rent calculations.

10. Project-Based Voucher Program

a. ☒ Yes ☐ No: Does the PHA plan to "project-base" any tenant-based Section 8 vouchers in the coming year? If yes, answer the following questions.

b. ☒ Yes ☐ No: Are there circumstances indicating that the project basing of the units,

rather than tenant-basing of the same amount of assistance is an appropriate option?

If yes, check which circumstances apply:
☒ Low utilization rate for vouchers due to lack of suitable rental units
☐ Access to neighborhoods outside of high poverty areas
☐ Other (describe below:)

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

- 82 units in Hato Rey, San Juan
- 83 units in Juana Díaz
- 22 units in Vega Baja

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

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

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Related Plan Component**
v	*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.*	Standard 5 Year and Annual Plans; streamlined 5 Year Plans
v	State/Local Government Certification of Consistency with the Consolidated Plan.	5 Year 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
v	Housing Needs Statement of the Consolidated Plan for the jurisdiction(s) in which the PHA is located and any additional backup data to support statement of housing needs for families on the PHA's public housing and Section 8 tenant-based waiting lists.	Annual Plan: Housing Needs
	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources
	Public Housing Admissions and (Continued) Occupancy Policy (A&O/ACOP), which includes the Tenant Selection and Assignment Plan [TSAP] and the Site-Based Waiting List Procedure.	Annual Plan: Eligibility, Selection, and Admissions Policies
	Any policy governing occupancy of Police Officers and Over-Income Tenants in Public Housing. ☐ Check here if included in the public housing A&O Policy.	Annual Plan: Eligibility, Selection, and Admissions Policies
v	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. ☐ 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. ☐ Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
	Section 8 rent determination (payment standard) policies (if included in plan, not	Annual Plan: Rent

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Related Plan Component**
	necessary as a supporting document) and written analysis of Section 8 payment standard policies. ☒ Check here if included in Section 8 Administrative Plan.	Determination
	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation).	Annual Plan: Operations and Maintenance
	Results of latest Public Housing Assessment System (PHAS) Assessment (or other applicable assessment).	Annual Plan: Management and Operations
	Follow-up Plan to Results of the PHAS Resident Satisfaction Survey (if necessary)	Annual Plan: Operations and Maintenance and Community Service & Self-Sufficiency
v	Results of latest Section 8 Management Assessment System (SEMAP)	Annual Plan: Management and Operations
v	Any policies governing any Section 8 special housing types ☒ check here if included in Section 8 Administrative Plan	Annual Plan: Operations and Maintenance
	Consortium agreement(s).	Annual Plan: Agency Identification and Operations/ Management
	Public housing grievance procedures ☐ Check here if included in the public housing A & O Policy.	Annual Plan: Grievance Procedures
v	Section 8 informal review and hearing procedures. ☒ Check here if included in Section 8 Administrative Plan.	Annual Plan: Grievance Procedures
	The Capital Fund/Comprehensive Grant Program Annual Statement /Performance and Evaluation Report for any active grant year.	Annual Plan: Capital Needs
	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grants.	Annual Plan: Capital Needs
	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans, or any other approved proposal for development of public housing.	Annual Plan: Capital Needs
	Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. See PIH Notice 99-52 (HA).	Annual Plan: Capital Needs
	Approved or submitted applications for demolition and/or disposition of public housing.	Annual Plan: Demolition and Disposition
	Approved or submitted applications for designation of public housing (Designated Housing Plans).	Annual Plan: Designation of Public Housing
	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act, Section 22 of the US Housing Act of 1937, or Section 33 of the US Housing Act of 1937.	Annual Plan: Conversion of Public Housing
	Documentation for required Initial Assessment and any additional information required by HUD for Voluntary Conversion.	Annual Plan: Voluntary Conversion of Public Housing
	Approved or submitted public housing homeownership programs/plans.	Annual Plan: Homeownership
v	Policies governing any Section 8 Homeownership program (Section 30 of the Section 8 Administrative Plan)	Annual Plan: Homeownership
	Public Housing Community Service Policy/Programs ☐ 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
v	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	Annual Plan: Community

List of Supporting Documents Available for Review		
Applicable & On Display	**Supporting Document**	**Related Plan Component**
	housing.	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). ☐ Check here if included in the public housing A & O Policy.	Pet Policy
v	The results of the most recent fiscal year audit of the PHA conducted under the Single Audit Act as implemented by OMB Circular A-133, the results of that audit and the PHA's response to any findings.	Annual Plan: Annual Audit
	Consortium agreement(s), if a consortium administers PHA programs.	Joint PHA Plan for Consortia
	Consortia Joint PHA Plans ONLY: Certification that consortium agreement is in compliance with 24 CFR Part 943 pursuant to an opinion of counsel on file and available for inspection	Joint PHA Plan for Consortia
	Other supporting documents (optional). List individually.	(Specify as needed)

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

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:**
☐ **Original Annual Statement** ☐ **Reserve for Disasters/ Emergencies** ☐ **Revised Annual Statement (revision no:)** ☐ **Performance and Evaluation Report for Period Ending:** ☐ **Final Performance and Evaluation Report**				

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations				
3	1408 Management Improvements				
4	1410 Administration				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collaterization 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				

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

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part II: Supporting Pages

PHA Name:		**Grant Type and Number** Capital Fund Program Grant No: Replacement Housing Factor Grant No:				**Federal FY of Grant:**		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	

13. Capital Fund Program Five-Year Action Plan

Annual Statement/Performance and Evaluation Report
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part III: Implementation Schedule

PHA Name:	**Grant Type and Number** Capital Fund Program No: Replacement Housing Factor No:	**Federal FY of Grant:**

Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	

13. Capital Fund Program Five-Year Action Plan

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

13. Capital Fund Program Five-Year Action Plan

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

13. Capital Fund Program Five-Year Action Plan

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

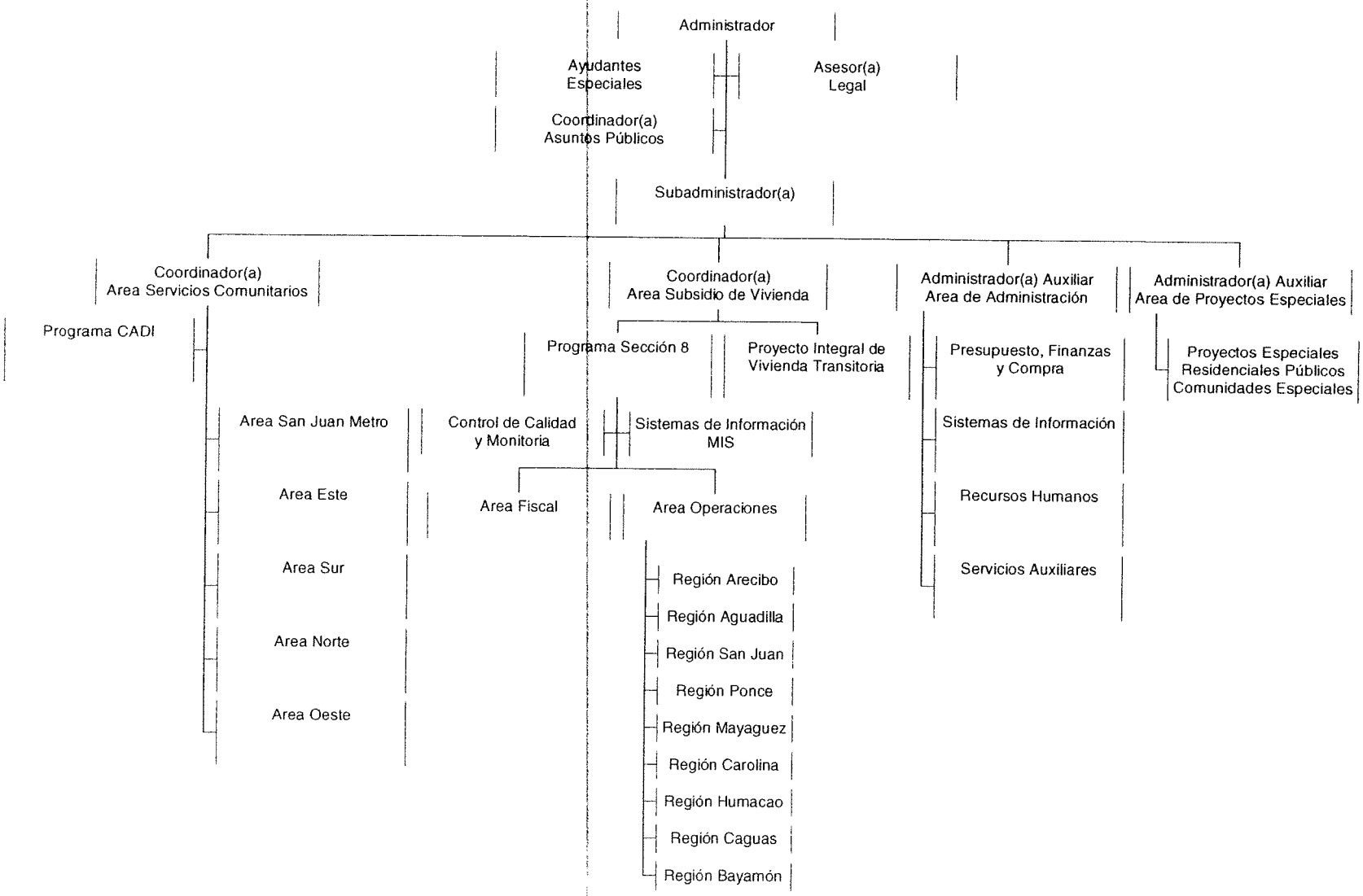
Estado Libre Asociado de Puerto Rico

Departamento de la Vivienda

Administración para la Revitalización de las Comunidades (A.R.Co.)

Attachment A

Organigrama



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Commonwealth of Puerto Rico
Puerto Rico Department of Housing

ADMINISTRATIVE PLAN FOR THE SECTION 8 HOUSING VOUCHER PROGRAM

INTRODUCTION

This Department of Housing administers units with assistance under the tenant-based voucher program, the Project-based voucher program, the FSS Program, the Family Unification Program, and the SRO Program. This HA serves families that are relocated from the Public Housing Agency, through the tenant-based voucher program. This Housing Agency serves through nine regions all the municipalities in the Island. This offers the opportunity to serve families in the poorest sectors of Puerto Rico. It also gives the families the opportunity to reside in any of the cities and towns that they prefer.

This Department of Housing has a vision: that all families in Puerto Rico may have the opportunity to either rent or posses a home and enjoy it in the safety and security in which well to do families enjoy theirs.

Mission Statement

The HA will direct its goal to achieve three major objectives:

- To provide decent, safe, and sanitary housing for very low income families while maintaining the rent payments at an affordable level.
- To promote freedom of housing choice and spatial deconcentration of very low income families of all races and ethnic backgrounds.
- To provide an incentive to private property owners to rent to very low income families by offering timely assistance payments.

In addition, this Department of Housing has the following goals for the program:

- To assist the local economy by increasing the occupancy rate and the amount of money flowing to the community.
- To encourage, assist, train, or facilitate the economic independence of assisted families.

In order to achieve this mission, we will:

- Recognize residents as our ultimate customer

- Improve the Department's management and service delivery efforts through effective and efficient management of its staff.
- Seek problem-solving partnerships with residents, landlords, community, and government leadership.
- Apply limited HA resources to the effective and efficient management and operation of the Section 8 program.

Purpose of Policy

The purpose of the Administrative Plan is to establish guidelines for the HA staff to follow in determining eligibility for the Section 8 program. The basic guideline for this plan is governed by requirements of the Department of Housing and Urban Development (HUD), with latitude for local policies and procedures. The Policies and Procedures governing admissions and continued occupancy are outlined in this plan, and these requirements are binding upon applicants, residents, landlords, and this HA alike. Notwithstanding the above, changes in applicable federal law or regulation shall supersede provisions in conflict with this policy.

Federal Regulations shall mean those found in Section 24 CFR (Code of Federal Regulations). The Housing Agency is responsible for complying with all changes in HUD regulations pertaining to these programs.

The Secretary of the Department of Housing of the Commonwealth of Puerto Rico must approve the original Plan and any changes, and a copy provided to HUD.

Primary Responsibilities of the Puerto Rico Department of Housing:

- Informing eligible families of the availability of Section 8 assistance.
- Encouraging owners to make their units available for lease by Section 8 participants.
- Determining the maximum amount of housing assistance payments that can be used for family-paid utilities, and posting the utility allowances annually.
- Receiving applications from families and determining their eligibility for assistance.
- Inspecting Section 8 units to determine they meet or exceed Section 8 Housing Quality Standards.
- Approving leases
- Making Housing Assistance Payments to owners.
- Performing annual and periodic re-examinations of income, family composition and redetermination of rent.

Objectives

The Department of Housing has the following objectives:

- To promote the overall goal of decent, safe, and sanitary housing by using the Section 8 program to house eligible families in private rental housing; therefore increasing the housing stock for very-low income families.
- Improve the Island's housing stock by requiring participating landlords to meet Section 8 Housing Quality Standards for their rental properties.
- Facilitate the efficient management and compliance with Federal Regulations by establishing policies that will enhance the efficiency and effectiveness of the Section 8 program and staff.
- Comply in letter and spirit with the Title VI of the Civil Rights Act of 1964, and all other applicable Federal laws and regulations to insure that occupancy in assisted housing is administered without regard to race, color, religion, sex, handicap, familial status and national origin.
- The Housing and Community Development Act of 1974 reflects Congress's intent that where possible, the nation's existing housing stock should be preserved. The Section 8 Program will allow the HA to utilize existing housing stock and allow a family who qualifies for Section 8 assistance and lives in substandard housing to remain in the unit if the family so decides, if the owner brings the house up to HQS standards.

Outreach

Outreach to Owners:

The HA will encourage participation by owners of suitable units located outside areas of low income or minority concentration by distributing and communicating information concerning property owners leasing units under the Section 8 programs through the local media (newspaper, radio, television, etc.) The HA will offer prompt payment of their rents and full cooperation and orientation regarding the program requirements. The HA will also offer higher rents to landlords who are willing to make their units accessible to families with disabled members.

This Department will also encourage landowners to construct housing with social purposes, which this Agency will promote through the HOME and the Rural Housing Administration with home mortgages obtained with subsidy either from the Federal or the local government.

For that purpose, the HA has entered into a memorandum of agreement with the Rural Housing Administration, to match their funds with this Department's HOME funds.

The Department also administers two programs with resources from the government of the Commonwealth of Puerto Rico, by which elderly persons 65 years or older are helped to pay their rent, with a subsidy of up to $400; and women victims of domestic violence are allowed a payment of up to $600 for their rent payments.

Outreach to Potential Clients - Families:

The HA will make known to the public, through publications in a newspaper of general circulation as well as through minority media and other suitable means, the availability and nature of housing assistance for lower-income families, especially extremely low-income families.. The notice shall inform such families where they may apply for Section 8 rental assistance.

The HA shall take affirmative actions to provide opportunities to participate in the program to persons who because of such factors as race, ethnicity, sex of household head, age, or source of income, are less likely to apply for Section 8 rental assistance. The HA will hold meetings concerning the Section 8 programs with local social community agencies.

SECTION 1

FAIR HOUSING AND EQUAL OPPORTUNITY PLAN

Fair Housing Policy:

The Fair Housing Policy of the HA will comply fully with all Federal, State, and local nondiscrimination laws and in accordance with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment. Specifically, the HA shall not on the basis of race, color, religion, sex, handicap, familial status and national origin, deny any family or individual the opportunity to apply for or receive assistance under HUD's Section 8 Programs, within the requirements and regulations of HUD and other regulatory authorities. To further its commitment to full compliance with applicable Civil Rights laws, the HA will provide access to information reporting discrimination. Also, this subject will be discussed and made part of the applicants/participants file.

Posters and housing information are displayed in locations throughout the HA's office in such a manner as to be easily readable from a wheelchair.

The Department of Housing's Office located at 606 Barbosa Street, Rio Piedras, Puerto Rico, is being made accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TTD/TDY 787-274-4673. We also give service to hearing-impaired persons by using the services of the following entities:

Servicio al Sordo – Telephone. 787-782-011
Sordos de Puerto Rico - 787-793-6533

Requests for reasonable accommodations from persons with a disability will be granted upon verification that they meet the need presented. Reasonable accommodations will be made for persons with a disability requiring an advocate or accessible offices. A designee will be allowed to provide some information, but only with permission of the person with the disability.

The HA utilizes organizations which provide assistance for hearing- and sight-impaired persons when needed. The Commonwealth of Puerto Rico has an Advocate for Persons with Disabilities at the following address:

Oficina del Procurador de las Personas con Impedimentos
670 Ponce de Leon Avenue
Miramar, San Juan, P. R.

The HA has bilingual staff to assist in the English language to non-Spanish speaking families. In determining whether it is feasible to translate documents into other language–from English to Spanish, or vice versa, the following will be considered:

- Number of applicants and participants who do not speak Spanish
- Cost of translation into the other language per client who needs the translation
- Evaluation of the need for translation by the bilingual staff and by agencies that offer the translation services.

Equal Opportunity Housing Plan:

The HA is required to comply with equal opportunity requirements imposed by contract or federal law (Ref. 24 CFR 982.42). This includes applicable requirements under:

- The Fair Housing Act, 42 USC 3610-3619 (implementing regulations at 24 CFR parts 100 et seq.)
- Title VI of the Civil Rights Act of 1964, 42 USC 2000d (implementing regulations at 24 CFR part 1)
- The Age Discrimination Act of 1975, 42 USC 6101-6107 (implementing regulations at 24CFR, part 146
- Executive Order 11063, Equal Opportunity in Housing (1962), as amended, Executive Order 12259, 46 FR 1253 (1980), as amended, Executive Order 12892, 59 FR (1994) (implementing regulations at 24 CFR, part 107).
- Section 504 of the Rehabilitation Act of 1973, 219 USC 794 (implementing regulations at 24 CFR, part 8
- Title II of the Americans with Disabilities Act, 42 USC 12101, and ET seq.

Equal Opportunity Posting Requirements

There shall be maintained in the HA's office waiting room a bulletin board, which will accommodate the following posted materials:

- Statement of Policies and Procedures Governing the Section 8 Administrative Plan.
- Open Occupancy Notice (Applications being Accepted and/or Not Accepted)
- Income Limits for Admission.
- Informal Review and Hearing Procedures.

- Fair Housing Poster
- Equal Opportunity in Employment Poster.

HA's Fair Housing Requirements to Owners:

The Fair Housing Act prohibits owners from discriminating on the basis of familial status, making it illegal to discriminate against families because of children in the family. Owners are prohibited from developing policies with the sole purpose or effect of prohibiting children (e.g., policies in tenant selection plan, occupancy standards, house rules, etc.).

Owners are prohibited against establishing rules that would cause tenant families not to enjoy their units as if they were their own, as established by law. The Owners House Rules shall be approved by the HA.

Families, not owner, decide whether a project is suitable for children (e.g., decisions about high-rise units with balconies, project with no green space, no playground equipment, and busy street.

The HA will advise families how to file a complaint if they have been discriminated against by an owner. The HA will advise the family to make a Fair Housing complaint. The HA could also report the owner to HUD (Fair Housing Equal Opportunity) or the local Fair Housing Organization.

Requirements under the Section 504 of the Rehabilitation Act of 1973:

Owners may make units in existing projects accessible for individuals with handicaps.

Applicants may be admitted to units made accessible under Section 504 as long as they meet all of the essential eligibility requirements of the program/project in question.

If the owner of a multifamily project under the Project Based program has a handicapped accessible unit available, but no applicants for it, he can rent it to a non-handicapped person. However, he must agree in writing with the tenant that if a handicapped person needs the unit, a change will have to be made so as to have the handicapped person occupy the accessible unit. If there is no unit available at the project, the owner must contact this HA so as to have the family moved to another project, or to provide the family with a voucher for a suitable one. (It is more difficult to find detached units with accessibility features in the open market than in the HUD subsidized multifamily projects.)

Policy on Harassment Regarding Relations with Participants, employees, or clients

This Housing Agency will enforce to the utmost the policies established on the Fair Housing and Equal Opportunity Act. To ensure compliance with the Law, this Section of the Administrative Plan will be distributed to each and every one of the employees of the Agency, the participants of

the Programs administered by the Agency, as well as to dwelling owners and their representatives.

Other civil rights authorities

In addition to the Fair Housing Act, other civil rights authorities may be applicable in a particular case. Thus, where a person charged with a discriminatory housing practice in a complaint filed under section 810 of the Fair Housing Act is also prohibited from engaging in similar practices under title VI of the civil Rights Act of 1964 (42 U. S. C. 2000d5), section 109 of the Housing and Community Development Act of 1974 (42 U. S. C. 5309), Executive Order 11063 of November 20, 1962, on Equal Opportunity in Housing (27 FR 11527-11530, November 24, 1962), section 504 of the Rehabilitation Act of 1973 (29 U. S. C. 794) the Age Discrimination Act (42 U. S. C. 6101) or other applicable law, the person may also be subject to action by HUD or other Federal agencies under the rules, regulations and procedures prescribed under title VI (24 CFR parts 1 and 2), section 109 (24 CFR 570.602), Executive Order 11063 (24 CFR part 107), section 504 (24 CFR part 8), or other applicable law.

Definitions

The terms Fair Housing Act, General Counsel, are defined in 24 CFR Part 5.

Aggrieved person - Includes any person who:

- Claims to have been injured by a discriminatory housing practice.
- Believes that such person will be injured by a discriminatory housing practice that is about to occur.

Complainant - means the person who files a complaint under this part. The Assistant Secretary of HUD may be considered a complainant if the case is of such a nature that it has to be referred to HUD.

Conciliation means the attempted resolution of issues raised by a complaint, or by the investigation of complaint, through informal negotiations involving the aggrieved person, the respondent, and the Department of Housing's Secretary, and the Assistant Secretary of HUD.

Conciliation agreement means a written agreement setting forth the resolution of the issues in conciliation.

Dwelling means any building, structure, or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one or more families, or any vacant land which is offered for sale or lease for the construction or location thereon of any such building, structure, or portion thereof.

Person includes one or more individuals, corporations, partnerships, association, labor organizations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustee in cases under title 11 U. S. C, receivers and fiduciaries.

Personal service – means handing a copy of the document to the person to be served or leaving a copy of the document with a person of suitable age and discretion at the place of business, residence or usual place of abode of the person to be served.

Receipt of notice means the day that personal service is completed by handing or delivering a copy of the document to an appropriate person or the date that a document is delivered by certified mail.

Respondent means:

- The person or other entity accuses in a complaint of a discriminatory housing practice, and
- Any person or entity identified in the course of investigation and notified as required under Sec. 103.50.

State means any of several States, the D8strict of Columbia, the Commonwealth of Puerto Rico, or any of the territories and possessions of the United States.

To rent includes to lease, to sublease, to let, and otherwise to grant for consideration the right to occupy premises not owned by the occupant.

Sexual Harassment

The Fair Housing Act (42 U. S. C. 3600-3620) prohibits discrimination on the basis of sex. Sexual harassment is a form of discrimination and a violation of the Fair Housing Act. In order to have this Agency's employees to comply with the Act, written procedures have been established and made known by the staff. Procedures cover violation of the Act either at the workplace or at any participant's home o location elsewhere.

Employees who have to render duty at participants houses or any place out of the PHA's premises are warned about the consequences that may be brought by non-compliance with the Act and this Agency's instructions. In fact, this PHA has established that sexual harassment in any participant's home may have more severe effects than in the workplace. Sexual or any kind of harassment against a client while doing business in any office of the PHA is strictly prohibited.

Threatening, intimidating or coercive verbal or physical conduct, which occurs between neighbors or tenants, may constitute sexual harassment and, if so, the offending neighbor or tenant will be liable under section 818 of the Fair Housing Act.

Complaints related to unwelcome sexual advances and requests for sexual favors as a condition of services related to rental of dwellings is a violation of the Act and of this Agency's Standards.

Men, as well as women can be victims of sexual harassment.

Unwelcome verbal conduct without physical conduct can constitute harassment. Verbal conduct includes, but is not limited to, the use of sexual epithets. Since verbal harassment may by itself support a sexual harassment claim under the Act, the proof of physical harm is not necessary to establish a sexual harassment claim. Unwelcome physical conduct may include, but is not limited to, contact with an intimate body part.

Complaints on sexual harassment will be referred to the Deputy Secretary of Planning and Technical Services for consultation with the Legal Advisor as to determination of the facts and the penalization to be taken with the aggressor.

Persons against whom complaints may be filed

- A complaint may be filed against any person alleged to be engaged, to have engaged, or to be about to engage, in a discriminatory housing practice.
- A complaint may also be filed against any person who directs or controls, or has the right to direct or control, the conduct of another person with respect top any aspect of the sale, rental, advertising or financing of dwellings or the provision of brokerage services relating to the sale or rental of dwellings if that person, acting within the scope of his or her authority as employee or agent of the directing or controlling person, is engaged, has engaged, or is about to engage, in a discriminatory housing practice.

Answer to complaint

The respondent may file an answer not later than ten days after receipt of the notice informing of

the complaint filed. The respondent may assert any defense that might be available to a defendant in a court of law. The answer must be signed and affirmed by the respondent. The affirmation must state: ''I declare under penalty of perjury that the foregoing is true and correct.''

An answer may be reasonably and fairly amended at any time with the consent of the HA's Director or the Assistant Secretary, if proper.

Hostile Environment

An employee creates a hostile environment when that employee's unwelcome conduct is sufficiently severe or pervasive that it results in the creation of an environment that a reasonable person in the aggrieved person's position would find intimidating, hostile, offensive or otherwise significantly less desirable. An employee's creating a hostile environment does not necessarily have to be related to sexual harassment.

A hostile environment could be related to sexual harassment if the aggrieved person receives the impression that the conduct was based upon the individual's sex, and the conduct made the environment burdensome and significantly less desirable than if the conduct had not occurred.

A **single incident** of conduct may constitute hostile environment – sexual or any other kind of harassment.

Violation of the Act by Owners

Discrimination based on familial status, race, color, creed, nationality, sexual orientation, disability, age, is punishable by law.

The duty of a property owner not to discriminate in the leasing or sale of property is non-delegable.

Liability

- A person is responsible for his or her acts.
- A person shall be liable for sexual or any kind of harassment.
- A person shall be responsible for acts of any harassment by third parties, where he or she, or his or her agent, knew or should have known of the conduct and failed to take immediate and appropriate corrective action.

Other Related Conduct

When a housing-related opportunity or benefit is granted because of an individual's submission to sexual advances or requests for sexual favors, a person may be held liable for sexual harassment by other individuals who were qualified for and had a reasonable expectation of receiving an opportunity or benefit, but were denied. For example, an employee in charge of the waiting list offers to move applicants to the top of the waiting list in exchange of sexual or any other kind of favor. Other applicants, even if they were not propositioned, but lost housing opportunities because of the employee's preferential treatment of others in exchange for any kind of favors, are aggrieved under the Fair Housing Act.

Evidence of Psychological Harm

Evidence of psychological harm may be considered in determining the proper amount of any money damages to which an aggrieved person may be entitled in compensation of emotional distress suffered.

Complaints and Answers

Administrative Enforcement

- An aggrieved person may, not later than one year after an alleged discriminatory housing practice has occurred or terminated, file a complaint with the PHA's Director, alleging such discriminatory housing practice.
- Such complaints shall be in writing and shall contain such information as may be necessary to establish the violation of the Fair Housing Act.
- The Director may also investigate housing practices to determine the harasser's record.
- The Agency will reasonably accommodate persons with disabilities who are participants in a complaint processing.

Upon the filing of such complaint:

- The Director shall serve notice upon the aggrieved person acknowledging such filing and advising the aggrieved person of the time limits and choice of forums provided under the regulations.
- The Secretary shall, not later than 10 days after such filing or the identification of an additional respondent that may have joined in the complaint in the course of investigation, serve on the respondent a notice identifying the alleged discriminatory

housing practice and advising such respondents of the procedural rights and obligations of respondents, together with a copy of the original complaint.

- Each respondent may file, not later than 10 days after receipt of notice from the Director, an answer to such complaint.
- The Director shall make an investigation of the alleged discriminatory practice and complete such investigation within 100 days after the filing of the complaint or when the Director takes further action with respect to a complaint, within 100 days after the commencement of such action, unless it is impracticable to do so.
- If the Director is unable to complete the investigation within 100 days after the filing of the complaint, the Director shall notify the complainant and respondent in writing of the reasons for not doing so.

Complaints and answers shall be under oath or affirmation, and may be reasonably and fairly amended at any time.

If a respondent is joined as an additional or substitute respondent, the Director shall notify him/her upon written notice, explaining the basis upon which he/she was joined as respondent.

Investigation and Conciliation

- During the period beginning with the filing of such complaint and ending with the filing of a charge or a dismissal by the Director, the Director shall, to the extent feasible, engage in conciliation with respect to such complaint.
- A conciliation agreement arising out of such conciliation shall be an agreement between the respondent and the complainant, and shall be subject to approval by the Director.
- A conciliation agreement may provide for binding arbitration of the dispute arising from the complaint. Any such arbitration that results from a conciliation agreement, may award appropriate relief, including monetary relief.
- Each conciliation agreement shall be made public, unless the complainant and respondent otherwise agree and the Director determines that disclosure is not required to further the purposes of the Law.

Reporting

- At the end of each investigation, the Director shall prepare a final investigative report containing:

  The names and dates of contacts with witnesses.

A summary and the dates of correspondence and other contacts with the aggrieved person and the respondent.

A summary description of other pertinent records.

A summary of witness statements, and

Answers to interrogatories.

A final report may be amended if additional evidence is later discovered.

Failure to comply with conciliation agreement

Whenever the Director has reasonable cause to believe that a respondent has breached a conciliation agreement, the Director shall refer the matter to the Attorney General with a recommendation that a civil action be filed for the enforcement of such agreement.

~~Prohibitions and requirements with respect to disclosure of information~~

- Nothing said or done in the course of conciliation may be made public or used as evidence in a subsequent proceeding without the written consent of he persons concerned.
- Notwithstanding the above, the Director shall make available to the aggrieved person and the respondent, at any time, upon request following completion of the Secretary's investigation, information derived from an investigation and any final investigative report relating to that investigation.

Prompt judicial action

- If the Director concludes at any time following the filing of a complaint that prompt judicial action is necessary to carry out the purposes of the Act, the Secretary may authorize a civil action for appropriate temporary or preliminary relief pending final disposition of the complaint. Upon receipt of such an authorization, the Attorney General shall promptly commence and maintain such an action. Any temporary restraining order of other order granting preliminary or temporary relief shall be issued in accordance with the Federal Rules of Civil Procedures. Commencement of a civil action does not affect the initiation or continuation of administrative proceedings under the Law.
- Whenever the Director has reason to believe that a basis may exist for the commencement of proceedings against any responder for proceedings by any governmental licensing of supervisory authorities, the Director shall transmit the
-

- information upon which such belief is based to the Attorney General, or to such Authorities, as the case may be.

Note: Complaints may be filed in person or by mail to

Secretary
Department of Housing
Commonwealth of Puerto Rico
PO Box 21365
San Juan, Puerto Rico 00928-1365 or Telephone 787-274-2525

Or to:

Fair Housing Division
Department of Housing & Urban Development
171 Chardón Ave., Suite 301
San Juan, Puerto Rico 00919-0803

Generally, complaints will be processed through HUD's Regional Administrator having jurisdiction in the State in which the Alleged discriminatory practice occurred. However, where a complaint has been identified for systemic processing under Sec. 103.205, that complaint may be processed in the Office of the Assistant Secretary in Washington, DC.

SECTION 2

PRIVACY RIGHTS

Applicants will be required to sign the Federal Privacy Act Statement, which states under what conditions HUD will release information concerning Section 8 participants. Requests for information by other parties must be accompanied by a signed release request in order for the HA to release any information involving an applicant or participant, unless disclosure is authorized under Federal or State law or regulations (Reference HUD form 9886).

The Agency accepts the obligations to maintain only such information on individuals as is relevant and necessary to the performance of its functions, to maintain that information with such accuracy, relevancy, timeliness and completeness ads is reasonably necessary to assure fairness in determinations made by the Agency about the individual, to obtain information from the individual to the extent practicable, and to take every reasonable step to protect that information from unwarranted disclosure.

Family refusal 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 requested by the HA or HUD.

The HA's policy regarding release of information will conform to State and local laws that restrict the release of family information.

Any information concerning the condition of a person's disability must be kept in a separate folder and marked "confidential". The personal information in this folder must not be released except on an 'as needed' basis in cases where an accommodation is under consideration. The Director of the Section 8 program must approve all requests for access and granting of accommodations based on this information

The HA will furnish prospective landlords with the family's current address as shown in the HA's records and, if known to the HA, the name and address of the landlord at the family's current and prior address. A statement of the HA's policy on release of information to prospective landlords will be included in the briefing packet which is provided to the family.

All applicants' files will be kept so as to safeguard the privacy of applicants and program participants. All files will be kept in a secure location, which is only accessible, by authorized staff.

All files must be signed for when removed from the secured file storage area. The staff person who signs as utilizing a file is responsible for its security. Files will never be left unattended or placed in common areas.

Family information contained in files will not be discussed by staff, unless there is an official reason to do so. Improper use of family information disclosure will be reason for disciplinary action.

SECTION 3

DEFINITION OF TERMS

Section 24 part 5 and Section 982.4 Definitions effective from time to time are incorporated by reference as if fully set out herein. Copies of these regulations are available in the HA Office. The definitions described herein will be considered as this PHA's policies.

Absorption: In portability, the point at which a receiving HA stops billing the initial HA for assistance on behalf of a portability family.

Adjusted Income: Adjusted Family Income is the income on which total tenant payment is to be based and means the Total Annual Income less the following allowances:

- A deduction of $480 for each member of the family (other than head of household or spouse) who is:
    1. Seventeen (17) years of age or younger, or
    2. Who is eighteen (18) years of age or older and a verified full-time student and/or disabled or handicapped, according to this Section.
- A deduction of dollar amounts anticipated to be paid for the care of children (including foster children) less than thirteen (13) years of age where care is necessary to enable a family member to be gainfully employed or to further his/her education. The dollar amount must be verified and reflect reasonable charges and cannot exceed the amount of income from employment (if employed).
- A deduction of $400 for Elderly Family whose head, spouse or sole member is sixty-two (62) years of age or older and/or is handicapped or disabled according to this Section.
- A deduction for any elderly family:

  That has no Handicapped Assistance Expense, an allowance for medical expenses equal to the amount by which the medical expense shall exceed three (3%) if total Annual Family Income.

  That has Handicapped Assistance Expenses greater than or equal to three percent (3%) of Total Annual Family Income, an Allowance for Handicapped Assistance, as computed above, plus an allowance for medical expenses that is equal to the Family's medical expenses.

That has Handicapped Assistance Expenses that are less than three percent (3%) of Total Annual Family Income, an allowance for combined Handicapped Assistance expense and medical expense that is equal to the amount by which the sum of these expenses exceeds three percent (3%) of Total Annual Family Income. Expenses used to compute the deduction cannot be compensated for nor covered by insurance.

A deduction for any family that is not an elderly family, but has a Handicapped or Disabled member other than the head of household or spouse, Handicapped Assistance Expenses in excess of three percent (3%) of Total Annual Family Income, but this allowance may not exceed the employment received by the family member who is able to work as a result of the assistance to the Handicapped or disabled person. This deduction is allowed only to permit a member of the household to work

- Child Care Expenses: Amounts anticipated to be paid by the Family for the care of children under thirteen (13) years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a Family member to actively seek employment, be gainfully employed or to further his or her education and only to the extent that such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care, and, in the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment. The reasonable amount of charges is determined by the HA, by conducting surveys of local child care providers. The results are posted in the HA office.

Note: If the Total Annual Income less the above allowances result in a rent that is less than the established minimum rent, the resident rent will be established at the HA established minimum rent.

Administrative Fee: Fee paid by HUD to the HA for administration of the program and will include hard-to-house fees paid for moves by families with three or more minors, and extra counseling money that may be authorized by HUD.

Administrative Fee Reserve: (formerly "operating reserve") Account established by HA from excess Administrative fee income. HA administrative fees may only be used to cover costs incurred to perform HA administrative responsibilities for the program in accordance with HUD regulations and requirements.

Administrative Plan: The Administrative Plan describes HA policies for administration of the tenant-based programs. This document is the Administrative Plan for the HA.

Admission: The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.

Adult: An adult is:

19 years or older
18 years of age and married (not common law)
A person that has been relieved of the disability of non-age by the juvenile court, or
A person that has been emancipated by the adult with legal custody on him or her, through court disposition.

Note: In Puerto Rico an adult is a person 21 years of age or older, unless he or she has been emancipated by the adult with legal custody over him or her. Only persons who are adults according to the local law shall be eligible to enter into a lease agreement for occupancy.

Amortization Payment: Is a manufactured home space rental, the monthly debt service payment by de family to amortize the purchase price of the manufactured home. (This HA does not carry a program for manufactured homes.)

Annual Contributions Contract: A written contract between HUD and an HA. Under the Contract HUD agrees to provide funding for operation of the program, and the HA agrees to comply with HUD requirements for the program.

Annual Income: Annual Income is the anticipated total income from all sources received by the family head and spouse (even if temporarily absent) and by each additional member of the family, including all net income derived from assets, for the 12-month period following the effective date of initial determination or re-examination of income, exclusive of certain other types of income specified in this policy. Annual income includes, but is not limited to, the following: (Ref: 24 CFR 5.609):

- The full amount, before any payroll deduction, of wages and salaries, and overtime pay, including compensation for personal services (such as commissions, fees, tips and bonuses)
- Net income from the operation of a business or profession. (Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining Net Income.) An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. The family may deduct any withdrawal of cash or other

- assets from the operation of a business or profession from income, except to the extent the withdrawal is reimbursement of cash or assets in the operation.
- Interest dividends and other net income of any kind from real or personal property. (For this purpose, expenditures for amortization of capital indebtedness and an allowance for depreciation of capital assets shall not be deducted to determine the net income from real or personal property.)
- An allowance for depreciation is permitted only as authorized in the second paragraph of this section. Any withdrawal of cash or assets from an investment will be included income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has Net Family Assets in excess of $5,000, Annual Income shall include the greater of the actual income derived from all Net Family Assets or a percentage of the value of such assets based on the current passbook savings rate as determined by HUD.
- The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefit and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment.
- Payments in lieu of earnings, such as unemployment and disability compensation, social security benefits, workmen's compensation and severance pay.
- Welfare assistance. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that are subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

  The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities, plus

  The maximum amount that the welfare assistance agency could in fact allows the family for shelter and utilities. If the families' welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

- Periodic and determinable allowances, such as alimony, child support payments, and regular contributions gifts, including amounts received from any person's not residing in the dwelling. This includes payments made directly to schools, universities, child care, inclusion on health plans, and purchases of clothes, books, or any other expense made by a person not living in the unit on behalf of one of the participant family.

- All regular pay, special payments and allowances (such as longevity, overseas duty, rental allowances for dependents, etc.), received by a member of the Armed Forces (whether or not living in the dwelling) who is head of the family, spouse, or other family member whose dependents are in the unit. (See "hazardous duty pay".)
- Payments to the head of the household for support of a minor or payments nominally to a minor for his support but controlled for his benefit by the head of the household or a resident family member other than the head, who is responsible for his support (like social security).
- Veterans Administration compensation (Service connected Disability or Death Benefits).

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

Applicant: (Applicant family) A family that has applied for admission to a program, but is not yet a participant in the program.

Budget Authority: An amount authorized and appropriated by Congress for payment to Housing Agencies under the program. For each funding increment in an HA program, budget authority is the maximum amount that may be paid by HUD to the HA over the ACC term of the funding increment.

Certificate: A document that was issued by an HA to a family selected to the rental certificate program. The certificate describes the program, and the procedures for HA approval of a unit selected by the family. The certificate is not issued anymore.

Child: A member of the family, other than the family head or spouse, who is under 18 years of age.

Child Care Expenses: Amounts anticipated to be paid by the family for the care of children under thirteen (13) years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed or to further his/her education and only to the extent such amounts are not reimbursed. In the case of child care necessary to permit employment, the amount deducted must be verified and reflect reasonable charges and shall not exceed the amount of income received from such employment.

The HA will not normally determine care expenses as necessary when the household contains an additional unemployed adult who is physically capable of caring for the children. An example of

an exception may be an unemployed adult that is not capable of caring for a child because of some type of disability and or handicap. The head of household must document the disability/handicap that prevents the adult from providing childcare.

Child Custody: An applicant/participant family who does not have full custody of a child/children may only claim a child as a dependent by the following:

- The applicant/participant must have primary custody of the child.
- The applicant/participant must provide sufficient evidence that the child would reside with the Section 8 participant.

Note: More than one applicant cannot claim the same child.

Citizen: A citizen or national of the United States.

Common Space: In shared housing: Space available for use by the assisted family and other occupants of the unit. **Note**: This PHA does not carry this program.

Congregate Housing: Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing. **Note:** This PHA does not carry this program.

Continuous Metropolitan Statistical Area (MSA): In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial HA is located.

Continuously Assisted: An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any Housing Act program when the family is admitted to the Section 8 program. This PHA will consider that a family is continuously assisted if it had been receiving assistance under the program not more than three (3) months before the date any action is being considered to reinstate the family in the program.

Contract Authority: The maximum annual payment by HUD to an HA for a funding increment.

Cooperative Housing (Term includes mutual housing): Housing owned by a non-profit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment and to participate in management of the housing.

Dependent: A member of the family (except foster children **and foster adults),** other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student. An unborn child shall not be considered a dependent.

Disabled Person: (See "Handicapped Person"). The correct term is "Person with Disability".

Displaced Family: A person, or family, displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Domicile: The legal residence of household head or spouse as determined in accordance with State and local law.

Drug-Related Criminal Activity:

- Drug-trafficking, which is: The illegal manufacture, sale or distribution, or the possession with intent to manufacture, sell or distribute, of a controlled substance (as defined in Section 102 of the controlled substance Act (21 USC 802), or
- Illegal use, or possession for personal use, of a controlled substance (as defined in Section 102 of the Controlled Substances Act (21 USC 802).

Elderly Family: A family whose head or spouse or whose sole member is at least sixty-two (62) years of age, or disabled, or handicapped and may include two or more elderly, disabled or handicapped persons living together, or one or more such persons living with another person who is determined to be essential to his or her care and well being.

Elderly Person: A person who is at least sixty-two (62) years of age.

Evidence of Citizenship or Eligible Immigration Status: The documents that must be submitted to evidence citizenship or eligible immigration status [Reference CFR 5.508(b)].

Exception Rent: In the certificate program, an initial rent (contract rent plus any utility allowance) in excess of the published FMR. For certificates, exception rent is approved by HUD, and is used in determining the initial contract rent. In the voucher program, the HA may adopt a payment standard up to the exception rent limit approved by HUD for the HA certificate program.

Extremely Low-Income Family: A family whose annual income does not exceed thirty percent (30%) of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. Not less than 75 percent of the families admitted to the PHA's tenant-based voucher program during the PHA fiscal year from the PHA waiting list shall be extremely low income families. The PHA may admit a lower percent of extremely low income families during its fiscal year if HUD approves the use of such lower percent by the PHA.

Fair Market Rent (FMR): The rent, including the cost of utilities (except telephone), that would be required to be paid in the housing market area to obtain rivately owned, existing,

decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. FMRs for existing housing are established by HUD for housing units of varying sizes (number of bedrooms), and are published in the Federal Register in accordance with 24 CFR, part 888.

Familial Status: A single pregnant woman and individuals in the process of obtaining custody of any individual who has not attained the age of 19 years are processed for occupancy the same as single persons (Reference Federal Register published February 13, 1996, pages 5,662 and 5,663). In Section II (Reinventing Parts 812 and 912 of the Federal Register it is stated:
"The April 10, 1992 proposed revisions to parts 812 and 912, which concern section 5(b) of the Fair Housing Amendments Act of 1988 (FHAA) and the treatment of single, pregnant women obtaining custody, are not included in this final rule. The statutory prohibition against housing discrimination towards such persons is sufficiently clear and enforceable. Since the percentage limit for occupancy by single persons (which could have been used to mask instances of discrimination against persons in these protected classes) has been eliminated, it no longer necessary to distinguish persons in the FHAA-protected classes from other single persons."

Therefore, a single pregnant woman and individuals in the process of obtaining custody of any individual who has not attained the age of 18 years are processed for occupancy the same as single persons and only entitled subsidy for a zero or one-bedroom family unit size.

Family: The term "family" as used in this policy means:

- Two or more persons related by blood, marriage, or by operation of law.
- A family, with or without children, who live regularly together as a single household in the dwelling unit.

- The temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size.

- By definition, a family must contain a competent adult of at least 19 years of age or 18 years of age and married (not common law) to enter into a contract and capable of functioning as the head of household.

Note: If an individual is 18 or over and qualifies under the definition of family by being married, the head of household and the spouse must be parties to the lease. There must be some concept of a family living beyond the mere sharing or intention to share housing accommodations by two or more persons to constitute them as a family within the meaning of this policy. Some recognized and acceptable basis of family relationship must exist as a condition of eligibility.

The following are some of the families, besides the regular family:

- An elderly family
- A near-elderly family
- A disabled family
- A displaced family
- The remaining member of a tenant family
- A single person who is not elderly or displaced person or a person with disabilities or the remaining member of a tenant family.

Note: Housing assistance limitation for single persons: A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family, may not be provided (for tenant-based assistance) housing assistance for which the family unit size exceeds the one bedroom level (Ref. 982.207 Housing assistance limitation for single persons, published in the Federal Register on 2/13/96.)

The rule does not prohibit a single person from residing in a larger unit (2 or more bedrooms) with the amount of subsidy for a zero or one-bedroom family unit size. The limit is on the amount of subsidy paid, NOT the SIZE of the UNIT. (The utilities allowance to be considered shall be that **for the size** of the unit being occupied.)

Family Self-Sufficiency (FSS) Program: The program established by an HA to promote self-sufficiency of assisted families, including the provision of supportive services (42 USC 1437 u). Reference 24 CFR, part 984.

Family Share: The portion of rent and utilities paid by the family.

Family Unit Size: The appropriate number of bedrooms for a family. Family unit size is determined by the HA under the HA subsidy standards.

FMR/Exception Rent Limit: The Section 8 Existing Housing fair market rent published by HUD Headquarter, or any exception rent. For a tenancy in the voucher program, the HA may adopt a payment standard up to the FMR/exception limit, which is 110% of the published FMR.

Foster Children: With the prior written consent of the HA, a foster child may be added as a Section 8 participant. The factors considered by the HA in determining whether or not consent is granted may include:

- Whether the addition of a new occupant may require the issuance of a new certificate or voucher and whether such document is available.

- The Section 8 landlord's obligation to allow reasonable accommodation for handicapped persons.

Full-time Student: A member of a family (other than the head if household or spouse) who is carrying a subject load, which is considered full-timer for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with diploma, as well as an institution offering a college degree. The attended educational institution will supply verification.
Funding Increment: Each commitment of budget authority by HUD to an HA under the consolidated ACC for the HA program.

Gross Rent: The sum of the rent to owner plus any utility allowance.

Group Home: A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in-aide).

Handicapped Assistance Expense: Reasonable expenses that are anticipated during the period for which Total annual Family Income is computed, for attendant care and auxiliary apparatus for a Handicapped or Disabled family member and that are necessary to enable a family ember (including the Handicapped or Disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

Handicapped Person and/or Disabled Person (Person with Disability): A person having a physical or mental impairment which:

- Is expected to be of long-continued and indefinite duration.
- Substantially limits one or more major life activities that impedes his/her ability to live independently; and
- Is of such a nature that such disability could be improved by more suitable housing conditions.

Note: All three conditions must be met to qualify as person with disabilities.

A person who is under a disability as defined in Section 223 of the Social Security Act (42 USC 423) or in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 USC 6001(7), or is handicapped as defined below:

Section 223 of the Social Security Act defines disability as:

- Inability to engage in any substantial gainful activity for reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months, or
- In the case of any individual who has attained the age of fifty-fiver (55) and is blind (within the meaning of "blindness" as defined in Section 4126(1)1 of this title), inability be reason of such blindness to engage in substantial gainful activity in which he has previously engaged with some regularity and over a substantial period of time.

Hazardous Duty Pay: Pay to a family member in the Armed Forces away from home and exposed to hostile fire

Head of Household: The adult member of the family who is the head of the household for ~~purposes of determining income eligibility and rent. Also, the head of household is primarily~~ responsible and accountable for the family, particularly in regard to lease obligations.

Homeless Family: Any individual or family who:

- Lacks a fixed, regular, and adequate nighttime residence.
- Has a primary nighttime residence that is:

  A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing or housing for the mentally ill.

  An institution that provides a temporary residence for individuals intended to be institutionalized, or A public or private place not designed for, or ordinarily used as, a regular sleeping accommodations for human beings.

A homeless family does not include:

- Any individual imprisoned or otherwise detained pursuant to an Act of the Congress of a State Law, or
- Any individual who is a Single Room Occupant that is not considered substandard housing as defined on this section.

Housing Agency (HA): Housing Agency (formerly Public Housing Agency (PHA), (PHA and HA are the same thing). A Housing Agency is a state, county, municipality or other government entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing.

Housing Assistance Payment (HAP): The monthly assistance payment by the HA. The total assistance payment consists of:

- A payment for rent to the owner under the family's lease.

The assistance also includes an additional payment to the family, if the total assistance payment exceeds the rent to owner. In the certificate program, the additional payment is called a "utility reimbursement". The HA may elect to pay the appropriate amount directly to the utility provider.

Housing assistance Payment (HAP) Contract: A written contract between an HA and an owner, in the form prescribed by HUD, in which the HA agrees to make housing assistance payments to the owner on behalf of an eligible family.

Housing Quality Standards (HQS): The HUD minimum quality standards for housing assistance under the tenant-based programs.

HUD - Housing and Urban Development: The U. S. Department of Housing and Urban Development.

HUD Requirements: Required by HUD for the Section 8 programs. HUD requirements are issued by HUD headquarters as regulations, Federal Register notices, or other binding program directives.

Income Exclusions:

Annual Income does not include such temporary, non-recurring or sporadic income as the following:

Temporary: casual, sporadic, temporary, nonrecurring income, including gifts.

Medical Reimbursements: Amounts that are specifically received from, or are a reimbursement of, the cost of illness or medical care.

Lump-sum additions to family assets: Such as, but not necessarily limited to, inheritances, insurance payments, including payments under health and accident insurance and workmen's compensation, capital gains, and settlements for personal or property losses.

Scholarships: Full amounts of educational scholarships paid directly to the student or to the educational institution and amounts paid by the United States government to a veteran for use in

meeting the cost of tuition, fees, books, equipment, materials, supplies, transportation and miscellaneous personal expenses of the student.

Relocation payments: Made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC 4636).

Food Stamps: The value of the coupon allotments for the purchase of food in excess of the amount actually charged an eligible household pursuant to the Food Stamp Act of 1973 (7 USC 2017(b)).

Domestic Volunteers Service Act: Payments received by participants or volunteers in programs pursuant to the domestic Volunteers Service Act of 1973 (42 USC 5044(g), 5058).

Income of a live in aide

Job Training Partnership Act: Payments received from the Job training Partnership Act (29 USC 1552(b)).

Hazardous Duty Pay: For a family member in the Armed forces away from home and exposed to hostile fire.

Minor Income: Income from employment of children (including foster children) under the age of eighteen (18)

Foster Care: Payment received for the care of foster children.

Home Energy Assistance Program: Payments or allowances made under the Department of Health and Human Services Low-Income Home energy Assistance Program (42 USC 8624(f)).

Older Americans Act: Payments from Programs under Title V of the Older Americans Act of 1965 (42 USC 3056(f)).

HUD Training: Amounts received under training programs funded by the Department of Housing and Urban Development.

Plan to Attain Self-Sufficiency: Amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self Sufficiency (PASS).

Other Publicly Assisted Programs: Amounts received by a participant in other publicly assisted program which is specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clashing, transportation, child care, etc.) and which are made solely to allow participation in a specific program.

Earned Income Tax Credit Refund: For taxable years after December 31, 1990, the earned income tax credit refund. Effective Date: July 25, 1994.

A Resident Service Stipend: A resident stipend is a modest amount (i.e., $200 or less per month), received by a resident for performing a service for the owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire

patrol, hall monitoring, lawn maintenance, resident initiative coordination and resident management. No resident may receive more than one such service stipend from annual income, but only if the resident service stipend does not exceed $200 per month. Compensation from state or local employment training programs, and the training of a family member as resident management staff are not included as income. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance.

Adoption Assistance Payments: Income payments received for the care of adopted children to the extent that the payments exceed $480 per adopted child.

Student financial Assistance: This exclusion exempts from annual income all amounts received from student financial assistance. Student financial assistance is interpreted broadly to include various scholarships, educational entitlements, grants, work-study programs and financial aid package.

Earned Income of Full-time Students: This exclusion exempts earnings in excess of $480 for ~~each full-time student eighteen years old or older, except for the head of household and spouse.~~ The exemption only applies to earnings in excess of $480, since the family already receives a $480 deduction from income for any full-time student.

Adult Foster Care Payments: This exclusion removes from the computation of annual income payments for the care of foster adults, usually individuals with disabilities, unrelated to the tenant family, who are unable to live alone. Currently, only payments for the care of foster children are excluded from annual income. In adding this exclusion, the Department is not requiring that housing authorities or owners permit foster adults in assisted housing.

Compensation from state or local Job Training Programs and Training of Resident Management Staff: This exclusion exempts compensation received from qualifying employment training programs and the training of resident management staff. To qualify under this exclusion, the compensation received must be a component of a state or local Employment Training Program with clearly defined goals and objectives. Moreover, only the compensation incident to the training program is excluded, (i.e., any additional income received during the training program, such as welfare benefits, will continue to be counted as income). In addition, this exclusion only covers compensation received while the resident participates in the employment-training program and the duration of participation must be for a limited period determined in advance. An example of compensation which falls under this exclusion is compensation received from on-the-job training and during apprenticeship programs.

Property Tax Rebates: this provision excludes state rent credits and rebates for property taxes paid on a dwelling unit.

Home Care Payments for Developmentally Disabled Children or Adult Family Members: This exclusion exempts amounts paid by a state agency to families who have developmentally disabled children or adult family members living at home. States that provide families with

home care payments do so to offset the cost of services and equipment needed to keep a developmentally disabled family member at home.

Amounts received by a person with a disability that are disregarded for a limited time, as established on 24CFR 5.609(8)(ii) and 5.617.

Infant: A child under the age of two (2) years.

Initial Contract Rent: In the certificate program, the contract rent at the beginning of the initial lease term.

Initial HA: In portability, the term refers to both:

An HA that originally selected a family that subsequently decides to move out of the jurisdiction of the Selection HA.
An HA that absorbed a family that subsequently decides to move out of the jurisdiction of the absorbing HA.

Initial Lease Term: The initial term of the assisted lease. The initial lease term must be for at lease one year.

Initial Payment Standard: The payment standard at the beginning of the HAP contract term.

Initial Rent to Owner: The rent to owner at the beginning of the initial lease term.

Interim Redetermination of Rent: Changes of rent between admissions and reexamination and the next succeeding reexaminations.

INS: The U. S. Immigration and Naturalization Service.

Jurisdiction: The area in which the HA has authority under State and local law to administer the program.

Lease: A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the HA.

In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement established the conditions for occupancy of the member's cooperative dwelling unit by the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the HA. For purposes of part

982, the cooperative is the Section 8 "owner" of the unit, and the cooperative member is the Section 8 "tenant".

Lease Addendum: Is the lease between the tenant and the owner, the lease language required by HUD.

Live-in-Aide: A person who resides with an Elderly, Disabled, or Handicapped person or persons and who:

Is determined by the HA to be essential to the care and well-being of the persons(s)

Is not obligated for support of the persons(s)

Would not be living in the unit except to provide supportive services. The income of a Live-in-Aide that meets these requirements is not included as income to the tenant family, and

A Live-in-Aide must be approved in advance by the HA.

A medical certificate is required to determine if the person really needs a live-in-aide.

Low-income Family: A family whose Annual Income does not exceed eighty percent 80% of the median income for the area, as determined by HUD with adjustments for smaller and larger families. (Section 982.201(b) describes when a low-income family is income eligible for admission to the certificate or voucher program.)

Manufactured Homes: A manufactured structure that is built on a permanent chassis that is designed for use as a principal place of residence and meets the HQS. This HA does not carry this program.

Manufacture Home Space: In manufactured home space rental: a spacer leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space.

Medical Expense: Those necessary medical expenses, including medical insurance premiums, that are anticipated during the period for which Annual Income is computed, and that are not covered by insurance. Medical expenses in excess of three percent (3%) of annual income are deductible from income by elderly families only.

Military Service: Military Service means active military service of the United States, which includes de Army, Navy, Air Force, Marine Corp, Coast Guard, and since July 29, 12945, the commissioned corps of the United States Public Health Service.

Minimum Rent: Families assisted under the Public Housing program pay a monthly "minimum rent" of not more than $50 per month. The HA has the discretion to establish the "minimum rent" from $0 up to $50. This HA has established the minimum rent at $25.

Minimum Rent Hardship Exemptions: The Agency shall immediately grant an exemption from application of the minimum monthly rent to any family making a proper request in writing that is unable to pay because of financial hardship, which shall include the following situations:

- The family has lost eligibility for, or is awaiting an eligibility determination for a federal, State, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the immigration and nationalization act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

- The family would be evicted as a result of the implementation of the minimum rent.

- The income in the family has decreased because of changed circumstances, including loss of employment.

- A death in the family has occurred which affects the family circumstances.

- Other circumstances which may be decided by the HA on a case-by-case basis.

All of the above must be proven by the resident providing verifiable information in writing to the HA prior to the rent becoming delinquent and before the lease is terminated by the HA.

If a resident requests a hardship exemption (prior to the rent being delinquent) under this section, and the HA reasonably determines the hardship to be of a temporary nature, exemption shall **not** be granted during a ninety day period beginning upon the making of the request for the exemption. A resident **may not** be evicted during the ninety day period for non-payment of rent. In such a case, if the resident thereafter demonstrates that the financial hardship is of a long term basis, the HA shall retroactively exempt the resident from the applicability of the minimum rent requirement for such ninety day period. This Paragraph does not prohibit the HA from taking eviction action for other violation of the lease.

Minor: A "minor" is a person under nineteen (19) years of age. A married person 18 years of age or older shall be considered to be of the age of majority. (An unborn child may not be counted as a minor.)

Mixed Family: A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

Monthly Adjusted Income: One twelfth of Adjusted Annual Income.

Monthly Income: One twelfth of Annual Income. For purpose of determining priorities based on an applicant's rent as a percentage of family income., family income is the same as monthly income.

Mutual Housing: See definition of "cooperative housing" above.

National: A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

Net Family Assets: The net cash value after deducting reasonable costs that would be incurred in disposing of real property, checking and savings accounts, stock bonds, cash on hand and other . forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD home ownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded. (In cases where a trust fund has been established and the trust is not revocable by, or under control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining Annual Income.

In determining Net Family Assets, this HA shall include the value of any business or family assets disposed of by an applicant or Tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two (2) years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or Tenant receives important consideration not measurable in dollar terms.

Noncitizen: A person who is neither a citizen nor national of the United States.

Notice of Funding Availability (NOFA): For budget authority that HUD distributes by competitive process, the federal register document that invites applications for funding. The document explains how to apply for assistance and the criteria for awarding the funding.

Over-FMR Tenancy: In the Certificate program: the tenancy to which the initial gross rent exceeds the FMR/exception rent limit.

Owner: Any person or entity with the legal right to lease or sublease a unit to a participant.

Participant: A family that has been admitted to the HA program, and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the HA for the family.

Payment Standard: In a voucher or over-FMR tenancy the maximum subsidy payment for a family (before deducting the family contribution). For a Voucher tenancy, the HA sets a payment standard in the range from 80 percent to 100 percent of the current FMR/exception rent limit. For an over-FMR tenancy, the payment standard equals the current FMR/exception rent limit.

Portability: Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial HA.

Preference: At the option of the HA, a preference system can be used to select among applicant families.

Premises: The building or complex in which the dwelling unit is located, including common areas and grounds.

Private Space: In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

Program: The tenant-based certificate or voucher program.

Project Based Certificate Program: Project-based assistance under 24 CFR, Part 983, using funding under the consolidated ACC for the HA certificate program.

Reasonable Rent: A rent to owner that is not more than either:

Rent charged for comparable units in the private unassisted market; or

Rent charged by the owner for a comparable unassisted unit in the building or premises.

Receiving HA: In portability, an HA that receives a family selected for participation in the tenant-based program of another HA. The receiving HA issues a certificate or voucher, and provides program assistance to the family.

Recertification: Sometimes called reexamination. The process of securing documentation, which indicates that tenants meet the eligibility requirements for continued occupancy.

Re-examination Date: The date on which any rent change is effective or would be effective is required as a result of the annual re-examination of eligibility and rent.

Regular Tenancy: In the certificate program: a tenancy other than an over-FMR tenancy.

Remaining Member of the Tenant Family: The person(s) of legal age remaining in the subsidized unit after the person(s) who signed the certificate or voucher has (have) left the premises, other than by eviction, who may or may not normally qualify for assistance on their own circumstances.

An individual must have received housing subsidy under the program to which he/she claims head of housing status for one year before becoming eligible for Section 8 subsidy as a remaining member. This person must complete forms necessary for Section 8 assistance within ten calendar days from the departure of the leaseholder and may remain in the unit for a reasonable time (not more than 60 calendar days) pending the verification and hearing process. This person must, upon satisfactory completion of the verification process, execute all required Section 8 subsidy documents and cure any monetary obligations in order to maintain assistance.

Any person who claims him or herself as a remaining member shall, in the event that the HA declares him or her ineligible as a remaining member, be entitled for an informal hearing. The informal hearing process is described later on this policy.

Rent to Owner: The total monthly rent payable to the owner under the lease for the unit. Rent to Owner covers payment for any housing services, maintenance and utilities that the Owner is required to provide and pay for.

Residency Preference: An HA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area.

Residency Preference Area: The specified area where families must reside to qualify for a residency preference.

Set-up Charges: In a manufactured home space rental: Charges payable by the family for assembling, skirting and anchoring the manufactured home.

Shared Housing: A unit occupied by two or more families. The unit consists of both common space for shared by the occupants of the unit and separate private space for each assisted family.

Single Person: A person who lives alone or intends to live alone, and who does not qualify as an elderly family or a displaced person, or as the remaining member of a tenant family.

Single Room Occupant (SRO): Single Room Occupancy (SRO) Housing is a unit which does not contain sanitary facilities or food preparation facilities, or which contains one but not both

types of facilities, and is suitable for occupancy by an eligible individual who is capable of independent living. SRO Housing is not substandard solely because it does not contain sanitary facilities or food preparation facilities, or both.

Special Admission: Admission of an applicant that is not on the HA waiting list or without considering the applicant's waiting list position because of special circumstances, or special programs. This HA will tender Special Admission to families who are victims of natural disasters and persons who are victims of domestic violation, after proper verification in both instances. There might be families living on substandard housing with critical conditions, who will also be considered for special admission.

Spouse: The legal husband or wife of the head of the household. This includes common law marriage.

Subsidy Standards: Standards established to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and composition.

Suspension: Stopping the clock on the term of a family's certificate or voucher on the date that the HA receives the request for lease approval by the family.

Temporarily Absent Family Members: Any person(s) on the lease that is not living in the household for a period of more than thirty (30) days is considered temporarily absent.

Tenant: The person or persons (other than a live-in-aide) who executes the lease as lessee of the dwelling unit.

Tenant-Based: Rent assistance that is not attached to the structure.

Tenant Rent: The actual amount due, calculated on a monthly basis, under a lease or occupancy agreement between a family and the family's current landlord. The tenant payment is the amount the tenant pays toward rent and allowance for utilities. To arrive at the tenant rent, the utility allowance is subtracted from total tenant payment or minimum rent. If the utility allowance is greater than the total tenant payment or minimum rent, the tenant rent is zero and there is a utility reimbursement payment (URP). The URP is the difference between the total tenant payment or minimum rent and the utility allowance.

Total Tenant Payment (TTP):

Total tenant payment is the higher of:

- 30 percent (30%) of family monthly-adjusted income

- 10 percent (10%) of family monthly income
- If the family is receiving payments for welfare from a public agency and part of those payments are specifically designated for housing costs, that part is considered as income.
- $25, which is the minimum rent set by the HA

Utilities: Utilities may include water, electricity (including air conditioning, if applicable. (See CFR 982.517), gas, sewage services, and, where applicable, trash and garbage collection.

Utility Allowance: The utility allowance, if any, determined for the Section 8 program for tenant purchased utilities (except telephone) that are normally included in rent.

Utility Hook-up Charge: In a manufacture home space rental: costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical or sewer line.

Utility Reimbursement Payment (URP): Utility Reimbursement Payment is the amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment or minimum rent for the family occupying the unit.

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

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.

Visitor: Any adult not included on the HUD 50058 who has been in the unit more than 60 consecutive days, or a total of 120 days in a 12-month period, will be considered to be living in the unit as an unauthorized household member. Absence of evidence of any other address will be considered verification that the visitor is a family member. Statements from neighbors and or the landlord will be considered in making the determination. Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence. Minors and college students may visit for up to 60 days per year without being considered a member of the household.

Voucher: A document issued by an HA to a family selected for admission to the voucher program. The voucher describes the program and the procedures for HA approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

Waiting List Admission: An admission from the HA waiting list.

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

SECTION 4

APPLYING FOR ASSISTANCE

How to Apply:

Families wishing to apply for housing assistance shall complete an application for housing assistance. The HA will make sure 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.

Applications will be accepted at the following locations:

- Aguadilla Regional Office
  Kennedy Ave. (in front of Jose de Diego Public Housing Project)
  787-891-5955

- Arecibo Regional Office
  Carr. 653, Km. 1.5, Durán Bldg..
  787-878-2426

- Bayamón Regional Office
  Carr. 2, esq. 176, Santander Bldg., Fifth floor
  787-787-5100

- Caguas Regional Office
  Government Center, First Floor, Suite 10
  787-746-1377

- Carolina Regional Office
  Villa Arriba Heights Commercial Center
  Fidalgo Díaz Avenue
  787-752-5660

- Humacao Regional office
  Government Center
  Boulevar del Río, desvío Carr. 3, Ramal Torre 2, 2nd Floor
  787-852-3617

- Mayagüez Regional office
  100 Méndez Vigo St., corner Calle Oriente, Bo. Marina Meridional
  787-831-2323

- Ponce Regional Office
  La Rambla commercial Center, 2nd Floor
  Urb. La Rambla, Carr. 14
  787-843-2360

- San Juan Regional Office
  606 Barbosa St., 9th Floor
  San Juan, P. R.
  787-274-2398

The main office of the Department is located at:

- Main Office
  Department of Housing of the Commonwealth of Puerto Rico
  606 Barbosa St.
  San Juan, P. R.
  787-274-2416

Completed applications will be accepted for all applicants and the information verified at each regional office.

Applications may be made in person at the offices mentioned above during specified dates and business hours posted at each HA's office.

A pre-application will be accepted by telephone. An announcement will be placed in the bulletin boards of each regional office and the local newspapers to notify the public about this service. An employee will take the information required to determine eligibility, and will fill in a pre-application form. The applicant will be notified at the moment if, by the information given, the family is eligible.

The application must be dated, time stamped, and processed at the Selection Unit.

Individuals who have a physical impairment which would prevent them from completing an application in person may call the HA to make special arrangements to complete their application. A telecommunication Device for the Deaf (TDD) is available for the deaf. If the applicant is visually impaired, all notices must be in a format understandable by applicant.

Closing of Application Taking

If the HA is taking applications, the HA may suspend the taking of applications if the waiting list is such that additional applicants would not be able to be housed within the next 12-month period.

Opening of Application Taking - Family Outreach

If the waiting list has been closed, when the HA decides to restart taking applications, the following procedures will be followed:

Note: The HA will make known to the public through publication in a newspaper of general circulation, minority media, and other suitable means, the availability and nature of housing assistance for eligible families.

The Notice must contain the following:

- Advise families that applications will be taken at the designated offices
- Briefly describe the Housing Assistance program
- State that families interested must specifically apply for Section 8 assistance and that applicants for Section 8 assistance may also apply for Public Housing, and they will not lose their place on the Section 8 Housing waiting list if they also apply for Public Housing.
- To reach persons who cannot read the newspapers, the HA will distribute fact sheets to the broadcasting media. Personal contacts with the news media and with community service personnel, as well as public service announcements will be made.

Application Period (Dates)

The application taking closing date may be determined administratively at the same time that the HA determines to open enrollment. The open enrollment period shall be long enough to allow enough applicants as required by the projected turnover and the number of Section 8 Certificates or Housing Vouchers, as well as multifamily units within the Moderate Rehabilitation and Project based Programs.

Missed Appointments for Applicant or Participant

Missed Appointment Without Notification:

An family or person whose applications or recertification is being processed, but fails to keep an appointment without notifying the HA and without re-scheduling the appointment shall be sent a notice of termination of the process or assistance for failure to supply any certification, release of information or documentation as the HA or HUD determines to be necessary (or failure to allow the HA to inspect the dwelling unit at reasonable times and after reasonable notice, if applicable) in the following situations:

- Complete application
- Bringing in verification information
- Program briefing
- Leasing signature briefing
- HQS inspections
- Recertifications
- Interim adjustment
- Other appointments to bring in documentation as listed in this Plan
- Scheduled counseling sessions

Process when appointments are missed

For most of the functions above, the family may be given two (2) appointments. If the family does not appear or call to reschedule the appointment(s) required, the HA may begin the termination process. The applicant or participant will be given an opportunity for an informal review or hearing. If the representative of the HA makes a determination in favor of the applicant or participant, the HA will comply with decision, unless the HA is not bound by a hearing decision concerning a matter for which the HA is not required to provide an opportunity for a hearing pursuant to 24 CFR 982.554(c) and 982.555(b).

Letters Mailed to Applicants by the HA

If an applicant claims not having received a letter mailed by the HA, that requested to provide information or to attend an interview, the HA will determine whether the letter was returned to

the HA. If the letter was not returned to the HA, the applicant will be assumed to have received the letter.

If the letter was returned to the HA and the applicant can provide evidence that the family was living at the address to which the letter was sent, the applicant will be reinstated with the date and time of the application in effect at the time the letter was sent. Applicants must notify the HA, in writing, if their address changes during the application process.

Misrepresentation by the Applicant or Participant

If an applicant or Section 8 participant is found to have made willful misrepresentations at any time which resulted in the applicant or Section 8 participant being classified as eligible, when, in fact, they were ineligible, applicant will be declared ineligible and the Section 8 participant will be terminated because of the act of fraud by the applicant/Section 8 participant. If such misrepresentation resulted in the Section 8 participant paying a lower rent than was appropriate, the Section 8 participant shall be required to pay the difference between the actual payments and the amount, which should have been paid.

In justifiable instances, the HA may take such other actions as it deems appropriate, including referring the Section 8 participant to the proper authorities for possible criminal prosecution.

SECTION 5

ELIGIBILITY CRITERIA

Eligibility Requirements:

All individuals who are admitted to the Section 8 Program in the HA must be individually determined eligible under the terms of this plan. In order to be determined eligible, an applicant must meet the following requirements:

- The applicant family must qualify as a family.
- The applicant family's Annual Income must not exceed income limits established by HUD for the Section 8 Program.
- The applicant must be citizen or a noncitizen who has eligible immigration status.

Head of Household must be:

- 21 years of age or older
- 18 years of age and married (not common law) or
- A person that has been relieved of the disability of non-age by a juvenile court or emancipated by the adult with custody through legal action.

- The applicant agrees to pay the rent required by the subsidy program under which the applicant will be admitted.
- The unit will be the family's only residence.
- The tenant meets the eligibility criteria for the specific project/unit -- multifamily, SRO.
- The applicant meets the ~~Federal or~~ the HA's established preference requirements, where applicable, and any uniform tenant selection criteria.
- ~~The applicant must be a citizen or a noncitizen who has eligible immigration status~~.

Ineligible:

Applicants are not automatically determined eligible to receive federal assistance. An applicant will not be placed on a waiting list or offered Section 8 assistance under the following circumstances:

If the applicant's annual family income exceeds the Income Limits established by HUD and published in the Federal Register, the applicant will be declared ineligible.

Informed of Ineligibility

If the applicant has failed to meet any outstanding requirements for eligibility and is determined ineligible, he/she will be so informed and the reasons stated in writing. The applicant will be granted ten (10) days from the date stated on the ineligible letter to request an informal meeting. The applicant may bring any person he/she wishes to represent them at the informal meeting. The request for an informal meeting may be submitted in writing and/or the request may be verbal. However, the request must be received by the HA within the time frame established by the HA for the meeting.

Single Person

In addition, under Section 24 CFR 5.405, the HA is permitted to determine as eligible, single persons living alone or intending to live alone who do not meet any of the definitions of a family (Ref. CFR 5.403). Single persons are only eligible for a one bedroom voucher.

Declaration of Citizenship

Section 214 of the Housing and Community Development Act of 1980 prohibits Housing Agencies from making financial assistance available to a person other than United States citizens, nationals, or certain categories of eligible non-citizens in HUD's assisted housing programs. This law is referred to as the "Non-citizens Rule" and is effective June 19, 1995.

When the HA verifies that applicant is eligible

The HA must receive information verifying that an applicant is eligible within the period of 60 days before the HA issues a voucher to the applicant.

Continuously assisted

An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing act program when the family is admitted to the voucher program.

Adding a Person to the Program

Once an applicant becomes a participant in the HA's tenant-based or Moderate Rehabilitation program, the head of household must request permission to add another person to the program

(except for birth, adoption or court awarded custody of a child). The person being added must meet all eligibility requirements before the HA will approve any addition to the program.

If any new family member is added, family income must include any income of the additional family member. The HA will conduct a reexamination to determine such additional income, and will make appropriate adjustments in the housing assistance payment.

SECTION 6

VERIFICATION AND DOCUMENTATION

Verification Procedures

General Policies

The HA shall verify family income, composition, status of full time students, value of assets, factors allowing a preference before an applicant is issued a voucher. The HA will ensure that proper authorization from the family is always obtained before making verification inquires.

Methods of Verification

Third Party Verification

~~Third Party Verification is considered to be the most effective means of verifying~~ information provided by the family. Verification forms will be sent by mail to the appropriate third party with a request that the form be returned via mail within a two (2) week period. If the verification document is not received within the required period of time, HA staff will be advised to note the file accordingly and proceed with the third party oral verification.

The HA will not accept verifications delivered by the family, except computerized printouts from the following agencies:

- Social Security Administration
- Veterans Administration
- Welfare Assistance
- Unemployment Compensations

The reason for not having a third party verification being made must be certified in writing and filed on the applicant's or participant's file.

Oral Verification

Oral third party verification will be effectuated only when written third party verification was not possible to obtain. Oral third party verification will take place throughout a phone call to the source. When used, staff will be required to complete a form noting whom they spoke with, the date of conversation, and the facts provided to them.

The HA may accept faxed or e-mailed document as third party verification.

Documentation

Social Security Number (SSN)

Families are required to provide Social Security Numbers for all family member age 6 and older prior to admission, if they have been issued SSN by the Social Security Administration.

The family must submit the SSN or sign a certification if they have not been assigned a SSN. If the individual is under 18, his or her parent or guardian must execute the certification. If the participant who has signed a certification form obtains a SSN, it must be disclosed at the next regularly schedules reexamination or next rent change.

Verification will be conducted by providing a valid Social Security card issued by the Social Security Administration.

The HA will accept copies of the Social Security card only when it is necessary for the ~~HA to verify by mail the continuing eligibility of participating families.~~

If an applicant or tenant cannot provide his or her Social Security card, other documents listed below showing his or her Social Security Number may be used for verification. He/she may be required by the HA to provide one or more of the following alternative documents to verify his or her SSN, until a valid Social Security card can be provided. These documents include:

- Driver's license that displays the SSN
- Identification card issued by a Federal, State, or local agency
- Identification card issued by an employer or trade union
- Identification card issued by a medical insurance company
- Earnings statements or payroll stubs
- IRS Form 1099, or W-2 form
- Benefit award letter from government agencies
- Medicaid cards
- Unemployment benefit letter
- Retirement benefit letter
- Life Insurance policies
- Court records such as real estate, tax notices, marriage and divorce, judgment or bankruptcy records.

- Verification of Social Security benefits with the Social Security Administration

If the HA verifies Social Security benefits with the Social Security Administration, the acceptance of the SSN by the Social Security Administration may be considered documentation of its validity.

Applicants may not become participants until the documentation is provided and verified. The applicant will retain their position on the waiting list during this period. The applicant will be given a reasonable time, subject to the circumstances, to furnish the documentation before losing their place on the waiting list and the time may be extended, if the circumstances require an extension. The decision will be made by an HA's representative, and it will be documented, in writing, and placed in the applicant's file.

Additional Required Documentation

- Temporary Assistance to Needy Families (TANF)
- Birth certificate, or drivers license that displays the date of birth and/or form(s) that are issued by a Federal State, City, or County Agency that displays the date
- Credit references (History)
- Employer's verification
- Employer Identification Number [EIN] and applicable consent form.
- Landlord verification
- Social Security benefits
- Supplemental Social Security Income (SSI) Benefits
- Assets verification
- Bank accounts: checking accounts - $500 + balance
- Savings accounts - $1.00 + balance
- Marriage Certificate. If not available, the following information is acceptable
  - Drivers license that displays the same address and last names
  - Federal tax forms that indicate that the family filed taxes as a married couple during the last tax reporting period
  - Other acceptable forms of documentation of marriage would include any document that has been issued by a Federal, State, City or County government and indicates that the individuals are living as a married couple. Couples that are considered married under common law can provide the same information, as listed above, to document that they are living together as a married couple. The couple must also certify in their application for assistance that they are married.

- Personal References: Personal references (other than from family members) may be used when an applicant cannot produce prior rental history records.
- Certification of Good Behavior published by the Puerto Rico's Police Department for all members 18 years or older.
- Current reports from drug treatment centers or facilities, if applicable.
- Unemployment Compensation.
- Veterans Benefits.
- Documentation to support medical expenses.
- Any other reasonable information needed to determine eligibility may be requested.

For the purpose of this plan, if a member of the current family has committed acts of fraud or has an arrest record, including a drug related arrest, that reflects that the family member may be a danger to the health, safety or welfare of the community, that person ~~will not be allowed to be a participant on the program. The HA will conduct closer~~ inquiry to determine whether the family should be denied admission. The HA shall prohibit assistance to any household that includes any individual who is subject to a lifetime registration requirement under a state sex offender registration program.

Individuals who have been evicted from any housing complex for engaging in criminal activities, including drug-related criminal activities will be denied assistance or the assistance terminated.

Separated Couples with Children

Separation means the ending of co-habitation by mutual agreement. If an applicant or participant is separated from a person and has children by that person or former spouse, the applicant or participant must provide at least one of the verifications listed below:

- A final divorce decree.
- Child Support Court Order.
- Verification that applicant is pursuing child support through Department of the Family throughout its Child Support Unit ("ASUME") or the Judicial System.
- Receiving TANF through the Department of the Family for former spouse's children
- A statement from current landlord (not family) verifying that he/she knows that the applicant or participant and spouse have not lived together for the last six months or more.

- Income tax statements from both husband and wife indicating that both filed income taxes separately the last year and from different addresses.
- A written statement from a shelter for victims of violence, law enforcement agency or social services agency in which they certify that the applicant or participant is subject of physical abuse.
- Food stamp verification, if no other documentation is available.

Separated Couples - No Children

If applicant or participant is separated from a person and has not children by that person, applicant must provide at least one of the verifications listed below:

- A final divorce decree.
- Income tax statements from both husband and wife indicating both filed income taxes separately the last year and from different addresses.
- ~~Evidence that the applicant has filed suit for divorce because of physical abuse.~~
- A written statement from a shelter for victims of violence, law enforcement agency or social services agency in which they certify that applicant needs housing due to physical abuse.
- Food Stamp verification, if no other documentation is available.

U. S. Citizenship Verification and Appeal Procedures

The HA will follow the verification procedures provided by HUD and verify the person or persons declaration of U. S. citizenship through the INS SAVE system. All family members must sign a written declaration of their citizenship or immigration status using the Form provided by HUD according to Section 214 of the Housing and Community Development Act of 1980.

Once the verification is completed and verification from the INS SAVE system confirms the declaration of U. S. Citizenship and the applicant meets all other conditions for occupancy, the applicant will be processed for assistance.

If the INS SAVE system does not confirm U.S. citizenship, the HA must request a manual search to be conducted on INS records. The HA must request the secondary verification (manual search) by INS [Form G8455] within ten (10) calendar days of receipt of the initial failed verification. INS will issue a decision within thirty (30) days of the request for a secondary verification. If the secondary verification fails to confirm eligible immigration status, the HA shall notify the family of the right of appeal to INS.

If INS is unable to issue a decision within thirty (30) days, the INS will inform the family and the HA of the reasons for the delay.

When the HA receives a copy of the INS decision and the decision does not confirm the declaration of U. S. citizenship, the HA will notify the family of its right to request an informal hearing. The informal review will be conducted in accordance procedures established by the PHA.

Assistance to an applicant or a tenant may not be delayed, denied or terminated, if:

- The primary and secondary verification of any immigration documents that were timely submitted has not been completed.
- The family member of whom required evidence has not been submitted has moved.
- The family member who is determined not to be in an eligible immigration status following INS verification has moved
- The INS appeals process has not been concluded

Assistance to a tenant may not be terminated, if:

- The HA informal hearing process has not been concluded
- Assistance is prorated.

Assistance to an applicant shall be denied or a tenant's assistance shall be terminated, upon the occurrence of any of the following:

- Evidence of citizenship (i.e., the declaration) is not timely submitted
- The family does not pursue its right to a HA informal hearing.
- The final determination after the appeal or hearing decisions is decided against the family member.

If assistance is denied or terminated, adequate notice must be provided to the family, which shall advise:

- That the assistance has been denied or terminated, including a brief explanation of the reasons for such conclusion
- In the case of a termination of assistance, of their right to an informal hearing.

Criminal Records

All adult applicants and tenants shall provide a criminal records certificate issued by the Police Department of the Commonwealth of Puerto Rico. If decided by the PHA, an applicant or participant could be required to complete an "Authorization for Release of Information". The HA may request a National Crime Information Center (NCIC) check for criminal history for an applicant or tenant. Applicants and tenants may be requested to furnish fingerprints for this purpose through the local law enforcement office to be sent to the FBI. NCIC information shall be furnished to the HA pursuant to the agreement between the U.S. Department of Housing and Urban Development and the U.S. Department of Justice regarding access to National Crime Information Center Data.

Before the HA takes any adverse action based on a criminal conviction record, the HA must provide the applicant or tenant with a copy of the criminal record and an opportunity to dispute the accuracy or relevancy of the record. For applicants, the copy will be provided at a hearing. The hearing is afforded to each applicant that is denied admission and provides the applicant with an opportunity to dispute any information used to deny an applicant housing assistance. For participants, the copy will be provided in accordance with the HA's Informal Review or Hearing Procedure.

The HA will keep all-criminal records received confidential and not misuse or improperly disseminate the information. Criminal records of any adult applicant/tenant that are used as the basis of denying tenancy or eviction are confidential and shall not be disclosed to any person or entity other then for official use or for use in court proceedings. The term "adult" means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law. Said records shall be maintained in separate files and shall be kept in a locked, secure location. Access shall be limited to those employees approved by the Executive Director or its designee.

Records shall be destroyed once action is taken and any grievance procedure, or court proceeding is completed. A notice of record destruction shall be maintained in a separate file.

All other criminal records will be kept in each applicants or participants correspondent file.

The HA will work through their local law enforcement agencies to obtain information from NCIC. Also, the HA may pay reasonable fees charged by law enforcement agencies that provide the information. The applicant or tenant may not be charged for any expenses related to the investigation.

SECTION 7

GROUNDS FOR DENIAL OR TERMINATION OF ASSISTANCE

Denied Admission:

The HA may deny an applicant admission to participate in the Section 8 Program or, with respect to a current participant, may refuse to issue another voucher for a move to another unit, approve a new lease, or execute a new contract for the Section 8 participant, if the applicant or participant: (Ref. 24 CFR 982.552)

- Owes rent, other amounts, or judgments to any HA or any other federally subsidized housing program. The applicant will be declared ineligible. At the HA's discretion, the applicant may be declared eligible upon payment of the debt, with the date and time of application being the time of payment if meeting other criteria.

Note: Applicants that owe an HA or any other federally subsidized program funds will not be processed for receiving assistance. The applicant must pay the funds owed prior to the application being processed. Repaying funds that are due does not necessarily qualify an applicant for housing assistance. Such payments will be considered along with other factors in the application process. Any money owed to an HA which has been discharged by bankruptcy shall not be considered in making this determination.

- As a previous participant in the Section 8 Program or as a participant in the Public Housing Program, the applicant has not reimbursed the HA or another HA for any amounts paid to an owner under a housing assistance contract for rent or other amounts owed by the family under its lease and for a vacated unit.
- Has violated any Family obligation listed on the voucher.
- Engage in drug-related criminal activity or violent criminal activity, including criminal activity by the Family member. (Reference 24 CFR 982.553(a)(1)(2).
- Breaches a repayment agreement to the HA and/or owner.
- Committed acts which would constitute fraud in connection with and/or has been evicted from any federally assisted housing program.
- Did not provide information required within the time frame specified (the applicable dates are contained in the letters from the HA to the applicant) during the application process.
- The HA shall deny the admission of a Family if the applicant, or any member of the applicant's family does not sign and submit consent forms that are provided by the HA

or the purpose of verifying employment and income information, and other facts necessary for determination of eligibility.

- The applicant family must have properly completed all application requirements, including verifications. Misrepresentation of income, family composition, or any other information affecting eligibility, will result in the family being declared ineligible. In the event the misrepresentation is discovered after admission, the assistance will be termination for such misrepresentation.
- The applicant and all adults must sign a release allowing the HA to request a copy of a police report from the National Crime Information Center, Police Department or other Law Enforcement Agencies. The applicant and all adults further agree to provide fingerprints if requested. If the HA uses the information to deny or terminate assistance, the HA must provide a copy of the information used upon proper request.
- If the applicant is a former Public Housing or Section 8 participant who vacated the unit in violation of program requirements, the applicant may be declared ineligible.
- If the HA determines that a person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The HA may waive this requirement if:
    - The person demonstrates to the HA's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
    - Has successfully completed a supervised drug or alcohol rehabilitation program;
    - Has otherwise been rehabilitated successfully; or
    - Is participating in a supervised drug or alcohol rehabilitation program.
- If any household includes any individual who is subject to lifetime registration requirement under a state sex offender registration program.
- If any family member has engaged in or threatened abusive or violent behavior toward any HA employee.

As provided by law (42 U. S. C. 13662(a)), the HA or owner will terminate the tenancy or assistance for any household with a member who is determined to be illegally using drugs or whose illegal drug use or alcohol abuse is determined to be a threat to others, after evidence is obtained. Sufficient evidence could be a certification from the individual that he/she is not currently engaged in and has not engaged in such criminal activity during the reasonable period, supported by evidence from such sources as a probation officer, a landlord, neighbors, social service agency workers and criminal records, which will be verified. The applicant or tenant will

need to supply information that will permit to contact these sources of information, and the HA or owner will verify the supporting evidence.

The law, as established on 42 U. S. C. 1437d(1)(6) requires that a PHA use leases that provide that any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other tenants or any drug-related criminal activity on or off such premises, engaged in by any member of the household shall be cause for termination of tenancy. This HA is revising its lease so as to add this requirement, and will take the necessary action to have it validated. The conduct of guests and other persons under the tenant's control -in the sense that the tenant has permitted access to premises- will be reason for termination of tenancy.

This HA will apply the law as established on 42 U. S. C. 1437f(d)(1)(B) iii and 1437 f(o)(7)(D) which authorizes eviction for violent criminal activity on 'or near the premises', or alternatively for any criminal activity that threatens other residents of the development or the peaceful enjoyment of their homes or residents in the vicinity.

As required by Section 903 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, this HA will have leases to include that a 'tenant' who is fleeing to avoid prosecution, custody or confinement for a felony, or is violating a condition of probation or parole, will have his tenancy terminated. Participants will be required to exclude fugitive felons or parole violators from the household, and failure to do so will be a basis for breach of the lease.

Quality Housing Work Responsibility:

- If an applicant or tenant decides to resign to his job or to work fewer hours in order to qualify for subsidy or lower rent, admission in the program or continuation in the same, as applicable, will be denied.

Notification of Denial:

If an applicant is denied admission, the HA will notify the applicant, in writing, of its determination and inform the applicant that they have an opportunity for an informal review on such determination. The denial letter will allow the applicant ten (10) calendar days to request an informal review (verbal and/or in writing) with the HA. (Reference Section XI)

Time Frame for Denial:

As a general rule applicants may be denied admission to the Section 8 Programs for the following time frames, which shall begin on the date of application, unless otherwise provided for herein below:

- Denied admission for one year for violation of certificate/voucher possession for personal
- Denied admission for five (5) years for the following:

  Persons evicted from public housing, Indian Housing, Section 8, or Section 23 programs because of drug related criminal activity are ineligible for admission to public housing for a five-year period beginning the date of such eviction.

  The HA can waive this requirement if:

  the person demonstrates to the HA's satisfaction the successful completion of a rehabilitation program approved by the HA, or the circumstances leading to the eviction no longer exist.

- Denied admission for five (5) years for the following:

  Fraud (Giving false information on the application is considered fraud).
  An arrest or conviction record that indicates that the applicant may be a threat and/or negative influence on other residents. The five years shall begin on the date of the last reported act, completion of sentence and/or probation period.

- Denied admission for a conviction of **Drug Trafficking**.
- Denied admission **for life** to any household that includes any individual who is subject to a lifetime registration requirement under a state sex offender registration program.
- Denied admission for life to any applicant who has been convicted of manufacturing or producing methamphetamine (commonly referred to as "speed") on the premises of the assisted housing. Premises is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.
- Denied admission for a year for threats or abusive behavior toward HA personnel.

If a change occurs during the period between placement on the waiting list and issuance of a voucher which affects the family's eligibility or Total Tenant Payment, like going over the income limit prior to lease up, the family will not continue to be eligible for the program. They will be notified in writing of their ineligible status and their right to an informal review.

SECTION 8

INFORMAL REVIEW AND HEARING

Applicant Informal Review

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Informal Review Process

The review may be conducted by any person or persons designated by the HA, other than a person who made or approved the decision under review or a subordinate of this person. The applicant must be given an opportunity to present written or oral objections to the HA's decision. The HA must notify the applicant within ten (10) working days of the final decision after the informal review. This notice must include a brief statement of the reasons for the final decision.

Informal Hearing Not required (for applicant or Participant, as applicable)

The HA is not required to give an informal hearing for any of the following discretionary administrative determinations by the HA:

- General policy issues or class grievances.
- Establishment of the HA schedule of utility allowances for families in the program
- An HA determination not to approve an extension or suspension of a certificate or voucher term.
- An HA determination not to grant approval to lease a unit under the program.
- An HA determination not to approve a proposed lease.

An HA determination that an assisted unit is not in compliance with HQS. Provided, however, that the HA must give the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family as described in the Voucher/Lease Addendum, or in other HUD rules and regulations of the HA policies.

- An HA determination that a unit is not in accordance with HQS because of the family size.
- An HA determination that the family has abandoned the unit, with proven evidence, without notifying the HA.
- An HA determination to exercise or not to exercise any right or remedy against the owner under a HAP contract.

Informal Hearing for Participant:

The HA must give an opportunity to the participant for an informal hearing to consider whether the HA's decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations, and HA policies under the following circumstances:

- A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.
- ~~The family has not supplied any information requested by the HA for use in a regularly~~ schedules reexamination of family income and composition in accordance with HUD requirements.
- The family has not allowed the PHA to inspect the unit at reasonable times and after reasonable notice.
- A determination that the family has violated any family obligation listed on the voucher or on the lease..
- A determination by the HA that a family member has engaged in drug-related criminal activity or violent criminal activity.
- The HA determines that the family has not met the obligations of a repayment agreement with the HA and/or owner.
- The HA determines that a member of the family has committed acts which would constitute fraud in connection with the present or past tenancy.
- The HA determines that a person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- The HA has determined that the household includes any individual who is subject to lifetime registration requirements under a state sex offender registration program.
- The HA has determined that any family member has engaged in or threatened abusive or violent behavior toward any HA employee.

- A determination of the appropriate utility allowance for tenant-paid utilities from the HA utility allowance schedule.
- A determination of the family unit size under the HA subsidy standards.
- A determination that the certificate program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the HA subsidy standards, or the HA determination to deny the family's request for an exception from the standards.
- A determination to terminate assistance for a participant family because of the family's action or failure to act.
- A determination to terminate assistance because the participant family has been absent from the assisted unit for more than ninety days in a calendar year, without a justified reason.

In the cases described herein above, the HA must give the opportunity for an informal hearing before the HA terminates housing payments for the family under an outstanding HAP contract.

The PHA must give a written notice that the family may request a hearing. The notice must:

- Contain a brief statement of the reasons for the decision
- State that if the family does to agree with the decision, the family may request an informal hearing on the decision, and
- State the deadline for the family to request an informal hearing. This PHA has established that the family will have ten (10) working days to submit its request.

The family must be given the opportunity to examine before the PHA hearing any PHA documents that are directly relevant to the hearing. The family must be allowed to copy any such document at the family's expense. If the PHA does not make the document available for examination on request of the family, the PHA may not rely on the document at the hearing.

The PHA must proceed in a reasonably expeditious manner upon the request of the family. This PHA has established that the request will be processed and submitted to the hearing officer not later than ten (10) working days from the receipt of the request.

The PHA must be given the opportunity to examine at the PHA offices before the PHA hearing any family documents that are directly relevant on the hearing. The PHA must be allowed to copy any such document at the PHA's expense. If the family does not make the document available for examination on request of the PHA, the family may not rely on the document at the hearing.

The PHA and the family must be given the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable.

The person who conducts the hearing must issue a written decision and deliver it within thirty (30) days from the date of receipt from the PHA, to the participant, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing.

Hearing Procedures:

The HA must give the participant an opportunity for an informal hearing of the HA decision terminating assistance to the participant. The hearing may be conducted by any person or persons designated by the HA, other than a person who made or approved the decision under review or a subordinate of this person.

The person who conducts the hearing may regulate the conduct of the hearing in accordance with the HA hearing procedures. The HA and the participant shall each have the right to review any and all relevant documents which may be used in the hearing. If these documents are not made available for review, they may not be used in the hearing. Any fees for copying or procuring the documents shall be at the expense of the requesting party.

A lawyer or other representative at the hearing may represent the participant. Costs of representation shall be the responsibility of the participant. The participant must be given an opportunity to present written or oral objections to the HA decision. The HA and the family must be given the opportunity to present evidence, and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The HA must notify the applicant of the final decision after the informal review not later than thirty (30) days from the date the decision was made This notice must include a brief statement of the reasons for the final decision. Factual determination relating to the individual circumstances of the family shall be based upon a preponderance of the evidence presented at the hearing. A copy of the hearing decision shall be furnished to the family.

If the decision of the hearing officer is against the participant, the hearing decision must include information that the participant can appeal to a civil court of the Commonwealth of Puerto Rico.

Effect of decision. The PHA is not bound by a hearing decision:

- Concerning a matter for which the PHA is not required to provide an opportunity for an informal hearing, or that, otherwise exceeds the authority of the person conducting the hearing under the PHA hearing procedures.
- Contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.
- If the PHA determines that it is not bound by a hearing decision, the PHA must notify the family within 15 calendar days of the determination and of the reason for the determination.

Procedures for termination, denial, suspension, or reduction of assistance based on information obtained from a SWICA or federal agency

Procedures for independent verification

Independent verification of information obtained from a SWICA or a federal agency may be:

- By HUD
- In the case of the public housing program, by the PHA, or
- In the case of any Section 8 program, by a PHA acting as contract administrator under an ACC.

Upon receiving income information from a SWICA or a Federal agency, the PHA shall compare the information with the information about a family's income that was:

- Provided by the assistance applicant or participant to the PHA; or
- Obtained by the owner from assistance applicant or participant or from his or her employer.

When the income information reveals an employer or other income source that was not disclosed by the assistance applicant or participant, or when the income information differs substantially from the information received from the assistance applicant or participant or from his or her employer:

- The PHA shall request the undisclosed employer or other income source to furnish any information necessary to establish an assistance applicant's or participant's eligibility for or level of assistance in a covered program.

  This information shall be furnished in writing to the Section 8 program.

- The PHA will verify the income information directly with the assistance applicant or participant. Such verification procedures shall not include any disclosure of income information directly to an owner.

- The Agency shall not pursue the verification procedures when the sums of money at issue are too small to raise an inference of fraud or justify the expense of independent verification and the procedures related to termination, denial, suspension, or reduction of assistance.

- Based on the income information received from a SWICA or federal agency, the PHA may inform an owner that an assistance applicant's or participant's income eligibility for or level of assistance is uncertain and needs to be verified.

Opportunity to contest

The PHA shall promptly notify any assistance applicant or participant in writing of any adverse findings made on the basis of the information verified. The assistance applicant or participant may contest the findings in the same manner as applies to other information and findings relating to eligibility factors under the program.

Termination, denial, suspension, or reduction of assistance shall be carried out in accordance with requirements and procedures established on this same Section. The notice shall give thirty (30) days to the assistance applicant or participant to contest.

Family disclosure of income information to the responsible entity and verification

The family must promptly furnish to the responsible entity any letter or other notice by HUD to a member of the family that provides information concerning the amount or verification of family income.

The responsible entity must verify the accuracy of the income information received from the family, and change the amount of the total tenant payment, tenant rent or Section 8 housing assistance payment, or terminate assistance, as appropriate, based on such information.

Hearings to consider a Determination of Ineligible Immigrtion Status

Whenever the PHA makes a determination of ineligible immigration status, the PHA must offer an applicant or participant family the opportunity to request an informal hearing. A family may request an informal hearing within 30 days of receipt of the ineligibility determination from the U. S. Immigration and Naturalization Service (INS), or the PHA's decision to delay, terminate, or deny assistance.

The PHA must keep all denial or termination of assistance documents related to immigration status for a minimum of five years. These include any applications for initial or continued assistance.

With good cause, the PHA may extend the period to request an informal hearing related to immigration status.

SECTION 8

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- An HA determination not to approve a proposed lease.

An HA determination that an assisted unit is not in compliance with HQS. Provided, however, that the HA must give the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family as described in the Voucher/Lease Addendum, or in other HUD rules and regulations of the HA policies.

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- ~~The family has not supplied any information requested by the HA for use in a regularly~~ schedules reexamination of family income and composition in accordance with HUD requirements.
- The family has not allowed the PHA to inspect the unit at reasonable times and after reasonable notice.
- A determination that the family has violated any family obligation listed on the voucher or on the lease..
- A determination by the HA that a family member has engaged in drug-related criminal activity or violent criminal activity.
- The HA determines that the family has not met the obligations of a repayment agreement with the HA and/or owner.
- The HA determines that a member of the family has committed acts which would constitute fraud in connection with the present or past tenancy.
- The HA determines that a person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
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A lawyer or other representative at the hearing may represent the participant. Costs of representation shall be the responsibility of the participant. The participant must be given an opportunity to present written or oral objections to the HA decision. The HA and the family must be given the opportunity to present evidence, and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

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When the income information reveals an employer or other income source that was not disclosed by the assistance applicant or participant, or when the income information differs substantially from the information received from the assistance applicant or participant or from his or her employer:

- The PHA shall request the undisclosed employer or other income source to furnish any information necessary to establish an assistance applicant's or participant's eligibility for or level of assistance in a covered program.

  This information shall be furnished in writing to the Section 8 program.

- The PHA will verify the income information directly with the assistance applicant or participant. Such verification procedures shall not include any disclosure of income information directly to an owner.

- The Agency shall not pursue the verification procedures when the sums of money at issue are too small to raise an inference of fraud or justify the expense of independent verification and the procedures related to termination, denial, suspension, or reduction of assistance.

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Whenever the PHA makes a determination of ineligible immigration status, the PHA must offer an applicant or participant family the opportunity to request an informal hearing. A family may request an informal hearing within 30 days of receipt of the ineligibility determination from the U. S. Immigration and Naturalization Service (INS), or the PHA's decision to delay, terminate, or deny assistance.

The PHA must keep all denial or termination of assistance documents related to immigration status for a minimum of five years. These include any applications for initial or continued assistance.

With good cause, the PHA may extend the period to request an informal hearing related to immigration status.

SECTION 9

SECTION 8 APPLICANT SELECTION PROCESSING
Tenant Based Voucher, Project Based Voucher, Family Self Sufficiency, Family Unification and Single Room Occupancy

Equal Opportunity

The Fair Housing Act makes it illegal to discriminate on the basis of race, color, religion, sex, handicap, familial status and national origin. This HA shall not deny any family the opportunity of applying for Housing Choice Voucher Assistance.

Types of Selection

The HA may admit an applicant for participation in the program either:

- ~~As a special admission (See definition below.)~~
- Target Funding
- As a waiting list admission
- As a Preference

Special Admissions

Special Admissions will be considered without regard to the waiting list. Applicants who are admitted under Family Unification or Single Room Occupancy are identified as Special Admission. The HA will maintain records showing that the family was admitted as a special admission. Also families residing in a project under a Project-Based Voucher HAP contract, at or near the end of the HAP contract term.

Targeted Funding

HUD has awarded the HA special funding for families who qualify under the Family Self Sufficiency or the Family Unification sub-programs. Self-Sufficiency Program participants must have previously been a participants of the Section 8 program. If not possible, this HA will consider families on its Waiting List that are willing to participate in such sub-program. Admissions to these Programs are considered as "special admissions".

Organization of the Waiting List

Each Regional Office will keep its own waiting list. A copy of each regional waiting list is kept at the Central Office, to assure compliance with federal regulations. A Master Record will be kept at Central Office for control on the issuance and cancellations of vouchers. The Central Office will monitor each Regional Office for control of the program budget.

Except for special admissions, participants must be selected from the respective waiting lists of the regional office in which they originally applied at.

Each waiting list will contain the following information for each applicant listed:

- Sequence number
- Applicant's name and social security number
- Family unit size (number of bedrooms for which family qualifies under HA occupancy guidelines
- Date and time of application
- Racial and Ethnic designation of Head of Household
- Pull-out date (date of selection)
- Status of application in the Waiting List

Order of Selection from the Waiting list

This HA's Waiting List has merged applications for the Tenant-Based and the Project-Based Voucher Programs, so as to provide applicants with the units that become available according to their status on the Waiting List. When a Housing Choice Voucher or a unit at a Project-Based is available, the HA will select the family at the top of either the preference waiting list or the regular waiting list in accordance with this Section. The order of admission from the waiting list may not be based on family size, or on the family unit size for which family qualifies for under the HA occupancy guidelines. If the HA does not have sufficient funds to subsidize the family unit size of the family at the top of the waiting list, the HA may not skip the top family to admit an applicant with a smaller family unit size. Instead, the family at the top of the waiting list will be admitted when sufficient funds are available.

Considering, however, the provisions of Deconcentration Rule contained within this policy, the HA shall supercede the selection of applicants based on date and time and local preference and proceed to skip families on the waiting list to accomplish this goal. This type of selection will be considered as a Special Admission.

Waiting List Preferences

Admissions from the waiting list will be on a **first come first served basis**. However, families subject to following requirements will be considered without regard to the waiting list procedures. Preferences will have two categories, in which FIRST category will be selected before a SECOND category preference. Nevertheless, the issuance of such preference will be subject to applicants due diligence in promptly complying with required documentation and strong evidence of alleged situation. ALL PREFERENCES WILL BE SUBJECT TO PROGRAM DIRECTORS OR ITS DESIGNEES APPROVAL.

A FIRST category preference will be provided to applicants in the following circumstances:

- INVOLUNTARY DISPLACEMENT BECAUSE OF NATURAL DESASTER

  Involuntary displacement applicants are required to vacate housing as a result of a disaster (fire, flood, earthquake, hurricane, etc.) that has caused the unit to be uninhabitable.

- WITNESS OR VICTIM OF CRIME

  Applicants who have been a witness or having provided information on criminal activities to a law-enforcement agency and, after a threat assessment, the law enforcement agency recommends rehousing the family to avoid or reduce risk of violence against the family. The family must be part of a Witness Protection Program or law enforcement agency, which must certify to the HA that the family is part of such or a similar program.

  The HA will take precautions to ensure that the new location of the family is concealed in cases participation in a Witness Protection Program.

- PHYSICAL IMPAIRMENT

  Displacement by non-suitability of the unit when a member of the family has a mobility or other impairment that makes the person unable to use critical elements of the unit and the owner is not legally obligated to make changes to the unit. The applicant must provide medical record.

  Critical elements are entry and egress of unit and building/a sleeping area/a full bathroom/a kitchen if the person with a disability must do his/her own food preparation/other.

- GOVERNMENTAL ACTION

  Subject to federal, state or local government action related to code enforcement, public improvement or development because of conversion of the applicant's

housing unit to non-rental or non-residential use, closure of the unit for rehabilitation or other government use. Also due to HUD disposition of a multifamily project under Section 203 of the Housing and Community Development Amendments of 1978.

- SUBSTANDARD HOUSING

Substandard Housing – For this purpose substandard housing is defined as inhuman conditions of the dwelling unit that endangers the health, safety or well being of the family. Such conditions must be personally verified and documented by the PHA's staff. The dwelling unit must be under dilapidated conditions; for purposes of meeting the substandard criteria "dilapidated" means the units does not provide safe and adequate shelter, and in its present condition endangers the health, safety or well-being of a family, or the unit has one or more critical defects, or a combination of intermediate defects in sufficient number or extent to require considerable repair or rebuilding.

- VICTIM OF DOMESTICE VIOLENCE

~~Actual or threatened physical violence against the applicant or the applicant's~~ family by a spouse or other household member who lives in the unit with the family.

The actual or threatened physical violence must have occurred recently or be of a continuing nature. To qualify for this preference, the abuser must still reside in the unit from which the victim was displaced.

The applicant must certify that the abuser will not reside with the applicant, unless the HA gives prior written approval. The HA will approve the return of the abuser to the household if it verifies that the abuser has received therapy or counseling that appears to minimize the likelihood of recurrence of violent behavior, or if a counselor, therapist or other appropriate professional recommends in writing that the individual be allowed to reside with the family. If the abuser returns to the family without approval of the HA, the HA will deny or terminate assistance for breach of the certification.

The HA will require an Protection Order provided by the court after the occurrence of a hearing in which both parties had their due process. This HA will also admit as prove of the situation a certification signed by the Executive Director of the Agency that protects women rights and in which she certifies that the applicant is a victim of violence and is receiving the services provided by such entity.

- MENTALLY-ILL HOMELESS PERSON

  Mentally Ill Homeless - For this purpose a mentally ill homeless person is defined as:
  - A person with a persistent mental illness;
  - That has been provided with a rehabilitation or stabilization process by a state certified institution;
  - That is stable within his/her condition;
  - Has developed skills to reincorporate themselves into society, and
  - Is capable of managing an independent unit dwelling

  Their stableness and skills needed to reincorporate the applicant into society must be certified by Administrator of the state's "Administration for Mental Health Services", which will supervise the continuity of supportive services, necessary for the adequate adaptation of the applicant into the community.

In order to receive the FIRST category preference, applicants who have been displaced must not be living in "standard, permanent replacement housing which are decent, safe and sanitary. Standard replacement housing does not include transitory facilities, hotels, motels and temporary shelters. It does not include any individual imprisoned or detained pursuant to State Law or an Act of Congress.

A SECOND category of preference will be provided to applicants in the following circumstances:

- VETERAN

  Veteran's Preference - Among applicants on the waiting list, a second category preference will be provided to Veterans. For this purpose a veteran is defined as a person who has served in the active military service of the United States in the Army, Navy, Air Force, Marine Corps or Coast Guard and who has been released from service under one of the following characterizations:
  - Honorable discharge (HD), or
  - Under Honorable Conditions (UHC).

  The applicant should request that a copy of the veterans DD-214 be provided by fax directly to the regional office of the PRDH. If not possible this document must be presented by the applicant and verified by the PRDH technician directly with Veterans Administrations Office.

- CHILD ABUSE

  Child Abuse – A preference will be provided to a family in which such preference will protect the best interest of a minor that is under circumstances that constitute child abuse. This preference will only be provided when public housing is not an option, for one of the following reasons: (1) lack of availability in public housing

projects in the families residential area, adequately certified by the Public Housing Administrator, or (2) when the legal custody of the minor(s) is given to an elderly (62 and over). Applicant must obtain a court determination stating that he/she is, or is likely to be, the legal custodian of the minor(s). Throughout this preference the child under abusive circumstances will be provided with a safe and sanitary unit and most of all a home free of violence.

- VICTIM OF A HATE CRIME

  An applicant whom a member of the family has been the victim of one or more hate crimes, and the applicant has vacated the unit because of the crime or the fear of such a crime has destroyed the applicant's peaceful enjoyment of the unit. A hate crime is actual or threatened physical violence or intimidation that is directed against a person or his property and is based on the person's race, color, religion, sex, national origin, disability or familial status (including sexual orientation) and has occurred recently or is of a continuing nature.

  The HA will require evidence of the particular circumstances which must by ~~signed by the Executive Director of the Agency or by the District Attorney.~~

  An applicant who lives in a violent neighborhood or is fearful of other violence outside the household is not considered involuntarily displaced.

Admissions under the Deconcentration Rule

The rule establishes that the HA has to admit no less than 75% of its new admissions to families that have income at or below 30% of the area median income [extremely low income]. Most of the applicant families with income under 30% of the area median income are from poverty and minority concentration areas.

This agency will encourage owners of properties outside poverty or minority concentration areas to offer their units to applicants on our waiting lists. The Agency gives them the service of offering their units by filling out a form with the information on the available houses. Each regional office keeps a register of these houses by unit size and municipality. These registers are informed and available to the families when they receive a voucher.

The agency offers owner prompt rent payments and the opportunity to offer their units for rent without having to advertise them.

Periodic meetings with current and prospective owners explaining and updating the program requirements will be held.

Special Assignments

In order to comply with the programs requirements, for Family Self Sufficiency and the Family Unification Programs, as well as for the participants under the TANF program, as required by the QHWRA, this HA has signed Memorandum of Agreements with the Department of the Family and with the Right to Work Administration, in order to satisfy the needs of the families under the program who must attain self-sufficiency.

Preference Verification

The HA will verify all preference claims at the time of application. If the claim cannot be demonstrated at time of application, the family will be maintained on the regular waiting list. The qualification of a preference must be performed by the regional office and requires the written approval of the Director or Coordinator of the Program.

Removing applicants from the waiting list

The HA will remove an applicant's name from the waiting list for the following:

- When the family receives a voucher and executes a lease with an owner.
- When the applicant do not respond to an HA request for information or updating.
- When the applicant refuses to sign the Release of Information form required by the program.
- When the applicant refuse the HA's offer of the kind of housing assistance available and offered for a second time.

An applicant on the HA's Section 8 waiting list who refuses the HA's initial offer for housing assistance will not lose its place on the waiting list because of its refusal. If the family refuses a second offer, the HA will remove the family from the waiting list.

If applicants falsify documents or make false statements in order to qualify for the assistance provided by the Program, they will be removed from the Waiting List.

An ineligible family, for whatever reason, will not be placed on the waiting list.

Procedure for Removing an Applicant's Name from the Waiting List

When the applicant is selected for the waiting list and informed to submit required documentation, if no action is taken by the selected applicant the HA will notified, in writing, that they have ten (10) calendar days from the date of the written correspondence, to respond to the HA's request. The correspondence will also indicate that their names will be removed from the waiting list if they fail to respond within the

time frame specified. The HA's system of removing applicants' names from the waiting list will not violate the rights of disabled persons.

If an applicant's failure to respond to a request from the HA for information or update was caused by the applicant's disability, the HA will provide reasonable accommodations and give the applicant an opportunity to respond. An example of a reasonable accommodation would be to allow an applicant to be reinstated on the waiting list based on the original date and time of their application, if the applicant provides evidence that he/she did not respond due to a disability. If the disability is not apparent, the HA may request the applicant to have a doctor submit a written statement indicating that the applicant did not respond due to her/his disability.

Purging the Waiting List

To ensure that the HA's waiting list reflects the most current applicant information, the waiting list will be updated and purged on a monthly basis. Applicants should contact the HA every six months, to confirm their continued interest. The HA allows a grace period of 15 days after completion of the purge. Applicants who respond during this grace period will be reinstated.

If an applicant is removed from the waiting list for failure to respond, he/she will not be entitled to reinstatement unless there is evidence of some extenuating circumstances that did not allow them to respond to the HA request. This determination needs the written approval of the Director or Coordinator of the Program.

Monitoring the Selection from the Waiting List

Selection from the waiting list is strictly monitored by staff at Central Office by comparison of dated applicants have been selected with the waiting list kept at such office for each of the nine regional offices.

Disposition of files

Inactive application files will be kept for five (5) years (required by state law) on separate files before disposal.

SECTION 10
ISSUANCE OF A HOUSING VOUCHER, OR ASSISTANCE UNDER THE PROGRAM, AND ORIENTATION TO THE FAMILIES

Briefing Attendance Requirement:

All families (head of household) are required to attend the briefing when they are initially assigned a housing unit. No Housing Voucher will be awarded unless the household representative has attended a briefing.

The purpose of the briefing is to go over the packet prepared for new tenants in order to inform them about the program, so that they may be able to discuss it with potential landlord or project owners.

Failure to attend a scheduled briefing (without notice to the HA) will result in the family's application being placed in the inactive file and the family may be required to reapply for assistance. Applicants who provide prior notice of an inability to attend a briefing will be scheduled for the next briefing.

Failure of an applicant, without good cause, to participate in a scheduled briefing shall result in withdrawal of his/her application. The applicant will be notified of such withdrawal and determination of ineligibility and of his/her right to an informal review as outlined in Section XI above.

Format of the Briefing:

When a family is initially issued if Certificate of Family Participation or Housing Voucher, a full explanation (oral) of the following shall be provided to assist the Family in finding a suitable unit and to apprize the Family of its responsibilities and the responsibilities of the Owner (this may be done either in group or individual sessions, depending on the circumstances). Also, families will be given adequate opportunity to raise questions and to discuss the information listed below: (Reference 24 CFR 982.301).

- A description of how the program works
- Family and Owner Responsibility
- Where the Family may lease a unit, including renting a dwelling unit inside or outside the HA jurisdiction.

- If the family is assigned a multifamily project unit, a copy of the house rules will be enclosed in the packet.

Note: For a family that qualifies to lease a unit outside the HA jurisdiction under portability procedures, the briefing must include an explanation of how portability works. The HA may not discourage the family from choosing to live anywhere in the HA jurisdiction, or outside the HA jurisdiction under portability procedures.

If the family is currently living in a high poverty census tract in the HA jurisdiction, the briefing must also explain the advantages of moving to an area that does not have a high concentration of poor families.

When issuing a Housing Voucher, the HA shall give the Family a Section 8 Participant's Packet, which includes: (Reference 24 CFR 982.301)

- **The initial term of the Housing Voucher is 60 days.** A Vouchers is valid for a period of 60 days from the date of issuance. Prior to expiration, the family may contact the HA to inquire about assistance the HA can provide the family in locating suitable housing. The family must submit a Request for Lease Approval within the 60-day period, unless an extension has been granted by the HA. Once the family has submitted a Request for Lease Approval, the clock is stopped and/or suspended on the term of the certificate or voucher (See "Suspension"). When the clock is stopped (suspended), the time remaining will be reinstated to the initial 60-day period of the Voucher, if necessary. If the unit is not approved for any reason, the remaining days will be reinstated to the initial term of the voucher. If the initial term is not adequate for finding a unit to lease, the family may request an extension of the initial term as described below.
- **Requesting for extension of the term**. A family may request an extension of the Voucher time period. All requests for extensions should be received prior to the expiration date of the Voucher. Extensions are permissible at the discretion of the HA, primarily for the following reasons:
    - Extenuating circumstances such a family with a member with disabilities, or hospitalization or a family emergency for an extended period of time that has affected the family's ability to find a unit within the initial 60 day time period will be reason for an extension of the voucher. The HA representative will verify the extenuating circumstances prior to granting an extension.
    - The family has evidence that they have made a consistent effort to locate a unit and request support for services from the HA, throughout the initial 60-day period with regard to their inability to locate a unit.

- The family has turned in a Request for Lease Approval prior to the expiration of the 60-day time period, but the unit has not passed HQS.

- **Time Period for Extensions:** A PHA representative may grant one or more extensions not to exceed a total of 60 days. The initial term plus any extension **MAY NOT** exceed 120 calendar days from the beginning of the initial term. However, considering the difficulty in searching for housing, this HA will consider extending the voucher period, as it may deem necessary, with evidence of efforts to lease a unit. This policy will apply to disabled or regular non-disabled families if there is sufficient verified evidence of the need for the extension.
- **How the HA determines the housing assistance payment for a family:**
  - Information on the payment standard and the HA utility allowance schedule.
  - How the HA determines the maximum rent for an assisted unit
- **What the family should consider in deciding whether to lease a unit, including:**
  - The condition of the unit
  - Whether the rent is reasonable
  - The cost of any tenant-paid utilities and whether the unit is energy-efficient. The location of the unit, including proximity to public transportation (if applicable), centers of employment, schools and shopping.
- **Where the family may lease a unit**. For a family that qualifies to lease a unit outside the HA jurisdiction under portability procedures, the information packet must include an explanation of how portability works.
- **The HUD-required "lease addendum"**. (The lease addendum is the language that must be included in the lease.)
- **The form of request for lease approval**, and an explanation of how to request HA approval to lease a unit.
- **A statement of the HA policy on providing** information about a family to prospective owners
- **The HA subsidy standards**, including when the HA will consider granting exceptions to standards.
- The HUD brochure on **how to select a unit**
- **The HUD lead-based paint (LBP) brochure**

- **Information on federal, state and local equal opportunity laws,** and a copy of the housing discrimination complaint form.
- **A list of landlords** or other parties known to the HA who may be willing to lease a unit to the family, or help the family to find a unit.
- Notice that if the family includes a disabled person, the family may request a current listing of **accessible units** known to the HA that may be available
- **Family obligations** under the program
- The grounds on which the HA may **terminate assistance** for a participant family because of family action or failure to act
- **The informal hearing procedures.** This information must describe when the HA is required to give a participant family the opportunity for an informal hearing, and how to request a hearing.

Approval of Lease and Execution of Related Documents:

When a family finds a unit, and the owner is willing to lease the unit under the program, the family may request the HA to approve the lease and unit. This HA has a model contract, so as to assure full compliance with HUD and local government requirements.

Note: Property Owners cannot participate in the program if they are disapproved by the Housing Agency.

The HA will perform an initial inspection not later than fifteen (15) calendar days from the request for lease approval. If the HA determines that a unit which an Eligible Family wishes to lease meets the HQS and the proposed Lease is approved, the HA shall notify the Owner and the Family of its determination of Lease approval.

Not later than ten (10) working days after receiving notification from the HA, the Owner and the HA representative shall execute and sign the HAP Contract. At the same day, after the contract is executed, the Owner and the family shall execute and sign the Lease and provide a copy to the HA. This HA has established that this process be completed at the Agency's office. The family cannot occupy the unit until the HAP and the lease have been executed by all parties.

The HA shall retain the following in its files:

- The Request for Lease Approval
- The approved lease

- Inspection report
- HA certification that the current rent being charged for comparable units in the private unassisted market, taking into account the location, size, type, quality, amenities, facilities and management and maintenance service of such unit. This certification will be maintained for five years to comply with HUD and local regulations.
- Executed Contract.

SECTION 11

HAP CONTRACTS AND OWNER RESPONSIBILITY

The HAP Contract

- The HAP Contract must be in the form required by HUD.
- The term of the HAP contract is the same as the term of the lease.
- The amount of the monthly housing assistance payment by the Agency to the owner is determined by the Agency in accordance with HUD regulations and other requirements. The amount of the housing assistance payment is subject to change during the HAP contract term.
- The monthly housing assistance payment by the Agency is credited toward the monthly rent to owner under the family's lease.
- The total of rent paid by the tenant plus the PHA housing assistance payment to the owner may not be more than the rent to the owner. The owner must immediately return any excess payment to the Agency.
- The owner may not demand or accept any rent payment from the tenant in excess of this maximum rent, and must immediately return any excess rent payment to the tenant.

Owner responsibilities

- The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease.

The owner is responsible for:

- Performing all management rental functions for the assisted unit, including selecting a voucher holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.
- Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.
- Complying with equal opportunity requirements.
- Preparing and furnishing the Agency information required under the HAP contract.
- Collecting from the family.
- \Any security deposit
- The tenant contribution
- Any charges of unit damage by the family
- Enforcing tenant obligations under the lease.
- Paying for utilities and services (unless paid by the family under the lease).

- For provisions on modifications to a dwelling unit occupied or to be occupied by a person with disabilities.

Owner breach of contract

Any of the following actions by the owner (including a principal or other interested party), is a breach of the HAP contract by the owner:

- If the owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit in accordance with the HQS.
- If the owner has violated any obligation under the HAP contract under the Section 8 program.
- If the owner charges rent in excess of the rent established on the lease.
- If the owner does not pay the utilities that are not included in the lease
- If the owner does not return the security deposit, as established by the local law.

Owner debarred

The HA must not approve a unit if the HA has been informed (by HUD or otherwise) that::

- The federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing act or the federal equal opportunity requirements and the action is pending
- A court or administrative agency has determined that the owner violated the Fair Hocusing Act or other federal equal opportunity requirements.

HA Administrative Discretion:

The HA will deny approval to lease a unit from an owner for any one of the following:

- Owner has violated obligations under a HAP contract.
- Owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.
- The owner has engaged in drug trafficking.
- The owner has a history or practice on non-compliance with the HQS requirements, state or local housing codes.
- The owner has not paid State or local real estate taxes, fines, or assessments.

- The owner does not return the security deposits when due.
- The owner has demanded or accepted payments in excess of the rent determined by the Agency.

The Agency rights and remedies against the owner under the HAP contract include recovery of overpayments, abatement or other reduction of housing assistance payments, termination of housing assistance payments, and termination of the HAP contract.

Note: After May 18, 1998, if the owner is a parent, child, grandparent, grandchild, sister, or brother of any member of the participant family, the HA must not approve the unit. However, if the housing authority determines that approval of the unit would provide reasonable accommodations for a family member who is a disabled person, the unit may be approved.

Automatic termination of HAP contract

The HAP contract terminates automatically 180 calendar days after the last assistance payment to the owner.

Third parties

The HAP contract shall not be construed as creating any right of the family or other third party (other than HUD) to enforce any provision of the HAP contract, or to assert any claim against HUD, the agency, or the owner under the HAP contract.

Owner responsibility for screening applicant's suitability for tenancy

The HA must inform the owner that the HA has not screened the family's behavior or suitability for tenancy and that such screening is the owner's responsibility.

Family's Background:

An owner may consider a family's background with respect to such factors as:

- Payment of rent and utility bills
- Caring for a unit and premises
- Respecting the rights of others to the peaceful enjoyment of their housing
- Drug-related criminal activity or other criminal activity that is a threat to the life, safety or property of others and compliance with other essential conditions of tenancy.

Information Provided Owner concerning Tenancy:

The HA must give the owner the family's current address (as shown in the HA records) and the name and address of the landlord at the family's current and prior addresses, if known to the HA. The HA will provide information to an owner for all participants when the HA possesses the following:

- The tenancy history of family members, or
- Drug-trafficking by family members.

SECTION 12

WHERE A FAMILY CAN LEASE A UNIT WITH TENANT BASED ASSISTANCE AND PORTABILITY PROCEDURES

Assistance in the Initial HA's Jurisdiction:

The family may receive tenant-based assistance to lease a unit located anywhere in the jurisdiction of the initial HA.

This part covers:

- Assistance for a family that rents a dwelling unit in the jurisdiction of the Agency that originally selected the family for tenant-based assistance
- Portability assistance for a family to whom the Agency rents a unit outside the jurisdiction of the initial PHA.

Eligible housing

The following types of housing may not be assisted by the Agency in the tenant-based programs:

1. A public housing
2. A unit receiving project-based assistance
3. Nursing homes, board and care homes, or facilities providing continual psychiatric or nursing services
4. college or oter school dormitories
5. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions
6. A unit occupied by its owner or by a person with any interest in the unit
7. A unit whose owners has been disapproved by the Agency or HUD

A family may not receive the benefit of tenant-based assistance while receiving the benefit of other housing subsidy, for the same unit or for a diff3eent unit, as established on 24CFR 982.352

Portability - Assistance Outside the Initial HA Jurisdiction:

Families living in the jurisdiction of the initial HA may receive tenant-based assistance to lease a unit outside the initial HA jurisdiction:

- In the same State as the initial HA

- In the same metropolitan statistical area (MSA) as the initial HA, but in a different state
- In an MSA that is next to the same MSA as the initial HA, but in a different State, or
- In the jurisdiction of an HA anywhere in the United States that is administering a tenant-based program.

Note: Nonresident applicants (applicants that do not live in the legal jurisdiction of the initial HA) that apply for tenant-based assistance do not have any right to lease a unit outside the initial HA's jurisdiction during the twelve (12) month period from the time the family is admitted to the program. However, the family may lease a unit outside the initial HA's jurisdiction under portability procedures if both the initial HA and the receiving HA agree.

The initial PHA must not provide portable assistance for a participant if the family has moved out of its assisted unit in violation of the lease.

The following apply during the 12 month period from the time when a family is admitted to the program:

- The family may lease a unit anywhere in the jurisdiction of the initial PHA.
- The family does not have any right to portability.
- The initial PHA may choose to allow portability during this period.

If both the initial and a receiving PHA agree, the family may lease a unit outside the PHA jurisdiction under portability procedures.

Income Eligibility for portability:

- For admission to the voucher program, a family must be income eligible in the area where the family initially leases a unit with assistance in the program.
- A portable family transferring must be income eligible for the new program in the area where the family leases an assisted unit.
- If a portable family was already a participant in the initial HA voucher program, income eligibility is not redetermined.

Leasing in Place:

If the dwelling unit is approvable, a family may select the dwelling unit occupied by the family before selection for participation in the program.

Freedom of Choice:

When the family selects eligible housing that meets all program requirements, the HA may not directly or indirectly reduce the family's opportunity to select among available units.

Portability - Administration by the Initial HA Outside the Initial HA's Jurisdiction:

When a family moves under portability to an area outside the initial HA's jurisdiction, the initial HA must administer the assistance for the family if:

- The unit is located within the same State as the initial HA, in the same MSA as the initial HA (but in a different Stat), and
- No other HA with a tenant-based program has jurisdiction in the area where the unit is located.
- If the above conditions exist, the family remains in the program of the initial HA. The initial HA has the same responsibilities for administration of assistance for the family living outside the HA's jurisdiction as for other families assisted by the HA within the HA's jurisdiction.
- The initial HA may choose to use another HA, a private management entity or other contractor or agent to help the initial HA administer assistance outside the HA's jurisdiction.

Portability - Administration by Receiving HA:

When a family moves under portability to an area outside the initial HA's jurisdiction, another HA (the receiving HA) must administer assistance for the family if an HA with a tenant-based program has jurisdiction in the area where the unit is located. When this situation exists, the HA with jurisdiction in the area where the family wants to lease a unit must issue the family a certificate or voucher. If there is more than one such HA, the initial HA may choose the receiving HA.

The receiving HA has the choice of assisting the family under either the certificate program or the voucher program. If the family was receiving assistance under the initial HA's certificate program, but is ineligible for admission to the voucher program, a receiving HA that administers a certificate program must provide continued assistance under the certificate program. If the family receiving assistance under the initial HA voucher program, but is ineligible for admission to the certificate, a receiving HA that administer a voucher program must provide continued assistance under the voucher program.

Portability Procedures:

The PHA will initially limit portability to extreme need cases until the program grows sufficiently to support ample opportunity portability cooperative agreements where the householder needs to move because of a job opportunity, disabled family member in need of specialized medical services available in the area, and other conditions to be further defined.

The initial HA must determine whether the family is income-eligible in the area where the family wants to lease a unit. The initial HA must advise the family how to contact and request assistance from the receiving HA. The initial HA must promptly notify the receiving HA, and comply with receiving HA procedures for incoming portable families.

The initial HA must give the receiving HA the most recent HUD Form 50058 for the family, and related verification information. If the receiving HA opts to conduct a new reexamination, the receiving HA may not delay issuing the family a voucher or certificate or otherwise delay approval of a unit, unless the recertification is necessary to determine income eligibility.

When the portable family requests assistance from the receiving HA, the receiving HA must promptly inform the initial HA whether the receiving HA will bill the initial HA for assistance on behalf of the portable family, or will absorb the family into its own program. The receiving HA must determine whether to extend the voucher term.

The family must submit a request for lease approval to the receiving HA during the term of the receiving HA certificate or voucher. The receiving HA must determine the family unit size for the portable family. The family unit size is determined in accordance with the subsidy standards of the receiving HA. The receiving HA must promptly notify the initial HA if the family has leased an eligible unit under the program, or if the family fails to submit a request for lease approval for an eligible unit within the term of the certificate or voucher. To provide tenant-based assistance for portable families, the receiving HA must perform all HA functions, such as reexamination of family income and composition.

Absorption by the Receiving HA:

If funding is available for the receiving HA, when a voucher is received, the receiving HA may absorb the family into the receiving HA's certificate or voucher program.

Note: HUD may require a receiving HA to absorb all or a portion of the portable families.

Portability Billing:

The receiving HA may bill the initial HA for housing assistance payment and administrative fees. The initial HA must promptly reimburse the receiving HA for the full amount of the housing assistance payments (HAP) made by the receiving HA for the portable family.

The amount of the HAP for a portable family in the receiving HA's program is determined in the same manner as for other families in the receiving HA program. The initial HA must promptly reimburse the receiving HA for 80 percent of the initial HA's on-going administrative fee for each unit month that the family receives assistance under the tenant-based program from the receiving HA. HUD may reduce the administrative fee to an initial HA, if the HA does **not promptly reimburse** the receiving HA for housing assistance payments or fees on behalf of portable families.

This HA has determined that **promptly** means not later than forty-five (45) days from the initial date of the portability and every three months thereafter.

If an HA does not process billing on time, it will have to absorb the portable family.

SECTION 13

ABSENCE FROM ASSISTED UNIT

Absence means that no member of the family is residing in the unit. Families participating in the program may be absent for a period of 14 consecutive calendar days. The Head of Household must request written permission from the HA prior to leaving the assisted unit. The written request must be submitted 30 calendar days in advance of the anticipated absence.

The HA may approve absences in excess of 14 consecutive calendar days for vacation, hospitalization or other good cause as presented to the HA by the head of household. The HA will respond in writing within 10 calendar days of the receipt of the request for approved absence. The HA will not approve any request for absence for a period of more than 180 consecutive calendar days in any circumstance, or for any reason.

Note: In an emergency situation exists, such as hospitalization, the head of household must ~~notify the HA by telephone as soon as possible and request a determination via the telephone.~~ Verbal request for determination may only be made in emergency situation. The HA will respond verbally and follow-up its verbal determination in writing within ten (10) calendar days of the verbal request.

Continued Assistance after Family Break

The HA shall determine which family members will continue to receive assistance after a family break-up. The head of household, spouse, or any adult member of the household must notify the HA that there has been a family break-up and continued assistance is being requested. The assisted family member making the request must submit the request in writing to the HA and request a determination. The request must be made within 10 calendar days of the break-up. The HA will consider the following factors in making this determination:

- Assisted Unit: Whether the assistance should remain with family members remaining in the original assisted unit.
- Interest of Family Members: The interest of minor children or of ill, elderly or disabled family members.
- Physical Violence: Whether family members are forced to leave the unit as a result or actual or threatened physical violence against family members by a spouse or other member of the household.

The HA will issue a determination within 10 calendar days of receipt of the request for an informal hearing. The person requesting the determination may request an Informal Hearing in accordance with the HA established procedures if they disagree with the determination of the HA.

Note: If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, the HA is bound by the court's determination of which family members continue to receive assistance in the program.

SECTION 14

SUBSIDY STANDARDS

The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding. The subsidy standards must be applied consistently for all families of like size and composition.

The family unit size as determined for a family under the HA subsidy standard is used to determine the maximum rent subsidy for a family assisted in the voucher program.

The following subsidy standards shall determine the number of bedrooms required to accommodate each family without overcrowding or over-housing:

Subsidy Standards to be applied by this HA:

Number of Bedrooms	Number of Persons	
	Minimum	**Maximum**
1	1	2
2	2	4
3	3	6
4	4	8
5	5	10

Section 8 participants shall be issued a Voucher based on the subsidy standard listed above. In determining family unit size for a particular family, the HA may grant an exception to the above subsidy standard if the HA determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances.

The family unit size for any family consisting of a single person must be either a zero or one-bedroom unit, unless a live in aide resides with the family. Any live in aide must be approved by the HA, in advance, and reside in the unit to care for a family member who is disabled or is at least 50 years of age. A live in aide must be counted in determining the family unit size. A medical certificate indicating health condition and need for a living aide must be provided before its approval

A single person can rent a larger unit size if the owner agrees to accept the rent for a zero or a one bedroom unit.

A family that consists of a pregnant woman (with no other persons) must be treated as a **two-person** family, but only for determining the number of bedrooms. The woman must submit a certificate of at least four-month pregnancy.

A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size.

Small children of different sex may have their own bedroom, or share one, as the family may require.

The HA may grant an exception to its established subsidy standards if the HA determines that the exception is justified by the age, sex, health, handicap or other personal circumstances. Medical certificates will be required when considering an exception based on health or handicap.

Size of unit occupied by family

The family may lease an otherwise acceptable dwelling unit with fewer bedrooms than the family unit size. However, the dwelling unit must meet the applicable HQS space requirements.

The family may lease an otherwise acceptable dwelling unit with more bedrooms than the family unit as long as the gross rent required does not exceed the payment standard of the number of bedrooms required and assigned by the PHA.

Violation of HQS space standards

If the HA determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, the HA must issue a new voucher, and the family and the HA must try to find an acceptable unit as soon as possible.

If an acceptable unit is available for rental for the family, the HA must terminate the HAP contract in accordance with its terms.

SECTION 15

HOUSING QUALITY STANDARDS AND INSPECTIONS

Inspection Standards

Before a unit can be approved for occupancy under Section 8 program, the unit must meet the performance requirements set forth in 24 CFR 982.401, which are the Housing Quality Standards (HQS).

Housing Quality Standards

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant-based programs. HQS are required both at initial occupancy and during the term of the lease, that is, throughout the assisted tenancy. HQS standards apply to the building and the exterior premises, as well as the unit.

Inspections of private landlord's property

When the HA receives a Request For Tenancy Approval (RFTA), the HA shall inspect the unit within fifteen (15) days from the request for compliance with the HA's housing quality standards (HQS). This HA will strongly try to comply with the inspection requested in a period that will not exceed seven (7) days. If there are defects or deficiencies with HQS standards they must be corrected in order for the unit to comply with HQS standards, the owner must be advised in writing by the HA of the work required to be done before a Contract is executed. The unit will be re-inspected to ascertain that the necessary work was performed and the unit met the HQS standards for occupancy.

The HA will maintain a copy of every inspection and re-inspection report for five years, with no exception. If the unit inspected requires testing for Lead Based Paint and/or the unit requires treatment of chewable surfaces based on the testing, the HA shall keep indefinitely the test results and, if applicable, the Owner certification of the treatment. The inspection reports will specify the defects or deficiencies that must be corrected in order for the unit to be corrected for meeting the HQS standards.

Types of HQS Inspections and requirements:

- Initial Inspections: Performed by the HA staff after receiving the Request For Tenancy Approval from the applicant. It will be conducted to determine that the unit and property meet the HQS. Document the current condition of the unit as a basis to evaluate whether the future condition of the unit exceeds normal wear and tear. If the unit fails to initial HQS inspection, the family and owner will be advised to notify the HA once repairs are completed. The Owner will be given up to 30 days to correct the items noted as Fail. If the time period has elapsed the family must select another unit.
- Annual HQS Inspection: Required for tenants continuing to receive assistance and remaining in the same unit. Regional Offices Inspectors will conduct at least an annual inspection within 90 day prior to the anniversary month of the contract.
- Re-Inspections: Performed by HA staff for the purpose of verifying that the deficiencies noted in the previous inspection have been corrected and meet HQS.
- Quality Control Inspections: The Section 8 Coordinator or designated staff will re-inspect five percent (5%) (based on a random sample) of the total number of Section 8 units under HAP contract to insure that inspections are being performed in compliance with HQS standards. The Regional Supervisor may perform some of the re-inspections if necessary. The Regional Supervisor will maintain a file that documents the quality control inspections.
- Special inspections: These types of inspections may be necessary when Federal Official visits the HA to perform compliance review of the HA and/or the Owner may request a special inspection be performed to document unit condition. Special inspections may be schedule between anniversary dates.
- Move-Out Inspections: Are not required since the HA is not responsible for damages on the property. If an Owner request a move-out inspection to substantiate a damage claim/violation of family obligation, the inspection must be completed prior to the work that will correct the damage being done. Pictures will be accepted to sustain damages. The HA may use this evidence to terminate the continuing assistance to the participant because of a family violation.

Note: The HA may only be responsible for a portion of a damage claim for HAP contracts existing **prior to October 2, 1995.**

HQS Inspection Areas:

The following areas are included in HQS inspections:

- Sanitary Facilities
- Food preparation and refuse disposal
- Space and security
- Thermal environment
- Illumination and electricity
- Structure and materials
- Interior air quality
- Water supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary conditions
- Smoke detectors

Note: The HA's inspection only certifies that the unit meets HQS federal regulations and the HA is not responsible for items not included in the HQS inspection.

Acceptability Standards:

1. Smoke detectors will be required as per HUD regulations and the National Fire Protection Association. At least one smoke detector must be installed in every multiple dwelling unit. The detector must be installed on the ceiling and within 15 feet of all rooms used for sleeping purposes. There must be at least one detector for each level on which a room is used for sleeping purposes.
2. A bedroom must have a floor area of not less than 70 square feet.
3. The minimum bedroom ceiling height must not be less than seven (7) feet six (6) inches.
4. Every room used exclusively as a bedroom shall have access to at least one bathroom without passing through another room used exclusively as a bedroom.

5. Each bedroom must provide natural ventilation through a window, skylight or other acceptable opening.
6. Partitions separating rooms used for bedrooms from other rooms must be of "one-hour-fire-rated" construction.
7. The dwelling unit must include sanitary facilities within the unit. It must be in proper operating condition (proper drain and sewer trap). The unit must have a fixed basin (Lavatory) with hot and cold running water in proper operating conditions. Must have a shower or tub with cold and hot running water in proper operating conditions and afford privacy.
8. The unit must have suitable space and equipment to store, prepare, and serve food in a sanitary manner.
9. The dwelling must have a kitchen sink in proper operating condition with cold and hot running water and must drain into approved public or private system.
10. The dwelling unit must provide adequate space and security for the family. At a minimum, the unit must have a living room, a kitchen and a bathroom.
11. Exterior doors to the unit must be lockable.

HQS General Policies:

The dwelling units have to be inspected at least annually, if fail items are noticed during the inspection the staff must notify in written to the owner or tenant such findings. The Owner or Tenant must be given time to correct the failed items.

Time Standards for Repairs.

There are three guidelines to use:

1. If the item endangers the family's health or safety the owner must be given 24 hours to correct the violation.
2. For less serious failures the owner must be given up to 30 days to correct the items.
3. For major repairs or weather-deferred items, the Section 8 Program Director may approve an extension beyond 30 days.

Emergency Repair Items:

The following items are considered to be of an emergency nature and must be corrected by the owner or tenant (whoever is responsible within 24 hours of notice by the Inspector. Other items may constitute an emergency at the discretion of the Inspector if they appear to represent an immediate threat to the health or safety of the family:

- No electricity or running water
- Major plumbing leaks or flooding
- Any electrical outlet, switch, stationary light fixture, fuse box or circuit breaker that smokes, sparks or short circuits creating a fire hazard.
- Lack of security for the unit
- Waterlogged ceiling in imminent danger of falling
- Natural gas leak or fumes
- Utilities not in service
- No running hot water
- Lack of functioning toilet
- Obstacle which prevents tenant's entrance or exit

If the emergency repairs items are not corrected in the time period required by the HA, and **the owner is responsible**, the housing assistance payment will be abate and the HAP contract will be terminated.

If the emergency repair items are not corrected in the time period required by the HA and is **a family obligation**, the HA will terminate the assistance to the family and the owner's payment will not be abate.

Abatement:

A Notice of Abatement will be sent to the owner, and the full amount of assistance will be abate effective on the first of the month following the notice.

If the owner makes repairs during the abatement period, payment will resume on the first of the month following the unit pass inspection.

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 the HQS. The notice of abatement will state that the tenant is not responsible for the HA's portion of the rent that was abated.

SECTION 16

DETERMINATION OF PARTICIPANT RENT AND REEXAMINATION OF INCOME AND FAMILY CIRCUMSTANCES

Rent as initially determined or at annual reexamination will remain in effect for the period between regular reexamination of family income and composition, unless the following changes in family circumstances occur. Also, Section 8 participant agrees to report, in writing, and provide certification following any change in annual income within ten (10) calendar days of the following occurrences:

- Loss or addition of family composition of any family member through birth, death, divorce, removal of other continuing circumstances and the amount, if any, of family member's income.
- Employment, unemployment, or changes in employment of a permanent nature of the family head, spouse, or other wage earner that is 18 years of age.
- To correct errors made when determining eligibility or at reexamination.

Note: If an error results in a retroactive rent payment due to the participant not providing correct information concerning annual income, the Section 8 participant may request the HA representative to approve a repayment schedule. The Section 8 participant must make the request, in writing, to the HA representative. The amount of the repayment will be the higher of $10 per month or ten percent (10%) of the monthly-adjusted income. The HA representative will provide the Section 8 participant with a written response to the request and if approved, the written notification will include the amount of the monthly repayment plus the due date of the first payment.

The final estimate of Family Income will be made by the HA on the basis of verified information regarding income.

There is no minimum income requirement, but the staff should use good interviewing skills to determine whether there is income (as defined in Section IV), which is not being reported.

Families may not be required to apply for public assistance, but it may be suggested to them. If the family reports zero income, the HA will have the family sign a verification form to verify that no income is being provided.

Families will be required to report any changes in their income status within ten (10) calendar days of the occurrence of employment and/or any other type of income is received. Families

with zero (0) income **may** be requested to recertify more frequently. This HA will recertify zero income families every six months.

Annual Re-examination:

Once each year, or as required by this HA, the HA must reexamine the income and family composition of all families participating in the Section 8 Program, in accordance with 24 CFR 5.617. Verifications acceptable to the HA shall be obtained and determinations made. In the event of failure or refusal of the family to report the necessary information, the HA may terminate the assistance.

Records shall be maintained by the HA to insure that every participant's income and family composition has been reexamined within a twelve-month period.

Upon completion of verification and reexamination, the participant shall be notified, in writing, no later than thirty (30) days prior to the effective date of the following:

- Any change in rent and the date on which it becomes effective
- Any change required because of a change in the family composition.

Interim Redetermination of Rent:

The rent set at admission or annual Reexamination will remain in effect for the period between regular rent determinations unless changes in family circumstances occur. The participant is required and agrees to report, in writing, the following specified changes in family income and composition within ten (10) calendar days of occurrence:

- Loss or addition to family composition of any kind through birth, death, marriage, divorce, removal or other continuing circumstance and the amount, if any, of such family member's income. Any such additions, other than birth, must be approved by the HA in advance, and must qualify, the same as an applicant or any prospective new participant.
- Employment, unemployment or changes income for employment of a permanent nature of the family head, souse, or other wage earner eighteen (18) years of age or older
- The starting of or stopping of, or an increase or decrease of any benefits or payments received by any member of the family or household from Old Age Pension, Aid for Dependent Children, Black Lung, Railroad Retirement,. Private Pension Fund, Disability Compensation, Veterans Administration, Child Support, Alimony, Regular Contributions or Gifts. Lump sum payments or retroactive payments of benefits from any of the above sources that constitute the sum of monthly payments for a preceding period paid in a

- lump sum must be reported and rent adjusted retroactively on such income to date of eligibility for any family member residing in the household for that period of time.
- Cost of living increases in Social Security or public assistance grants need not be reported until next re-examination and redetermination of rent.
- Errors of omission made at admission or re-examination shall be corrected by the HA. Retroactive payments will be made to the participant if the error is in his/her favor.
- A participant who has had a rent reduction/increase after initial occupancy or after annual re-examination must report all changes in income within ten (10) calendar days regardless of the amount or source.

Notice of Temporary Rent:

On occasions, the HA is required to compute rent based on information that is supplied by the participant and third party information that has not or will not be provided by the employer. ~~When this situation occurs, the HA will compute a temporary rent based on the information~~ available. Once the information is verified, the participant will be notified in writing. If an underpayment was made based on the information provided, the participant will have fourteen (14) days from the date of the HA notification to pay the amount specified. If the participant has made an overpayment, that amount will be credited to his/her account, with the landlord. The Head of Household and Spouse (if applicable) and an HA representative signs this Notice of Temporary Rent and it is filed appropriately with a copy provided to the participant.

The Effective Dates of Interim Redetermination of Rent:

Any decrease in rent resulting from any decrease in family income will be made effective the first of the month following the date the decrease in family income was reported and verified in writing.

The participant agrees to pay any increase in rent resulting from an increase in family income the first day of the second month following the date in which such increase in family income occurred, and to pay any back rent due because of failure to report such increase in family income.

- Any interim decrease in rent will require re-verification in family income that has not been verified within ninety (90) calendar days of the previous rent determination.
- Participant agrees to pay any increase in rent resulting from the implementation of changes in rent computation or increases due to changes in regulations, policies or procedures requiring implementation by the United States Department of Housing and Urban Development.

- **Temporary** employment/unemployment or increases and decreases in wages "**for any reason**" of less than 30 days will not constitute a rent adjustment.
- If it were found that a participant has misrepresented or failed to report facts upon which rent is based so that the participant is paying less than they should be paying the increase in rent shall be made retroactive to the date the increase would have taken effect. The participant will be required to pay the difference between the rent paid and the amount that should have been paid. In addition, the participant may be subject to civil and criminal penalties. Misrepresentation is a serious program violation, which may result in termination of assistance.

Special Re-examinations:

Special reexaminations are prescheduled extensions of admission or continued occupancy determinations, and will be considered for the following reasons:

- ~~If it is impossible to determine annual family income accurately due to instability of~~ family income and/or family composition, a temporary determinations of income and rent is to be made and a special re-examination shall be scheduled for thirty (30), sixty (60), or ninety (90) days, depending on circumstances. The participant shall be notified, in writing, of the date of the special re-examination.
- If the family income can be anticipated at the scheduled time, the reexamination shall be completed and appropriate actions taken. If a reasonable anticipation of income cannot be made, another special reexamination shall be prescribed and the same procedure followed as stipulated in the preceding paragraph until a reasonable estimate can be made.
- Rents determined at special reexamination shall be made effective as follows:

  30 days from the date the reexamination is effectuated, which should be the anniversary of the last Recertification.

  Retroactive to the date of an increase in income if the participant did not notify the increase as required.
  Retroactive to the date the participant had a decrease if the participant reported it on time.

Minimum Rent Hardship Exemptions:

The HA **shall** immediately grant an exemption from application of the minimum monthly rent to any family making a proper request in writing who is unable to pay because of financial hardship, which shall include:

- The family has lost eligibility for, or is awaiting an eligibility determination from a federal, state, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the Immigration and Nationalization Act who would be entitled to public benefits.
- The family would be evicted as a result of the implementation of the minimum rent (this exemption is only applicable for the initial implementation of a minimum rent of increase to the existing minimum rent.
- The income of family has decreased because of changed circumstance, including loss of employment.
- A death in the family has occurred which affects the family circumstances.
- Other circumstances which may be decided by the HA on a case-by-case basis.

All of the above must be proven by the Resident, providing verifiable information in writing to the HA prior to the rent becoming delinquent and before the lease is terminated by the HA.

If a resident requests a hardship exemption (prior to the rent being delinquent) under this section, and the HA reasonably determines the hardship to be of a temporary nature, exemption shall not be granted during a ninety day period beginning upon the making of the request for the exemption. A resident may not be evicted during the ninety-day period for non-payment of rent. In such a case, if the resident thereafter demonstrates that the financial hardship is of a long term basis, the HA shall retroactively exempt the resident from the applicability of the minimum rent requirement for such ninety day period. This Paragraph does not prohibit the HA from taking eviction action for other violations of the lease.

Reduction of Welfare Benefits:

If the Section 8 participant requests an income re-examination and the rent reduction is predicated on a reduction in tenant income from welfare, the request will be denied, but only after obtaining written verification from the welfare agency that the family benefits have been reduced because of:

- Noncompliance with economic self-sufficiency program, or
- Work activities requirements, or

- Because of fraud.

Exception to Rent reductions:

Families, whose welfare assistance is reduced specifically because of fraud or failure to participate in an economic self-sufficiency program or comply with a work activities requirement will not affect their Section 8 tenant-based assistance. The rent will not be reduced.

SECTION 17

ADJUSTMENT TO CONTRACT RENT, PLUS MONTHLY HOUSING ASSISTANCE PAYMENTS

Contract Rents:

Contract rents may be adjusted by the HA on an annual basis and for special adjustments as provided below:

- Annual Adjustment: Upon request from the owner to the HA an annual adjustment may be made if the Contract unit is in decent, safe and sanitary condition and the Owner is otherwise in compliance with the terms of the Lease and the HAP contract. Annual adjustments as of any anniversary date shall be determined by using the Section 8 Annual Adjustment Factor most recently published by HUD in the federal Register. The ~~Contract rent may be adjusted upward or downward. However, in no case shall the~~ adjusted rent be less than the Contract rent on the effective date of this Contract.

- A special adjustment: Subject to HUD approval, to reflect increases in the actual and necessary expenses of owning and maintaining the unit which have resulted from substantial general increases in real property taxes, utility rates or similar costs (i.e. assessments, and utilities not covered by regulated raters), but only if and to the extent that the Owner clearly demonstrates that such general increasers have caused increases in the Owner's operating costs which are not adequately compensated for by the annual adjustments provided for in number 1 above of this section. The Owner shall submit financial statements to the HA which clearly support the increase. The Owner shall submit financial statements to the HA which clearly support the increase.

Utility Allowances:

At least annually, the HA shall determine whether there has been a substantial change in utility rates or other charge of general applicability, and whether an adjustment is required in the Allowance of Utilities and Other Services by reason of such changes or because of errors in the original determination. If the HA determines that an adjustment should be made, the HA shall establish a schedule of adjustments taking into account size and type of dwelling units and other pertinent facts and shall furnish HUD with a copy of the adjusted schedule. (Reference 24 CFR 882.214)

Overall Limitation of Adjustments

Notwithstanding any other provisions of this part, adjustments as provided for in this section shall not result in material differences between the rents charged for assisted and comparable unassisted units.

Monthly Housing Assistance Payment (HAP) Payments:

Monthly payments will be made to an owner on behalf of a family participating in the Section 8 Program. Payments will be issued in accordance with the Housing Assistance Payment Contract. The checks will be issued on a monthly basis and mailed directly to the participating owner (due on the fifth (5) day of each month for the current month.)

A copy of the check will be kept and serve as a record of payment.

SECTION 18

FAIR MARKET RENT (FMR), PAYMENT STANDARD AND RENT REASONABLENESS LIMITATION

Fair Market Rent (FMR)

HUD establishes the FMR by units size and by municipality. The range of possible payment standard amounts is based on HUD's published FMR schedule for the FMR area in which the PHA has jurisdiction. A PHA may set its payment standard amounts from 90 percent to 100 percent of the annually published FMR's. The HUD's field office may establish an exemption payment standard over or under the abovementioned limits.

Payment Standard

Establishing the Payment Standard

Payment standard has been established within the basic range, at 110 percent of the published FMR for our jurisdiction.

The family share may not exceed a 40 percent of the family's monthly-adjusted income. If the family leases a unit with a gross rent at or below the payment standard, the family's share of the rent will be its Total Tenant Payment [TTP]. I f the rent for the unit is higher than the payment standard, the family's share will be higher that the TTP.

Payment Standard amounts should be high enough to allow families a reasonable selection of decent, safe and sanitary housing in a range of neighborhoods in the PHA's jurisdiction.

Revising the Payment Standard

This PHA maintains its Payment Standard amounts for each unit size in a FMR area within the basic range of 90 to 110 percent of the 40th percentile of FMR. Payment Standard has been established in 110 percent of the published FMR for this jurisdiction. Below 90 or above 110 percent of the 40th percentile of FMR requires HUD approval.

Prior to the effective date of any new FMR the PHA will review its Payment Standard Schedule to ensure that the Payment Standard remain within the basic range [90 to 110%] and determine whether adjustments are needed for some of all units sizes. PHA will likely increase payment standard as FMR increases in order to help voucher holders find units and current participants to continue to afford the units they have selected.

PHA will review the size and quality of units selected by assisted families before concluding that there is a need for a change in the payment standard amount.

PHA will review the average time required for voucher holders to find units. If determine that the amount of time required is excessive (90 days or more) an increase in the Payment Standard amount may be needed.

PHA will also review the number of voucher holders whose vouchers expire without their having leased a unit.

PHA will review rent reasonableness data and vacancy rate data to determine whether there is an ample supply of vacant units with rent below the payment standard, particularly in areas with low concentration of poverty and minority families.

Applying the Payment Standard

The payment standard is used to calculate the monthly Housing Assistance Payment [HAP] for a family under the Housing Choice Voucher Program.

The HAP is calculated by determining the lower of:

- Payment Standard minus the Total Tenant Payment, or
- Gross Rent for the unit minus the Total Tenant Payment.

If the gross rent for the unit is higher than the payment standard, the family may pay the TTP plus the amount by which the gross rent exceeds the payment standard.

The payment standard amount for a family is the lower of:

- Payment Standard for the family unit size, or
- Payment Standard amount for the size of the unit leased by the family.

Rent Reasonableness

HA Determination

Before entering into a HAP contract, the HA must determine that the rent to owner is reasonable. For this purpose, each participant's file will include a certification that provides all factors considered in determining the reasonable rent. The certification also identifies the persons who conducted the evaluation and certifies the compliance with this policy and the federal regulations.

A comparability study will be performed to determine initial rent and annually to process any rent increase upon timely request from owner.

The HA must redetermine the reasonable rent:

- Before any increase in rent to owner

- If there is a five (5) percent decrease in the published FMR in effect 60 days before the contract anniversary (for unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary
- If directed by HUD

Comparability

In conducting rent reasonableness, the PHA must determine whether the rent to the owner is a reasonable rent in comparison to rent for other comparable unassisted units. For this purpose, the HA will conduct either telephone, site visits after telephoning, or more extensive market surveys of available rental units in the area where the unit to be contracted is located. When conducting the study, the HA staff will consider two or three unassisted units. In determining comparability the PHA must consider:

- Location of the unit within the community and the availability and accessibility of public transportation to schools, stores and medical facilities.
- Unit size including number of bedrooms and bathrooms.
- Unit type, such as garden apartment, elevator building, townhouse, single-family unit.
- Quality – the extent to which the unit meets or exceeds the Housing Quality Standards.
- Accessibility to persons with disabilities.
- Amenities for the submitted dwelling.
- Facilities, including availability of playgrounds, storage, parking, etc.
- Gross rent amount (including utilities and appliances) charged by owner, or amount charged by owner plus estimated utility allowance of tenant paid utilities and appliances (i.e., range and refrigerator).
- Age of contract unit (year built).

The data for unassisted units will be gathered from:

- Market rent information obtained from owner, real estate agents or banks.
- Classified advertisements in news papers

The PHA maintains a notebook, which includes data on unassisted units for use by staff in making rent reasonableness determinations. The data will be updated on an ongoing basis and purged when it is more than twelve (12) months old.

Owner certification of rents charged for other units

By accepting each monthly Housing Assistance Payment from the HA, the owner will certified that the rent is not more than rent charged by the owner for comparable unassisted units in the premises.

Negotiating rent to Owner

The rent is negotiated between the owner and the tenant. At the family's request, the HA must help the family negotiate the rent to owner. In this negotiation, the parts must consider the limits of payment standard established by the HA.

Voucher payment standard schedule

A voucher payment standard schedule is a list of the payment standard amounts used to calculate the voucher housing assistance payment for each unit size in an FMR area. The payment standard schedule for an FMR area includes payment standard amounts for any HUD approved exception rent area in the FMR area.

- The voucher payment standard schedule establishes a single payment standard for each unit size in an FMR area and, if applicable, in a HUD-approved exception rent area within an FMR area.
- Payment standard amounts on the payment standard schedule must be within the maximum and minimum limits stated in paragraph (b)(12)(ii) of this section. Within these limits, payment standard amounts on the schedule may be adjusted annually, at the discretion of the HA, if necessary to assure continued affordability of units in the Ha jurisdiction.
- To calculate the housing assistance payment standard from the HA payment standard schedule for the fair market rent area (including the applicable payment standard for any HUD-approved exception rent area) where the unit rented by the family is located.

Over-FMR tenancy: Determining amount of assistance:

Payment standard:

At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, and where the gross rent of the unit exceeds the applicable payment standard for the family, the family share does not exceed 40 percent of the family's monthly adjusted income.

For an over-FMR tenancy, the payment standard for the unit size is the FMR tenancy, the payment standard for the unit size is the FMR/exception rent limit.

- The payment standard for a family is the lower of:
- The applicable payment standard minus the total tenant payment, or
- The monthly gross rent minus the minimum rent as required by law.

Payment standard for the family

- This paragraph applies to both a voucher tenancy and an over-FMR tenancy.
- The payment standard for a family is the lower of:
- The payment standard for the family unit size, or
- The payment standard for the unit size rented by the family.

If the unit rented by a family is located in an exception rent area, the HA must use the appropriate payment standard for the exception rent area.

During the HAP contract term for a unit, the amount of the payment standard for a family is the higher of:

- The initial payment standard (at the beginning of the lease term) minus any amount by which the initial rent to owner exceeds the current rent to owner, or

- The payment standard as determined at the most recent regular examination of family income and composition effective after the beginning of the HAP contract term.

Over FMR Tenancy: HA approval: HA discretion to approve

At the request of the family, the HA may approve an over-FMR tenancy in accordance with this section.

Generally, the HA is not required to approve any over-FMR tenancy. However, the HA must approve an over-FMR tenancy in accordance with this section, if needed as reasonable accommodations so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8.

The HA generally will approve over FMR tenancy if it is to aid in furthering of the goals and objectives of fair housing.

Requirements.

- Ten percent limit. The HA may not approve additional over-FMR tenancies if the number of such tenancies currently is ten percent or more of the number of incremental certificate units under the HUD-approved budget for the HA certificate program. "Incremental units" means the number of budgeted certificate units minus any units for which HUD provided tenant-based program funding designated Previously residing in housing with Section 8 project-based assistance.

- Affordability of family share. The HA may not approve an over-FMR tenancy unless the HA determines that the initial family share is reasonable. In making this determination, the HA must take into account other family expenses, such as child care, unreimbursed medical expenses, and other appropriate family expenses as determined by the HA.

- Amount of assistance. During an over-FMR tenancy, the amount of the housing assistance payment is determined in accordance with Sec. 982.505(c).

Regular Tenancy: (How to calculate housing assistance payment)

The monthly housing assistance payment equals the gross rent, minus the higher of:
FMR/exception rent limit

The initial gross rent for any unit may not exceed the FMR/exception rent limit on the date the HA approves the lease.

The FMR/exception rent limit for a family is the lower of

The FMR/exception rent limit for the family unit size, or
The FMR/exception rent limit for the unit size rented by the family.

Reasonable Rent. The initial rent to owner may not exceed a reasonable rent as determined in accordance with Section 982.503.

~~Regular Tenancy: (Annual adjustment of rent to owner)~~

When rent is adjusted. At each annual anniversary date of the HAP contract, the HA **must** adjust the rent to owner at the request of the owner in accordance with this section.

Amount of annual adjustment in rent.

The adjusted rent to owner equals the lesser of the pre-adjustment rent to owner multiplied by the applicable Section 8 annual adjustment factor, published by HUD in the Federal Register, that is in effect 60 days before the HAP contract anniversary.

- The PHA will approve the reasonable rent (as most recently determined or redetermined by the HA in accordance with Sec. 982.503), or the amount requested by the owner.
- In making the annual adjustment, the pre-adjustment rent to owner does not include any previously approved special adjustments.
- The rent to owner may be adjusted up or down in accordance with this section.
- The rent to owner for a unit must not be increased at the annual anniversary date unless the owner requests the adjustment by giving notice to the HA, and during the year before the annual anniversary date, the owner has complied with all requirements of the HAP contract, including compliance with the HQS.

- The rent to owner will only be increased for housing assistance payments covering the months commencing on the latter of:

  The contract anniversary date, or
  At least sixty days after the HA receives the owner's request.

Regular Tenancy: (Special adjustment of rent to owner).

Substantial and general cost increases

At HUD's sole discretion, HUD may approve a special adjustment of the rent to owner to reflect increases in the actual and necessary costs of owning and maintaining the unit because of substantial and general increases in:

Real property taxes
Special governmental assessments
Utility rates, or
Costs of utilities not covered by regulated rates.

Reasonable rent. The adjusted rent may not exceed the reasonable rent. The Owner may not receive a special adjustment if the adjusted rent would exceed the reasonable rent.

Term of special adjustment in rent

- The HA may withdraw or limit the term of any special adjustment.
- If a special adjustment is approved to cover temporary or one-time costs, the special adjustment is only a temporary or one-time increase of the rent to owner.

Other fees and Charges

- The cost of meals or supportive services may not be included in the rent to owner, and the value of meals or supportive services may not be included in the calculation or reasonable rent.
- The lease may not require the tenant or family members to pay charges for meals or supportive service. Non-payment of such charges is not grounds for termination of tenancy.
- The owner will not charge the tenant extra amounts for items customarily included in rent in the locality, or provided at no additional cost to unsubsidized tenants in the premises.

Distribution of Housing Assistance Payments

The monthly housing assistance payment is distributed as follows:

The H/A pays the owner the lesser of the housing assistance payment or the rent to owner.

- If the housing assistance payment exceeds the rent to owner, the HA will pay the balance of the housing assistance payment either to the family or directly to the utility supplier to pay the utility bill on behalf of the family.

Family Share: (Family responsibility)

- The family share is calculated by subtracting the amount of the housing assistance payment from the gross rent.

- The HA will not use housing assistance payments or other program funds (including any administrative fee reserve) to pay any part of the family share. Payment of the family share is the responsibility of the family.

SECTION 19

FAMILY INCOME AND COMPOSITION
REGULAR AND INTERIM EXAMINATIONS

HA responsibility on reexamination and verification. The HA's responsibility for reexamining family income and composition are specified in 24 CFR Part 5, subpart F. The HA will obtain and document in the tenant file third party verification of the following factors, or will document in the tenant file why third party verification was not available.

- Reported family annual income
- The value of assets
- Expenses related to deductions from annual income, and
- Other factors that affect the determination of adjusted income.

When HA will conduct interim reexaminations.

At any time, the HA may conduct an interim reexamination of family income and composition

At any time, the family should request an interim determination of family income or composition because of any changes since the last determination. The HA will make the interim determination within a reasonable time after the family request.

Interim examinations will be conducted upon any change in the family's circumstances that would affect the rent or size of unit.

An addition to the family household will have to be reported and considered by the HA, even if there is no need for a change in the size of the unit.

Family reporting of change. The HA has adopted a policy prescribing that families must report changes in income and composition upon 10 working days of its occurrence.

Effective date of reexamination

The effective date of a change in the housing assistance payment resulting from an interim determination will be the first day of the month following the date the reexamination is made, unless the reason for the reexamination is due to unreported increase in income, which will have the effect of a retroactive action.

At the effective date of a regular or interim reexamination, the HA will make appropriate adjustments in the housing assistance payment and family unit size.

Family income.

Family income must include income of all family members, including family members not related by blood or marriage. If any new family member is added, family income must include any income of the additional family member. The HA will conduct a reexamination to determine such additional income, and will make appropriate adjustments in the housing assistance payment and family unit size.

SECTION 20

UTILITY ALLOWANCE SCHEDULE

Maintaining Schedule

The HA must maintain a utility schedule for all tenant-paid utilities (except telephone), for cost of tenant-supplies refrigerators and ranges, and for other tenant-paid housing services (trash collection, disposal of waste and refuse)

The HA must give HUD a copy of the utility allowance schedule. At HUD's request, the HA also must provide any information or procedures used in the preparation of the schedule. .

An HA's utility allowance schedule, and the utility allowance for an individual family will include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards. However, the HA will not provide any allowance for non-essential utility costs, ~~such as costs of cable or satellite television.~~

In the utility allowance schedule, the HA will classify utilities and other housing services according to the following general categories: air conditioning, cooking, water heating, water, sewer, trash collection (disposal of waste and refuse), other electric items, refrigerator (cost of tenant-supplied refrigerator), range (cost of tenant-supplied range, and other specified housing services. The HA will provide a utility allowance for tenant-paid air-conditioning costs if the majority of housing units in the market provide centrally air-conditioned units or there is appropriate wiring for tenant-installed air conditioners.

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

The utility allowance schedule will be prepared and submitted in accordance with HUD requirements on the form prescribed by HUD.

Revision of the utility allowance schedule

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

At HUD direction the HA will revise the utility allowance schedule to correct any error, or as necessary to update the schedule.

Use of utility allowance schedule

The HA will use the appropriate utility allowance for the size of the dwelling unit actually leased by the family (rather than the family dwelling unit size as determined under the HA subsidy standards). At reexamination, the HA will use the current utility allowance schedule.

Higher utility allowance as reasonable accommodation for a person with disabilities

On request from a family that includes a person with disabilities, the HA will approve a utility allowance which is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation in accordance with 24 CFR part 8 to make the program accessible to and usable by the family member with a disability.

SECTION 21

AFFORDABILITY ADJUSTMENTS AND RENT PROVISIONS

Annual Increases of Payment Standards.

The HA, in its discretion, may adopt annual increases of payment standards amounts on the payment standard schedule, so that families can continue to afford to lease units with assistance under the Housing Voucher Program (Reference 24 CFR 982.617). In determining when an adjustment to the payment is necessary, the HA will consider:

- Rent burden (number of families paying more than 30% of income for rent) if more than 50%, the HA may adjust the payment standard.
- Success rate in leasing vouchers (if less than ninety percent (90%), the HA may adjust the payment standard) and
- Percentage of FMR (if payment standard is within 110 percent of the FMR, either higher of lower, the HA may adjust the payment standard.).
- The HA will also consider the financial utilization of funding provided for vouchers. If the HA determines that vouchers are not being leased to properly utilize funding, the payment standard may need to be adjusted to increase utilization of available funding.

Rent Negotiation

Under the Housing Voucher Program, the rent to the owner is a matter of negotiation between the owner and the family. The rent must be within the guidelines or "rent reasonableness", and this rental amount must be certified by the HA as falling within the guidelines of "Rent reasonableness". If requested by the family, the HA must also assist the family in negotiating a reasonable rent with the owner. (Ref. 24 CFR 982.309).

Rent Increase

The rent to owner may not be increased during the first year of the lease. The lease may provide that the owner may increase the rent any time after the first anniversary of the lease, but the owner must give the tenant and the HA 60 days written notice of any increase before it takes effect. (Ref. 982.309).

HA Disapproval of Lease

The HA may disapprove a lease for a rent that is not reasonable, based on rents charged for comparable rental units. The HA will exercise this authority in communities where the market is not functioning normally or where some families are not able to negotiate reasonable rent on

their own. For example, where there is a concentration of ownership by a small number of landlords, or where rents charged to voucher holders are greater than rents changed to certificate holders living in comparable units. The HA must document each case in which it disapproves a lease because the rent is not reasonable. (Ref. 982.309)

The HA will not approve a lease if the description of the unit to be occupied is not included in the property deed submitted by the owner. In the unit to be occupied is not included in the initial property deed, the owner must bring a legal document to evidence that the unit is part of the original deed.

Additionally, in order to have a lease approved, the owner must submit the following:

- two photos of the unit
- evidence of payment of property taxes
- certificate of criminal records
- certification from the government agency (ASUME) that he/she does not owe child support
- certification that he/she does not owe income tax for the period covering the last five years.
- a power of attorney, if a representative of the owner is going to execute the lease and the HAP contract

Security Deposit

The owner establishes the amount of the security deposit to be charged. The security deposit should be consistent with private market practice, or security deposits for the owner's unassisted units. When the tenant moves out of the dwelling unfit, the owner, subject to State and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the tenant, damages to the unit or for other amounts the tenant owner under the lease. The owner must give the tenant a written list of all charges against the security deposit, and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must refund promptly the full amount of the unused balance to the tenant.

Note: If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner might seek to collect the balance from the tenant.

The HA is not responsible for any damages to the unit and will not process any damage claims for HAP contracts singed after October 2, 1995.

Termination of Tenancy by Owner

Reasons for Termination

The Owner shall terminate the tenancy of the Family except for:

- Serious or repeated violation of the terms and conditions of the Lease.
- Criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control shall be cause for termination of tenancy. Criminal activity is defined as: criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents or by persons residing in the immediate vicinity of the premises.
- Violation of Federal, State or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises, or
- Other good cause, which may include, but not be limited to: failure by the family to accept the offer of a new lease or revision, a family history of disturbance of neighbors or destruction of property, or of living or housekeeping habits resulting in damage to the unfit or premises, the owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit, or a business or economic reason for termination of the tenancy (such as sale of the property., renovation of the unit, desire to leaser the unit at a higher rental). If the owner terminates the tenancy for a business or economic reason, the owner must provide the tenant with a 90 day notice.

Eviction by Court Action

The Owner may evict the Family from the Contract Unit only by instituting a court action. The Owner must notify the HA, in writing, of the commencement of procedures for termination of tenancy, at the same time that the Owner give notice to the Family under State law.

Written Notice

Owners must provide written notice of not less than 90 days before termination of a tenant-based assistance payment (HAP) contract and not less than 1 year before termination of a project-based certificate or moderate rehabilitation HAP contract because of an owner op-out or expiration of the HAP contract. Copies of these notices must be provided to the HA. (Reference HUD Notice PIH 93-54 issued October 19, 1993 and 24 CFR 982.455.)

Termination During First Year

During the first year of the lease term, the owner may not terminate the tenancy for other good cause", unless the owner is terminating the tenancy because of something the family did or failed to do. For example, during this period, the owner may not terminate the tenancy for "other good cause" based on any of the following grounds" failure by the family to accept the offer of a new lease or revision, the owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit, or a business or economic reason for termination of tenancy.

Termination of Housing Assistance Payment (HAP) Contract:

When the Unit is too big or too small

If the HA determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, the HA must issue the family a new voucher, and the family and HA must try to find an acceptable unit as soon as possible.

Breach of Contract

Causes for termination of HAP contract because of owner breach of contract are outlined in the contract.

Automatic Termination of HAP Contract

The HAP contract terminates automatically 180 calendar days after the last housing assistance payment to the owner.

SECTION 22

SPECIAL HOUSING TYPES

SINGLE ROOM OCCUPANCY (SRO)

Overview:

This HA administers an SRO project in the Municipality of San Juan.

The HA will permit a family to use the Single Room Occupancy housing type in accordance with requirements of the program.

The HA must permit use of the special housing type of the SRO program if needed as a reasonable accommodation so that the program is readily accessible to be used by persons with disabilities in accordance with 24 CFR part 8.

Family choice of housing and housing type.

The HA may not set aside program funding for special housing types, or for a specific special housing type. The family chooses whether to rent housing that qualifies as a special housing type under this subpart, or as any specific special housing type, or to rent other eligible housing in accordance with requirements of the program. The HA may not restrict the family's freedom to choose among available units in accordance with Section 982.353.

Single Room Occupancy (SRO): SRO: General. Sec. 982.602

Who may reside in an SRO. A single person may reside in an SRO housing unit.

When may a person rent an SRO unit. A single person may rent a unit in SRO housing only if:

- HUD determines that there is significant demand for SRO units in the area.
- The HA and the unit of general local government approve providing assistance for SRO Housing under the program
- The unit of general local government and the HA certify to HUD that the property meets applicable local health and safety standards for SRO housing.

SRO: Lease and HAP contract. (Ref. Sec. 982.603)

For SRO housing, there is a separate lease and HAP contract for each assisted person.
SRO: Rent and housing assistance payment. (Ref. 982.604)

SRO FMR/exception rent limit. The FMR/exception rent limit for SRO housing is 75 percent (75%) of the zero-bedroom FMR/exception rent limit.

Regular tenancy: Limit on initial gross rent. For a regular tenancy in the certificate program, the initial gross rent may not exceed the FMR/exception rent limit for SRO housing.

Voucher program: Payment standard.

The HA must adopt a payment standard for persons who occupy SRO housing with assistance under the voucher program. The SRO payment standard may not exceed the FMR/exception rent limit for SRO housing. While an assisted person resided in SRO housing, the SRO payment standard must be used to calculate the housing assistance payment.

Utility allowance. The utility allowance for an assisted person residing in SRO housing is 75 percent (75%) of the zero bedroom utility allowance.

~~SRO: Housing quality standards. (Sec. 982.605)~~

HQS standards for SRO. The HQS in Sec. 982.401 apply to SRO housing.

Sanitary facilities

Sec. 982.401(c) (food preparation and refuse disposal) and Sec. 982.401 (d) (space and security). Since the SRO units will not house children, the housing quality standards in Sec. 982.401(j) concerning lead-based paint do not apply to SRO housing.

Performance requirements.

SRO housing is subject to the additional performance requirements in the following paragraph.

- Sanitary facilities and space and security characteristics must meet local code standards for SRO housing. In the absence of applicable local code standards for SRO housing, the following standards apply:

Sanitary facilities.

At least one flush toilet that can be used in privacy, lavatory basin, and bathtub or shower, in proper operating condition, must be supplied for each six persons or fewer residing in the SRO housing.

If SRO units are leased only to males, flush urinals may be substituted for not more than one-half the required number of flush toilets. However, there must be at least one flush toilet in the building.

Every lavatory basin and bathtub or shower must be supplied at all times with an adequate quantity of hot and cold running water.

All of these facilities must be in proper operating condition, and must be adequate for personal cleanliness and the disposal of human waste. The facilities must utilize an approvable public or private disposal system.

Sanitary facilities must be reasonably accessible from a common hall or passageway to all persons sharing them. These facilities may not be located more than one floor above or below the SRO unit.

Sanitary facilities may not be located below grade unless the SRO units are located on that level.

Space and security.

- No more than one person may reside in an SRO unit.
- An SRO unit must contain at least one hundred ten square feet of floor space.
- An SRO unit must contain at least four square feet of closet space for each resident (with an unobstructed height of at least five feet). It there is less closet space, space equal to the amount of the deficiency must be subtracted from the area of the habitable room space when determining the amount of floor space in the SRO unit.
- Exterior doors and windows accessible from outside an SRO unit must be lockable.

Access

- Access doors to an SRO unit must have locks for privacy in proper operating condition.
- An SRO unit must have immediate access to two or more approved means of exit, appropriately marked, leading to safe and open space at ground level, and any means of exit required by State and local law.
- The resident must be able to access an SRO unit without passing through any other unit.

SECTION 23

SPECIAL TARGETTED ADMISSIONS

1. Family Self-Sufficiency Program

The purpose of the family self-sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of public housing assistance and assistance under the Section 8 rental certificate or voucher program with public and private resources, to enable families eligible to receive assistance under these programs, and to achieve economic independence and self sufficiency.

This HA has developed an action plan and policy and procedures to implement the requirements of this program. .

Eligible FSS Participants: Families currently receiving Section 8 voucher assistance will be selected to participate in the FSS program: (Ref. Action Plan and Policy and Procedures to Implement the FSS Program for specific guidelines on selecting participants for the FSS program). The basic selection criteria is listed below:

- Fifty percent (50%) of the HA's slots will be allocated to Section 8 voucher participants with one or more family members currently enrolled in, or on the waiting list, for one or more FSS related service programs such as Job Opportunity and Basic Skills Training (JOBS) and/or Job Training Partnership Act (JTPA).

- The remaining fifty percent (50%) of the HA's slots will be filled based on the date and time a family expresses interest in the FSS program. The HA will notify each Section 8 participant of the availability of the FSS program, in writing, and inform the families that eligibility for participation will be based on the date and time the HA is contacted by the family and an interest is expressed in the program.

- The HA will keep records for a period of not less than five years, which document how families were selected for participation in the FSS program.

Termination of FSS: If the FSS participant under-reports income and assets, the Section 8 assistance can be terminated and/or the family can be terminated for the FSS program. In either case the HA will not credit the family's escrow account with any portion of the back rent.

How Section 8 assistance is terminated and/or how FSS supportive services are withheld for violations of FSS obligations.

- If a Family fails to meet its FSS obligations as outlined in the FSS contract of participation, the family can be terminated from the FSS program. The family may lose Section 8 assistance if they are terminated from the FSS program. The HA is not required to terminate Section 8 assistance as a consequence of termination of the FSS contract.

- If a family was selected to participate in the FSS program and was terminated because they did not meet its FSS obligations, the family may be denied the opportunity to participate in the FSS program the second time, based on the fact that they violated FSS obligations the first time the family participated in the FSS program. A family may also be denied the opportunity to participate in the FSS program if they owe funds to the HA.

- If a FSS participant moves from another HA's jurisdiction with continued Section 8 assistance, this HA is not obligated to enroll the FSS family in its FSS program. The family must qualify under the HA's guidelines for selection and participation in the FSS program.

Reduction of Required FSS Program:

HA's may reduce their FSS obligation by one family for each FSS graduate fulfilling the family's contract of participation obligations on or after 10/21/1998. Also, minimum FSS program size will not increase when an HA receives incremental Section 8 funding and public housing units on or after 10/21/1998.

2. Family Unification

This Agency administers 100 vouchers assigned to the Family Unification Program. The purpose of this program is to provide housing assistance to families for whom the lack of adequate housing is a primary factor in the separation of children from their families. Most of these families are victims of domestic violence or other criminal acts, or of poor economic and social conditions which makes the Department of the Family of the Commonwealth of Puerto Rico to place their children in foster homes.

Agreements have been executed with the Department of the Family, that will refer the families in need of housing under the program.

The program works the same as any other Section 8 program, except for the kind of clients.

SECTION 24

THE HOUSING AUTHORITY'S INTEGRITY PROGRAM

This HA will try to avoid fraud and misrepresentations through a thorough program of third party verification, obtaining credit reports from a contracted Credit Investigation Agency, and aggressive interviews. Inasmuch as some persons can always get away with deceit, the PHA has and Audit Division that investigates and takes action on any case that may be brought to the HA's attention and on which legal procedures have to be initiated.

The HA has a Quality Control Team to assure that there is compliance with required statutes and regulations. Third-party verification of information that would determine the tenant's rent and other eligibility requirements will be enforced. Rent comparability and inspection of units to verify compliance with HQS and rent to owner will be strictly required.

Continuous meetings are held with supervisors and occupancy employees to assure that they understand the admission and occupancy rules and that they help residents to understand their rights and responsibilities in relation to their rent determination.

A contract with a Credit Bureau has been executed, so as to identify potential discrepancies between the participant's reported and PHA verified income.

The HA also uses TEVS to access SSA data to match tenant reported income.

Translation of the most significant 24CFR regulations and a Standard Operating Procedures handbook for the Voucher Program was delivered to each supervisor and technician, to assure that they understand the requirements of the program and their responsibility to avoid fraud.

The Department's Office of Audit, through its Fraud and Abuse Investigation unit will initiate an investigation of a participating family, or a PHA's employee, only in the event of one or more of the following circumstances:

- Referrals, Complaints, or Tips

  The HA take action on referrals from other agencies, companies or persons which are received by mail, by telephone, or in person, which allege that a family is in non-compliance with, or violating the family obligations or any other program rules. Follow up will be made if the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file.

- Internal File Review

If HA staff discovers, through a certification, recertification, an interim recertification, or a quality control review that there are facts in conflict with previous file data, the HA's knowledge of the family, or is discrepant with statements made by the family.

- Verification of documentation

If the HA receives independent verification or documentation which conflicts with representations in the family's file, such as public record information, credit bureau reports, or reports from other agencies.

How the HA will Prevent Program Abuse and Fraud.

The HA's objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families and employees. The following method will be used for this purpose:

- Distribute a program integrity bulletin to promote understanding of program rules, and to clarify the HA's expectations for cooperation and compliance.
- Mandatory orientation sessions will be conducted by the HA staff for all prospective program participants, either prior to or upon issuance of assignment of a housing unit.
- Routinely provide participant counseling as a part of every recertification interview in order to clarify any confusion relative to program rules and requirements.
- Staff will explain all required forms and review the contents of all recertification documents prior to signature.
- Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse
- All family representatives will be required to sign a "Participant Certification" form as contained in HUD's Participant Integrity Program Manual.

How the HA will try to Detect Program Abuse and Fraud

The HA staff will take the following steps to discover indicators of possible abuse and fraud:

- Five percent (5%) of each participant file will be reviewed for quality control, to verify:

  Assurance that verification of all income and deductions is present.
  Authenticity of file documents.
  Ratio between reported income and expenditures.
  Review of signatures for consistency with previously signed documents.

That all forms are correctly dated and signed.

- The HA Management and Occupancy Staff, including inspection personnel, will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported. Observations will be documented in the file.

- Credit Bureau inquiries will be made at eligibility determination and then annually, with authorization by the participant.

Action to be Taken When Allegations of Possible Abuse and Fraud are Received

Participating families will be encouraged to report suspected abuse to the Director of the Section 8 Program. Only allegations that seem to be verifiable will be taken action on through:

- An internal file review will be conducted to determine if the allegation is probable. It will be determined if the HA or any other entity must take action. Any documentation of past behavior as well as corroborating complaints will be evaluated.

- If at the conclusion of the preliminary file review there are facts contained in the allegation which conflict with file data, and the facts are independently verifiable, the Unit in charge of Fraud and Abuse Investigation will initiate an investigation to determine if the allegation is true or false.

Investigation of Allegations of Abuse and Fraud

If it is determined that an allegation or referral warrants to take action, the Unit for Investigation of Fraud and Abuse will initiate an investigation. The HA will secure the written authorization from the program participant for the release of information. If the participant does not sign the release, the family's assistance can be terminated.

The HA will use any of the following means to verify the information:

- Credit Bureau Inquiries to verify if there is financial activity that conflicts with the reported income of the family.
- Verification of credit form mailed to the creditor in order to determine the unreported income source.
- Employers and ex-employers may be contacted to verify wages which may have been previously undisclosed.
- Neighbors and other witnesses who may have knowledge of facts related to the review may be interviewed

- Representatives of other benefit agencies, case workers, or investigators may be contacted.
- The HA will review public records kept in any agency, like real estate, marriage, divorce, voter registration, judgments, court or police records, state wage records, utility records, and postal records.

How the HA will Keep Documents and Evidence Obtained in the Investigation

All documents and evidence obtained during the course of the investigation will be kept in a separate file. The participant's file and the investigation file shall be kept locked. The review will not be discussed among HA staff until the investigation is over and reported to the Director of the Section 8 Program.

Reporting Investigative Reviews

The employee who performed the review will report the findings to the Director of the Section 8 Program, who will determine if a violation occurred or not.

If it is determined that a violation occurred, the HA will determine:

- The type of violation (procedural, non-compliance, fraud).
- Whether the violation was intentional or not.
- Amount of money (if any) owed by the family.
- If assistance should be terminated or not.

Action to be Taken if Violations Are Documented

The HA will take the most appropriate remedy based upon the type and severity of the violation.

When the family fails to observe a procedure or requirement of the HA, but does not misrepresent a material fact, and there is no retroactive payment owed by the family, like failure to appear at a pre-scheduled appointment or failure to return verification in time period specified, the HA will send a warning notice to the family containing the following:

- A description of the non-compliance and the procedure, policy or obligation that was violated.
- The date for correction of the violation or compliance with procedures.
- The action that will be taken if the procedures or obligations are not complied with by the date specified.
- The consequences of repeated violations.

- When the family owes money due to the failure to reports changes in income or assets, the HA will issue a Notification of overpayment of Assistance containing the following:
- A description of the violation and the date/s
- Any amounts owe to the HA
- A specified date for response.
- The right to disagree and to request an informal hearing with instruction on how to request the hearing.

If the participant fails to comply with the HA's notice, and a family obligation has been violated, the HA will initiate termination of assistance.
If the family complies, the staff person responsible will meet with the head of household or spouse to discuss and explain the Family Obligation or program rule that was violated. The staff person will complete a Participant Counseling Report, give one copy to the family and retain a copy in the family's file.

If a participant falsifies, misstates, omits or misrepresents a material fact which results in an overpayment of housing assistance by the HA, the HA will determine if

- The participant had knowledge that the actions were wrong, and
- The participant willfully violated the family obligations or the law.

Any of the following facts can demonstrate willful intent of wrong action or inaction:

- An admission by the participant of the misrepresentation.
- Evidence that the act was done repeatedly.
- If a false name or social security number was used.
- That the participant omitted material facts which were known to him or her
- That the participant falsified, forged or altered documents
- That the participant uttered and certified to statements at an interim recertification that were later independently verified to be false.

Action to be Taken by the HA on Cases Involving Misrepresentations.

In all cases of misrepresentations involving cases on which the HA paid undue housing assistance, one or more of the following actions may be taken:

- If is established that criminal intent occurred and the case meets the criteria criminal prosecution, the case will be referred to the Legal Division for action, with notification to HUD's RIGI, and the housing assistance will be terminated.

- If the case only merits administrative remedies, the HA will permit continued assistance at the correct level and execute an administrative repayment contract in accordance with the HA's repayment policy.

The Secretariat for Finances has the duty of recovering the monies on which a repayment plan has been accepted. It is responsible for the enforcement of the payment plans and referral for legal action or to HUD's RIGI if pertinent.

If the participant fails to repay the debt, assistance will be terminated and the case will be referred for legal action and to HUD's RIGI.

- If the HA determines that material misrepresentations have occurred, a Case Conference will be scheduled with the family representative and the HA staff person who is most knowledgeable about the circumstances of the case. This conference will take place prior to any proposed action by the HA. The purpose of such conference is to review the information and evidence obtained by the HA with the participant, and to provide the participant an opportunity to explain any document findings which conflict with representations in the family's file. Any documents or mitigating circumstances presented by the family will be taken into consideration. The family will be given ten (10) days to present any mitigating evidence.

When an Employee of the HA Commits Fraud or Abuse or Collaborates with an Applicant or Participant in Committing Fraud or Abuse of the Program

If an employee of the HA commits fraud or abuse of the program or collaborates with an applicant or participant to do the same, he or she will receive the same treatment as established above, besides any other action established on the Employee Conduct Handbook delivered to each one of them by the Personnel Office.

This HA has established a Social Services Unit with the following purposes:

- Investigate conditions regarding social or economic needs presented by applicants or participants, so as to refer them to different departments on the Municipality that can help.
- Meet with other dependencies of the Commonwealth of Puerto Rico to assure help for applicants or participants with economic or social needs and to ensure the supportive services for the FSS and Family Unification participants.
- Investigate preferences claimed by applicants before a housing unit or voucher is assigned.
- Investigate grievances regarding participants misconduct or failure to comply with the Family's Obligations regarding HQS or any other requirement.

- Meet with the families who have violated contract requirements and orient them as to their obligations in order not to lose their assistance.
- Counsel homeless applicants and help to allocate them on emergency housing while their applications are completed and permanent housing is provided.
- Meet with families victimized by abusers and orient and refer them to the dependency in the Municipality that handles theses cases. Work with the Police Department, if necessary, so that they can get any protection needed.
- Monitor compliance with the supportive services to the participants on SRO projects.

SECTION 25

Recovery of Owner or Family Debts to the HA

The Law (24CFR 792)

This PHA will investigate and pursue instances of t4enants and owner fraud and abuse in the operation of the Section 8 housing assistance payments program. This part applies only to those instances where a tenant or owner committed fraud, and the fraud recoveries are obtained through litigation brought by the PHA (including settlement of the lawsuit), a court-ordered restitution pursuant to a criminal proceeding, or an administrative repayment agreement with the family or owner as a result of a PHA administrative grievance procedure pursuant to Section 8 regarding informal hearing procedures of this Administrative Plan.

This part does not include cases where incorrect payments were made or benefits received because of calculation errors instead of willful fraudulent activities, which will be solved by the Section 8 Supervisors on the respective region.

It is the HA's policy to meet the informational needs of owners and families, and 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 documentation to support the HA's claim that the debt is owed. The file must also contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

Definitions

Fraud and abuse. Fraud and abuse means single act or pattern of actions that:

- Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and
- Results in payment of section 8 program funds in violation of section I program requirements.

Judgment. Judgment means a provision for recovery of section 8 program funds obtained through fraud and abuse, by order of a court in litigation or by a settlement of a claim in litigation, whether or not stated in a court order.

Litigation. A lawsuit brought by a PHA to recover section 8 program funds obtained as a result of fraud and abuse.

Principal party in initiating or sustaining an action to recover. Principal party in initiating or sustaining an action to recover means the party that incurs more than half the costs incurred in:

- Recertifying tenants who fraudulently obtained section 8 rental assistance.
- Recomputing the correct amounts owed by tenants, and
- Taking needed action to recoup the excess benefits received, such as initiating litigation.

Costs incurred to detect potential excessive benefits in the routine day-to-day operations of the program are excluded in determining the principal party in initiating or sustaining an action to recover. For example, the cost of income verification during an annual recertification would not be counted in determining the principal party in initiating or sustaining an action to recover.

Public Housing Agency (PHA). A public housing agency that acts as a contractor under an annual contributions contract with HUD in any section 8 housing assistance payments program.

Repayment agreement. Repayment agreement means a formal document signed by a tenant or owner and provided to a PHA in which a tenant or owner acknowledges a debt, in a specific amount, and agrees to repay the amount due at specific time period(s).

Conduct of litigation

The PHA must obtain HUD approval before initiating litigation in which the PHA is requesting HUD assistance or participation.

PHA retention of proceeds

Where the PHA is the principal party initiating or sustaining an action to recover amounts from tenants that are due as a result of fraud and abuse, the PHA may retain the greater of:

- Fifty percent of the amount it actually collects from a judgment, litigation (including settlement of lawsuit) or an administrative repayment agreement pursuant to or incorporating the requirements of 982.555 (informal hearings), or
- Reasonable and necessary costs that the Pha incurs related to the collection from a judgment, litigation (including settlement of lawsuit) or an administrative repayment agreement pursuant to, or incorporating the requirements of 982.555 (informal hearings. Reasonable and necessary costs include the costs of the investigation, legal fees and collection agency fees.
- If HUD incurs costs on behalf of the PHA in obtaining the judgment, these costs must de deducted from the amount to be retained by the PHA.

CFR 24CFR 982.165

Under 24 CFR 792, the Pha may retain a portion of program fraud losses that the PHA recovers from a family or owner by litigation, court order or a repayment agreement. See PHA Retention of Proceeds above.

The Procedures

Repayment Agreements

The use of an administrative repayment agreement is an effective tool to recover amounts owed by a tenant or owner. When executing a repayment agreement, the following must be considered:

- Include in the agreement that the tenant acknowledges and agrees with the findings for the repayment.
- Establish a timetable and a repayment amount that is acceptable to the Agency. Token payments will not be accepted.
- The agreement will include a clause explaining the consequences for failure to honor the agreement.
- A description of the program violation, the duration of the violation, the am9ount owed and the terms of the repayment must be included in the document.
- A PHA employee will be responsible for monitoring all repayment agreements. If payments are missed, immediate action must be taken to enforce the agreement and to bar the tenant or owner from further participation until the debt is paid.

Termination of Tenancy

Providing false information is a material non-compliance with HUD regulations. In that case, the PHA must take administrative action to resolve the discrepancy, including, if warranted, taking legal steps to terminate tenancy. This must be made clear to the tenant or owner.

**The maximum amount for with the HA will enter into a repayment agreement with a family or owner is $_____.

The maximum length of time the HA will enter into a repayment agreement with a family or owner is _____.

The minimum monthly amount of monthly payment for any repayment agreement is $____.

The PHA will use the following scale system to determine the monthly payment

Late Payments

A late payment will be considered to be in arrears if:

The payment is not received by the close of the business day thirty days after the due date.

If the family's repayment agreement is in arrears, the HA will:

1. Grant an extension of fifteen (15) days if the account is in arrears for the first time.
2. If the family does not comply with the extension or is late often, the PHA will require the family to pay the balance in full.
3. If the family does not pay the balance in full, the PHA will refer the case to the Assistant Secretary for Legal Matters of the PHA to pursue civil collection of the amount due and to the Director of the Internal Audit Division for investigation.
4. If the PHA has to take civil action, the assistance will be terminated.

If the family requests a move to another unit and has a repayment agreement in place for the payment of an owner claim, and the repayment agreement is not in arrears:

- The family will be required to pay the balance in full prior to the issuance of a voucher.

If the family requests a move to another unit and is in arrears on a repayment agreement for the payment of an owner claim:

- The family will be required to pay the balance in full, or be terminated from the program.
- If the family repays the past due amount, the move will be allowed.

Repayment Schedule for Monies Owed to the PHA

A amount of ___ percent of the debt must be paid as first installment before a repayment agreement if executed.

Initial payment due (% of total amount)	Amount owed	Maximum Term
_____% to _____%	0 - $500	3 – 6 months
_____% to _____%	$501 - $1,000	6 – 10 months
_____% to _____%	$1,001 - $2,500	12 – 18 months
_____% to _____%	$2,501 – $3,500	12 – 24 months

DEPARTAMENTO DE LA
VIVIENDA
ESTADO LIBRE ASOCIADO DE PUERTO RICO

HOME INVESTMENT PARTNERSHIPS PROGRAM

5-YEAR HOUSING STRATEGY 2005-2010

&

ACTION PLAN 2005-2006

(Draft Revised January 2005)

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5-YEAR HOUSING STRATEGY

GENERAL

Executive Summary

The HOME Investment Partnerships Program (HOME Program), established under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, was created to expand and to provide decent, safe and affordable housing to low and very-low income families, and to minimize rent burdens and deteriorating housing dwellings.

On February 10, 1992, HUD designated the Commonwealth of Puerto Rico eligible to participate in the State HOME Investment Partnerships Program. The Puerto Rico Department of Housing (PRDH) became the agency of the Commonwealth of Puerto Rico nominated for the administration of the State HOME Program in compliance with 24 CFR Part 92.105. The Planning and Technical Services Division of the PRDH did have the responsibility to administer the Program until September 2002, when the Housing Development and Improvements Administration assume the direction of the State Home Program.

The State HOME Program goals for the 5-Year Housing Strategy (5YHS) are:

1. To strengthen public-private partnerships.

2. To expand the supply of decent, safe, sanitary, and affordable housing, with primary attention for the construction of new homeownership and rental housing, for low-income and very low-income families.

3. To establish minimum non-federal matching investments to complement federal funding in the provision of affordable housing.

In order to achieve these goals, the State HOME Program will use the multilevel service partnership concept for the coordination of federal, state, municipal, and private resources, both human and monetary.

The PRDH will commit the resources available of the housing agencies, under its authority, as seen in Figure II, as well as any public, private or non-profit agencies, willing to invest or collaborate in the implementation of the various elements of the 5YHS or related activities, including local public or privately- funded agencies, federal government and departments or other partners, and with common but broader missions than that of the PRDH. All these partners and collaborators may provide funding, capacity building, advocate services or related resources that support the PRDH in its implementation of the various elements of the 5YHS or activities under the HOME Program.

The 5YHS propose for the construction and rehabilitation of 60,000 sound, safe and affordable housing units, to be provided to low income families, increasing thus, the housing stock in Puerto

Rico, at an annual average rate of 10,000 units. The HOME Program will contribute to this goal with an annual average of 500 units.

Homeownership will continue to be the main objective towards the 5YHS, including for the first-time homebuyer, opportunities for those looking at the existing dwellings available in the housing market. The construction of new affordable housing for sale and rental occupancy will stimulate the housing construction industry, as well as any rehabilitation project presented.

A particular note is made toward the commitment to end chronic homelessness. The State HOME Program will commit 5% of the funds allocated under the Rental Activity for single room occupancy projects, focused to provide permanent housing with supportive services for chronic homelessness. The applications received under this item, will obtain 5 bonus points, as they are presented for evaluation.

THE HOUSING STRATEGY

Mission

To promote for low income families, the construction of new subdivisions, harmonizing the land use within the environmental characteristics of the area and to improve the quality of life of those communities in need, through the rehabilitation of their housing stock, thus increasing the number of affordable dwellings island-wide for homeownership opportunities and rental occupancy.

General Questions

1. Geographic Area

   The geographical area of the Commonwealth of Puerto Rico's 78 municipalities will be served with the State HOME Program. The PRDH recognizes that the Municipalities of Aguadilla, Arecibo, Bayamón, Caguas, Carolina, Guaynabo, Mayagüez, Ponce, San Juan, Toa Baja and Trujillo Alto are local participating jurisdictions (pj) of their own, and it will complement any eligible request made from these municipalities in order to further the strategic objectives set forth by the PRDH.

   Figure No. I, in the next page, provide a graphical representation of the pjs location within the Commonwealth's jurisdiction.

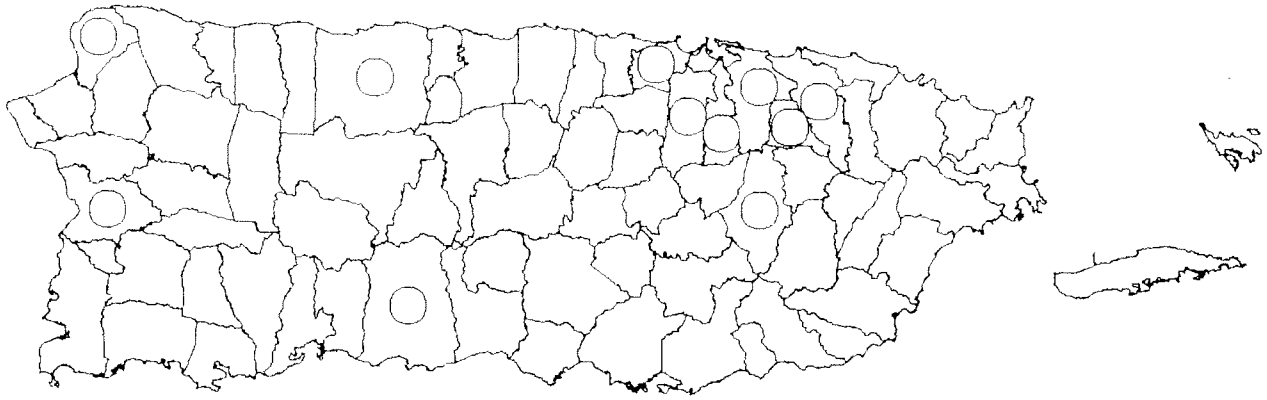
2. Basis for Allocating Investment

   The basis for the investment allocation for the 5YHS is presented in Table I, in the next page. Priority will be awarded for the provision of homeownership opportunities for low-income families in the modalities of: construction of new planned developments and existing vacant units available for sale.

The second priority will be provided for either the development of rental housing, by the construction of new or the rehabilitation of existing rental units and the conversion of non-housing buildings into new rental units.

FIGURE NO. I

LOCATION OF THE DESIGNATED PARTICIPATING JURISDICTIONS



Third priority will be the continuum assistance to the community housing development organizations, (CHDO) private nonprofit, community/faith-based service organizations that have obtained or intend to obtain staff with the capacity to develop affordable housing for the community it serves.

Fourth priority, homeowner rehabilitation, which includes the modalities of the rehabilitation of the existing dwelling or the substantial rehabilitation of the unit including the replacement of the existing unit within the original footprint.

Fifth, but not least, is the planning and administration of the HOME Program.

TABLE I
INVESTMENT ALLOCATION THROUGH THE 5YHS

ACTIVITY	2005	2006	2007	2008	2009
Homebuyer New Construction	35.0%	35.5%	36.0%	36.5%	37.0%
Rental Activity	19.0%	18.0%	17.0%	16.0%	15.0%
Homebuyer Assistance	15.0%	15.5%	16.0%	16.5%	17.0%
Homeowner Activity	5.0%	5.0%	5.0%	5.0%	5.0%
Operating Expenses CHDO	1.0%	1.0%	1.0%	1.0%	1.0%
CHDO Set Aside	15.0%	15.0%	15.0%	15.0%	15.0%
Program Administration	10.0%	10.0%	10.0%	10.0%	10.0%
	100.0%	100.0%	100.0%	100.0%	100.0%

3. Obstacle to Meeting Underserved Needs

Some of the barriers confronted by the PR Department of Housing and the State HOME Program to provide, in a timely manner, affordable housing to underserved population is related to the following factors:

- The lack of an appropriate infrastructure that limits the construction of housing in many parts of the Island.
- The burdensome building codes and permits requirements.
- The number of requirements, the cost of complying with such requirements, and the time necessary to complete the permitting process, cause an increase in project costs and delays.
- The type and sometimes-excessive documentation required at local level to qualify families to receive services. For example, an elderly person of 70 years old that lives in a remote community in the center of the Island is required to submit a debt certification from the Department of the Family regarding child support payments.
- The restrictive federal requirements regarding ownership evidence or reasonable equivalent of ownership interest. Some other forms of ownership are not permitted under the HOME Program such as: *usufructo*- a kind of ownership interest more restrictive than 50-year-old leasehold contract.
- The strictness and inflexibility of income qualifications if a family surpasses, by a $1.00, the income limits for the area.

Managing the Process

1. Lead Agency

The lead agency responsible for the administration, planning, and implementation of the State HOME Program is the PR Department of Housing, created under charter of the Commonwealth's Legislature by Act 97 of June 10, 1972, as amended.

Early in 1992, the US Department of Housing and Urban Development (HUD) designated the Commonwealth of Puerto Rico as a Participating Jurisdiction of the HOME Program. Then, the Governor of Puerto Rico designated the PRDH as the administrator of the HOME Program.

Later in September 2002, the Secretary of the PRDH transferred the administration of the State HOME Program to the Housing Development and Improvements Administration, (ADMV).

2. Significant Aspects of Plan Development

This is the third 5YHS prepared by the PRDH. As stated earlier, the mission of the State HOME Program is to "To promote for low income families, the construction of new subdivisions, harmonizing the land use within the environmental characteristics of the area and to improve the quality of life of those communities in need, through the rehabilitation of their housing stock, thus increasing the number of affordable dwellings in the island for homeownership opportunities and rental occupancy." In order to achieve this mission, three main goals have been established.

It is necessary to point out several significant aspects in the development of the 5YHS. The mayor significant aspects of the development of the current 5YHS is the understanding of the housing agencies under the PRDH umbrella, that the housing strategy is the ***one strategy*** for all the housing agencies and that this is the shared responsibility of the PRDH and its sister agencies.

Second, to use the benefit of a cumulative ten year experience in the planning and administration of the HOME Program, and to use the lessons learned in a responsible perspective towards realistic goals and objectives. For example, 50,000 units were develop in a four year term, so for the next 5YHS, 60,000 units is a reasonable effort to meet for 2010, for which the HOME Program will share 2,500 units for a 4.1% participation.

Third, homeownership has been extended to provide not only for the construction of new affordable housing, but to provide also for the acquisition of existing units in the housing market. This new perspective meets the national goal to increase minority homeownership. Another national goal, for which specific objectives has been establish in the 5YHS is – to end chronic homelessness by 2012 -. On this regard, the PRDH has established bonus points to be awarded to those applications that meet the standards set forth by the State HOME Program for the provision of permanent housing, with supportive services, for the chronic homeless and independent living for the homeless poor.

Fourth and last, is the incorporation of performance measurements for the 2005 Action Plan. The PRDH has adopted a format to effectively report results/outcomes at the end of the program year. The performance measurements adopted in the 2005 Action Plan will provide for the measurement of results, not only in an input/output relationship, but as result oriented measurements, for each HOME dollar invested.

These significant aspects of the development of the 5YHS made this plan unique, in its own context.

3. Description of the PJ Consultation Process

On August 6, 2004, the State HOME Program contracted a consultant to prepare a draft for the 5 Year Housing Strategic Plan for the 2005-2010 period and the 2005-06 Action Plan, outlining policy and budget planning for the coming administration.

On December 1st. 2004, the Assistant Secretary for Planning and Technical Services for the PRDH appointed a steering committee to support the consultant effort on the preparation of the Housing Strategic Plan. The members of the steering committee were representatives from: the Secretary for Planning and Technical Services Division, the Public Housing Administration, the Housing Improvements and Development Administration, the Community Revitalization Administration, the Puerto Rico Housing Finance Authority and the State HOME Program.

Citizen Participation

No citizen participation was inquired from the standpoint of the PRDH.

Institutional Structure

The PRDH is identified as the "first point of contact" for the institutional structure presented in the 5YHS. This role is supported by its designation by the Commonwealth's Legislature to serve as the State's lead coordinating housing agency, as the umbrella-housing agency of various HUD program funds and, in its mission to service the housing needs of the citizens of Puerto Rico. The PRDH will conduct and foster open participation, including supportive assistance, with the goal of facilitating meaningful involvement. It will work to increase participation at all levels, especially among extremely low and very-low income groups, as well as those traditionally under-represented, involving organizations, which represent need populations across the Island.

The PRDH recognizes the importance of partnering with other agencies to help serve its housing needs. Non-profit organizations play an important role in the provision of affordable housing, supportive housing and social services, and economic development activities. Local organizations, with direct public contact, have a clear view and understanding of the PRDH's housing and human services needs. Such organizations are an essential part of the institutional structure, and typically serve in one or more of the following capacities:

- They are eligible to receive public and private funds or resources targeted at serving need populations,
- They are legally restricted or structured by organizational charter to serve lower income or specific needs population,
- They are identified by regulation, program or otherwise allowed to undertake certain governmental programs serving need populations or,
- They are daily contact with, represent or advocate on behalf of certain populations in need.

Private sector participants in the preservation or development of the PRHD's housing delivery system include segments from the financial institutions, builders/developers, foundations, and realtor fields. Local financial institutions provide construction financing, low interest rehabilitation loans, mortgage financing and loan servicing, while builders/developers are active in participating in affordable housing projects. Many private businesses and organizations are

involved or support the efforts of public agencies to provide human services and opportunities throughout the Island. Based on the needs and objectives developed in the 5 Year Housing Strategy, the PRDH is prepared to support applications for assistance by other entities, which serve to accomplish the goals set forth in the 5YHS.

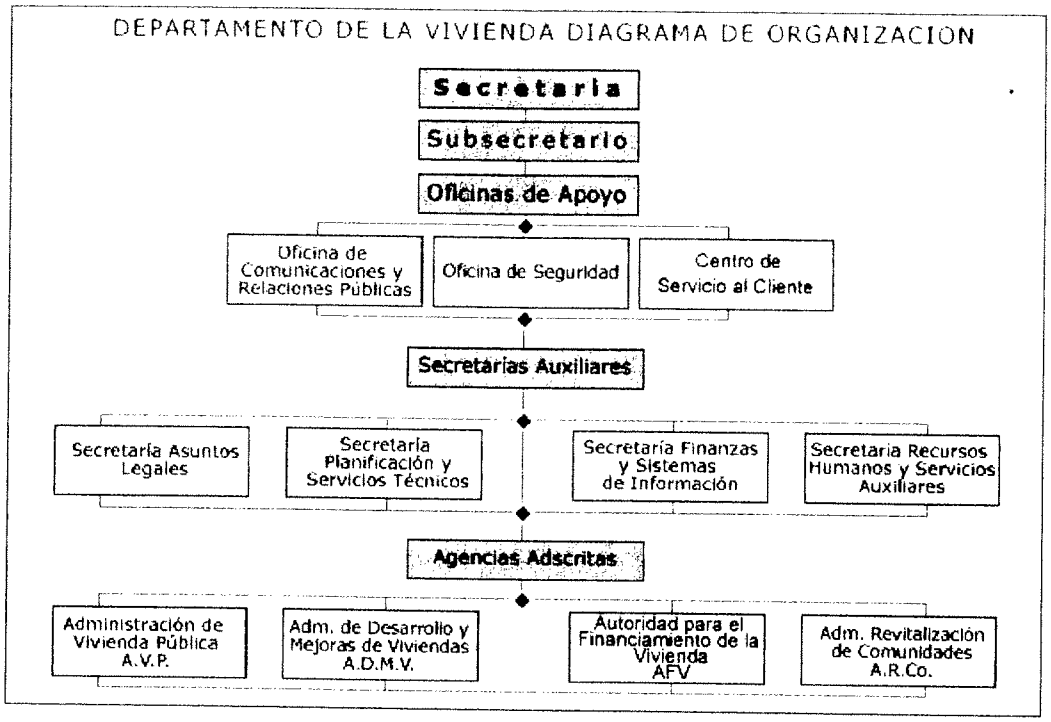
Coordination strategies are provided in the context of primary, secondary, and tertiary levels of program or project service delivery. The PRDH will pursue and support efforts to develop municipal and regional partnerships, in addition to collaboration with private and non-profit development corporations. The collective efforts of all parties will ensure that available resources are allocated to priority activities. The institutional structure, through which the PRDH proposes to accomplish its Housing Strategy goals, is organized in three groups of service providers. These groups are referred to as primary, secondary, and tertiary service partners. This stratification illustrates the degree to which various service providers may be associated with the implementation of the PRDH 5YHS.

PRIMARY Service Partners (P):	Include the housing agencies under the umbrella of the PRDH, as seen in Figure II, in the next page, which may be associated with the Housing Strategy elements or activities, at some level.
SECONDARY Service Partners (S):	Include public, private or non-profit agencies, which although not included to the organizational structure of the PRDH, may participate in or provide services related to the implementation of various 5YHS elements or related activities.
TERTIARY Service Partners (T):	Include local public or privately- funded agencies, federal government agencies and departments or other partners, and with common but broader missions than that of the PRDH. They may provide funding, capacity building, advocate services or related resources that support the PRDH in its implementation of various Housing Strategy elements or activities.

Non-profits, specifically the community housing development organizations has been creating a large network of capable non-profit housing providers, and the PRDH is interested in effecting coordination among these providers, the faith-based organizations and the local government. Toward this end, the PRDH will encourage coordination among these providers. Of particular note is the on-going communication between the PRHD and such organizations in the areas of fair housing, program policy and funding requests. Through these types of working partnerships, the PRDH can ensure that available resources are used to their fullest potential.

No exception is the private sector. They are a key element in the planning, financing, construction and marketing of affordable housing. They are partners in the continuous discussion of the most pressing needs of the community.

FIGURE II
ORGANIZATIONAL CHART OF THE DEPARTMENT OF HOUSING



The PRDH will continue the intergovernmental coordination and cooperation between the Commonwealth's agencies and the federal government in its efforts to produce and preserve affordable housing within the Island, pursuing the goals and objectives for preserving the supply of affordable housing and promoting community development activities, as set forth in the 5YHS.

Table No. II lists the designated mission for each of the agencies under the umbrella of the PRDH.

TABLE NO. II
MISSION STATEMENT FOR THE HOUSING AGENCIES UNDER THE PRDH

AGENCY	MISSION STATEMENT
Home Program	To promote for low income families, the construction of new subdivisions harmonizing the land use within the environmental characteristics of the area and to improve the quality of life of those communities in need, through the rehabilitation of their housing stock, thus increasing the number of affordable dwellings in the island for homeownership opportunities and rental occupancy.
Housing Development and Improvements Administration	To develop and improve the housing dwellings at very low-income communities, promoting the optimal use of the available land to the enhancement of the quality of life; in order to contribute to the increment of the housing stock.

TABLE NO. II
MISSION STATEMENT FOR THE HOUSING AGENCIES UNDER THE PRDH

AGENCY	MISSION STATEMENT
Public Housing Administration	To assure the maintenance, rehabilitation, and effective administration of the public housing developments in order to increment the availability of affordable housing, promoting the economic development and the quality of life of their tenants until they reach self-sufficiency.
Community Revitalization Administration	To execute the PRDH policy providing community and socio-economic development services to the public housing developments and low-income communities, promoting the concept of self-sufficiency and self-effort.
PR Housing Finance Authority	To provide and promote affordable mortgage financing to low and moderate-income families enabling them to buy, build or improve their homes, contributing to the strength of the family, the community, and the development of the economy of the Island.

Monitoring

The State HOME Program has prepared a Monitoring Plan to address all HOME funded activities and to determine whether HOME funds are being used in accordance with 24 CFR Part 92 and other federal requirements.

The goal of the HOME Program Monitoring Plan is to determine if housing assistance is being delivered to low and very low-income families in accordance with HOME requirements. This will be executed by identifying administrative and operational deficiencies in all eligible activities and to make the applicable corrective actions in order to prevent and avoid fraud or mismanagement with HOME program funds.

Remote monitoring will be conducted on those activities that do not present a risk factor, such as the homebuyer activity. On-site monitoring will be conducted at all rental activity and the construction of affordable housing for sale and rental, as well the homeowner and rental rehabilitation activities. These activities are considered as high risk.

The main objectives of the monitoring reviews include, in an orderly fashion:

- Compliance with HOME Program rules and regulations,
- Compliance of property standards,
- Compliance of income targeting requirements,
- Compliance of timely use of funds,
- Prevention of fraud and mismanagement of HOME funds,
- Identifying technical assistance needs.

The State HOME Program will use the following criteria as *risk factor management*.

- Rental occupancy
- Homeowner occupancy
- Project development

The Monitoring Plan highlights the following areas to which it should be pay special attention for the selected risk factor management:

Rental Occupancy

On-Site Inspections

- In order to verify compliance with property standards and the information submitted by owners, on tenants' incomes, rents and other HOME rental requirements, during a project's period of affordability. HOME rules require on-site inspections of HOME properties according to the number of HOME units in a project, as follows:

Number of HOME Units	Inspection Required
1-4	every 3 years
5-25	every 2 years
26 or more	annually

- An accepted "rule-of-thumb" is to inspect at least 15 % to 20 % of the HOME-assisted units in a project, and a minimum of one unit in every building.

- Property standards apply to the common areas and the building's exterior, not only the HOME units. Any deficiencies seen in these areas must be addressed.

Record-keeping

- Documentation of the rental projects should be monitor for the duration of the affordability period according the frequency for project inspection.

- Records of its regular inspections of each rental project.

    - *Property standards*: The owner records should show that the HOME-assisted units were inspected, as well as exterior and common areas, and that any deficiencies identified were corrected.

    - *Rent and occupancy requirements*: Inspection records should also show that the HOME rent and occupancy requirements were met.

    - *Lease requirements*: The review of the unit files ensure that leases meet HOME requirements.

    - *Other items in the written agreement*: Should be monitor as they are required.

Special note on property owner records: one of the owner's responsibilities is to keep adequate records, to be able to demonstrate compliance with HOME requirements. The owner should keep both project and tenant records.

- Project records should include documentation to back-up rent and utility allowance calculations. If the project's HOME-assisted units are "floating," the owner should also keep records to show how HOME occupancy targets were met (for example, rental logs to show that as units were vacated or tenants became over-income, HOME-assisted units were properly replaced).

- Tenant files should include the documentation necessary to demonstrate that each HOME-assisted unit is properly occupied by an income-eligible tenant. Such documentation includes: the tenant's application, initial income verification documents, subsequent income recertification documents, and the tenant's lease.

- General rental housing records must be kept for five years after project completion

- Tenant income, rent and inspection information must be kept for the most recent five years, until five years after the affordability period.

Homeowner occupancy

Every five years monitoring on the restrictive covenant on the property bought by a low-income family will be conducted. The monitoring could be done at the assisted HOME unit or verified by utilities invoices to the name of the family members that executed the promissory note.

The monitoring will validate the compliance on the sale and mortgage deed restriction to assure that homebuyers will comply with the affordability period and other HOME Program requirements, such as:

- The property must constitute the principal and sole residence for the homebuyer and cannot be rented or destined for a use other than residential.

- The property could be available to a buyer whose family qualifies as a low-income family and the unit will be its principal residence.

- It is totally prohibited to sell, lease, donate or execute a permutation of the property *without previous consent of the PRDH*. If the beneficiary does not comply with the stipulated requirements, he will be obligated to reimburse the total of HOME funds assigned.

Project development

For individual housing construction projects for sale, monitoring begins at project predevelopment phase and continues through the period of affordability.

For example, at predevelopment, environmental land use issues and constructions permits should be cleared before the commitment of HOME funds.

During construction, the State HOME Program will require progress reports (weekly, monthly, quarterly, or with each draw request) that flag any pending or anticipated problems on the construction progress of the project.

Regular meetings, to discuss issues and provide any technical assistance, will be held at least every four months, including periodic site visits to evaluate progress.

Project schedule will be monitor closely, pursuing the following issues:

1. Is the project on schedule and have all major milestones been met?

2. If the project has been completed, are required annual reviews and recertifications planned and scheduled for the coming year?

Regarding project accomplishments, the following issues will be pursue:

1. Is the project meeting standards established in the written agreement?

2. Are costs on target?

3. Are the number of units proposed being produced?

4. If applicable, is the quality of the construction acceptable?

5. If the project is finished, have the HOME-assisted units been rented/sold to income-eligible households?

Priority Needs Analysis and Strategies

The PRDH is also the participating jurisdiction for the HOME program. The State HOME Program goals are:

1. To strengthen public-private partnerships;

2. To expand the supply of decent, safe, sanitary, and affordable housing, with primary attention for the construction of new homeownership and rental housing, for low-income and very low-income families.

3. To establish minimum non-federal matching investments to complement federal funding in the provision of affordable housing.

In order to achieve these goals, the State HOME Program has been established the following objectives and goals to attain.

For the first goal, the following objectives have been established:

1a. Strengthen partnerships among all levels of government, municipalities, private sector and nonprofit entities in the design and development of affordable housing.

It is expected, during the next five years, to enter into 50 partnership agreements for the design and development of affordable housing with the municipalities, private sector and nonprofit entities.

1b. To assist the municipalities in the development and implementation of plans and strategies to address their communities and urban centers housing needs, focusing in the following initiatives:

i) Special Communities: This innovative program will be funded with State funds managed by the Perpetual Trust Fund for Special Communities. The program will be matched by state, private and Federal funds to develop or rehabilitate housing for low and very low-income families.

It is expected, during the next five years, to assist 50 households to rehabilitate their housing, turning it into a sound, safe and sanitary dwelling.

ii) Revitalization of Urban Centers: This is another initiative of Government of the Commonwealth of Puerto Rico, pursuing the repopulation of the urban centers by developing housing projects, communal areas, parks and recreational facilities.

It is expected, during the next five years, to assist 50 households including homeowners and renters to build new affordable housing or to rehabilitate the existing housing unit they occupy, turning it into a sound, safe and sanitary dwelling.

1c. To assist the private sector and nonprofit entities in the design and development of affordable housing with capital investment subsidies for the construction of special needs projects which add new units to the affordable rental housing stock for low income households while providing supportive services as part of the projects' management and operation for special needs population such as: elderly citizens, persons with disabilities, homeless and chronic homeless, and batter spouses and abuse children.

It is expected, during the next five years, to assist for the construction or to convert or rehabilitate 100 rental housing units for the elderly, persons with disabilities, poor homeless, chronic homeless and batter spouses and abuse children. To achieve this goal the State HOME Program will match any application submitted under the

Federal or State Tax Credit programs, any Federal application, or any state program available to this end.

1d. Promote and encourage the participation of community/faith based nonprofit organizations in addressing affordable needs and set-aside funds to assure their involvement in the housing strategies, designating them as Community Housing Development Organizations (CHDOs).

The State HOME Program expects, during the next five years, to designate new CHDOs at an annual increase of 5% and to procure the activation of those dormant CHDOs that have been out of the circuit for the time being.

1e. To join efforts with the participating jurisdictions, for the development of model programs for low-income families.

It is expected, during the next five years, to coordinate the joint resources of the 11 participating jurisdictions in the development of a model program to incentive a self sufficiency economy, using affordable housing as the main incentive for economic development in each of a hard to develop area.

In order to achieve the second goal, the following objectives have been established:

2a. Preserve and increase the supply of decent, safe, and affordable housing available to all low and very low-income households.

During the next five years, the State HOME Program expects to preserve and increase the supply of decent, safe, and affordable housing available to all low and ~~very low-income households in an annual increase of 5%~~.

2b. Identify and develop available resources to assist in the development of affordable housing.

It is projected, during the next five years, to coordinate joint ventures for the development of affordable housing through tax credits, the Federal Home Loan Bank and several sections of the Federal Housing Administration such as: Sections 221/d/3 and 221/d/4 for multifamily projects; Section 202 for Senior Citizen Multifamily Housing; Section 811 (for disabled senior citizens); Section 232 Senior Citizen Multifamily Housing (with medical attention) and Section 231 multifamily for senior citizens.

2c. Improve the ability of low and moderate-income families to access rental housing, in coordination with the Tax Credit Program, at hard to develop areas.

It is expected, during the next five years, to coordinate tax credits share in HOME invested rental housing, at hard to develop areas, in an annual increase of 5%.

2d Address the construction or rehabilitation of rental housing for battered spouses, abused children, elderly persons and homeless persons: able to carry out independent living

It is projected, during the next five years, to provide for the construction and rehabilitation of 50 rental housing units for self supported battered spouses, abused children, elderly persons and homeless persons able to carry out independent living.

2e. Address the construction or rehabilitation of rental housing for those persons unable to carry out independent living and in need of the provision of supportive services such as: adults "severely disabled," chronic homeless, and persons living with HIV/AIDS.

It is expected, during the next five years, to provide for the construction and rehabilitation of 100 rental housing units for those persons unable to carry out independent living and in need of the provision of supportive services such as: adults "severely disabled," chronic homeless, and persons living with HIV/AIDS.

In order to achieve the third goal, the following objectives have been established:

3a. To increase the minimum non federal share for the construction of new affordable housing for sale, by 5%.

It is expected, during the next five years, beginning in 2005 new construction developments, to provide a minimum share of 65% of non-HOME matching funds for the provision of new affordable housing for sale.

3b. ~~To increase the minimum non federal share for the construction of new rental~~ housing, by 5%.

It is expected during the next five years, beginning in 2005 new rental construction developments, to provide a minimum share of 50% of non-HOME matching funds for the provision of new rental affordable housing.

3c. To increase the minimum non federal share for the rehabilitation of rental housing, by 5%.

It is expected during the next five years, beginning in 2005 rental rehabilitation activities, to provide a minimum share of 40% of non-HOME matching funds for the provision of rental affordable housing.

Lead Based Paint

In Puerto Rico, the population most at risk for lead poisoning is defined as children between the ages of 0-6 years and living in housing built prior to 1978. In addition, it is known that populations living below the poverty level are more likely to have other risk factors, which increase their risk

of lead poisoning including poor nutrition and sub-standard housing. It is also well known that the incidence of lead poisoning is highly correlated with the age and condition of housing. Almost two third (60.98%) of Puerto Rico housing was built before 1980 and 35.8% was built before 1970, leaving only a 39.0% of the housing stock built after the banned of lead based paint regulation.

Thus, it is evident from the age of the housing stock in Puerto Rico that there is a high risk of lead poisoning. The problem of lead has stimulated an array of initiatives in recent years from the US Department of Housing and Urban Development to address various aspects of the challenge. Lead poisoning is significant public health's hazard to children particularly those living in the urban housing stock, most affected by lead contamination.

Federal regulations require that lead-contaminated dwelling units targeted for rehabilitation/renovation -- evidenced by flaking or chipped paint that generated dust -- must be made lead-free. When added to the numerous other extraordinary incremental expenses of rebuilding urban housing, this cost for lead abatement makes most potential residential rehabilitation projects prohibitively expensive, exceeding the likely economic value of the renovated property. Therefore, units remain blighted and full of lead.

The lead hazard reduction requirements would be conducted to any assisted housing and any paint disturbed during rehabilitation, and must be repaired. Safe work practices must be used during rehabilitation including the repair of disturbed paint. After the work is completed, the worksite must pass a clearance examination before occupants are allowed to return to the areas where the work was performed.

The new rule requires the actions mentioned below:

Notification

The new regulation requires the provision of a written notice to occupants informing them of lead hazard evaluation or reduction activities. This notice will be provided to occupants, owner occupants, and purchasers of assisted properties. The notification advises about the potential presence and hazards of lead-based paint. Notification is achieved through the distribution of the EPA/HUD/CPSC lead based paint hazard information pamphlet. All property owners (both subsidized and market rate) must disclose available information about the presence of lead-based paint and provide prospective buyers/occupants with existing documentation on known lead-based paint hazards in the dwelling unit.

Visual Inspection

Visual inspections must be performed on properties constructed prior to 1978 to identify defective paint surfaces. The assessment will include the evaluation of interior and exterior painted surfaces to identify specific conditions that contribute to lead-based paint hazards. A certified risk assessor or Housing Quality Standards (HQS) inspector trained in visual assessment will perform the assessment. They will recommend if a Paint Testing is needed at the property.

If the paint testing is needed, it will be conducted on specific surfaces, by XRF (x-ray fluorescence) or lab analysis, to determine the lead content of these surfaces, performed by a certified lead-based paint inspector or certified risk assessor. These resources are not available in the Municipality so they will be contracted, as they are needed.

Any paint disturbed during rehabilitation must be repaired, and safe work practices must be used during rehabilitation and the repair of disturbed paint. After the work is completed, the worksite must pass a clearance examination before occupants are allowed to return to areas where work was performed.

ARCO and the PRHFA advises their Section 8 participants, in the existing, voucher and moderate rehabilitation programs and HOME homeowners in the rehabilitation activity and rental rehabilitation tenants with brochures and counseling sessions about the risk of lead-base paint and the potential health hazards and liability issues from exposure to lead. The housing inspectors are HQS inspector trained in visual assessment. The responsibility for paint testing is bestowed to the property owner.

The PRPHA continues the lead based paint removal, at all their public housing modernization projects.

HOUSING

Housing Needs

The CHAS Data Book is the main source of information available to the PRDH to present and evaluate the housing needs of the households counted during the 2000 Census. The data is distributed by income level and occupancy tenure, and household size.

Housing problems are defined as cost burden greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities. Other housing problems are define as overcrowding (1.01 or more persons per room) and/or without complete kitchen or plumbing facilities. An elderly household is defining as a one or 2-person household, either person 62 years old or older. Renter data do not include renters living on boats, RVs or vans.

Cost Burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.

For the year 2000, there were 1,261,268 households in Puerto Rico for which 46.6% had any housing problem, 28.9% has cost burden problems higher than 30% of their earned income as well 15.7% has cost burden problems higher than 50% of their earned income.

Regarding the tenure occupancy, the renters have more housing problems than the homeowners. For example, renters as a whole, surpassed homeowners in all three parameters by 5.0%, .9% and 1.8%. That is not the case by income levels. Housing problems among the homeowners below or at 30% of the median family income (MFI) surpassed all three parameters by 8.5%, 13.5% and

7.0% to the renters in that income level and the income level above 80% of the median family income. In this income level, they surpassed renters by 1.7%, 6.8% and 2.5% respectively.

In the two other income levels, we observe different trends. For example, at the income levels between 30% to 50% and between 50% to 80%, renters surpassed homeowners by 6.6% and 5.4% in the category of any housing problems respectively. On the other hand, homeowners surpassed renters in the category of cost burden larger than 50% of their earned income by 3.7% and 7.7% respectively. Renters surpassed homeowners by 0.8% at the income level of between 30% to 50% and homeowners surpassed renters 0.1% at the income level between 50% to 80%, in the category of cost burden larger than 30% of the income earned.

Table No. III, in the next page, provides a detail breakdown of the housing problems by income level and household size according to the data presented in the CHAS Data Book, for the year 2000.

Priority Housing Needs

1. Construction of Affordable Housing for Sale

   The objective of this activity is to promote the construction of affordable housing for homeownership tenure, increasing the supply of safe, sound and sanitary dwellings available to low and very-low income families, and helping them to improve their quality of life.

   HOME funds will be used to provide equity incentives to developers in order to reduce financing expenses in the construction loan. Housing construction will be carry out in compliance to sections 24 CFR 92.205 (eligible activities), 92.206 (eligible project costs), 24 CFR 92.251 property standards and construction requirements established by ARPE.

   The families benefited with this activity will receive a discount in the sale price, equivalent to the average share of HOME funds invested, per unit built. The beneficiary will execute a lien and silent mortgage through covenants running with the property and deed restrictions for the affordable period calculated in the amount of HOME funds invested in the unit. The share will be secure in compliance with section 24 CFR 92.254 (affordability terms). Family eligibility will comply with sections 24 CFR 92.203 (income determination) and 24 CFR 92.217 (income targeting: homeownership).

   The incentive or subsidy for developers must be used for eligible constructions hard and soft costs. The determination of subsidy per unit will be based on the subsidy layering analysis up to $40,000 per unit.

2. Rental Rehabilitation or New Construction

   This activity commits funding for the provision of affordable rental units through the rehabilitation of existing units, conversion of non-housing buildings into rental units or the

TABLE NO. III
ASSESSMENT HOUSING NEEDS

Housing Problems Output for -All Households

Name of Jurisdiction:				Source of Data:			Data Current as of:					
Puerto Rico				CHAS Data Book			2000					
	Renters						Owners					
Household by Type, Income, & Housing Problem	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Renters	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Owners	Total Households
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(L)
1. Household Income <=50% MFI	27,439	90,315	30,940	29,020	177,714	93,913	118,265	42,110	35,513	289,801	467,515
2. Household Income <=30% MFI	16,484	63,060	20,345	22,920	122,809	49,259	69,010	23,235	26,619	168,123	290,932
3. % with any housing problems	42.5	59.3	82.6	44.4	58.1	59.7	67.9	85.8	59.3	66.6	63.0
4. % Cost Burden >30%	35.4	42.2	43.0	34.0	39.9	54.1	54.5	49.8	52.2	53.4	47.7
5. % Cost Burden >50%	26.8	35.7	33.6	30.3	33.1	38.2	41.6	36.7	43.1	40.1	37.2
6. Household Income >30% to <=50% MFI	10,955	27,255	10,595	6,100	54,905	44,654	49,255	18,875	8,894	121,678	176,583
7. % with any housing problems	42.9	63.3	83.6	57.6	62.5	45.3	57.6	77.5	54.5	55.9	58
8. % Cost Burden >30%	36.8	46	37.5	50.2	43	39.5	42	34.1	47.1	40.2	41.1
9. % Cost Burden >50%	21.7	21.6	15	30.3	21.3	23.7	26.7	19.8	32.7	25	23.8
10. Household Income >50 to <=80% MFI	7,898	31,405	10,389	8,920	58,612	44,855	75,485	25,720	12,240	158,300	216,912
11. % with any housing problems	42.5	52.8	74.3	52.9	55.2	35.1	50.9	73.8	46.6	49.8	51.3
12.% Cost Burden >30%	34.6	32.4	22.8	43.7	32.7	30.1	35.1	26.8	41.2	32.8	32.8
13. % Cost Burden >50%	12.3	6.5	3.4	13.3	7.8	15	16.1	10.3	24	15.5	13.4
14. Household Income >80% MFI	9,154	63,845	14,045	18,189	105,233	73,319	284,740	79,265	34,284	471,608	576,841
15. % with any housing problems	22.7	28.4	61.2	22.4	31.2	18.2	30.6	55.9	30.7	32.9	32.6
16.% Cost Burden >30%	14.7	6.8	5.9	14.1	8.6	15	15.1	11.7	26.9	15.4	14.1
17. % Cost Burden >50%	1.8	0.8	0.6	2.3	1.1	4.4	3.4	2.4	7.3	3.6	3.2
18. Total Households	44,491	185,565	55,374	56,129	341,559	212,087	478,490	147,095	82,037	919,709	1,261,268
19. % with any housing problems	38.5	48.1	75.8	40	50	37.1	41.9	66.5	44.9	- 45	46.4
20. % Cost Burden >30	31.4	28.9	28.7	30.9	29.5	32.4	26.7	23.2	39.4	28.6	28.9
21. % Cost Burden >50	17.8	16.7	16	18.5	17	18.5	13.3	11.4	24.2	15.2	15.7

construction of new rental units, in order to benefit very low- income families that do not have the capacity to assume a mortgage payment.

Ten (10) percent of the rental funding allocated will be committed for the conversion of non-housing buildings as single room occupancy, either to end chronic homelessness through the continuum of care permanent housing homeless strategy and the provision of group quarters for special need population. Three (3) percent will be committed for rental rehabilitation and the remaining 87% for rental new construction.

In either case, the amount to be invested will not exceed the maximum per-unit subsidy amount established under 24 CFR 92.250, using subsidy layering analysis.

HOME funds will be used to provide 0% interest loans to developers in order to reduce financing expenses in the construction loan. The rental construction, rehabilitation or conversion will be carry out in compliance to sections 24 CFR 92.205 (eligible activities), 92.206 (eligible project costs), 24 CFR 92.251 property standards and construction requirements established by ARPE.

For rental housing, 90 % of the occupants of HOME-assisted rental units must have incomes that are 60 % or less of the area median and 20 % of the units, in *each* rental housing project containing *five or more* units, must be occupied by tenant families with incomes at or below 50 % of median income.

Enforcement of the affordability period, rent and occupancy requirements will be secure through covenants running with the property and deed restrictions. Covenants and deed restrictions may be suspended upon transfer by foreclosure or deed-in-lieu of foreclosure.

3. Homebuyer Assistance

The objective of this activity is to promote the acquisition of existing affordable housing for homeownership tenure increasing the supply of safe, sound and sanitary dwellings available to low and very-low income families, helping them to improve their quality of life.

HOME funds will be used to subsidized part of the downpayment and closing costs to prospective homebuyers in order to reduce the monthly mortgage payments. The dwelling should met property standards set forth in 24 CFR 92.251 and the homebuyer should met income targeting requirements set forth in sections 24 CFR 92.203 (income determination) and 24 CFR 92.217 (income targeting: homeownership).

Permanent financing will be secure through the Puerto Rico Housing Finance Authority after obtaining an average subsidy per family of $25,000. However, the subsidy will fluctuate from $1,000 to $40,000 top.

The homebuyer will execute a lien and silent mortgage through covenants running with the property and deed restrictions for the affordable period calculated in the amount of

HOME funds invested in the unit. The share will be secure in compliance with section 24 CFR 92.254 (affordability terms).

Families interested in purchasing a house may also consider applying to *La Llave Para tu Hogar*, a PR Department of Housing initiative that provides subsidies up to $15,000 to qualified first time homebuyers. In addition to the local subsidy, the first-time homebuyers could be benefited with subsidies from the *American Dream Downpayment Initiative* with downpayment and closing cost assistance up to the greatest of the 6% of the purchase price or $10,000.

4. Community Housing Development Organization (CHDO) – Set aside

24 CFR Part 92.300 establishes that participating jurisdiction must reserve not less than 15% of the HOME Program allocation for investment in non-for-profit housing organizations to benefit low and very low income families.

Community Housing Development Organizations (CHDO's) are not-for-profit community based entities established to develop, acquire, administer, or sponsor housing for persons of low and very low income with the assistance of HOME funds. The State HOME Program must certify the organization as a CHDO. Prior to committing funds, the State HOME Program will reassure that the entity meets the criteria pursuant 24 CFR Part 92.2.

Legal status under state laws, composition of Board of Directors, organizational mission, administrative capacity, and experience are the major areas to be evaluated before certifying an organization as a CHDO.

HOME Program funds will be granted for acquisition and/or rehabilitation of housing, new construction, and project pre-development loans, among other eligible costs. CHDO activities and projects costs, will meet the 24 CFR Parts 92.205, and 92.206 and local and Federal property standards and construction codes, as established in the 24 CFR Part 92.251.

All families benefited with HOME funds must comply with income requirements as stated on the 24 CFR Parts 92.203 and 92.254, and Part 92.252 regarding rental-housing qualifications.

5. State HOME Program Administration Activities

The 10% of the total allocation of HOME Program funds for PY 2005-2006 will be used to cover reasonable administrative and planning costs for general management and coordination of the program, and other eligible costs in accordance with 24 CFR Part 92.207.

Housing Market Analysis

Table No. IV shows the number of housing units counted in the last seven Censuses from 1940 to the year 2000. The data collected for the past 60 years indicate that in the past 20 years, from the 1980 to the 2000 Censuses Puerto Rico get a steady annual growth of 1.9% in the housing production, but lower by a .4% for the last census, than for the 1990 Census.

TABLE NO. IV
COUNT OF HOUSING UNITS

Census	Housing		Change
1940	361,888	40-50	35.6%
1950	490,564	50-60	6.4%
1960	521,959	60-70	36.7%
1970	713,713	70-80	39.2%
1980	993,678	80-90	19.7%
1990	1,188,985	90-00	19.3%
2000	1,418,476		

In order to see any significant trend in the housing market for Puerto Rico we have to observe how these statistics compare with the population growth for the same period.

Table No. V shows the number of persons counted in the last Censuses from 1940 to the year 2000. The data collected for the past 60 years indicate that in the past 20 years, from the 1980 to 2000 Censuses the population growth in the Island has been declining, after reaching the highest percentage increment of 17.9% in 1980 to a decrease of 7.7% in 1980-90, to a 2.1% in 1990-00.

TABLE NO. V
CENSUS OF POPULATION

Census	Population		Change
1940	1,800,965	40-50	14.8%
1950	2,066,714	50-60	13.7%
1960	2,349,544	60-70	15.4%
1970	2,712,033	70-80	17.9%
1980	3,196,520	80-90	10.2%
1990	3,522,037	90-00	8.1%
2000	3,808,610		

Figure No. III, in the next page, provides a graphical representation of the housing and population changes observed during the 1940-2000 census counts.

Table No. VI provides also in the next page, data to compare the changes in the housing stock for Census 1990 and Census 2000.

From this analysis, is evident several positive trends. First, the increase in the number of occupied housing units in the amount of 206,401 dwellings for a 19.6%, .3% more than the increment made by the total housing units for the same period. The second positive trend was

the increased owner occupied housing units, in the amount of 159,536 units, for a 21.0% for the same period. The percentage of owner occupied housing in 1990 was 72.1%, surpassed in the year 2000 by .8%, reverting the trend observed during the 1980-90 Censuses.

FIGURE NO. III

TABLE NO. VI
COMPARATIVE TRENDS AT HOUSING STOCK FOR 1990-2000 CENSUS

ITEM	1990	%	2000	%	CHANGE	%
Total Housing Units	1,188,985	100.0	1,418,476	100.0	229,491	19.3%
Occupied Housing Units	1,054,924	88.7	1,261,325	88.9	206,401	19.6%
Owner Occupied Housing Units	760,233	72.1	919,769	72.9	159,536	21.0%
Renter Occupied Housing Units	294,691	27.9	341,556	27.1	46,865	15.9%
Vacant Housing Units	134,061	11.3	157,151	11.1	23,090	17.2%
For Rent	23,039	17.2	27,363	17.4	4,324	18.8%
For Sale	13,515	10.1	16,248	10.3	2,733	20.2%
Sold or Rented Not Occupied	44,980	33.6	12,710	8.1	(32,270)	(71.7%)
Other Vacant	52,527	39.2	100,830	64.2	48,303	92.0%
Average Household Size for Owner Occupied units	3.36		3.00		(0.36)	(10.7%)
Average Household Size for Renter Occupied units	3.17		2.94		(0.23)	(7.3%)

We might suggest three (3) Federal decisions toward this tendency. First, the refusal of HUD to continue subsidizing multifamily rental projects, turning them into homeownership condominiums and the homeownership opportunities provided by the HOME program, ever since 1992. In a minor share, the conversion of public housing into homeownership. All these decisions, certainly affected the availability of rental housing, diminishing the current occupancy from a 27.9% in 1990 to a 27.1% in the year 2000.

The market analysis proves the eternal tradeoff: How much rental housing should be sacrifice in order to provide homeownership opportunities?, and How much rental units should be in balance with homeownership occupancy?

From the Housing Market Study performed by *Estudios Técnicos, Inc.* at the "Implication For The Rental Market" we quote:

> *Although the study does not explicitly forecast demand for rental housing, the general findings in the study bear some implications for that important segment of the housing market. Unfortunately, there are no detailed data of rental housing units by municipality and rental price in Puerto Rico, which impedes a thorough analysis of market dynamics. However, aggregate data are available in the various censuses, and may be complemented for analytical purposes with the forecast of housing needs and housing demand presented in this report.*
>
> *The high rate of home-ownership in Puerto Rico – currently around 73% - implies a relatively low demand for rental housing; about 27% of households live in rented units. This is, however, not a trivial number. With projected annual demand for 20,641 units over the next five years, the current split of own-rent households implies an annual demand for nearly 5,600 units. This amounts to nearly 28,000 units over the first half of the current decade.*
>
> *Most of the demand for rental housing arises from two types of households: very young households who will not become aspiring homeowners for several years and must necessarily rent, and very low-income households that find it difficult to acquire even a subsidized housing unit. A smaller segment of the market is accounted for by transient population, such as persons residing temporarily at a particular location, and by people in transition, such as divorced individuals.*
>
> *The projections of demand for housing in this study show that close to 5,700 units are demanded in the bottom end of the market; units priced at $50,000 or less. Since such units are unlikely to be produced, even with government support, these households are likely candidates for the rental market. It is interesting that this number roughly matches the annual demand for rental housing suggested by the 73%-27% split between own and rent households.*
>
> *If, as suggested by these numbers, the Puerto Rico rental market is predominantly a social-interest housing market, then the question arises of whether private developers and operators may be expected to supply the needed units. Recent experience leaves little room for optimism in this respect, since owners have been withdrawing units from government-subsidized rental programs such as Plan 8.*
>
> *The thrust of the government's housing policy (both federal and local) is currently to support ownership as opposed to rental. Yet, there will always be a segment of the market that will better served by rental housing, because some households can contribute nothing to the purchase of a residence. Policymakers and industry leaders must find new ways to ensure that adequate housing will be supplied as needed in this market segment.*

The vacant units in the 1990 Census showed a share decrease from 17.3% to 17.1% for the 2000 Census, thus increasing the number of vacant units in the ten-year period in the amount of 23,090

dwellings. The share for units for sale and units for rent increased also from 10.1% and 10.3% in the first case and from 17.2% to 17.4% in the second case, respectively. These figures demonstrate an active market activity, when we observe that the number of sold or rented units not occupied for the same period diminished from 33.6% in 1990 to a sharp downward of 8.1%. Buyers and renters did not wait long to occupy their home.

Does the housing market support the current housing demand? No, again, according to the Housing Market Study performed by *Estudios Técnicos, Inc.* They forecasted a housing demand deficit of 49,432 units for the 2002-2006-time period, thus suggesting that the 43,611 units available for sale and rent during April 1st. 2000 were already occupied.

Specific Housing Objectives

Table No. VII, in the next page, provides the specific housing objectives pursued with HOME funds and the expected performance measurement that should be reported at the 2005 CAPER.

Needs of Public Housing

The Public Housing Administration is the owner of 56,877 federally subsidized units located in 328 projects, occupied by 224,712 residents.

In order to satisfy the needs for public housing, the agency has been able to complete the modernization of 13 projects for 1,280 units with an investment of $82.2 million. Next to be reoccupied are 15 projects for 1,530 units with an investment of $147 millions. Under modernization, they are 30 projects for 5,273 units, with an investment of $394.5 millions. Twenty two (22) percent of these or 1,165 units have been completed. Ten (10) new projects are ready to be bidded, with an investment of $131.9 millions for 1,952 units.

In order to understand the needs for public housing is necessary to analyze the waiting list of the agency. In fact, the number of units for very low-income tenants has been diminishing since the Federal government authorized its policy to sale the units available. So, the units available in the market are those vacant, due to the annual turnover. As June 30, 2004 there were 7,999 families listed in the waiting list, for which, 2,324 could be placed as the annual turnover occur. We can say that the difference, 5,675 families will be left out. In other words, for each 10 families placed in public housing, there is one left in need.

Another urgency set forth by the Agency is to provide 2,803 Uniform Federal Accessibility Standard Accessible Units in all PHA projects, by September 24, 2010. This goal will be achieved in annual increments of 500 units after August 31, 2005.

Table No. VIII in page 31 provides the breakdown for the needs for public housing in Puerto Rico.

TABLE NO. VII
SPECIFIC HOUSING OBJECTIVES

STRATEGIC GOAL	5 YEAR GOALS	1 YEAR GOAL	PERFORMANCE MEASUREMENTS
To strengthen public-private partnerships.	To execute 25 partnership agreements among public and private organizations.	To execute no less than 5 partnership agreements among public and private organizations including Federal and state agencies, local governments, non-profits organizations including CHDOs, housing developers and financial institutions.	Percent increase in the number of public and private entities collaborating together to attain affordable housing opportunities for low income tenants and homeownership opportunities island wide
To expand the supply of decent, safe, sanitary, and affordable housing, with primary attention for the construction of new homeownership and rental housing, for low-income and very low-income families.	To provide for the construction of 1,100 new affordable housing units for sale and the acquisition of 200 existing units for new homebuyers. To provide for the rehabilitation of 200 home-owned units.	To assist at least 300 new homebuyers through the construction of new affordable housing projects or through the acquisition of existing housing in the market.	To increase the percentage homeownership rate in the targeted neighborhoods. To increase the appraised value of the home-owned properties as a result of housing rehabilitation
	To provide for the construction of 700 new rental affordable housing units and the rehabilitation of 300 existing units.	To assist at least 200 low and very low income tenants through the occupation of new or rehabilitated rental units in order to promote them in a five years term as prospective homeowners.	To increase the number of unit years of affordability in rental projects, based on the investment of HOME dollars. To increase the tax base revenue of the rental projects for the municipalities.
To establish minimum non-federal matching investments to complement federal funding in the provision of affordable housing.	To assist the development of 500 rental units combining tax credits and 1,000 homebuyer units with state funds such as: *La Llave Para Tu Hogar* and *Ley 124.*	To assist at least the construction or rehabilitation of 100 rental units using tax credits. To assist at least 200 new homebuyers matching funds with *La Llave Para Tu Hogar* and *Ley 124.*	To increase the overall cost-benefit participation of the HOME program in a rate of $35,000 per unit assisted.

TABLE NO. VIII
HOUSING NEEDS OF FAMILIES ON THE WAITING LIST

Items	# of families	% of total families	Annual turnover
Waiting list total	7,999		2,324
Extremely low income <=30% AMI	4,399	55%	
Very low income (>30% but <=50% AMI)	3,600	45%	
Low income (>50% but <80% AMI)	0	0%	
Families with children	4,808	60%	
Elderly families	525	6.56%	
Families with disabilities	445	5.56%	
Hispanic	7,955	99%	
African – American	840	10.5%	
White	7,159	89.49%	
Characteristics by bedroom size			
1BR	3,991	49.8%	
2 BR	2,445	30.5%	
3 BR	1,337	16.7%	
4 BR	206	2.6%	
5 BR	19	.23%	
5+ BR	0	0%	

Public Housing Strategy

The Strategic Goals established by the Public Housing Administration are:

1. To increase the availability of decent, safe, and affordable housing expanding the supply of assisted housing. This goal will be accomplish pursuing the following objectives:

   - Reducing the number of public housing vacancies;
   - Leveraging private or other public funds to create additional housing opportunities;
   - Acquiring or building new public housing units or developments
   - Encouraging the participation of the municipalities in the development and management of public housing projects within their jurisdictions. This includes the development of homeownership proposals in coordination with the PRPHA.
   - Facilitating public housing residents with technological advances of the 21st century so they can improve their quality of life. This will be achived by the Electronic Library Iniciative which will be expanded to additional public hosuing projects, among others.

- Improving the quality of assisted housing, through better housing management practices;

- Increasing customer satisfaction;

- Concentrating the administrative efforts to improve specific management functions such as: the administration of the waiting list; finances; unit inspections)

- Establishing new procedures to monitor the performance of private management agents; and

- Increasing assisted housing choices, inplementing the Homeownership Program and acquiring additional public housing units.

2. To improve community quality of life and economic vitality. This goal will be accomplished pursuing the following objectives:

- Providing an improved living environment through the enhancement of security measurements;

- Designating developments or buildings for particular resident groups (elderly citizens, persons with disabilities);

- Increasing the number of dwelling units for the elderly.

3. To promote self-sufficiency and asset development of families and individuals. This goal will be accomplished pursuing the following objectives:

- Promoting self-sufficiency and asset development of assisted households;

- Increasing the number and percentage of employed persons in assisted families;

- Providing supportive services to improve assistance to recipients' employability;

- Providing supportive services to increase independence for the elderly or families with persons with disabilities;

- Promoting economic self-sufficiency through Employment Training, Education and Placement Programs;

- Establishing coordination with other agencies that provide economic assistance to increase the percentage of people receiving aid that are placed into employment;

- Providing transportation and child care support services to employed family members of program recipients;

- Providing social self-sufficiency to work with services directed to children, young people and adults, behaviour modification, and families of prisoners;

- Establishing mechanisms to increase the number of residents in the workforce islandwide; and

- Increasing the availability of homeownership options.

The goals of the PRPHA Homeownership Office are:

(a) The sale of eight (8) PRPHA communities that have approved proposals by the US Department of Housing and Urban Development (HUD) under Section 5 (H) Homeownership Program. In order to benefit these communities, an ammendment to the approved plans will considered to conform the approved Section 5(H) proposal to Section 32.

(b) Provide the opportunity and assistance to municipalities that are interested to participate in the Homeownership Program.

(c) Finally, the Homewnership Office has implemented an education, and motivational program so that families of the public housing developments could be able to complete the process to aquire the dwelling units that they currently occupy.

The number of dwelling units approved for sale is 787 units. To continue providing the residents of public housing with the opportunity of becoming homeowners the PRPHA has identified forty-one (41) Public Housing Developments with sale possibilities. The residents of these communities have demonstrated a great interest in becoming homeowners.

3. To ensure equal opportunity in housing for all americans. This goal will be accomplished pursuing the following objectives:

- Ensuring equal opportunity and affirmatively further fair housing, undertaking affirmative measures to ensure access to assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability;

- Undertaking affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability; and

- Undertaking affirmative measures to ensure accessible housing to persons with all varieties of disabilities, regardless of unit size required.

Barriers to Affordable Housing

First, income limitations turn to be the main barrier for affordable housing in Puerto Rico. The lack of purchasing power of low-income families in the Island push the government to institute several programs to attend this sector of the population that could not raise the equity needed for a downpayment and closing costs. In order to get an affordable mortgage payment, the government should draw a significant amount of funds to subsidize the downpayment to make the home affordable.

On the other hand, the high cost of housing construction is affected, or added by public policies, including tax policies, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that have an effect on the return on residential investment, and a restricted sale price that is not an attractive incentive for affordable housing construction.

Therefore, the obligated question is, How much affordable is affordable housing? A sound, safe and decent home, to be affordable, has to be modest, sober and energy efficient. In order to meet these criteria, affordable housing has to deal with the following barriers.

Real estates taxes: The PRDH should press on the Legislature to approve legislation forgiving any past uncollected taxes or any prospective tax collection on vacant land or property that could be converted into affordable housing. This incentive will allow starting construction in empty or dilapidated urban spots.

Land use controls: The PRDH should ask the Planning Board to consider favorable, all affordable housing land use consultations presented to them, even they might show a land use conflict with other compatible uses, such as commercial, light industrial, parks and recreation.

Zoning ordinances: How much residential is a residential district? How much mixed uses are going to be tolerated to allow low-income residents to be self-sufficient? Affordable housing is for low-income families, so an important barrier to remove is the residential use of the assisted property, to allow some income earning activity.

Building codes: another issue is structural soundness of the building. Public policy has turned into earthquake awareness. For the past fifteen years, PR has been hit by eight hurricanes and building code enforcement has been the critical issue for the lack of survivability of low income housing. Floods have damaged houses built in wood, not in concrete. Building code enforcement is a most, at a reasonable cost.

Fees and charges: impact fees are the new income generating approach for urban development. The PR Department of Education, PR Department of Recreation and Sports, Electric Power Authority, Water and Sewer Authority, and the Highway and Transportation Authority are some of the public agencies that levied impact fees on new residential developments. The need for infrastructure development is a most, but not at the expense of affordable housing. Affordable

housing should contribute with no more than half the fees levied for infrastructure development.

Growth limits: housing developers has expressed that walk-up complexes are cost effective for development because hard costs could be lowered by unit built. As a marketability fact, this kind of project has been very attractive to young families and retiring couples or individuals. They made good sense in terms of second home investment. This kind of development is a favorite for affordable housing developers.

Return on residential investment: Current legislation limits the net return of affordable housing, in $5,000, per unit. This limitation allows a tax brake, for the limited partnership, organized by the Corporations Act of Puerto Rico. Developers do not argue against the tax break.

Homeless Needs

Not applicable to the PR Department of Housing.

Priority Homeless Needs

Not applicable to the PR Department of Housing.

Homeless Inventory

Not applicable to the PR Department of Housing.

Homeless Strategic Plan

The participation of the State HOME Program into the Homeless Strategic Plan is to provide a maximum of $40,000 cash grant, per unit to be developed for the chronic and homeless poor, from the annual rental activity scheduled for the next five years, up to the 5% ceiling established to this effect.

The capitalization funding will require matching from private funds and tax credits, from the Puerto Rico Housing Finance Authority. Bonus points will be awarded to those applications presented by the private sector, non-profit organizations or the community/faith based housing development organizations, at the municipalities identified in Figure No. 35.

Emergency Shelter Grants (ESG)

Not applicable to the PR Department of Housing.

COMMUNITY DEVELOPMENT

Puerto Rico has some neighborhoods where market forces are not working to sustain the neighborhood and the physical infrastructure is deteriorating or obsolete. An infusion of development funding can be an important step in the revitalization process. The renewal of these communities and the expansion of the supply of affordable housing for low and moderate-income families are two policy objectives related, using housing as the founding critical component, if not the catalyst, for neighborhood revitalization efforts.

The ultimate goal of any neighborhood revitalization effort is to create a viable and sustainable community in a place where one does not currently exist.

Special Communities

The Commonwealth of Puerto Rico enacted Act No. 1 of March 1, 2001 for the Socioeconomic Development and Empowerment of the Special Communities of PR, which created the *Oficina de Comunidades Especiales*. The Act establishes the public policy to identify areas of extreme poverty, to provide for the coordination of social services, towards the initiatives among public agencies, community organizations, and private sector. In addition, the Act establishes the assignment of resources for infrastructure and housing improvements. On the other hand, the Act presents the need to address social and health problems in order to improve the quality of life of the Special Communities. The Office of Special Communities is also directed to encourage and promote self-sufficiency and empowerment among the residents.

Comunidad Especial is a low, very low or extremely low income underserved area, geographically defined, characterized by an unequal access to resources, available for other sectors of our society, with lack of infrastructure, deteriorated and dilapidated housing dwellings, adverse environmental or high risk conditions, and with a diverse variety of social problems, among other unacceptable situations. There are 686 communities identified.

The Special Communities Program is funded with state funds managed by the Perpetual Trust Fund for Special Communities and are projected to match state, private, and federal funding, among them, HOME Program funds.

The Housing Development and Improvements Administration (ADMV) of the PR Department of Housing is the agency in charge of the housing component of the Special Communities Program. An estimate of $690,000,000 (from the Perpetual Trust Funds for Special Communities) was assigned to the PR Department of Housing for the development of affordable housing, infrastructure and other projects.

ADMV has the responsibility for the implementation and development of housing rehabilitation and development, infrastructure and public facilities within the 222 *Comunidades Especiales* that revealed multiple housing priorities such as: property titles, dilapidated and deteriorated homes, overcrowded housing dwellings, lack of infrastructure and utilities services, and high risk environmental conditions, among other needs. Likewise, ADMV will also contribute to the

economic development and job creation in those communities by hiring residents of the communities for construction projects.

The State HOME Program collaborates in this initiative providing assistance to extremely very low income homeowners in need of a major rehabilitation grant to secure their dwelling, bringing it to a sound, safe and sanitary unit.

In the area of community infrastructure, the PR Department of Transportation and Public Works (DTOP) is responsible for the development and improvement of infrastructure and public facilities of the rest of the Special Communities.

Revitalization of Urban Centers

There is no specific formula for community health, but it is generally understood that a healthy community is one where people want to be-to live, to work, to spend time. Residents of a healthy community maintain and invest in their homes. Businesses located in healthy communities are open, attract customers, and earn profits. Open space in healthy communities is used by residents and visitors, is well landscaped and maintained, and is perceived to be a safe and welcome place.

Healthy communities, in essence, have a dynamic system of sound residential and commercial development, supported by accessible transit, working infrastructure, open space, recreational activities, social services, and a sense of safety.

Revitalization of a declining neighborhood must be done in a comprehensive way because neighborhoods operate holistically. Bringing people to a community to live, work, or spend leisure time, requires a working neighborhood system. Decent and desirable housing might attract the attention of homebuyers, but without sound schools, safe streets, and accessibility to work places, shopping centers, recreational facilities and social services (by foot or other form of transportation), homebuyers will seed alternatives. Likewise, businesses might be attracted to a newly rehabilitated and well-landscaped commercial district, but without a nearby neighborhood of residents to serve as regular customers, fancy storefronts alone will not be sufficient to attract stable and growing businesses.

The revitalization of urban centers is an strategy authorized by Act No. 212 of 2002 for the Revitalization of Urban Centers. The Act establishes the need to create livable cities that will integrate several factors such as: special economic, physical and environmental improvements to the center, in order to improve quality of living.

This action will contribute to consolidate urban uses and activities in the inner cities by the support of state and local governments.

The PR Department of Housing has undertaken the tasks of rehabilitate and develop new housing units in partnership with municipalities and the DTOP, which is the agency responsible for this initiative. This component is fundamental for the renewal of the urban centers. The projects will be developed with state, local and Federal funds.

One of the most effective resources for implementing this initiative is the HOME Program, which will benefit low-income families to obtain decent, secure, and affordable housing in the urban centers.

The PRDH has initiated the coordination process for housing development in the available locations in the urban centers. The housing projects complement the urban revitalization strategies, in accordance with the Memorandum of Agreement between the PRDH and the Urbanism Area of the PR Department of Transportation and Public Works.

Currently, there are more than 1,646 housing projects located in 15 municipalities, with an estimated investment of more than $103,621,818, as shown in Table No. IX, in the next page.

Anti-Poverty Strategies

Although, the factors over which the Commonwealth of Puerto Rico has direct influence are few, an effort to address the needs of impoverished people, through a unified approach to reduce poverty in Puerto Rico is its primary goal. The stability and support of those currently in need will help reduce further socio-economic deterioration for those in poverty. Two basic strategies will continue in this 5-year strategic housing plan:

1. To coordinate and direct state and Federal resources toward a unified strategy for community and economic development to enhance the health, safety, and economic vitality of our communities and neighborhoods.

2. To assist private and community groups in the capitalization funding for the development of permanent housing for the homeless poor and supportive housing for the chronic homeless.

3. To provide housing funds to preserve existing residential neighborhoods and existing housing within a framework of neighborhood revitalization and community development.

4. To continue the delivery system, provided at the public housing communities, the human service that assists families and individuals in achieving health, well being, self-sufficiency and independence.

5. Support enhanced efforts to ensure homeownership for low income families, increasing the number of affordable housing built and supported living opportunities for people with disabilities.

6. Maintain effective statewide housing and community development policies and programs in partnership with the private sector, community groups, Federal and municipal governments island wide.

TABLE NO. IX
HOUSING DEVELOPMENT AT DESIGNATED URBAN CENTERS

Urban Center Project / Location	Municipality	Housing Units	Investment
Solar Urbano	Aibonito	20	1,460,000
Caonillas		80	3,509,000
Apartamentos Buenos Aires	Arecibo	11	1,051,803
Finca Berwind	Bayamón	60	Unknown
Villas Arturo	Camuy	151	6,175,000
Villas Collazo		125	8,125,000
Villas Johnny Toledo	Cayey	405	32,000,000
Bloque 54 Núm. 15	Coamo	3	292,339
Núm. 8, 9, 20		10	920,090
Solares 3 y 4		12	1,623,352
Apartamentos Pedro Márquez	Culebra	8	943,618
Apartamentos Fulladosa		10	1,387,450
	Gurabo	186	16,740,000
Apt. Font Calero	Humacao	10	2,681,666
El Cemí	Luquillo	45	2,632,500
Riveras del Bucaná III	Ponce	180	Unknown
	Quebradillas	72	10,080,000
Urb. Montesoria I	Salinas	100	7,000,000
Urb. Montesoria II		108	7,000,000
Nuevo Amanecer	San Germán	50	Unknown
Jardín del Paraíso	Yauco	Unknown	Unknown
Total		1,646	103,621,818

Information provided by the Planning and Technical Services Division of the PRDH.

The PRDH will utilize the means, programs and services available under the umbrella agency and those among the Government of Puerto Rico, to reduce the number of households in the Commonwealth, with incomes at or below the poverty level, as set forth through its Anti-Poverty Strategies.

Low Income Housing Tax Credit (LIHTC) Coordination

One of the primary goals of the Puerto Rico Housing Finance Authority (PRHFA) is to handle the need for adequate rental housing, as a matter of social justice for extremely and very low-income tenants.

Aware of the fact that the demand for low-income housing is greater than the offered by the market, the PRHFA develops new financing mechanisms to increase the offer of available rental housing units. To this end, the Authority manages two programs:

Section 42 of the Internal Revenue Code

This program provides:

Financing through the sale of tax credits to United States investors.

The product of the sale contributes to create and preserve rental-housing units.

The Federal Tax Credit Program receives each year nearly $8.2 million, which generates an investment of approximately $67.7 million in Puerto Rico's economy.

These objectives are compatible with the objectives set forward by the State HOME Program.

Established by the Tax Reform Act of 1986, this program authorizes a federal tax incentive for the construction or rehabilitation of rental housing units occupied by low-income households. State housing credit agencies award the limited annual supply of tax credits to developers of projects picked in application cycles. The LIHTC provides the owner with a tax credit to offset federal income tax for a 10-year period. The size of the tax credit is based on the construction or rehabilitation costs for the low-income units. Tenants of tax credit units may not have initial incomes greater than 50% or 60% of the area median income, adjusted for family size. The maximum rent charged to low-income tenants is 30% of the maximum income for a qualified low-income household.

At least 20% of the units in a tax credit project must be occupied by households earning 50% or less of the area median income. Alternatively, at least 40% of the units must be occupied by tenants earning 60% or less of area median income, adjusted for household size.

The preceding "set-aside" percentage and the rent limit for low-income units must be met continuously for the tax credit project for the compliance period, which is at least 15 years, plus a minimum of 15 additional years required by the Puerto Rico Housing Finance Authority.

Housing tax credits may be claimed for all of the low-income housing acquisition and development expenditures for a project, without getting an allocation of credits from the state's annual volume cap, provided 50% or more of the project expenditures are financed with the proceeds from tax-exempt private activity bonds issued for the project.

Tax Credit Program (Act No. 140 of October 4, 2001)

This program provides:

State tax credits for the investment in new construction or in the substantial rehabilitation of housing units to rent to low-income families, thus increasing the inventory of social interest housing in the island.

Guarantees an affordable rent for low-income families.

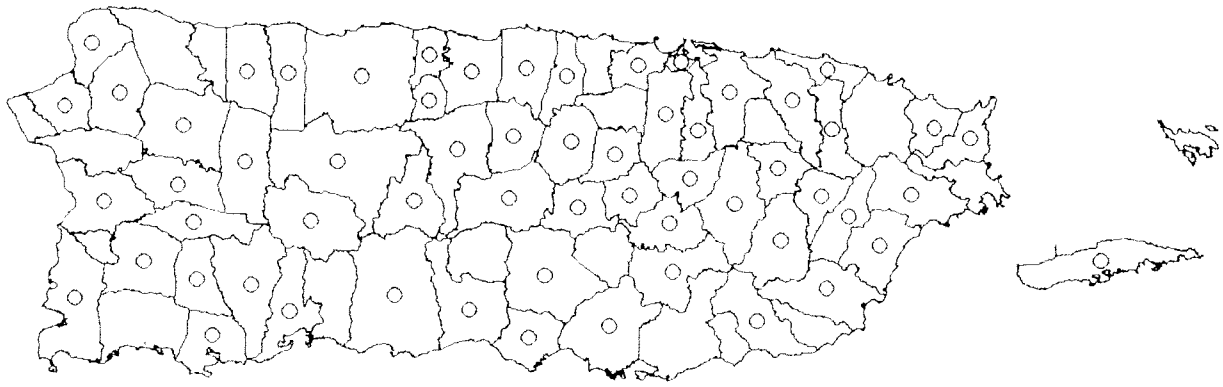
This credit serves as a tool to stimulate the substantial rehabilitation of existing facilities and structures that will contribute to renovate and repopulate the urban centers.

The State Tax Credit Program will have $15 million and it is a new program managed by the Development and Financing Area.

The State HOME Program will provide 5 bonus points to any rental project located at the hard to develop areas, presented in Figure No. IV.

FIGURE NO. IV

MUNICIPALITIES DESIGNATED AS HARD TO DEVELOP AREAS (HTDA)



NON-HOMELESS SPECIAL NEEDS

Specific Special Needs Objectives

The participation of the State HOME Program into the Persons with Special Needs initiatives is to provide a maximum of $40,000 cash grant, per unit to be develop for permanent housing, for independent living or with supportive services, from the annual rental activity scheduled for the next five years, up to the 5% ceiling established to this effect.

The capitalization funding will require matching from private funds and tax credits, from the Puerto Rico Housing Finance Authority. Bonus points will be award to those applications presented by the private sector, non-profit organizations or the community/faith based housing development organizations, at the municipalities identified in Figure No. IX.

Non-homeless Special Needs Analysis

Not applicable to the PR Department of Housing.

Housing Opportunities for People with Aids (HOPWA)

Not applicable to the PR Department of Housing.

Specific HOPWA Objectives

Not applicable to the PR Department of Housing.

THE ACTION PLAN-PY 2005-2006

FEDERAL RESOURCES

Description of Grant Funds

The Government of the Commonwealth of Puerto Rico will receive **$17,815,257** of HOME Program funds for PY 2005-2006. HOME funds will be allocated for the development and rehabilitation of affordable housing for low and very low-income families. The PR Department of Housing (PRDH) will allocate the HOME funds as follows:

TABLE NO. X
GRANT FUNDS BY ACTIVITY ALLOCATION FOR PY 2005-2006

ACTIVITY	ALLOCATION	%
Homebuyer New Construction	$ 6,235,340	35.0%
Rental Activity	3,384,898	19.0%
Homebuyer Assistance	2,672,289	15.0%
CHDO Set Aside	2,672,289	15.0%
Program Administration	1,781,526	10.0%
Homeowner Activity	890,762	5.0%
Operating Expenses CHDO	178,153	1.0%
	$ 17,815,257	100.0%

Figure No. V illustrates the proposed funding allocation.

FIGURE NO. V

Income targeting for homeownership at 24 CFR 92.217 established that: *Each participating jurisdiction must invest HOME funds made available during a fiscal year so that with respect to homeownership assistance, 100 percent of these funds are invested in dwelling units that are occupied by households that qualify as low-income families at the time of occupancy or at the time funds are invested, whichever is later.*

For rental housing, 90 percent of the occupants of HOME-assisted rental units must have incomes that are 60 percent or less of the area median and 20 percent of the units in *each* rental housing project containing *five or more* units must be occupied by tenant families with incomes at or below 50 percent of median income.

In order to meet program accomplishment, the beneficiary data will be collected by program tenure and income level, utilizing the model established in Table No. XI.

TABLE NO. XI
PROGRAM BENEFICIARIES (HOUSEHOLDS)

INCOME GROUP	HOMEOWNERS	RENTERS	TOTAL
30% AMI			
50% AMI			
60% AMI			
80% AMI			
TOTAL			

Other Federal Resources

In addition to the Community Planning and Development Formula Grant, the PR Department of Housing will received from the Indian and Public Housing Formula Grant, the amount of $369,859,000, to assist 56,877 public housing units and 9,327 Section 8 households.

For PY 2004-2005, the recommended consolidated budget of the **PR Public Housing Administration** was $337,034,000. Of that amount, $318,594,000 are from Federal programs. In the other hand, the recommended consolidated budget of the **Community Revitalization Administration** is approximately $52,989,000. Of that amount, $47,256,000 are from Federal programs. In addition, the **Puerto Rico Housing Finance Authority** has a recommended consolidated budget of $401,608,000, with a Federal share for their Section 8 Program of $4,009,000.

Table No. XII in the next page provides a description of the source of funds, amount and use of such allocation.

The Hon. Ileana Echegoyen, PRDH Secretary designated in July 1st. 2002, *ARCO* as the agency to administer the State Section 8 Program.

ARCO submitted in April 22, 2003 the Administrative Plan for Homeownership, for their Section 8 participants, to benefit eligible low-income tenants to purchase a home. The plan

provides for down payment assistance. This is another initiative regarding the encouragement of homeownership and self-sufficiency activities.

TABLE NO XII
OTHER FEDERAL RESOURCES (ESTIMATES)

SOURCES OF FUNDS	AMOUNT	DESCRIPTION
Public Housing Programs	$318,594,000	To cover the operational and maintenance cost of the units under contract and the modernization and capital improvements scheduled for public housing.
Section 8 Program-Housing Choice Voucher Program	$51,265,000	To assist on the monthly rent payment of very low income tenants.

Disposition of Program Income

Program income is the gross income received by the PJ, sub recipient or state recipient, directly generated from the use of HOME Program funds and must be expended in eligible activities before additional HOME funds are drawn down. The PRDH will allocate program income to assist homebuyers, and if needed, to cover administrative costs, not exceeding 10% of the total amount generated.

The State HOME Program will comply with federal regulations pursuant 24 CFR Part 92.503 that specifies that:

- Program income received must be deposited in the Home Investment Trust Fund account, unless, the State HOME Program permits the recipient or sub-recipient to retain and use the program income for another HOME projects. A written agreement will be required.

Other specific considerations will be taken regarding HOME Program requirements:

- Upon the termination of a Written Agreement, the future program income or that readily available must be returned to the PJ.

- The PJ will maintain records that identify sources and use of funds, including program income. The PJ's management accounting and reporting system allows tracking those proceeds and take the proper actions.

As of December 2004, the State HOME Program has a balance of **$25,346** of **program income** to be used for eligible HOME activities, in accordance with HOME Program requirements and regulations.

In addition, the State HOME Program has the amount of **$263,577.89** of **recaptured funds**. Those funds will be used in housing activities for which a drawdown is requested. Since recaptured funds are a return of those originally invested, that amount will not be used for administrative or planning costs.

OTHER RESOURCES

Private Sources

For new construction or rehabilitation for rental or sale activities, private developers must demonstrate their financial capability and resources for the development of the housing projects. A minimum 80% share in private funds is required as a matching source for the commitment of HOME funds. Interim financing should be clear with the banking institution before the commitment of HOME funds. The construction loan should cover no less than 80% for the total development cost for the project.

The lending institutions are contributing in the financing of affordable housing providing flexibility on the mortgage loan up to 80% for conventional mortgages and 97% for FHA mortgage insurance. At least, the prospective homebuyer should put together no less than 3% as his/her equity to qualify for a loan mortgage, in order to make feasible the acquisition.

It is necessary to point out that permanent financing for HOME assisted homebuyers could be processed through the Puerto Rico Housing Finance Authority. The homebuyer purchase assistance will be granted directly to low-income families.

State Source of Funds

The Legislature of Puerto Rico appropriates funds to the PRDH through the General Revenue Fund annual budget appropriation and the special legislative appropriations approved. In addition, the Governmental Development Bank of Puerto Rico could issue special lines of credit to pursue the development of affordable housing to benefit low and very low-income families and individuals.

Table No. XIII, in the next page, provides an example of the overall estimated investment in affordable housing for PY 2005-2006.

Leveraging Resources

The State HOME Program will continue leveraging HOME Program funds for rental projects that are eligible for Low Income Housing Tax Credits (LIHTC), giving preferences to those projects, as well as applicants for the local investment tax credit. Act No. 140 was enacted on October 21, 2001, better known as *Law for Income Tax Credits for the Investment in Housing Construction and Rehabilitation for Rental to Low and Moderate Income Families.*

In addition, the PRDH is combining HOME funded projects with the Perpetual Trust Fund for the Special Communities, Section 8 Project-Based Rental Assistance, and State Law 173 funds– Elderly Rental Assistance, created to support and maintain affordable rental projects for low-income families and elderly citizens, among other available funds.

TABLE NO XIII
STATE RESOURCES BY AGENCY AND PROGRAM

AGENCY	PROGRAM	BUDGET	DESCRIPTION
Housing Finance Authority	La Llave para tu Hogar	$0	Provides downpayment assistance and closing cost from $3,000 to $15,000. The program could be match with other types of assistance.
	Direct Loans	110,559,000	Loans for the acquisition, construction or improvements of the dwelling; to purchase plots of land for housing construction; and refinancing without equity. Loans are granted for 30 years up to $90,000 at an interest rate of 6.5%
	Act 124 Social Interest Subsidy	108,972,000	Real estate developers pursue private financing. A 2% grant is offered for downpayment to the sale price and may grant a mortgage subsidy on a cases by case basis.
	Mortgage Insurance	384,000	It is a buy out security that covers for private mortgages or those issued by the agency. The foreclosed property turns into the agency real estate inventory.
	Secure Home	237,000	Provide for the construction in non-floodable areas or free of landslide. Assist families that live in high-risk areas relocating them into units of $62,000.
	Permanent Financing Tax Credit	4,001,000	Provides financing through the sale of tax credits to United States investors. The product of the sale contributes to create and preserve rental housing units.
	Construction Loans Insurance (Act Num. 72)	50,000	
	Housing Finance Trust	100,331,000	
ADMV	On Site Rehabilitation		Provides construction materials to any homeowner or renter with the consent of the landlord, that live at a zoning district designated as M (zones to be improved) for their housing rehabilitation.
	Community Improvements		Assist communities in need of infrastructure improvements.
	Family Development and Community Improvements		Evaluates applications for the distribution, adjudication and sale of parcels. Provides property titles to usufructuarios.
	Low Income Housing		Housing development services provided to communities located in parcels owned by ADMV.
	Renacer Viequense		Provides assistance for housing rehabilitation and new construction in various communities in Vieques.
	Housing for Elderly		Provides for the relocation of elderly living in inappropriate communities.

TABLE NO XIII
STATE RESOURCES BY AGENCY AND PROGRAM

AGENCY	PROGRAM	BUDGET	DESCRIPTION
PR Department of Housing	Assistance for Domestic Violence Victims		Provides assistance to women victims of domestic violence.
	Low-Income Housing Tax Credits – Law 140		Credits applicable to rental projects.
	Tax Credits for Housing Infrastructure - Law 98		
	Fideicomiso Perpetuo para las Comunidades Especiales		New construction and housing rehabilitation, Development of infrastructure and public facilities within the 222 *Comunidades Especiales* that revealed multiple housing priorities such as: property titles, dilapidated and deteriorated homes, overcrowded housing dwellings, lack of infrastructure and utilities services, and high risk environmental conditions, among other needs.
	Law 173		Rental Assistance for the elderly.
Public Housing Administration	Law 131		Provides public housing eligible residents the opportunity to become homeowners for $1.00.
Community Revitalization Administration	General Fund		Promotes economic and social development among public housing residents and special communities in order to reduce dependency from the government and increase self-sufficiency. Provides housing options for low income families.

A good example of a project financed with various sources of funds is the *Egida de las Enfermeras* in San Juan. This project is in the process to be developed with combined funds from the HOME Program, Section 8, and Tax Credits.

The past Secretary of the PRDH executed Memorandums of Understanding (MOUs) with various municipalities and agencies as an initiative towards creating partnerships and leveraging resources for the development of affordable housing for rental and homeownership.

PR Department of Housing 2004-05 Budget and Projections for Fiscal Year 2005-2006

The approved budget for the PRDH and affiliated agencies for PY 2004-2005 was in the consolidated amount of $848,330,000. It is expected a 5% increase for PY 2005-2006, bringing the expected allocation to the amount of $891 millions.

The budget allocated, per agency and source of funds, is presented in Tables No. XIV and XV.

TABLE NO. XIV
2004-2005 BUDGET ALLOCATION

HOUSING AGENCIES	BUDGET
Administración de Desarrollo y Mejoras Vivienda	$12,219,000
Administración para la Revitalización de Comunidades	52,989,000
Administración de Vivienda Pública	337,034,000
Departamento de la Vivienda	44,480,000
Autoridad para el Financiamiento de la Vivienda en PR	401,608,000
TOTAL	$848,330,000

TABLE NO. XV
2004-2005 SOURCE OF FUNDS

REVENUE	AMOUNT
State Special Funds	$8,800,000
Federal Funds	434,763,000
Revenues	159,203,000
Capital Improvement Fund	11,450,000
Loans and General Obligation Bonds	209,303,000
General Revenue Fund	24,811,000
	$848,330,000

The largest budget allocation is made to the Puerto Rico Housing Finance Authority, with a 47.3%, followed by the Public Housing Administration with a 39.7%. In the third place is the Community Revitalization Administration with a 6.2%, the Puerto Rico Housing Department with 5.2% and the Housing Development and Improvements Administration with 1.4%.

Federal funds made the largest source of income with 51.2%, followed by the loans and general obligation bonds issued by the Commonwealth of Puerto Rico, for 24.7%, third, the agencies own revenue for a 18.8% fourth, the general revenue fund with a 2.9%, fifth, the capital improvement fund with 1.3% and the special state funds with the remaining 1.0%.

Figures No. VI and VII, present charts indicating the percentage distribution on the allocated budget, per housing agencies, and the source of funds for their operational budgets.

FIGURE NO VI

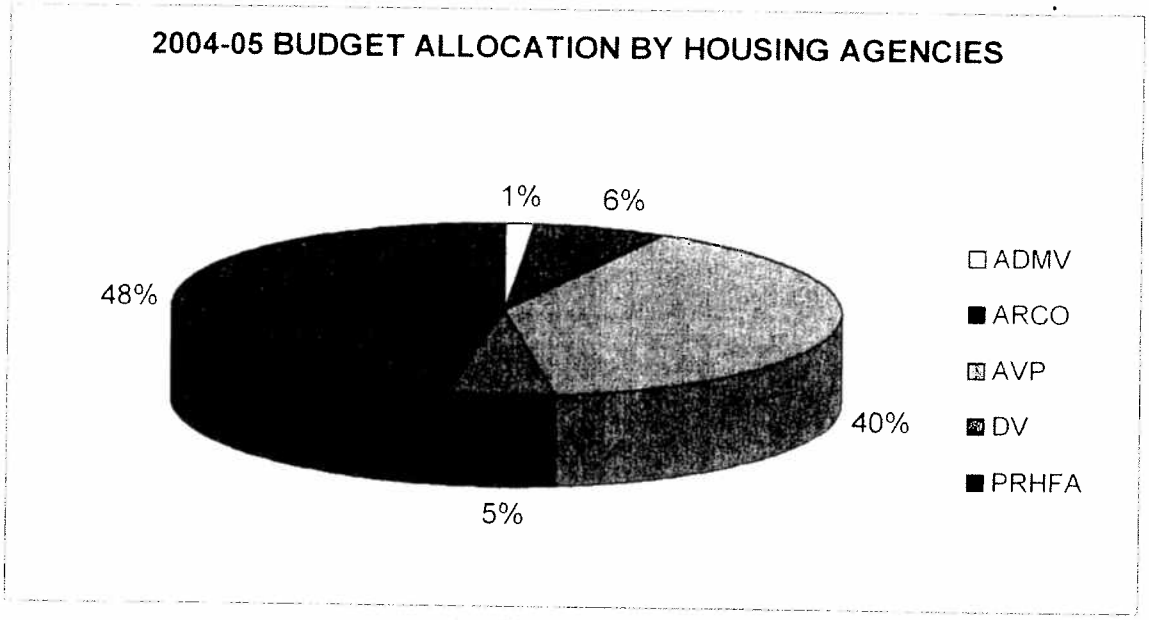
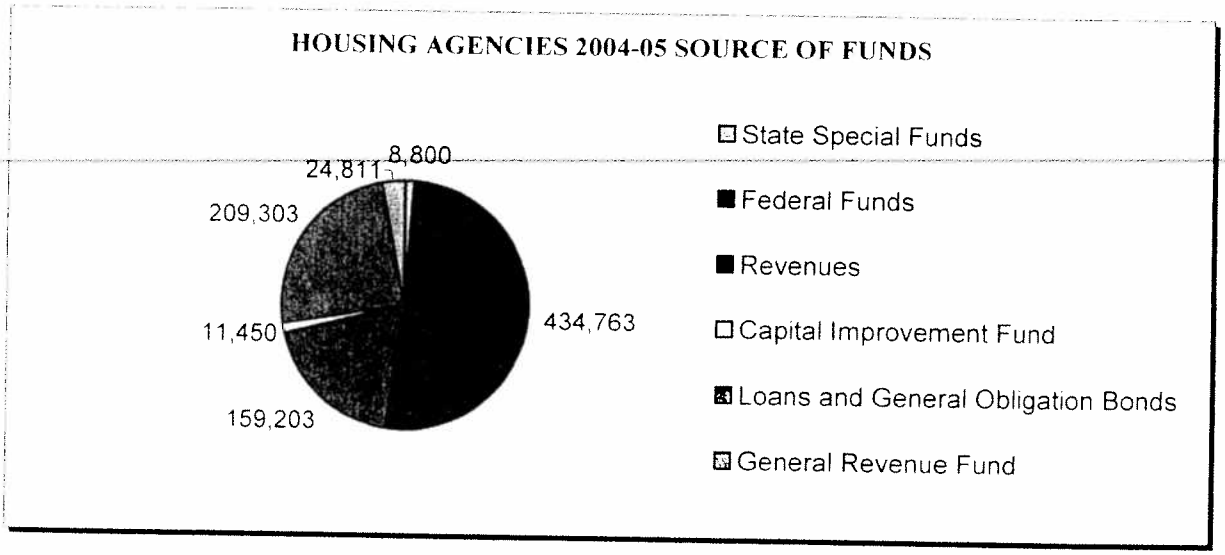


FIGURE NO VII



ACTIVITIES

Method of Distribution

The State HOME Program has developed and implemented a uniform procurement and contracting procedure to ensure equal participation of minorities groups, women business

Outreach for program funds is based in the Request for Proposal (RFP) strategy. This strategy assures equal participation of all organized parties into the affordable housing business. A start up technical assistance conference is announce with the publication of the RFP notice, inviting all interested parties to attend the conference in order to learn in advance the requirements established to access program funds. Once the technical assistance is provided, the proponents submit their RFP in a competitive method, ensuring the fair and unbiased contracting procedure that allow a foremost opportunity of open competition and absence of conflicts of interests.

The RFP publication will be made in February and the RFP technical session will be held in March 2005.

As presented in Table No. X, the State HOME Program will allocate the estimated amount of **$17,815,257** to the diverse eligible activities. The method for distributing HOME funds to local governments, developers, CHDOs, minorities groups, women business enterprises and small businesses, will be through the submittal an application or proposal. The proposal will be the official application for HOME funds.

The applications for housing construction and rehabilitation must benefit low and very low-income families. The subsidy requested should be enough, without exceeding the maximum subsidy standards per unit. This will allow income eligible families to meet the eligibility requirements pursuant to 24 CFR Part 92.203. For rental projects the proposal should allow renters to be eligible, through compliance of 24 CFR 92.216 and for homeownership housing, the proposal should allow prospective homeowners to be eligible in compliance of 24 CFR 92.217, among other Federal requirements and the State HOME Program criteria.

The Proposals Evaluation Committee, designated by the Secretary of the PRDH, will evaluate applications to HOME funds. Award points to eligible proposals will be based on specific rating factors. Those factors include local considerations and State HOME Program's evaluation criteria, such as:

- Completed Application Form
- Project description
- Site control
- Statement on how the project will meet priorities of the PR Department of Housing and the Commonwealth of Puerto Rico
- Market analysis and affirmative marketing strategies
- Capabilities and previous experience of the firm/organization
- Financing sources (levering plan) and economic feasibility
- Planning and design phase (status of constructions permits, environmental assessment)

- Other

In selecting from among eligible applications, consideration will be given to the:

- Extent to which the proposal will serve a demonstrated need and priority;
- Determination of eligibility activity, type of assistance requested and compliance with Federal and state regulations;
- Degree to which the proposal leverages private investment or other funding sources;
- Likelihood of successful project completion, including consideration of the market analysis, prior experience of the applicant, and the viability of the completion schedule;
- Developer experience and qualifications. Debarred contractors or developers and/or entities with serious previous citizens claims or those included in HUD monitoring or audit findings will be automatically excluded;
- Planning and design phase / site control;
- Project evaluation as per Subsidy Layering guidelines: before committing funds, the PR Department of Housing and the Evaluation Committee must analyze sources and use of funds, to determine funds needed to develop the project;
- Determination of cost-effectiveness and project feasibility;
- Environmental assessment;
- Legal review

Additional factors might as well be included taking into consideration the bonus points requirements to meet a specific objective and PRDH priorities.

The PRDH could make **exceptions** to municipalities or state governmental agencies that need HOME funds. The State HOME Program could receive unsolicited proposals any time during the PY. However, the request for HOME funds and applicable documentation must be completed by solicitants. The request for funds will be referred to the Proposals Evaluation Committee, according to the State HOME Program procedures and requirements for their recommendations.

Distribution of Funds to Address Priority Needs

HOME Investment Partnership Program

The PRDH concurs with HUD's commitment to promote and increase homeownership among low and very low-income families. With HOME Program funds, the PRDH is encouraging and supporting the construction of affordable housing for sale and to assist low-income families to become homebuyers. Fifty percent of the HOME funds assigned for PY 2005-2006 will be allocated for the construction of new affordable housing for sale and homebuyer assistance to benefit prospective homebuyers. The PRDH expects to assist approximately 245 families during PY 2005-2006 for homebuyer assistance.

The information that follows presents a description of the State HOME Program activities and the distribution of funds to address priority needs.

1. Construction of Affordable Housing for Sale

   Allocation: $6,235,340

   The objective of this activity is to promote the construction of affordable housing for homeownership tenure increasing the supply of safe, sound and sanitary dwellings available to low and very-low income families, helping them to improve their quality of life.

   HOME funds will be used to provide equity incentives to developers in order to reduce financing expenses in the construction loan. Housing construction will be carry out in compliance to sections 24 CFR 92.205 (eligible activities), 92.206 (eligible project costs), 24 CFR 92.251 property standards and construction requirements established by ARPE.

   The families benefited with this activity will receive a discount in the sale price equivalent to the average share of HOME funds invested per unit built. The beneficiary will execute a lien and silent mortgage through covenants running with the property and deed restrictions for the affordable period calculated in the amount of HOME funds invested in the unit. The share will be secure in compliance with section 24 CFR 92.254 (affordability terms). Family eligibility will comply with sections 24 CFR 92.203 (income determination) and 24 CFR 92.217 (income targeting: homeownership).

   The incentive or subsidy for developers must be used for eligible constructions hard and soft costs. The determination of subsidy per unit will be based on the subsidy layering analysis up to $40,000 per unit.

   It is expected that 156 low-income families will benefit from the construction of affordable housing activity.

2. Rental Activity for Rehabilitation or New Construction

Allocation: $3,384,898

This activity commits funding for the provision of affordable rental units through the rehabilitation of existing units, conversion of non-housing buildings into rental units or the construction of new rental units, in order to benefit very low- income families that do not have the capacity to assume a mortgage payment.

Ten percent of the rental funding allocated will be committed for the conversion of non-housing buildings as single room occupancy either to end chronic homelessness through the continuum of care permanent housing homeless strategy and the provision of group quarters for special need population. Three percent will be committed for rental rehabilitation and the remaining 87% will be committed for rental new construction.

In either case, the amount to be invested will not exceed the maximum per-unit subsidy amount established under 24 CFR 92.250 using subsidy layering analysis.

HOME funds will be used to provide 0% interest loans to developers in order to reduce financing expenses in the construction loan. The rental construction, rehabilitation or conversion will be carry out in compliance to sections 24 CFR 92.205 (eligible activities), 92.206 (eligible project costs), 24 CFR 92.251 property standards and construction requirements established by ARPE.

For rental housing, 90 percent of the occupants of HOME-assisted rental units must have incomes that are 60 percent or less of the area median and 20 percent of the units in *each* rental housing project containing *five or more* units must be occupied by tenant families with incomes at or below 50 percent of median income.

Enforcement of the affordability period, rent and occupancy requirements will be secure through covenants running with the property and deed restrictions. Covenants and deed restrictions may be suspended upon transfer by foreclosure or deed-in-lieu of foreclosure.

Every HOME-assisted unit is subject to rent limits designed to help make rents affordable to low income households. These maximum rents are referred to as "HOME Rents."

Annually, the PRDH will establish maximum monthly rents and allowances for utilities for HOME-assisted rental projects. However, the project owner may submit a proposed utility allowance to the State HOME Program for review and approval.

HUD will annually publish FMRs and calculations of rents affordable to families earning 65 percent and 50 percent of median, so that owners and the State program administrators can establish new HOME rents for projects.

There are two HOME rents used in the HOME program:

High HOME Rents: Maximum HOME rents are the lesser of: the Section 8 Fair Market Rents (FMRs) (or area-wide exception rents) for existing housing; OR thirty (30) percent of the adjusted income of a family whose annual income equals 65 percent of median income.

Low HOME Rents: For properties with five or more HOME assisted units, at least 20 percent of HOME-assisted units must have rents which are no greater than:

Thirty (30) percent of the tenant's monthly adjusted income, or thirty (30) percent of the annual income of a family, whose income equals 50 % of median income (Low HOME Rent), or if a project has a Federal or state project-based rental subsidy and the tenant pays no more than 30 percent of his or her adjusted income toward rent, the maximum rent may be the rent allowable under the project-based rental subsidy program.

It is expected that 85 very low-income families will benefit from the rental housing activity.

3. Homebuyer Assistance

Allocation: $2,672,289

The objective of this activity is to promote the acquisition of existing affordable housing for homeownership tenure increasing the supply of safe, sound and sanitary dwellings available to low and very-low income families, helping them to improve their quality of life.

HOME funds will be used to subsidized part of the downpayment and closing costs to prospective homebuyers in order to reduce the monthly mortgage payments. The dwelling should met property standards set forth in 24 CFR 92.251 and the homebuyer should met income targeting requirements set forth in sections 24 CFR 92.203 (income determination) and 24 CFR 92.217 (income targeting: homeownership).

Permanent financing will be secure through the Puerto Rico Housing Finance Authority after obtaining an average subsidy per family of $25,000. However, the subsidy will fluctuate from $1,000 to $40,000 top.

The homebuyer will execute a lien and silent mortgage through covenants running with the property and deed restrictions for the affordable period, calculated for funds invested in the unit. The share will be secure in compliance with section 24 CFR 92.254 (affordability terms).

Families interested in purchasing a house may also consider applying to *La Llave Para tu Hogar*, a PRDH initiative that provides subsidies up to $15,000 to qualified first time homebuyers. In addition to the local subsidy, the first-time homebuyers could be benefited with subsidies from the *American Dream Downpayment Initiative* with downpayment and closing cost assistance up to the greatest of the 6% of the purchase price or $10,000.

It is expected that 89 low-income families will benefit from the homebuyer existing housing activity.

4. Community Housing Development Organization (CHDO) – Set aside

Allocation: $2,672,289

24 CFR Part 92.300 establishes that participating jurisdiction must reserve not less than 15% of the HOME Program allocation for investment in non-for-profit housing organizations to benefit low and very low income families.

Community Housing Development Organizations (CHDO's) are not-for-profit community based entities established to develop, acquire, administer, or sponsor housing for persons of low and very low income with the assistance of HOME funds. The State HOME Program must certify the organization as a CHDO. Prior to committing funds, the State HOME Program will reassure that the entity meets the criteria pursuant 24 CFR Part 92.2.

Legal status under state laws, composition of Board of Directors, organizational mission, administrative capacity, and experience are the major areas to be evaluated before certifying an organization as a CHDO.

HOME Program funds will be granted for acquisition and/or rehabilitation of housing, new construction, and project pre-development loans, among other eligible costs. CHDO activities and projects costs, will meet the 24 CFR Parts 92.205, and 92.206 and local and federal property standards and construction codes, as established in the 24 CFR Part 92.251.

All families benefited with HOME funds must comply with income requirements as stated on the 24 CFR Parts 92.203 and 92.254, and Part 92.252 regarding rental-housing qualifications.

It is expected that 67 low-income families will benefit from the CHDO activity.

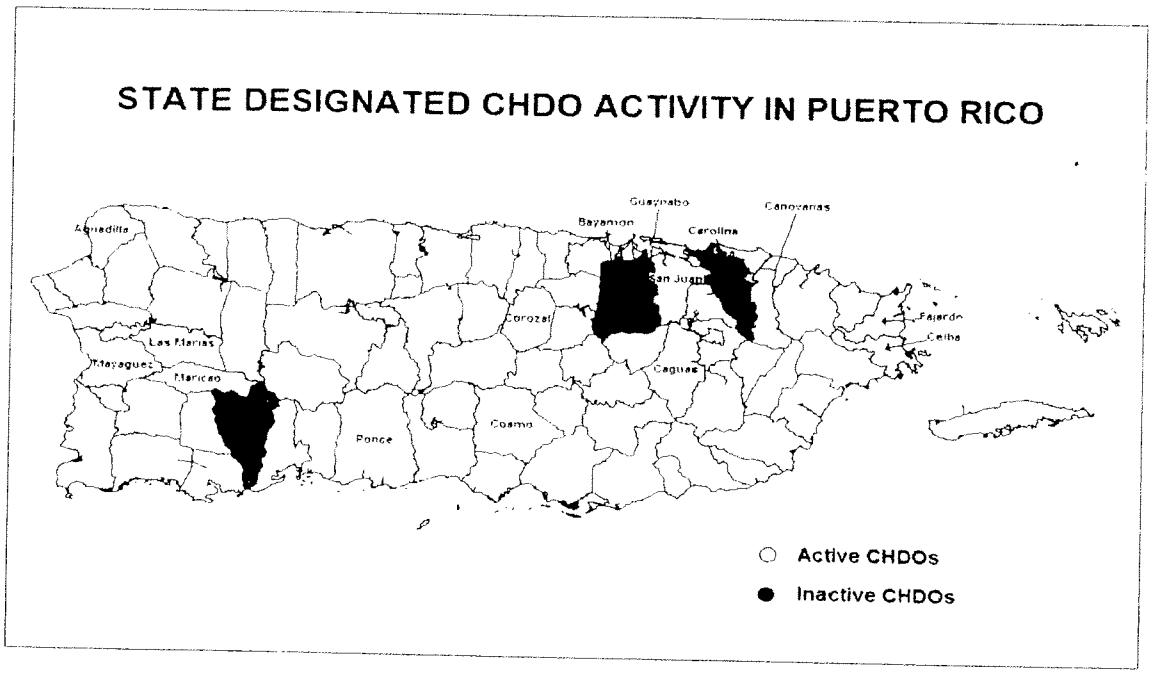
Figure No. VIII, in the next page, provides a view of the location of the CHDOs in Puerto Rico, designated by the PRHD, as today.

5. State HOME Program Administration Activities

Allocation: $1,781,526

The 10% of the total allocation of HOME Program funds for PY 2005-2006 will be used to cover reasonable administrative and planning costs for general management and coordination of the program, and other eligible costs in accordance with 24 CFR Part 92.207.

FIGURE VIII



6. CHDO Operating Expenses

Allocation: $184,240

A total of $184,240 will be allocated for operating expenses of Community Housing Development Organizations, such as: salaries, wages, rent, utilities equipment, materials and other related expenses stipulated in the 24 CFR Part 92.208.

7. Homeowner Activity

Allocation: $921,200

The objective of this activity is to promote the rehabilitation work of a substandard unit, the replacement of such unit if it is unsoundly or represents an environmental hazard or the construction of a new home in a vacant plot of land, thus maintaining the existing housing stock for homeownership tenure, increasing the supply of safe, sound and sanitary dwellings available to low and very-low income families, helping them to improve their quality of life.

In order to meet this objective, the State HOME Program will receive applications under the following criteria:

a. Emergency response:

Under this criterion, low-income families above the 60% income level, but below 80% income level for the municipality they lived, will receive a full interest subsidy in the rehabilitation loan for the reconstruction of the dwelling, if they comply with one of the *urgent priorities* for assistance set forward:

1. Houses destroyed by fire;

2. Families living in high risk of environmental hazards;

3. Structural deterioration of the dwelling, for instance: current rehabilitation will exceed 75% of the replacement cost of the unit.

On the other hand, on the same standard mention above, very low-income families above 50% income level, but below 60% income level for the municipality they lived, will repay only interest and no principal in the rehabilitation loan for the reconstruction of the dwelling,

Extremely very low-income families below 50% income level for the municipality they lived, will receive a grant from the State HOME Program for the reconstruction of the dwelling,

b. Conventional rehabilitation

The same criteria posted above will be enforced- with the applications receive for the reconstruction of the dwelling, if they comply with one of the *priorities* for assistance set forward:

1. Compliance of Section 8- Housing Quality Standards;

2. Structural deterioration of the dwelling, for instance: current rehabilitation will exceed 25% but not 75% of the replacement cost of the unit;

3. Architectural barrier removal for persons with physical impediments that need reasonable accommodation;

4. Construction of additional bedrooms to clear overcrowding.

In order to qualify for this activity, homeowners should comply with income eligibility as set forth in sections 24 CFR 92.203 (income determination) and 24 CFR 92.217 (income targeting: homeownership).

The homeowner will execute a lien and silent mortgage through covenants running with the property and deed restrictions for the affordable period calculated in the amount of HOME funds invested in the unit. The share will be secure in compliance with section 24 CFR 92.254 (affordability terms).

Construction or rehabilitation will be carry out in compliance to sections 24 CFR 92.205 (eligible activities), 92.206 (eligible project costs), 24 CFR 92.251 property standards and construction requirements established by ARPE.

The incentive or subsidy for the construction/rehabilitation activity will be based on cost analysis up to $40,000 per unit.

It is expected that twenty (20) low-income families will benefit from the construction/rehabilitation of their housing unit.

Through PY 2005, it is expected to assist 417 households with the HOME funds allocated, as presented in Table No. XVI.

TABLE NO. XVI
PROPOSED ACCOMPLISHMENTS
WITH HOME PROGRAM FUNDS BY ACTIVITY

HOME Program Activity	Allocation	Average Subsidy	Low- income Families to Assist
New Construction for Sale	$ 6,235,340	$40,000	156
Rental Activity	3,384,898	40,000	85
CHDO	2,672,289	40,000	67
Homebuyer Assistance	2,672,289	30,000	89
Homeowner Activity	890,762	45,000	20
Total			**417**

American Dream Downpayment Initiative (ADDI)

No new allocation for the *American Dream Downpayment Initiative (ADDI)* has been made for Puerto Rico for PY 2005. Nevertheless, the PY allocation of **$498,685** is available to pursue the objectives presented in the 2004 Action Plan.

The American Dream Downpayment Act was enacted on December 16, 2003 under Subtitle E of Title II of the Cranston Gonzalez National Affordable Housing, as amended. The HOME Program will administer this initiative. The main objective of the ADDI is to promote homeownership among first time homebuyers. Down payment and closing costs commonly represent one of the principal obstacles of low-income families.

Downpayment charges and closing costs commonly represent one of the principal obstacles, of low-income families, to acquire a home. The State HOME Program has made an approach to the PR Housing Finance Authority and ARCO (Section 8 Program) to create a partnership in order to provide down payment assistance to eligible first time homebuyers in need of additional funds, mainly from public housing residents and Section 8 tenants, which visit the PRDH Client Service Center (*Centro de Gestión Única*), to apply for housing assistance, specifically for homeownership benefits. The Center receives citizens from all sectors. It is an effective method to outreach the targeted population.

The State HOME program will provide pre and post purchase housing counseling in order to ensure that ADDI funds are used for downpayment and eligible closing costs. The Program will certify income eligibility of referred participants and will assure compliance with ADDI and HOME Program requirements.

Eligible participants must meet the following requirements:

- First time homebuyer
- Annual income below 80% of the median income limits of the area.

The amount of assistance should not exceed the greatest of 6% of the purchase price or $10,000. The down payment and closing costs may include fees for: appraisal, title evidence, credit reports, filing of legal documents, among others.

With the ADDI allocation, the State HOME Program expects to assist approximately 66 low-income families. Table No. XVII provides a summary of the expected performance.

TABLE NO. XVII
PROPOSED ACCOMPLISHMENTS WITH AMERICAN DREAM DOWNPAYMENT FUNDS

ADDI Allocation	Down payment Assistance and Closing Costs	Low- income Families to Assist
$498,685	$7,500 per household	66

The type of clientele that request assistance in the PRDH is mostly low and very low income families without sufficient resources and financial capacity to acquire a house. The State HOME Program understands that the maximum amount permissible ($10,000) will be needed for most of the families. However, it may vary case by case.

With an ADDI subsidy for downpayment of &7,500, the State HOME Program expects to benefit 198 persons.

GEOGRAPHIC DISTRIBUTION

The PR Department of Housing will provide bonus points up to a maximum of 15 points to any application for HOME Program assistance in the municipalities listed in Table No. XVIII, in pages 61 and 62. The municipalities listed in the table met three special criteria established for:

1. Redevelopment of the urban center (11 municipalities for 5 points each).

2. Home construction in areas difficult to develop (14 municipalities for 5 points each).

3. Construction of single room occupancy units for special need population and to end chronic homelessness, (14 municipalities for 5 points each).

Thirty-five municipalities have been targeted as focus centers for the "bonus target effort". Figure No. IX provides the location of the local jurisdiction.

FIGURE NO. IX

BONUS POINTS TO BE AWARDED FOR SPECIAL PROJECT DEVELOPMENT

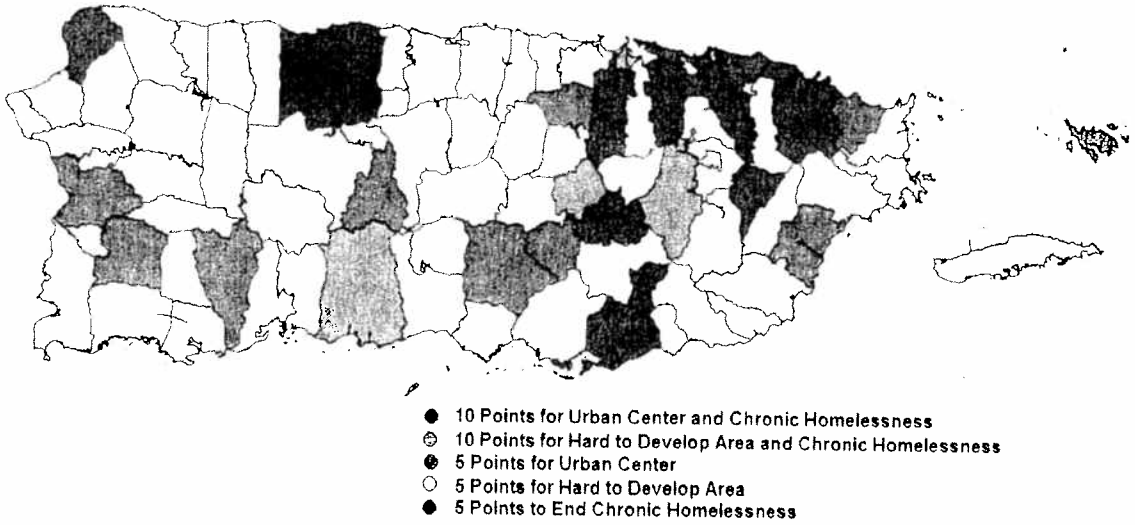


TABLE NO. XVIII
BONUS POINTS FOR SPECIAL DEVELOPMENT PROJECTS

MUNICIPALITIES	UC	DTD	TEH	TBP
Arecibo	5		5	10
Cataño		5	5	10
Ponce		5	5	10
Comerío		5	5	10
Caguas		5	5	10
Aibonito	5			5
Coamo	5			5
Culebra	5			5
Humacao	5			5
Jayuya	5			5
Luquillo	5			5
Mayagüez	5			5
San Germán	5			5
Toa Alta	5			5
Yauco	5			5
Guánica		5		5
Adjuntas		5		5
Manatí		5		5
San Lorenzo		5		5
Canóvanas		5		5

TABLE NO. XVIII
BONUS POINTS FOR SPECIAL DEVELOPMENT PROJECTS

MUNICIPALITIES	UC	DTD	THE	TBP
Cayey	5			5
Corozal	5			5
Utuado	5			5
Vieques	5			5
Yabucoa	5			5
San Juan			5	5
Loíza			5	5
Aguadilla			5	5
Bayamón			5	5
Río Grande			5	5
Juncos			5	5
Cidra			5	5
Carolina			5	5
Guayama			5	5

Legend:

UC	Urban Centers
DTD	Difficult to Develop Area
THE	To End Chronic Homelessness
TBP	Total Bonus Points

Nevertheless, the PRDH recognizes that a huge housing problems and needs is affecting the Island, as confirmed by sources such as: the Demand of Housing Study, sponsored by the PR Bankers Association; the Comprehensive Housing Affordability Strategy (CHAS) 2000 data, information obtained in the 12th Congress of Affordable Housing of Puerto Rico; and from the Housing Market Study performed by *Estudios Técnicos, Inc.*

The HOME Program direct assistance will be concentrated around Puerto Rico, where a demand of affordable housing development is latent.

ACTIVITIES TO ADDRESS SPECIAL NEEDS POPULATION

The State HOME Program encourages and sponsors the development of projects to assist the special needs of the population. Among the priorities established in the program are to provide preference to persons with disabilities and to elderly individuals, taking into consideration the special needs of this type of population, such as social and medical services in the vicinity, and most of all their housing needs.

The PRDH participates in meetings with the Developmental Deficiencies Council, Interagency Public Policy Homeless Council, Mental Health Council, among others and have an active role in the processes of evaluation, planning, and service delivery to these groups. On the other hand,

the State HOME Program provides HOME funds to CHDOs and developers for the construction and rehabilitation of affordable housing to sell or rent to benefit elderly, persons with disabilities and homeless individuals.

Regarding homelessness, an interagency committee was created, as a result of the Government of the Commonwealth of Puerto Rico efforts to address homelessness among families with children. Some of the agencies and offices participating in this effort are: the Governor's Office, PRDH, PR Department of the Family, Office of the Commissioner for Municipal Affairs, PR Department of Health, State Mental Health, Head Start, Veterans Services Administration, PR Department of Labor, State-level Homeless Services Administrators-Continuum-of-Care, Advocacy organizations, PR Department of Education, and other.

The members of the interagency committee participated in a Homeless Policy Academy seminar, celebrated in Miami, Florida. The State HOME Program Director, as the official representative of the PRDH in the Committee, took part in the development of the *Puerto Rico Action Plan for Homelessness among Families with Children.* The HOME Program is actively participating in working meetings to collaborate in the development of the strategies for the implementation of the action plan.

The goals of the Homeless Policy Committee are:

1. Increase political will, interagency collaboration, and advocacy.

2. Enhance systems and program capacity and integration.

3. Develop a strong planning, research, and evaluation infrastructure.

Some of the planned actions included in the action plan are to work with local governments, and high-level officials of the Government of PR to allocate funds for housing services in order to increase the inventory and quality of housing and other services to benefit homeless families with children. To this end, the State HOME Program is allocating 5% of the funding for rental activity for the construction of single room occupancy projects for chronic homeless. Bonus points will be awarded to projects develop at Arecibo, Cataño, Ponce, Comerío, Caguas, San Juan, Loiza, Aguadilla, Bayamón, Río Grande, Juncos, Cidra, Carolina and Guayama.

The PRDH public policy is focused in the goal that no individual with disabilities or special needs, for the only reason of said limitation is discriminated against, denied the benefits or be excluded from the participation in any program or activity receiving federal and/or local funds. Accessibility in the design, construction, rehabilitation, removal of architectural and communications barriers will be guaranteed in all activities developed by the HOME Program.

In addition, the PRDH is aware that elderly individuals are more predispose to rent than to acquire a house. To that effect, the State HOME Program will allocate 5% of the funding for rental activity for the construction of single room occupancy projects for the special need population. In addition, special attention is given to solicitants with a family member with

physical or mental disabilities that applies for rehabilitation or new construction in order to properly address their needs for a reasonable accommodation.

The PRDH and the State HOME Program guarantee that all projects developed with HOME funds comply with Federal regulations regarding accessibility for special needs population:

- For rental projects with five (5) or more assisted housing units, the State HOME Program assure that, 5% or more dwellings will be accessible to individuals with mobility impairments and 2% for persons with sensory disabilities.

- The State HOME Program gives special attention to assure that owners of projects will provide information regarding the availability of accessible housing units in order to reach individuals with disabilities. This requirement is stipulated in the contract agreements.

During PY 2005-2006, the State HOME Program will continue to assist special needs persons (mostly elderly citizens), among others, by providing rental housing. The projects presented in Table No. XIX are under construction.

TABLE XIX
RENTAL PROJECTS UNDER CONSTRUCTION

LOCATION	PROJECT	UNITS
Bayamón	Miguel Plaza Elderly	82
Culebra	Pedro Márquez Apartments	6
Culebra	Apartamento Fulladosa	8
Lares	Elderly Housing	12
Loíza	Loíza Home for the Elderly	120
Manatí	Edén Dorado	12
Juana Díaz	Apartamentos Tití Lydia	4
Juana Díaz	Apartamentos El Dorado	83
Vega Baja	Apartamentos Suárez Sandín	22
San Juan	Colegio y Égida de Enfermeras Prácticas	82
Total		**431**

OTHER ACTIONS

Obstacles to Meeting Underserved Needs

Some of the barriers confronted by the PR Department of Housing and the State HOME Program to provide, in a timely manner, affordable housing to underserved population is related to the following factors:

- The lack of an appropriate infrastructure that limits the construction of housing in many parts of the Island.

- The burdensome building codes and permits requirements.

- The number of requirements, the cost of complying with such requirements, and the time necessary to complete the permitting process, cause an increase in project costs and delays.

- The type and sometimes-excessive documentation required at local level to qualify families to receive services. For example, an elderly person of 70 years old that lives in a remote community in the center of the Island is required to submit a debt certification from the Department of the Family regarding child support payments.

- The restrictive federal requirements regarding ownership evidence or reasonable equivalent of ownership interest. Some other forms of ownership are not permitted under the HOME Program such as: ***usufructo-*** a kind of ownership interest more restrictive than 50-year-old leasehold contract.

- The strictness and inflexibility of income qualifications if a family surpasses by a $1.00 the income limits for the area.

Actions to Remove Barriers to Affordable Housing

The PRDH has taken the following steps to minimize barriers to provide affordable housing to underserved citizens:

- The PRDH has established a Customer Service Center at its headquarters for the delivery of counseling and assistance to applicants for the housing programs provided by the agency. Before filing an application, the solicitant receive from a trained counselor; advise on the type of assistance that he/she might be eligible. At the Center, the solicitants could file any request for assistance for: *La Llave para tu Hogar*, ADMV On-site Rehabilitation, HOME Program, Section 8, Direct Loan Program, Public Housing, Downpayment Assistance, Mortgage Insurance Program, *Comunidades Especiales*, Domestic Violence Victims Program, Law 173- Elderly Rental Assistance, Interest Subsidy, among other related services.

  The citizens are allowed to complete their applications electronically; therefore, a permanent record is available for follow-up and status.

  The PRDH programs could be accessed on the Internet at www.vivienda.gobierno.pr/programs.asp

- The PRDH has coordinated with the pertinent agencies the identification of infrastructure deficiencies and plans and/or possibilities to improve said deficiencies to determine projects viability and be able to provide practical alternative of development future projects.

- Act Num. 114 signed in May 11, 2004 amend Act 124 of 1993, -*Vivienda de Interés Social*, increasing the $70,000 ceiling price of such units to $80,000 the value of a single housing to be considered of *social interest*, to $90,000 for multifamily housing and $100,000 for the urban centers.

  This amendment to Act 124 will assure that the PRDH maintains a flow of affordable housing inventory so that more people can acquire their home. This initiative was born from the reality that each day the construction costs and land acquisition in Puerto Rico is higher, which discourage the construction of affordable housing for $70,000.

- The high costs of housing development in Puerto Rico, the non-availability of decent and safe houses for low and moderate income have been determining factors for the State HOME Program.

  The PRDH uses the parameter allowed by the HOME Program regulations and subsidizes units that do not exceed 95% of the value of FHA, according to the need of the specific area. The limits established by Act 124 fall below the FHA mortgage limits.

- ADMV, as the administering agency of the State HOME Program has diversified the clients' services to its 10 regional offices. Initial interviews of homeowners who request assistance for rehabilitation are made in the regions as well as the initial orientation. The technicians pre-qualify the applicants and refer eligible cases to the Central Office of the HOME Program in order to continue the process. This action accelerates the attention of the clients.

- In addition, ADMV, through the on-going *Community Impact* activities provides information about the PR Department of Housing and other governmental agencies regarding their services, programs, and fill applications to citizens around the Island with housing and other needs.

Actions to Foster and Maintain Affordable Housing

In order to promote and preserve affordable housing, the State HOME Program will ensure that HOME rules regarding affordability period will be observed, as stipulated at 24CFR 92.252 (e) for rental housing and 92.254 for homeownership. The assisted properties will remain affordable and available for low-income families. Restrictions to sale during the affordability period will be included in deeds or agreements. Resale provisions will be used to assure that the assisted housing unit remains affordable even if it will be acquired by another family (it must be low-income). Adequate controls are in place to enforce HOME resale or recapture provisions.

The HOME-assisted units must meet the affordability requirements for no less than the applicable period specified in Table No. XX, in the next page, beginning after the project completion. It is also related to the resale of the property. It will be applied depending on the type of project.

The aforementioned affordability period requirements are enforced through a deed restriction and covenant running with the land that would be registered in their home. The time limit for such lien will be determined by the amount of the subsidy granted by the State HOME Program.

TABLE XX
AFFORDABILITY RESTRICTIONS

HOME Funds	Homeownership	Rental
Under $15,000	5 years	5 years
$15,000 - $40,000	10 years	10 years
Over $40,000	15 years	15 years
Refinancing	Not Applicable	15 years
New Construction	Not Applicable	20 years

A promissory note will be entered as a silent second mortgage due on resale. The note will not diminish in value over the period of affordability. The period of affordability will extend to the terms set in Table No. XX, above.

As mentioned before, to reduce costs and foster affordable housing, the State HOME Program will match HOME Program funds for rental projects that are eligible for Low Income Housing Tax Credits (LIHTC). Bonus points will be given to projects located in hard to develop areas, as mention in Table No. XVIII. In addition, matching funds will be allocated for applications for the local investment tax credit, created by Act No. 140 of October 21, 2001, (*Law for Income Tax Credits for the Investment in Housing Construction and Rehabilitation for Rental to Benefit Low and Moderate Income Families).*

In addition, the PRDH will also combine HOME funded projects with Section 8 Project-Based Rental Assistance, and Act No. 173 – Elderly Rental Assistance, created to support and maintain affordable rental projects for low-income families and elderly citizens.

Actions to Evaluate and Reduce Lead Based Paint Hazards

The PRDH through the PR Public Housing Administration (PRPHA) has implemented a pro-active approach to reduce lead-based- paint hazards in residential projects across the Island, such as:

- Visual assessment for deteriorated paint in units built before 1978
- Initial and annual HQS inspections
- Data collection from residents and governmental health and environmental agencies to
- detect or identify the existing or possible risks
- Disclose information among residents of lead-based paint hazards
- Stabilization, removal and disposal of dangerous material

The State HOME Program will assure that all housing units assisted with HOME funds must comply with the 24 CFR Part 35. The Technical Unit of the HOME Program is responsible for evaluation, visual assessment, HQS inspections and paint testing (when necessary) in order to comply with lead-based paint requirements and other applicable federal environmental laws and regulations.

Public Housing Needs

The PR Department of Housing through the Puerto Rico Public Housing Administration and its programs encourage, facilitate, and support residents to develop their capacities and potential in order to improve their quality of life.

Homeownership

Currently, the Property Acquisition and Sales Bureau of the PRPHA is administrating the sales activities of public housing units among the residents. The main purpose of the Bureau is to advice, motivate, and make possible that public housing residents acquire their own home.

Table No. XXI presents the homebuyer programs of the PRPHA and the status as of November 30, 2004 of the sale process.

TABLE NO. XXI
PRPHA HOMEBUYER PROGRAMS

Homebuyer Program	Units	
	Sold	Pending
Future Housing Opportunity (Turnkey III-HUD): During the period of rental, the family is compensated by crediting the rental payments to the "mortgage", based on their income.	1,357	82
Section 5(h) Homeownership Program-HUD: This program provides PHAs the authority to sell selected public housing units. The resident has the opportunity to purchase the unit with a discount (less than the market value).	2,092	199
Law 131 of July 1st, 1975: Provides public housing eligible residents the opportunity to become homeowners for only $1.00.	2,381	20
Total	5,830	301

The Property Acquisition and Sales Bureau of the PRPHA has seven (7) additional proposals approved by HUD, under Section 5(h) Program and expects to initiate the sales on the year 2005.

The Homeownership office has in it's goals (a) the sale of eight (8) communities, that at the present time have approved proposals by the US Department of Housing and Urban Development (HUD) under the Section 5 (H) Homeownership Program. In order to benefit these communities an amendment to the approved plans will considered conforming the approved Section 5(H) proposal to Section 32. (b) Provide opportunities and assistance to municipalities that are interested to participate in the Homeownership Program. (c) Finally, the Homeownership

Office has implemented an education and motivational program so that public housing residents are able to complete the process to acquire the dwelling units that they currently occupy. The number of units approved for sale is 787 units.

The Community Revitalization Administration executes the PR Department of Housing policy by providing community services and socio-economic development services to public housing residents and low-income communities, promoting the concept of self-sufficiency and self-effort.

Residents Organizations

Up to date, the Organization and Training Bureau of the PRPHA has certified 238 Resident Councils and has continued coordinating the development of 23 additional organizations. In addition, they developed the Regulations for the Management of the Residents Activities Funds, and Regulations to Create, Organize, and Operate the Counseling Board of Residents of the PRPHA.

The resident organizations respond to the needs and interests of the community. In addition, they are aware of the importance to have a representative that acts as a liaison and canalizes their problems and needs at the administrator agent and the PRPHA levels.

The mission of the resident organizations is to provide and coordinate community services to promote and improve economic and social development, self-sufficiency, community participation, among other activities.

SPECIFIC HOME REQUIREMENTS

Resale Provisions

Table No. XXII presents the PRDH policy for the implementation of the affordability period for the homebuyer activity, as requested in 24 CFR Part 252.

TABLE NO. XXII
AFFORDABILITY PERIOD

Amount Disbursed	Term of Affordability
Less than $15,000	5 years
More than 15,000 and Less than $40,000	10 years
More than $40,000	15 years

Resale of the property during the affordability period will trigger repayment of the direct home assistance to the homebuyer. The State HOME Program will require full or partial repayment of funds when resale occurs during the affordability period, if there is, sufficient net proceeds to guarantee the homebuyer investment. The net proceed is the sales price, minus loan repayment and closing costs.

Table No. XXIII, in the next page, illustrates the mathematical calculation for the net proceeds.

TABLE NO. XXIII
NET PROCEEDS WORKSHEET

Sale Price	$
- Mortgage Liquidation	
- Closing Costs	
Net Proceed	$

The State HOME Program will also share net proceeds when surpasses State HOME Program and homeowner investment. The homebuyer investment will be repaid before the HOME investment is recaptured.

Table No. XXIV illustrates the credits granted to the homebuyer from his/her cash contributions.

TABLE NO. XXIV
RETURN ON THE HOMEBUYER INVESTMENT

Down payment	$
Closing costs	
Amortization on the principal	
Home improvements	
Cash Investment	$

After the homebuyer investment is recovered, the State HOME Program will recapture its full investment from the equity surplus.

Table No. XXV illustrates the mathematical calculation on the equity surplus.

TABLE NO. XXV
EQUITY SURPLUS WORKSHEET

Net Proceed	$
- Homebuyer Return	
- HOME Investment	
Surplus Equity	$

Three scenarios are possible for the recapture of the HOME investment.

1. When the net proceeds are insufficient to repay any amount of the HOME investment, the State HOME Program will forgive any debt due on the HOME investment to the homebuyer.

2. When the net proceeds are partially sufficient to repay any amount of the HOME investment, the State HOME Program will recapture the portion on the HOME investment from the surplus equity.

3. When the net proceeds are sufficient to repay both, the homebuyer return and the HOME investment, the homebuyer should also reimburse such amount proportional to the years they were affordable, according to Table No. XXVI.

TABLE NO XXVI
SURPLUS RETURN REIMBURSEMENT WORKSHEET

Num. of Years	Percentage of Proceeds to Reimburse
5 years	100%
10 years	75%
15 years	25%

The sale and mortgage deeds will incorporate restrictions to assure that homebuyers will comply with the affordability period and other HOME Program requirements, such as:

- The property must constitute the principal and sole residence for the homebuyer and cannot be rented or destined for a use other than residential.

- The property could be available to a buyer whose family qualifies as a low-income family and the unit will be its principal residence.

It is prohibited to sell, lease, donate or execute a permutation of the property *without previous consent of the PRDH*. If the beneficiary does not comply with the stipulated requirements, he will be obligated to reimburse the total of HOME funds assigned.

Affirmative Marketing

The State HOME Program revised and adopted the Affirmative Fair Housing Plan guidelines for rental Projects Islandwide.

The PRDH's policy request to rental and planned development project owners to not discriminate against any person on the grounds of race, color, national origin, religion, sex, handicap, or familial status, under any project or activity funded, in whole or in part, with HOME or any other housing funds.

As such, the State HOME Program is committed to take measures to ensure non-discriminatory treatment, outreach, and access to program resources. As part of the federal requirements, all recipients or sub recipients must adopt affirmative marketing procedures for all housing projects with five (5) or more assisted units.

The State HOME Program by applying the fair housing requirements is affirmatively further fair housing by:

- Promoting fair housing choices for all citizens,

- Providing opportunities for housing assistance, for qualified persons regardless of race or color, sex religion, disability, familial status and national origin,

- Promoting housing that is structurally accessible and usable by all persons, including persons with disabilities,

- Fostering compliance with nondiscrimination provisions of the Fair Housing Act and other rules and regulations by providing technical assistance and training to all HOME Program recipients,

- Monitoring housing owners, contractors, developers, and sub recipients to ensure continued compliance with fair housing regulations.

The State HOME Program will require that owners of projects, with a minimum of five (5) units receiving HOME funds assistance must comply with the following requirements:

- The owner must display the Equal Housing Opportunity logo and the fair housing poster in an area visible to the public.

- All sub recipients, developers; owners shall follow procedures and inform the public, potential tenants, homebuyers of Equal Housing Opportunity.

- If HOME assisted units are advertised during the period of affordability, the logo of Equal Housing Opportunity must be in the advertisement as shown in Figure No. X.

FIGURE NO. X
EQUAL HOUSING LOGO

- The owner or sub recipient must demonstrate compliance with Fair Housing requirements and will maintain information of the race, gender, and ethnicity of applicants and participants.

- Applicants for HOME Program funds for the development or rehabilitation of housing units for sale or rent must submit a marketing plan to attract prospective homebuyers or tenants regardless of religion, gender, disability or other characteristic and form HUD 935.2- Affirmative Fair Housing Marketing Plan

The Affirmative Marketing Plan should include the following data:

- Use of minority-owned media as part of the marketing efforts,

- English language other than Spanish should be used where necessary,
- Methods of informing the public and potential beneficiaries about fair housing laws. The advertisement message should be easily understood by target groups in the area, and should not imply restrictions for any specific group,
- Maintenance of records to evidence actions taken to affirmatively market HOME-assisted units and to assess marketing effectiveness, and
- Methods to respond to complaints and remedial steps to resolve situations, among other relevant actions. (HUD-903 Housing Discrimination Complaint).
- The developers, owners or other sub recipients of HOME funds may well use form HUD-903 to file and respond to beneficiaries' housing discrimination complaints.

The following laws and regulations are to be complied with, as a means to achieve fair housing, equal access and equal opportunities:

- Section 504 of the Rehabilitation Act of 1973
- Architectural Barriers Act of 1968
- Section 119 of the Rehabilitation, Comprehensive Services and Developmental Disabilities of 1978
- Americans with Disabilities Act of 1990
- Fair Housing Act
- Davis Bacon and related acts
- Equal Employment Opportunity, Executive Order 11246
- Women's Business Enterprise: Executive Orders 11625, 12432 and 12138
- Section 3 of the Housing and Urban Development Act of 1968

Minority/Women's Business Outreach

The State HOME Program is taking measures to ensure non-discriminatory treatment, outreach and access to program resources. It has developed contracting procedures to guarantee a fair treatment and participation in contract or subcontract processes. This applies to employment and contracting, as well as to marketing and selection of program participants. The PRDH ensures the inclusion of minority and women owned businesses and entities.

The PRDH promotes businesses opportunities to ensure a competitive and objective procedure for contracting by developing informational materials regarding activities and requirements of the program, publishing the requests for proposals and qualifications in a general circulation newspaper, developing an evaluation procedure and designating a proposal evaluation committee that assures objectivity and equal participation in the selection process, among other initiatives.

MONITORING SCHEDULE

In order to comply with the Monitoring Plan established in the Strategic Plan for the 2005-2010 period, the State HOME Program has prepared a Monitoring Schedule to address the risk factor areas identified in the 5-Year Plan. The risk factors are presented for:

Rental occupancy

For rental occupancy, property owners under a standing affordability clause should remit the State HOME Program a certification on the income eligibility and contract rent executed for each HOME assisted tenant. HOME Program personnel will revise such certification against program records and current HOME rents and income eligibility. The owners will be advised against any recurring incompliance of program regulations and the termination of their affordability restrictions.

For property standards the following projects will be inspected, as shown in Table No. XXVII.

TABLE NO XXVII
MONITORING SCHEDULE FOR RENTAL ASSISTED PROJECT INSPECTION

PROJECT NAME	MUNICIPALITY	UNITS	SAMPLE
LOIZA HOME FOR THE ELDERLY (FASE II)	LOIZA	120	18
NOTRE DAME	CAGUAS	88	13
ARAGON APARTMENTS	ISABELA	84	13
APARTAMENTOS EL DORADO	JUANA DIAZ	83	12
MIGUEL PLAZA ELDERLY	BAYAMON	82	12
COLEGIO Y EGIDA DE ENFERMERAS PRACTICAS	SAN JUAN	81	12
APARTAMENTOS CASA ROSA III	CAGUAS	75	11
HOGAR AMPARO	SANTURCE	75	11
APARTAMENTOS ROSA I	SAN JUAN	60	9
BELLO AMANECER	SAN GERMAN	50	8
LA MERCED ELDERLY	HATO REY	50	8
APARTAMENTOS ROSA II	SAN JUAN	40	6
JARDINES DE LOIZA	LOIZA	27	4

Homeowner occupancy and rehabilitation

For many potential homebuyers, the biggest barrier to homeownership is the downpayment and closing costs. While they may have a steady income that would allow them to make monthly

payments, they do not have the means to save for the upfront costs of purchasing a home. In those cases, HOME funds can be provided in the form of a grant to lower the monthly mortgage payments.

In order to monitor the compliance of this objective, the following items should be reviewed prior to the closing of the home purchase.

Owner Income Limit:	The gross income should be equal or less than the 80% of median income based on the upcoming 12 months.
Owner Occupancy:	Applicant must purchase property and maintain it as his/her principal residence obtaining ownership of the property through fee simple title; providing for the affordability period established per HOME grant awarded.
Property Type:	Eligible property types include: detach or attached unit or condominium with a property value that will not exceed 95% of the area median purchase price.
Property Standards:	If acquisition only, property must meet either local codes/standards or Section 8 Housing Quality Standards (HQS). For new construction must meet ARPE building regulations. It should be included the inspection report or certification by inspector in project file.

For homeowner rehabilitation items 1, 3 and 4 should be monitor too. The file should include also the written rehabilitation standards for the project plus the work write-up, construction budget, owner-contractor agreement, payment certifications and periodic inspections.

A sample of 10% of the homebuyer activity would be monitor as per owner occupancy and affordability compliance. Another sample of 10% of the homeowner rehabilitation activity will be monitor as per owner occupancy and affordability compliance.

Project development

New housing construction for homeowner occupancy covers the biggest share of the commitments made by the State HOME Program. In order to monitor proper project construction management and program requirements, the projects listed in Table No. XXVIII in the next page will be monitored as per:

Fair Housing and Equal Opportunity	All projects
Affirmative Marketing	5 or more units
Handicapped Accessibility	All projects
Equal Opportunity Employment	All projects
Section 3 Economic Opportunity	For HOME assistance of $200,000
Minority/Women Enterprise	All projects
Davis Bacon	12 or more units

Notice CPD – 03-09 titled "Development of State and Local Performance Measurement Systems for Community Planning and Development (CPD) Formula Grant Programs" issued in September 3, 2003, establish that "Performance measurement is simply an organized process for gathering information to determine how well programs and projects are meeting needs, and then using that information to improve performance and better target resources. There are two critical components of performance measurement: (1) productivity and (2) program impact. In housing and community development agencies, productivity reflects the level of efficiency (quantity, quality, and pace) with which a grantee undertakes its activities. Program impact, on the other hand, reflects the extent to which those activities yield the desired outcomes in the community or in the lives of persons assisted."

In order to build the Performance Measurement Systems Components, the PRHD will adopt the *"Program Outcome Model,"* presented in Appendix A of CPD Notice 03-09 which demonstrates the relationship between goals, inputs, activities, outputs, and outcomes. In terms of accountability, these concepts applied to the housing strategy are defined as follow

- ***Goals*** are the proposed solutions to the housing problems or needs identified by PRDH during the consolidated planning process. These goals are objective oriented

- ***Inputs*** include resources dedicated to or consumed by the housing program such as money, staff, equipment, and supplies.

- ***Activities*** are what the program does with inputs to fulfill its mission. Activities include the strategies, techniques, and types of treatment that comprise the program's production process or service methodology

- ***Outputs*** are the direct products of a program's activities. They are usually measured in terms of the volume of work accomplished, such as number of low-income households served, number of loan applications processed, number of units constructed or rehabilitated

- ***Outcomes*** are benefits that result from a program. Outcomes typically relate to a change in conditions, status, attitudes, skills, knowledge, or behavior. Common outcomes could include improved quality of life for program participants, improved quality of local housing stock, or revitalization of a neighborhood

The objective of this tool is to allow PRDH to monitor not only the inputs and outputs, but to examine also, the relationship between these two variables. It is only through the assessment of inputs relative to outputs that PRDH would know if its HOME program is operating efficiently or if the activities carried out need to be modified. In order to be successful, program outputs should be linked with the measurement of activity outcomes

The performance measurement system will be reported in the next Annual Performance Report for the HOME Program for PY 2004, as stated in Table No. VII, in page number 30 of this Action Plan

Conflict of Interest	All projects
Debarred Contractor	All projects
Environmental Review	All projects
Flood Insurance	If in floodable area
Lead Base Paint	All projects

TABLE NO XXVIII
MONITORING SCHEDULE FOR NEW HOUSING CONSTRUCTION
PROJECT COMPLIANCE

MUNICIPALITY	PROJECT NAME	HU	STATUS
Arecibo	Buenos Aires	10	0.0%
Ciales	Jardines de Ciales	80	25.3%
Coamo	Apartamentos Umpierre	36	0.0%
Guaynabo	Villa Concepción	36	0.0%
Jayuya	Valle Verde Fase II	18	0.0%
Jayuya	Altos Del Río	60	0.0%
Juncos	La Cima De Juncos	36	23.9%
Lares	Palmas Del Sol	201	54.0%
Naguabo	Brisas Del Valle (Fase II)	90	98.9%
Naguabo	City Palace	180	0.0%
Patillas	Valles De Providencia	75	95.0%
Salinas	Paseo Horizonte II	48	80.3%
San Germán	El Pedregal	100	0.0%
Vega Baja	Villas Del Naranjal	47	0.0%
Vieques	Cesar "Coca"Gonzalez	63	0.0%

In addition eligible costs will be monitor regarding the HOME expenditures through out the development of the project, such as:

HARD COSTS:
- Acquisition of land and existing structures,
- Site preparation or improvement, including demolition,
- Securing buildings,
- Construction materials and labor

SOFT COSTS
- Financing fees,
- Credit reports,
- Title binders and insurance,
- Surety fees;
- Recordation fees, transactions taxes,
- Legal and accounting fees, including cost certification,
- Appraisals;
- Architectural/engineering fees, including specifications and job progress inspections;
- Environmental investigations,
- Builders' or developers' fees;

Affirmative marketing and marketing costs;
Homebuyer counseling provided to purchasers of home-assisted housing,
Management fees;
Project costs incurred by the pj that are directly related to a specific project

CHDO compliance

CHDOs could act as developer carrying out the following activities

Acquisition and/or rehabilitation of rental housing,
New construction of rental housing,
Acquisition and/or rehabilitation of homebuyer properties,
New construction of homebuyer properties, and
Direct financial assistance to purchasers of home-assisted housing sponsored or developed by a CHDO with HOME funds.

The CHDO role as a developer should be monitor as a developer of rental or new housing construction and a rental administrator if turn to manage it's own rental project

Either of these two options taken, the same parameters established above for these activities, should be consider when monitoring CHDO compliance as a developer

Table No XXIX provides a sample of the CHDOs to be monitor as project developers and other program requirements

TABLE NO. XXIX
MONITORING SCHEDULE FOR CHDO CONSTRUCTION ACTIVITY AND PROJECT COMPLIANCE

Municipality	Project Name	HU	Status
Aguadilla	Portales De Camaseyes (Fase II)	12	51.3%
Las Marias	Apartamentos Miraflores	30	61.0%
Las Marias	Paseo Samaritano	125	67.6%
Maricao	Colinas De Maricao	24	86.3%
Las Marias	Las Piedras Elderly Housing	136	87.6%
Caguas	Hogar La Piedad	26	90.8%
Caguas	Villas Del Peregrino II	13	93.4%
Coamo	Estancias De Coamex	18	99.5%

Performance Measurements

By PY 2005, HUD anticipates that grantees will have implemented some form of performance measurement system, to reflect a way to gauge what constitutes success in each grantee's jurisdiction States may decide whether to require performance measures from local grantees and how to collect such information.

ADMINISTRACIÓN DE DESARROLLO Y MEJORAS DE VIVIENDA

DEPARTAMENTO DE LA VIVIENDA
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PROGRAMA HOME
HOJA DE TRAMITE

FECHA	*ENVIADO A:*	*INICIALES*
02/17/05	*1ro Lcda. Negrón - ARCO*	17-feb-05 4:30pm
	2do	
	3ro	

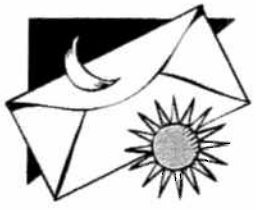
17-feb-05

*DE: **Stefanny Piña***
Supervisora
Gerencia de Proyectos

ASUNTO: 5 Year Housing Strategy
2005-2010

☐ Contestar para firma de _____	☐ Discutir con_____
☐ Someter recomendaciones	☐ Enterarse y devolver
X Acción pertinente	☐ Para su firma
☐ Acusar recibo	☐ Firmar y devolver
☐ Para su aprobación	☐ Información
☐ Contestar directamente	☐ Retener

OBSERVACIONES:



5/01/95

159 Carlos [redacted]rdon [redacted]ue - Room 305
San Juan, Puerto Rico 00918-1804

SEP 30 1994

HONORABLE CARLOS J VIVONI
SECRETARY
PR DEPARTMENT OF HOUSING
PO BOX 21365
RIO PIEDRAS PR 00928

Dear Mr. Secretary:

SUBJECT: Notification of Application Approval
Fair Share, Family Self Sufficiency (FSS) NOFA FY 1994
Section 8 Rental Voucher Program

You are notified that your application for vouchers to be assisted by housing assistance payments, pursuant to Section 8 of the United States Housing Act of 1937, was approved. Based on the current FMRs, an Annual Contributions Contract Authority in the amount of **$228,150** and a Budget Authority of **$1,140,750** have been reserved for approximately **50** vouchers.

Although the specified funds have been reserved, it is noted that no HAP Contracts with owners may be executed utilizing these funds until such time as an Action Plan is submitted and an Annual Contributions Contract (ACC) has been executed by this office.

You must immediately begin eligibility determinations and invite eligible families to apply for the program. An Annual Contributions Contract (ACC) will be prepared and submitted to you for signature. The budget (HUD Forms 52672 and 52673) with supporting documentation must be submitted immediately after the ACC execution.

Upon request, this office will be glad to provide any assistance you may need in the preparation of these items and to provide your agency with copies of the necessary forms.

Very sincerely yours,

Hector R. Mercado,
Director
Office of Public Housing

San Juan, P to Rico 918-1804

FEB 1 3 1995

HONORABLE CARLOS J VIVONI
SECRETARY
PR DEPARTMENT OF HOUSING
PO BOX 21365
RIO PIEDRAS PR 00928

Dear Mr. Secretary:

SUBJECT: Action Plan, FSS Section 8 Program
Puerto Rico Department of Housing
Project No. RQ46-V901-018

We have received your proposed Action Plan for the Family Self-Sufficiency Program submitted to our office for review and approval.

The documents provided by you have been reviewed in accordance with the Family Self-Sufficiency Program guidelines published on May 27, 1993.

The Action Plan you submitted includes all of the minimum requirements as specified in Section 984.201(d), which constitutes your submission as complete and acceptable.

Actions may be taken by your PHA to administer the program under this approved plan. Thereafter, the PHA must maintain a current Action Plan. Any changes must be approved by HUD as indicated in Section 984.201(c)(2).

Your PHA is reminded that since the system for selecting FSS families must be described in the Section 8 Administrative Plan, it must also be revised reflecting the policy change that specifies that PHAs may only select FSS participants from families receiving Section 8 certificate or voucher assistance.

If you have any questions, please contact Ms. Iris A. Diaz, Marketing and Leasing Specialist at 766-6450.

Very sincerely yours,

Juan Irizarry
Director
Operations Division
Office of Public Housing

RECEIVED
MANAGER'S OFFIC
HUD-CARIBBEAN OFFIC
1994 DEC 23 PM 3:07

ESTADO LIBRE ASOCIADO DE PUERTO RICO
DEPARTAMENTO DE LA
VIVIENDA

Mr. Hector R. Mercado
Director
Office of Public Housing
US Department of Housing
and Urban Development
Caribbean State Office
159 Carlos Chardon Ave.-Room 305
San Juan, Puerto Rico 00918-1804

Dear Mr. Mercado:

SUBJECT: Family Self Sufficiency's (FSS) Action Plan Submission

As requested on your notification of September 30, 1994, of the approval of 50 new vouchers for Department's Section 8 Program, please hereby find our submission of the program's Family Self Sufficiency Action Plan.

We understand that upon the approval of this Action Plan by your Office an Annual Contributions Contract will be prepared and submitted for our signature, this in order to start with the implementation of the program. If further information is required please contact our Program Director Ms. Enid Marrero at 274-2417 or 2418.

Very sincerely yours,

Carlos J. Vivoni
Secretary

[redacted] Avenue - Room 305
San Juan, [redacted] Rico 00918-1804

FEB 13 1995

HONORABLE CARLOS J VIVONI
SECRETARY
PR DEPARTMENT OF HOUSING
PO BOX 21365
RIO PIEDRAS PR 00928

action Plan

Dear Mr. Secretary:

SUBJECT: Action Plan, FSS Section 8 Program
Puerto Rico Department of Housing
Project No. RQ46-V901-018

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If you have any questions, please contact Ms. Iris A. Diaz, Marketing and Leasing Specialist at 766-6450.

Very sincerely yours,

Juan Irizarry
Director
Operations Division
Office of Public Housing

ACTION PLAN

I. INTRODUCTION

The Puerto Rico Department of Housing is aware that is very difficult for low-income families who have been dependent on government assistance achieve self-sufficiency. This populations is unaware of many of the government and private resources available to guide them to obtain the goals they have to set for themselves.

The Department of Housing is hereby submitting proposal to the HUD Area Office to participate in the Family Self Sufficiency Program.

By providing structural learning and work experiences we are aiming to give the families who participate of the Family Self-sufficiency Program (FSS) a real economic empowerment. Enhanced by the practical incentives that decent wages may offer and to have an "account" for education or toward the goal of purchasing their own home. Housing provides shelter, protection, a sense of identity, belonging and stability.

II. The Family Self Sufficiency Program

Section 554 of the National Affordable Housing Act (11-28-90) amended Title I of the U. S. Housing Act of 1937 by adding Section 23 which creates the Family self-sufficiency Program (FSS). The purpose of the FSS Program is to promote the development of local strategies to coordinate use of public housing and assistance under the Certificate and Voucher Programs under Section 8 with the help of public and private resources, to enable eligible families to achieve economic independence and self- sufficiency in the future.

The Puerto Rico Department of Housing aims to break the barriers the low income families confront and abate many problems that poverty and dependency have created through the development and implementation of a structured Action Plan to implement the program. Taking advantage of the existing governmental and private community resources we propose to decrease the long-term dependency. Maximize the counseling, training and job opportunities for the low-income

families. Our target goal is that families who participate in the FSS Program achieve homeownership.

The Action Plan hereby submitted will include time tables, target dates, and commitments agreements of those who will provide the Supportive Services, outreach efforts, procedural requirements and other information and documents, required.

III. Program Size

According to Section IV (B) of Notice 9-30-91 "Family Self-sufficiency Program Guidelines" the Puerto Rico Department of Housing is projecting to serve 50 families which is the amount of Rental Vouchers requested and approved on a proposal submitted to HUD on August 25 of 1994. The Puerto Rico Department of Housing will implement the FSS when the Action Plan is revised and approved by the HUD office. A FSS account will be created once the Action Plan is approved.

IV. Area to Be Assisted

We are concentrating in serving very low-income families who live in the San Juan Region, where supportive services, counseling, and training are accessible. Our office is located in San Juan serve families identified in Census of 1990 as below poverty levels. We expect to stimulate participation of families already in the program to benefit from the FSS program as the goal of achieving homewnerships is met.

It is our intention, with this Action Plan, to establish the bases in which the Department will work with the FSS Program throughout the island, in the future, by initiating contact with all top executives and leaders of government agencies and private service providers to start an education process of how this program works.

V. Family demographics :

At present the Puerto Rico Department of Housing can estimate that 60% of the family's who participate of the Section 8 Voucher Housing Program are single females head of household, 30% traditional male

head of household and 10% elderly families. We expect to use this rough estimate in the selection of families. We are aiming to end the low income families long-term dependency on government assistance and expect to identify one or more members in an elderly or handicapped families in order to provide the necessary supportive services to help them achieved economic empowerment.

VI. Estimate of Participating Families:

The Section 8- Housing Program has identified the San Juan Regional Office to implement the Program. We are aiming to initially serve 50 families. Nevertheless we expect to expand the Family self-sufficiency Program to all our operating offices around the island.

Many of our participants and general public have learned of our initial efforts toward the implementation of the FSS Program and have expressed interest in participating. The general public has a lack of knowledge of all the resources and services available, and are eager to reach the "American Dream": Home ownership.

VII. Incentive to Encourage Family Participation in the Family Self- Sufficiency Program.

In the program outreach to the Section 8 Program families the Puerto Rico Department of Housing will inform and educated of the FSS Account, highlighting the goal of the acquisition of their own home.

The Housing Bank ascribed to the Puerto Rico Department of Housing will provide orientation and assistance in qualifying FSS families toward the purchase of their own houses through loans provided under funds such as the HOME - First Time Homebuyer Program.

The Section 8 Program has invited the Housing Improvement Development Administration "ADMVI", also part of the Puerto Rico Housing Department to provide assistance in counseling in homeownership, inform and provide assistance to FSS family who desire homes in non-metropolitan areas, cornerstone activity of this administrative division.

VIII. Needs of the Families Expected to Participant:

In addition to the opportunity of the Puerto Rico Department of Housing to provide eligible applicants decent, safe and sanitary housing, the FSS Program will enable the Department to assist families in achieving economic independence and self-sufficiency.

The target area, San Juan has a large population segment identified as poor, chronically unemployed and basically dependent on welfare and government assisted program. Housing constitutes one of the most important basic needs.

To furnish the family with the necessary tools, we have pinpointed needs in the following areas:

Counseling

Education

Training

Access to job opportunities

Supportive Service: Such as child care

Drug prevention

Homeownership

Budget planning, among others

IX. Program Coordinating Committee:

The Department of Housing will establish a Program Coordinating. Committee (PCC) to assist the Department in securing commitments from public and private resources for the operation of the FSS Program and will assist in the development of the Action Plan, and implementing the Program upon HUD approval of the Action Plan.

The Committee will be integrated by representatives from the public, municipal and private enterprises, community leaders, and service providers affected by the FSS Program, representative of the PHA, assisted residents of the Section 8 Program and others.

These persons will be directly involved in the program design and activities to be carried out. They will also are expected to develop a working relationship with the Program Coordinator to achieve

the objectives of the FSS Program, make the necessary approaches to resources that satisfy the needs that are identified during the implementation of the program, and provide input during the evaluation process. The inclusion of Section 8 recipients is vital since they share the highest interest and expend the greatest effort toward making the FSS Program a success. The FSS Program Coordinating Committee organization has been initiated. A meeting was held with Regional Directors of public agencies in the Housing Department on December 7, 1994.

The Agenda included:

1- The purpose of the Family Self -Sufficiency Program

2- The proposal of the P. R. Department of Housing to develop and implement the Family Self -Sufficiency Program.

3- Services and resources identified as necessary to carry out a successful program .

4- The responsibilities of the Program Coordinating Committee assisting the Department in securing commitments for the

operations of the FSS Program.

X. Meeting on One to One Basis have been carried out in San Juan

The initial reaction has been of interest in participating in the FSS Program. Expressing the understating that in order to be successful there is a need to effectively coordinate the essential services to the low income families.

The services rendered by those who participated, their expertise and personal interest will be the foundations for the development of the FSS Program.

XI. Program Design

Focuses on preparing and developing personal values through approaching and encouraging community agencies, government and private sector, to participate in this challenging and rewarding program. The initial activities are being coordinated by the Subsidized Program Office. We have appointed the Section 8 Housing Program Especial Assistant of the Director as the FSS Coordinator to supervise and structure the related schedule activities, under the overall

direction of the Section 8 Program Director.

XII. Services and Resources Identified and Commitments:

Enclosed are the endorsement and commitment of providers for the Family Self-sufficiency Program:

a) Counseling in homeownership:

- Banco de la Vivienda
- Departamento de Educación
- Servicio de Extensión Agrícola
- Departamento de Servicios Sociales

b) Education and Job Training, Placement

- Departamento de Educación
- Servicio de Extensión Agricola
- Cuerpo de Voluntarios
- Area de Educación y Calidad de Vida - Oficina del Gobernador
- Departamento del Trabajo y Recursos Humanos
- Comisión Asuntos de la Mujer

c) Child Care and other Social Services

- SENDEC- Oficina de Servicios al Niño y Desarrollo Comunal
- Counseling Drug Prevention- (AAMSCA)
- Puerto Rico Police Department
- Adm. de Servicios de Salud Mental y Contra la Adicción
- RED

We required from the aforementioned to make specific commitment of time, staff, and resources to the FSS Program. This, through the intervention of the executive components of the Quality of Life Congress, of which the director is the Housing Department Secretary.

Our most important activity is to expose our families to a variety of meaningful experiences and real job opportunities by establishing a network of counseling services, get then acquainted with local agencies, and give access to existing and emerging job opportunities. Provide with accurate and timely information regarding the availability and adequate use of services.

XIII. TIMETABLE

Program Startup:

The Puerto Rico Department of Housing Section 8 Housing Program will begin the operation of the Family Self-sufficiency Program within 12 months of the HUD approval of the application for rental Vouchers. The participating families will be enrolled and, Supportive Services are to be rendered, identified, and delivered within two years from the notice of approval.

IX. FSS ESCROW ACCOUNT

In accordance with the program provisions, the Department will establish an "escrow saving account" (FSS Account) for each family participating in the FSS program, and will credit it a portion of the increase of "rent paid" that would otherwise result from increases in earned income during the term of the Contract Participation the term "rent paid" refers to the family contribution to rent as defined in accordance with existing program procedures.

CERRTIFICATION WITH EQUAL OPPORTUNITY REQUIREMNTS

I, Carlos J. Vivoni, hereby certify that the Puerto Rico Department of Housing will not interfer with the rights of families who do not wish to participate in the Family Self- sufficiency Program.

Afamily who decides not to participate in the FSS Program will not affect the family's admission to the Section 8 Program or the family's right to occupancy in accordance with its lease.

In San Juan, Puerto Rico, this 21 of December, 1994.

Carlos J. Vivoni
Secretary

CERTIFICATION OF COMPLIANCE WITH ACTION PLAN

I, Carlos J. Vivoni, hereby certify that the Puerto Rico Department of Housing shall operate the Family Self Sufficiency Program in compliance with the Action Plan, as described in 24 CFR part 984.201 and provide comprehensive supportive services as defined in 24 CFR part 984.103.

In San Juan, Puerto Rico this 21 day of November 1994.

Carlos J. Vivoni
Secretary

CERTIFICATION WITH PROGRAM REGULATIONS

I, Carlos J. Vivoni, hereby certify that the Puerto Rico Department of Housing shall operate the Family Self Sufficiency Program in conformity with the regulations codified in 24 CFR part 984, and the rental certificate and rental voucher regulations codified in 24CRF part 882 and 887, respectively.

In San Juan, Puerto Rico, this 21 of November, 1994.

Carlos J. Vivoni
Secretary

CERTIFICATION OF NON-INTERFERENCE WITH RIGHTS OF NON-PARTICIPATING FAMILIES

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In San Juan, Puerto Rico, this 21 of December, 1994.

Carlos J. Vivoni
Secretary

ANNEX "A"

WRITTEN AGREEMENTS FOR PROVISION

OF SUPPORTIVE SERVICES

DEPARTAMENTO DE EDUCACIÓN
ESTADO LIBRE ASOCIADO DE PUERTO RICO

C O M P R O M I S O

9 de noviembre de 1994

Hon. Carlos Vivoni
Secretario
Departamento de la Vivienda
Apartado 21365
Río Piedras, P.R. 00919-0759

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El Departamento de Educación está interesado en participar en las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Tutoría para adultos y jóvenes desertores escolares

2. Estudios libres para examen de 6to, 9no y 4to año

3. Adiestramiento Vocacional

4. Orientación para continuar estudios universitarios

Para información adicional, puede comunicarse con la Dra. Carmen Berberena (Secretaria Auxiliar Servicios al Estudiante), la Sra. Dámaris Sifuentes (Secretaria Auxiliar Extensión Educativa)y el Sr. José Ramos Franco (Secretario Auxiliar Area Vocacional), a los teléfonos 753-1623, 753-9211 y 753-9128, respectivamente.

Cordialmente,

Víctor Fajardo
Secretario

COMISION PARA LOS ASUNTOS DE LA MUJER • OFICINA DEL GOBERNADOR

Gobierno de Puerto Rico

COMPROMISO

15 de diciembre de 1994

Hon. Carlos J. Vivoni
Secretario
Departamento de la Vivienda

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

La Comisión para los Asuntos de la Mujer, está interesada en participar en las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Charlas educativas sobre derechos de la mujer, violencia doméstica, hostigamiento sexual, entre otros.

2. Orientación y consejería para mujeres víctimas de violencia doméstica.

3. Orientación y asesoramiento legal.

4. Acción Afirmativa.

5. Pasos a seguir en la búsqueda de empleo.

Para información adicional, puede comunicarse con la Lcda. Enid Gavilán a los teléfonos 722-2857, 722-2907 y 722-2977.

Cordialmente,

Albita Rivera
Directora Ejecutiva

Calle San Francisco 151-153 Viejo San Juan San Juan, Puerto Rico 00905
Tels: 722-2907 / 2977 / 2857 y 723-2415
Fax: 723-3611

COMPROMISO

9 de dic / 94.

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El Dept de Salud de P.R. está interesado en participar en
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Talleres: Planificación familiar, Adolescente embarazadas, nutrición,
2. higiene personal, salud ambiental, educación sexual, enfermedades
3. trasmisión sexual ETS, HIV/SIDA, estilos de vida saludables y
4. tratamiento enfermedades mentales.

Clínicas de salud dependiendo la necesidad del cliente. Se le ofrecerá seguimiento a los hallazgos encontrados.

Lizza Miranda, Directora
Para información adicional, puede comunicarse con el (la) Sr. (a) Prog. Residenciales Públicos

a el (los) teléfono (s) 766-1616 Ext. 2117, 765-6210.

Cordialmente,

Agente Auxiliar
Sec. de Salud

Estado Libre Asociado de Puerto Rico

Departamento del Trabajo y Recursos Humanos

Pedro J. Rosselló González
Gobernador

César Juan Almodóvar Marchany
Secretario

9 de diciembre de 1994

Hon. Carlos J. Vivoni
Secretario
Departamento de la Vivienda
Apartado 21365
Río Piedras, Puerto Rico 00928

Estimado señor Secretario:

Le incluyo Carta de Compromiso del Departamento del Trabajo y Recursos Humanos según solicitado en su comunicación del 23 de noviembre de 1994, relacionada con el Programa Autosuficiencia Familiar.

Le deseamos éxito en el desarrollo de este Programa y nos reiteramos a sus órdenes para cualquier asunto en que podamos ayudar en la implantación del mismo.

Cordialmente,

César Juan Almodóvar Marchany
Secretario del Trabajo y
Recursos Humanos

Anejo

COMPROMISO

DEC 9 1994

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El Departamento del Trabajo y Recursos Humanos está interesado en participar en
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Asistencia individual en la búsqueda de empleo
2. Pasos a seguir en la búsqueda de empleo
3.
4.

Para información adicional, puede comunicarse con el (la) Sr. (a) Carmen McCulloch, Secretaria
Auxiliar a cargo de Recursos Humano.
a el (los) teléfono (s) 754-2130 ó 754-2131.

Cordialmente,

César Juan Almodóvar Marchany
Secretario del Trabajo y
Recursos Humanos

COMPROMISO

8 de diciembre de 1994

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El Oficina de Asuntos de la Juventud está interesado en participar
en nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. **Talleres:** Auto evaluación e identificación de habilidades/ Auto Estima
2. Pasos a seguir en la busqueda de empleo; Planificación Familiar/ Sexo y sus Consecuencias.
3. **Servicios de Apoyo:** Asistencia invidividual en la búsqueda de empleo.
4. Adjunto Boletín Informativo sobre otros Servicios de la Agencia, a su disposición.

Para información adicional, puede comunicarse con el (la) Sr. (a) **Elliot D. Rivera**,
a el (los) teléfono (s) 725-8920 **Ext. 302 ó 303**.

Cordialmente,

Sr. José Otero
Director Ejecutivo Interino
Oficina Asuntos de la Juventud

COMPROMISO

9 de diciembre de 1994

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El Area de Educación y Calidad de Vida, Ofi. Gobernador está interesado en participar en
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Autoevaluación e identificación de habilidades.
2. Vida saludable en comunidad.
3.
4.

Para información adicional, puede comunicarse con el (la) Sr. (a) Myriam Rodríguez,
a el (los) teléfono (s) 721-2647 - 724-1344.

Cordialmente,

Myriam Rodríguez
Asesora del Gobernador
Area de Educación y Calidad de Vida

C O M P R O M I S O

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El Enero de Adultos está interesado en participar en nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Tutoría para adultos y jóvenes desertores
2. Adiestramiento Vocacional
3. ~~3.~~
4. ~~4.~~

Para información adicional, puede comunicarse con el (la) Sr. (a) Sra. Nitza Navarro,
a el (los) teléfono (s) 729-3565 - 729-3564

Cordialmente,

C O M P ROMISO

12 diciembre de 1994

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El Administración de Servicios de Salud Mental y Contra la Adicción está interesado en participar en
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Taller: "Vida Saludable en Comunidad".
2. Trámites para desintoxicar a personas con abuso de sustancias controladas y alcohol
3. Tratamiento a Enfermos Mentales.
4.

Para información adicional, puede comunicarse con el (la) Sr. (a) Astrid Oyola Colón,
a el (los) teléfono (s) 763-7575 Ext. 2600 ó 2601.

Cordialmente,

ASTRID OYOLA COLON
Administradora
Administración de Servicios de
Salud Mental y Contra la Adicción
Río Piedras, Puerto Rico

COMPROMISO

15 de diciembre de 1994

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

La Ex Administración del Derecho al Trabajo está interesado en participar en nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Pasos a seguir en la búsqueda de empleo
2. Tutoría para adultos y jóvenes desertores escolares
3. Adiestramiento vocacional
4.

Para información adicional, puede comunicarse con el (la) Sr. (a) Elba L. Cintrón, Subadministradora a el (los) teléfono (s) 754-5690 ó 5691.

Cordialmente,

Juan A. Martínez
Administrador

C O M P ROMISO

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El SENDEC **puede** participar en
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Cuido de niños
2. Programa Head Start
3. Ayudas por emergencia
4.

Para información adicional, puede comunicarse con el (la) Sr. (a) Rosa Dávila,
a el (los) teléfono (s) 781-0810; 781-0815.

Cordialmente,

Mario Acevedo Rosado, Ph.D.

Director Ejecutivo

SENDEC

COMPROMISO

_____

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El _____ está interesado en participar en las
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1.

2.

3.

4.

Para información adicional, puede comunicarse con el (la) Sr. (a) _____,
a el (los) teléfono (s) _____.

Cordialmente,

_____

_____

_____

COMPROMISO

_____

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El _____ está interesado en participar en las
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. _____
2.
3.
4.

Para información adicional, puede comunicarse con el (la) Sr. (a) _____,
a el (los) teléfono (s) _____.

Cordialmente,

_____
_____
_____

Con este propósito solicitamos la participación de su Agencia en los servicios de apoyo para poder desarrollar este programa.

De esta manera, juntos estaremos contribuyendo a nuestro compromiso de cambio.

Cordialmente,

Carlos J. Vivoni
Secretario

NOTA: Le acompañamos carta de compromiso para que la misma sea devuelta antes del 10 de diciembre de 1994.

A continuación ejemplos de los servicios de apoyo que se pueden desarrollar.

I **TALLERES:**

- Como preparar un presupuesto familiar
- Causas y efecto de tener un crédito afectado y como evitarlo
- Auto evaluación e identificación de habilidades
- Vida saludable en comunidad
- Pasos a seguir en la busqueda de empleo
- Planificación familiar

II. **EDUCACION:**

- Tutoría para adultos y jóvenes desertores escolares
- Estudios libres para examen de 6to, 9no y 4to año
- Adiestramiento Vocacional
- Orientación para continuar estudios universitarios

III. **SERVICIOS DE APOYO:**

- Cuido de niños
- Educación Pre-Escolar
- Evaluación y Orientación para la adquisición de vivienda propia
- Asistencia individual en la busqueda de empleo
- Trámites para desintoxicar a personas con abuso de sustancias controladas y alcohol
- Tratamiento a enfermos mentales
- Servicios médicos, terapia y otros servicios relacionados, a participantes con necesidades especiales

C O M P ROMISO

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El SENDEC **puede** participar en
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Cuido de niños
2. Programa Head Start
3. Ayudas por emergencia
4.

Para información adicional, puede comunicarse con el (la) Sr. (a) Rosa Dávila,
a el (los) teléfono (s) 781-0810; 781-0815.

Cordialmente,

Mario Acevedo Rosado, Ph.D.

Director Ejecutivo

SENDEC

18 de noviembre de1994

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

El Programa Sección 8 del Departamento de la Vivienda solicitó 50 Vales (Vouchers) de Subsidio mediante una propuesta a la Oficina de Desarrollo Urbano y Vivienda Federal (HUD) los cuales fueron aprobados. Esta aprobación requiere la preparación de un plan de autosuficiencia familiar (Family Self-Sufficiency Program - **FSS)** para las familias que se beneficiarán de este subsidio en renta del Programa Sección 8 - Vivienda Existente.

El propósito del Programa es promover el desarrollo de estrategias locales para coordinar servicios bajo los programas de Vales (Vouchers) de subsidio en renta con recursos del sector público y privado, para viabilizar que las familias elegibles logren independencia económica.

El objetivo del Programa de **FSS** es reducir la dependencia de estas familias después que se les provean las oportunidades para educación, adiestramientos para empleo, consejería y otras fuentes de asistencia de servicio mientras disfrutan el subsidio en renta , y así logren su autosuficiencia al finalizar su participación.

Para implementar el Programa **FSS** se deberá coordinar diferentes actividades con el propósito de encaminar a familias participantes a que desarrollen capacidad económica para adquirir eventualmente su vivienda.

COMPROMISO

15 de diciembre de 1994

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

La/El Administración del Derecho al Trabajo está interesado en participar en
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Pasos a seguir en la búsqueda de empleo
2. Tutoría para adultos y jóvenes desertores escolares
3. Adiestramiento vocacional
4.

Para información adicional, puede comunicarse con el (la) Sr. (a) Elba L. Cintrón, Subadministradora a el (los) teléfono (s) 754-5690 ó 5691.

Cordialmente,

Juan A. Martínez
Administrador

C O M P R O M I S O

12 diciembre de 1994

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El Administración de Servicios de Salud Mental y Contra la Adicción está interesado en participar en
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Taller: "Vida Saludable en Comunidad".
2. Trámites para desintoxicar a personas con abuso de sustancias controladas y alcohol
3. Tratamiento a Enfermos Mentales.
4.

Para información adicional, puede comunicarse con el (la) Sr. (a) Astrid Oyola Colón,
a el (los) teléfono (s) 763-7575 Ext. 2600 ó 2601.

Cordialmente,

ASTRID OYOLA COLON
Administradora
Administración de Servicios de
Salud Mental y Contra la Adicción
Río Piedras, Puerto Rico

COMPROMISO

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El Cuerpo de Voluntarios está interesado en participar en
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Justicia para adultos y jovenes Sentenciados
2. Adiestramiento Vocacional
3. ~~3.~~
4. ~~4.~~

Para información adicional, puede comunicarse con el (la) Sr. (a) Sra. Vitza Nieves,
a el (los) teléfono (s) 729-3565 - 729-3564

Cordialmente,

COMPROMISO

9 de diciembre de 1994

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El Area de Educación y Calidad de Vida, Ofi. Gobernador está interesado en participar en
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Autoevaluación e identificación de habilidades.
2. Vida saludable en comunidad.
3.
4.

Para información adicional, puede comunicarse con el (la) Sr. (a) Myriam Rodríguez,
a el (los) teléfono (s) 721-2647 - 724-1344.

Cordialmente,

Myriam Rodríguez
Asesora del Gobernador
Area de Educación y Calidad de Vida

COMPROMISO

8 de diciembre de 1994

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El Oficina de Asuntos de la Juventud está interesado en participar en
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. **Talleres:** Auto evaluación e identificación de habilidades/ Auto Estima
2. Pasos a seguir en la busqueda de empleo; Planificación Familiar/ Sexo y sus Consecuencias
3. **Servicios de Apoyo:** Asistencia invidividual en la búsqueda de empleo.
4.

Adjunto Boletín Informativo sobre otros Servicios de la Agencia, a su disposición.

Para información adicional, puede comunicarse con el (la) Sr. (a) **Elliot D. Rivera**,
a el (los) teléfono (s) 725-8920 **Ext. 302 ó 303**.

Cordialmente,

Sr. José Otero
Director Ejecutivo Interino
Oficina Asuntos de la Juventud

COMPROMISO

DEC 9 1994

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El Departamento del Trabajo y Recursos Humanos está interesado en participar en
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Asistencia individual en la búsqueda de empleo
2. Pasos a seguir en la búsqueda de empleo
3.
4.

Para información adicional, puede comunicarse con el (la) Sr. (a) Carmen McCulloch, Secretaria Auxiliar a cargo de Recursos Humano.
a el (los) teléfono (s) 754-2130 ó 754-2131.

Cordialmente,

César Juan Almodóvar Marchany
Secretario del Trabajo y
Recursos Humanos

Estado Libre Asociado de Puerto Rico

Departamento del Trabajo y Recursos Humanos

Pedro J. Rosselló González
Gobernador

César Juan Almodóvar Marchany
Secretario

9 de diciembre de 1994

Hon. Carlos J. Vivoni
Secretario
Departamento de la Vivienda
Apartado 21365
Río Piedras, Puerto Rico 00928

Estimado señor Secretario:

Le incluyo Carta de Compromiso del Departamento del Trabajo y Recursos Humanos según solicitado en su comunicación del 23 de noviembre de 1994, relacionada con el Programa Autosuficiencia Familiar.

Le deseamos éxito en el desarrollo de este Programa y nos reiteramos a sus órdenes para cualquier asunto en que podamos ayudar en la implantación del mismo.

Cordialmente,

César Juan Almodóvar Marchany
Secretario del Trabajo y
Recursos Humanos

Anejo

COMPROMISO

9 de dic / 94.

Carlos J. Vivoni
Secretario

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El Dept de Salud de P.R. está interesado en participar en
nombre de agencia, organización o entidad

las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Talleres: Planificación Familiar, Adolescente embarazadas, nutrición, higiene personal, salud ambiental, educación sexual, enfermedades
2. trasmisión sexual ETS, HIV/SIDA, estilos de vida saludables y tratamiento enfermedades mentales.
3.
4. Clínicas de salud dependiendo la necesidad del cliente. Se le ofrecerá seguimiento a los hallazgos encontrados.

Para información adicional, puede comunicarse con el (la) Sr. (a) Lizza Miranda, Directora Prog. Residenciales Públicos

a el (los) teléfono (s) 766-1616 Ext. 2117, 765-6210.

Cordialmente,

Dpto. de Salud

COMISION PARA LOS ASUNTOS DE LA MUJER

Gobierno de Puerto Rico

COMPROMISO

15 de diciembre de 1994

Hon. Carlos J. Vivoni
Secretario
Departamento de la Vivienda

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

La Comisión para los Asuntos de la Mujer, está interesada en participar en las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Charlas educativas sobre derechos de la mujer, violencia doméstica, hostigamiento sexual, entre otros.

2. Orientación y consejería para mujeres víctimas de violencia doméstica.

3. Orientación y asesoramiento legal.

4. Acción Afirmativa.

5. Pasos a seguir en la búsqueda de empleo.

Para información adicional, puede comunicarse con la Lcda. Enid Gavilán a los teléfonos 722-2857, 722-2907 y 722-2977.

Cordialmente,

Albita Rivera
Directora Ejecutiva

Calle San Francisco 151-153 Viejo San Juan San Juan, Puerto Rico 00905
Tels: 722-2907 / 2977 / 2857 y 723-2415

DEPARTAMENTO DE EDUCACIÓN
ESTADO LIBRE ASOCIADO DE PUERTO RICO

COMPROMISO

9 de noviembre de 1994

Hon. Carlos Vivoni
Secretario
Departamento de la Vivienda
Apartado 21365
Río Piedras, P.R. 00919-0759

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

Estimado señor Vivoni:

El Departamento de Educación está interesado en participar en las iniciativas del Programa en referencia, ofreciendo los siguientes servicios de apoyo:

1. Tutoría para adultos y jóvenes desertores escolares

2. Estudios libres para examen de 6to, 9no y 4to año

3. Adiestramiento Vocacional

4. Orientación para continuar estudios universitarios

Para información adicional, puede comunicarse con la Dra. Carmen Berberena (Secretaria Auxiliar Servicios al Estudiante), la Sra. Dámaris Sifuentes (Secretaria Auxiliar Extensión Educativa)y el Sr. José Ramos Franco (Secretario Auxiliar Area Vocacional), a los teléfonos 753-1623, 753-9211 y 753-9128, respectivamente.

Cordialmente,

Víctor Fajardo
Secretario

18 de noviembre de1994

RE: PROGRAMA AUTOSUFICIENCIA FAMILIAR

El Programa Sección 8 del Departamento de la Vivienda solicitó 50 Vales (Vouchers) de Subsidio mediante una propuesta a la Oficina de Desarrollo Urbano y Vivienda Federal (HUD) los cuales fueron aprobados. Esta aprobación requiere la preparación de un plan de autosuficiencia familiar (Family Self-Sufficiency Program - FSS) para las familias que se beneficiarán de este subsidio en renta del Programa Sección 8 - Vivienda Existente.

El propósito del Programa es promover el desarrollo de estrategias locales para coordinar servicios bajo los programas de Vales (Vouchers) de subsidio en renta con recursos del sector público y privado, para viabilizar que las familias elegibles logren independencia económica.

El objetivo del Programa de FSS es reducir la dependencia de estas familias después que se les provean las oportunidades para educación, adiestramientos para empleo, consejería y otras fuentes de asistencia de servicio mientras disfrutan el subsidio en renta , y así logren su autosuficiencia al finalizar su participación.

Para implementar el Programa FSS se deberá coordinar diferentes actividades con el propósito de encaminar a familias participantes a que desarrollen capacidad económica para adquirir eventualmente su vivienda.

A continuación ejemplos de los servicios de apoyo que se pueden desarrollar.

I **TALLERES:**

- Como preparar un presupuesto familiar
- Causas y efecto de tener un crédito afectado y como evitarlo
- Auto evaluación e identificación de habilidades
- Vida saludable en comunidad
- Pasos a seguir en la busqueda de empleo
- Planificación familiar

II. **EDUCACION:**

- Tutoría para adultos y jóvenes desertores escolares
- Estudios libres para examen de 6to, 9no y 4to año
- Adiestramiento Vocacional
- Orientación para continuar estudios universitarios

III. **SERVICIOS DE APOYO:**

- Cuido de niños
- Educación Pre-Escolar
- Evaluación y Orientación para la adquisición de vivienda propia
- Asistencia individual en la busqueda de empleo
- Trámites para desintoxicar a personas con abuso de sustancias controladas y alcohol
- Tratamiento a enfermos mentales
- Servicios médicos, terapia y otros servicios relacionados, a participantes con necesidades especiales

Con este propósito solicitamos la participación de su Agencia en los servicios de apoyo para poder desarrollar este programa.

De está manera, juntos estaremos contribuyendo a nuestro compromiso de cambio.

Cordialmente,

Carlos J. Vivoni
Secretario

NOTA: Le acompañamos carta de compromiso para que la misma sea devuelta antes del 10 de diciembre de 1994.

Puerto Rico Department of Housing – Administrative Plan - Index

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Commonwealth of Puerto Rico
Puerto Rico Department of Housing

ADMINISTRATIVE PLAN FOR THE SECTION 8 HOUSING VOUCHER PROGRAM

INTRODUCTION

This Department of Housing administers units with assistance under the tenant-based voucher program, the Project-based voucher program, the FSS Program, the Family Unification Program, and the SRO Program. This HA serves families that are relocated from the Public Housing Agency, through the tenant-based voucher program. This Housing Agency serves through nine regions all the municipalities in the Island. This offers the opportunity to serve families in the poorest sectors of Puerto Rico. It also gives the families the opportunity to reside in any of the cities and towns that they prefer.

This Department of Housing has a vision: that all families in Puerto Rico may have the opportunity to either rent or posses a home and enjoy it in the safety and security in which well to do families enjoy theirs.

Mission Statement

The HA will direct its goal to achieve three major objectives:

- To provide decent, safe, and sanitary housing for very low income families while maintaining the rent payments at an affordable level.
- To promote freedom of housing choice and spatial deconcentration of very low income families of all races and ethnic backgrounds.
- To provide an incentive to private property owners to rent to very low income families by offering timely assistance payments.

In addition, this Department of Housing has the following goals for the program:

- To assist the local economy by increasing the occupancy rate and the amount of money flowing to the community.
- To encourage, assist, train, or facilitate the economic independence of assisted families.

In order to achieve this mission, we will:

- Recognize residents as our ultimate customer

- Improve the Department's management and service delivery efforts through effective and efficient management of its staff.
- Seek problem-solving partnerships with residents, landlords, community, and government leadership.
- Apply limited HA resources to the effective and efficient management and operation of the Section 8 program.

Purpose of Policy

The purpose of the Administrative Plan is to establish guidelines for the HA staff to follow in determining eligibility for the Section 8 program. The basic guideline for this plan is governed by requirements of the Department of Housing and Urban Development (HUD), with latitude for local policies and procedures. The Policies and Procedures governing admissions and continued occupancy are outlined in this plan, and these requirements are binding upon applicants, residents, landlords, and this HA alike. Notwithstanding the above, changes in applicable federal law or regulation shall supersede provisions in conflict with this policy.

Federal Regulations shall mean those found in Section 24 CFR (Code of Federal Regulations). The Housing Agency is responsible for complying with all changes in HUD regulations pertaining to these programs.

The Secretary of the Department of Housing of the Commonwealth of Puerto Rico must approve the original Plan and any changes, and a copy provided to HUD.

Primary Responsibilities of the Puerto Rico Department of Housing:

- Informing eligible families of the availability of Section 8 assistance.
- Encouraging owners to make their units available for lease by Section 8 participants.
- Determining the maximum amount of housing assistance payments that can be used for family-paid utilities, and posting the utility allowances annually.
- Receiving applications from families and determining their eligibility for assistance.
- Inspecting Section 8 units to determine they meet or exceed Section 8 Housing Quality Standards.
- Approving leases
- Making Housing Assistance Payments to owners.
- Performing annual and periodic re-examinations of income, family composition and redetermination of rent.

Objectives

The Department of Housing has the following objectives:

- To promote the overall goal of decent, safe, and sanitary housing by using the Section 8 program to house eligible families in private rental housing; therefore increasing the housing stock for very-low income families.
- Improve the Island's housing stock by requiring participating landlords to meet Section 8 Housing Quality Standards for their rental properties.
- Facilitate the efficient management and compliance with Federal Regulations by establishing policies that will enhance the efficiency and effectiveness of the Section 8 program and staff.
- Comply in letter and spirit with the Title VI of the Civil Rights Act of 1964, and all other applicable Federal laws and regulations to insure that occupancy in assisted housing is administered without regard to race, color, religion, sex, handicap, familial status and national origin.
- The Housing and Community Development Act of 1974 reflects Congress's intent that where possible, the nation's existing housing stock should be preserved. The Section 8 Program will allow the HA to utilize existing housing stock and allow a family who qualifies for Section 8 assistance and lives in substandard housing to remain in the unit if the family so decides, if the owner brings the house up to HQS standards.

Outreach

Outreach to Owners:

The HA will encourage participation by owners of suitable units located outside areas of low income or minority concentration by distributing and communicating information concerning property owners leasing units under the Section 8 programs through the local media (newspaper, radio, television, etc.) The HA will offer prompt payment of their rents and full cooperation and orientation regarding the program requirements. The HA will also offer higher rents to landlords who are willing to make their units accessible to families with disabled members.

This Department will also encourage landowners to construct housing with social purposes, which this Agency will promote through the HOME and the Rural Housing Administration with home mortgages obtained with subsidy either from the Federal or the local government.

For that purpose, the HA has entered into a memorandum of agreement with the Rural Housing Administration, to match their funds with this Department's HOME funds.

The Department also administers two programs with resources from the government of the Commonwealth of Puerto Rico, by which elderly persons 65 years or older are helped to pay their rent, with a subsidy of up to $400; and women victims of domestic violence are allowed a payment of up to $600 for their rent payments.

Outreach to Potential Clients - Families:

The HA will make known to the public, through publications in a newspaper of general circulation as well as through minority media and other suitable means, the availability and nature of housing assistance for lower-income families, especially extremely low-income families.. The notice shall inform such families where they may apply for Section 8 rental assistance.

The HA shall take affirmative actions to provide opportunities to participate in the program to persons who because of such factors as race, ethnicity, sex of household head, age, or source of income, are less likely to apply for Section 8 rental assistance. The HA will hold meetings concerning the Section 8 programs with local social community agencies.

SECTION 1

FAIR HOUSING AND EQUAL OPPORTUNITY PLAN

Fair Housing Policy:

The Fair Housing Policy of the HA will comply fully with all Federal, State, and local nondiscrimination laws and in accordance with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment. Specifically, the HA shall not on the basis of race, color, religion, sex, handicap, familial status and national origin, deny any family or individual the opportunity to apply for or receive assistance under HUD's Section 8 Programs, within the requirements and regulations of HUD and other regulatory authorities. To further its commitment to full compliance with applicable Civil Rights laws, the HA will provide access to information reporting discrimination. Also, this subject will be discussed and made part of the applicants/participants file.

Posters and housing information are displayed in locations throughout the HA's office in such a manner as to be easily readable from a wheelchair.

The Department of Housing's Office located at 606 Barbosa Street, Rio Piedras, Puerto Rico, is being made accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TTD/TDY 787-274-4673. We also give service to hearing-impaired persons by using the services of the following entities:

Servicio al Sordo – Telephone. 787-782-011
Sordos de Puerto Rico - 787-793-6533

Requests for reasonable accommodations from persons with a disability will be granted upon verification that they meet the need presented. Reasonable accommodations will be made for persons with a disability requiring an advocate or accessible offices. A designee will be allowed to provide some information, but only with permission of the person with the disability.

The HA utilizes organizations which provide assistance for hearing- and sight-impaired persons when needed. The Commonwealth of Puerto Rico has an Advocate for Persons with Disabilities at the following address:

Oficina del Procurador de las Personas con Impedimentos
670 Ponce de Leon Avenue
Miramar, San Juan, P. R.

The HA has bilingual staff to assist in the English language to non-Spanish speaking families. In determining whether it is feasible to translate documents into other language–from English to Spanish, or vice versa, the following will be considered:

- Number of applicants and participants who do not speak Spanish
- Cost of translation into the other language per client who needs the translation
- Evaluation of the need for translation by the bilingual staff and by agencies that offer the translation services.

Equal Opportunity Housing Plan:

The HA is required to comply with equal opportunity requirements imposed by contract or federal law (Ref. 24 CFR 982.42). This includes applicable requirements under:

- The Fair Housing Act, 42 USC 3610-3619 (implementing regulations at 24 CFR parts 100 et seq.)
- Title VI of the Civil Rights Act of 1964, 42 USC 2000d (implementing regulations at 24 CFR part 1)
- The Age Discrimination Act of 1975, 42 USC 6101-6107 (implementing regulations at 24CFR, part 146
- Executive Order 11063, Equal Opportunity in Housing (1962), as amended, Executive Order 12259, 46 FR 1253 (1980), as amended, Executive Order 12892, 59 FR (1994) (implementing regulations at 24 CFR, part 107).
- Section 504 of the Rehabilitation Act of 1973, 219 USC 794 (implementing regulations at 24 CFR, part 8
- Title II of the Americans with Disabilities Act, 42 USC 12101, and ET seq.

Equal Opportunity Posting Requirements

There shall be maintained in the HA's office waiting room a bulletin board, which will accommodate the following posted materials:

- Statement of Policies and Procedures Governing the Section 8 Administrative Plan.
- Open Occupancy Notice (Applications being Accepted and/or Not Accepted)
- Income Limits for Admission.
- Informal Review and Hearing Procedures.

- Fair Housing Poster
- Equal Opportunity in Employment Poster.

HA's Fair Housing Requirements to Owners:

The Fair Housing Act prohibits owners from discriminating on the basis of familial status, making it illegal to discriminate against families because of children in the family. Owners are prohibited from developing policies with the sole purpose or effect of prohibiting children (e.g., policies in tenant selection plan, occupancy standards, house rules, etc.).

Owners are prohibited against establishing rules that would cause tenant families not to enjoy their units as if they were their own, as established by law. The Owners House Rules shall be approved by the HA.

Families, not owner, decide whether a project is suitable for children (e.g., decisions about high-rise units with balconies, project with no green space, no playground equipment, and busy street.

The HA will advise families how to file a complaint if they have been discriminated against by an owner. The HA will advise the family to make a Fair Housing complaint. The HA could also report the owner to HUD (Fair Housing Equal Opportunity) or the local Fair Housing Organization.

Requirements under the Section 504 of the Rehabilitation Act of 1973:

Owners may make units in existing projects accessible for individuals with handicaps.

Applicants may be admitted to units made accessible under Section 504 as long as they meet all of the essential eligibility requirements of the program/project in question.

If the owner of a multifamily project under the Project Based program has a handicapped accessible unit available, but no applicants for it, he can rent it to a non-handicapped person. However, he must agree in writing with the tenant that if a handicapped person needs the unit, a change will have to be made so as to have the handicapped person occupy the accessible unit. If there is no unit available at the project, the owner must contact this HA so as to have the family moved to another project, or to provide the family with a voucher for a suitable one. (It is more difficult to find detached units with accessibility features in the open market than in the HUD subsidized multifamily projects.)

Policy on Harassment Regarding Relations with Participants, employees, or clients

This Housing Agency will enforce to the utmost the policies established on the Fair Housing and Equal Opportunity Act. To ensure compliance with the Law, this Section of the Administrative Plan will be distributed to each and every one of the employees of the Agency, the participants of

the Programs administered by the Agency, as well as to dwelling owners and their representatives.

Other civil rights authorities

In addition to the Fair Housing Act, other civil rights authorities may be applicable in a particular case. Thus, where a person charged with a discriminatory housing practice in a complaint filed under section 810 of the Fair Housing Act is also prohibited from engaging in similar practices under title VI of the civil Rights Act of 1964 (42 U. S. C. 2000d5), section 109 of the Housing and Community Development Act of 1974 (42 U. S. C. 5309), Executive Order 11063 of November 20, 1962, on Equal Opportunity in Housing (27 FR 11527-11530, November 24, 1962), section 504 of the Rehabilitation Act of 1973 (29 U. S. C. 794) the Age Discrimination Act (42 U. S. C. 6101) or other applicable law, the person may also be subject to action by HUD or other Federal agencies under the rules, regulations and procedures prescribed under title VI (24 CFR parts 1 and 2), section 109 (24 CFR 570.602), Executive Order 11063 (24 CFR part 107), section 504 (24 CFR part 8), or other applicable law.

Definitions

The terms Fair Housing Act, General Counsel, are defined in 24 CFR Part 5.

Aggrieved person - Includes any person who:

- Claims to have been injured by a discriminatory housing practice.
- Believes that such person will be injured by a discriminatory housing practice that is about to occur.

Complainant - means the person who files a complaint under this part. The Assistant Secretary of HUD may be considered a complainant if the case is of such a nature that it has to be referred to HUD.

Conciliation means the attempted resolution of issues raised by a complaint, or by the investigation of complaint, through informal negotiations involving the aggrieved person, the respondent, and the Department of Housing's Secretary, and the Assistant Secretary of HUD.

Conciliation agreement means a written agreement setting forth the resolution of the issues in conciliation.

Dwelling means any building, structure, or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one or more families, or any vacant land which is offered for sale or lease for the construction or location thereon of any such building, structure, or portion thereof.

Person includes one or more individuals, corporations, partnerships, association, labor organizations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustee in cases under title 11 U. S. C, receivers and fiduciaries.

Personal service – means handing a copy of the document to the person to be served or leaving a copy of the document with a person of suitable age and discretion at the place of business, residence or usual place of abode of the person to be served.

Receipt of notice means the day that personal service is completed by handing or delivering a copy of the document to an appropriate person or the date that a document is delivered by certified mail.

Respondent means:

- The person or other entity accuses in a complaint of a discriminatory housing practice, and
- Any person or entity identified in the course of investigation and notified as required under Sec. 103.50.

State means any of several States, the D8strict of Columbia, the Commonwealth of Puerto Rico, or any of the territories and possessions of the United States.

To rent includes to lease, to sublease, to let, and otherwise to grant for consideration the right to occupy premises not owned by the occupant.

Sexual Harassment

The Fair Housing Act (42 U. S. C. 3600-3620) prohibits discrimination on the basis of sex. Sexual harassment is a form of discrimination and a violation of the Fair Housing Act. In order to have this Agency's employees to comply with the Act, written procedures have been established and made known by the staff. Procedures cover violation of the Act either at the workplace or at any participant's home o location elsewhere.

Employees who have to render duty at participants houses or any place out of the PHA's premises are warned about the consequences that may be brought by non-compliance with the Act and this Agency's instructions. In fact, this PHA has established that sexual harassment in any participant's home may have more severe effects than in the workplace. Sexual or any kind of harassment against a client while doing business in any office of the PHA is strictly prohibited.

Threatening, intimidating or coercive verbal or physical conduct, which occurs between neighbors or tenants, may constitute sexual harassment and, if so, the offending neighbor or tenant will be liable under section 818 of the Fair Housing Act.

Complaints related to unwelcome sexual advances and requests for sexual favors as a condition of services related to rental of dwellings is a violation of the Act and of this Agency's Standards.

Men, as well as women can be victims of sexual harassment.

Unwelcome verbal conduct without physical conduct can constitute harassment. Verbal conduct includes, but is not limited to, the use of sexual epithets. Since verbal harassment may by itself support a sexual harassment claim under the Act, the proof of physical harm is not necessary to establish a sexual harassment claim. Unwelcome physical conduct may include, but is not limited to, contact with an intimate body part.

Complaints on sexual harassment will be referred to the Deputy Secretary of Planning and Technical Services for consultation with the Legal Advisor as to determination of the facts and the penalization to be taken with the aggressor.

Persons against whom complaints may be filed

- A complaint may be filed against any person alleged to be engaged, to have engaged, or to be about to engage, in a discriminatory housing practice.
- A complaint may also be filed against any person who directs or controls, or has the right to direct or control, the conduct of another person with respect top any aspect of the sale, rental, advertising or financing of dwellings or the provision of brokerage services relating to the sale or rental of dwellings if that person, acting within the scope of his or her authority as employee or agent of the directing or controlling person, is engaged, has engaged, or is about to engage, in a discriminatory housing practice.

Answer to complaint

The respondent may file an answer not later than ten days after receipt of the notice informing of

the complaint filed. The respondent may assert any defense that might be available to a defendant in a court of law. The answer must be signed and affirmed by the respondent. The affirmation must state: ''I declare under penalty of perjury that the foregoing is true and correct.''

An answer may be reasonably and fairly amended at any time with the consent of the HA's Director or the Assistant Secretary, if proper.

Hostile Environment

An employee creates a hostile environment when that employee's unwelcome conduct is sufficiently severe or pervasive that it results in the creation of an environment that a reasonable person in the aggrieved person's position would find intimidating, hostile, offensive or otherwise significantly less desirable. An employee's creating a hostile environment does not necessarily have to be related to sexual harassment.

A hostile environment could be related to sexual harassment if the aggrieved person receives the impression that the conduct was based upon the individual's sex, and the conduct made the environment burdensome and significantly less desirable than if the conduct had not occurred.

A **single incident** of conduct may constitute hostile environment – sexual or any other kind of harassment.

Violation of the Act by Owners

Discrimination based on familial status, race, color, creed, nationality, sexual orientation, disability, age, is punishable by law.

The duty of a property owner not to discriminate in the leasing or sale of property is non-delegable.

Liability

- A person is responsible for his or her acts.
- A person shall be liable for sexual or any kind of harassment.
- A person shall be responsible for acts of any harassment by third parties, where he or she, or his or her agent, knew or should have known of the conduct and failed to take immediate and appropriate corrective action.

Other Related Conduct

When a housing-related opportunity or benefit is granted because of an individual's submission to sexual advances or requests for sexual favors, a person may be held liable for sexual harassment by other individuals who were qualified for and had a reasonable expectation of receiving an opportunity or benefit, but were denied. For example, an employee in charge of the waiting list offers to move applicants to the top of the waiting list in exchange of sexual or any other kind of favor. Other applicants, even if they were not propositioned, but lost housing opportunities because of the employee's preferential treatment of others in exchange for any kind of favors, are aggrieved under the Fair Housing Act.

Evidence of Psychological Harm

Evidence of psychological harm may be considered in determining the proper amount of any money damages to which an aggrieved person may be entitled in compensation of emotional distress suffered.

Complaints and Answers

Administrative Enforcement

- An aggrieved person may, not later than one year after an alleged discriminatory housing practice has occurred or terminated, file a complaint with the PHA's Director, alleging such discriminatory housing practice.
- Such complaints shall be in writing and shall contain such information as may be necessary to establish the violation of the Fair Housing Act.
- The Director may also investigate housing practices to determine the harasser's record.
- The Agency will reasonably accommodate persons with disabilities who are participants in a complaint processing.

Upon the filing of such complaint:

- The Director shall serve notice upon the aggrieved person acknowledging such filing and advising the aggrieved person of the time limits and choice of forums provided under the regulations.
- The Secretary shall, not later than 10 days after such filing or the identification of an additional respondent that may have joined in the complaint in the course of investigation, serve on the respondent a notice identifying the alleged discriminatory

housing practice and advising such respondents of the procedural rights and obligations of respondents, together with a copy of the original complaint.

- Each respondent may file, not later than 10 days after receipt of notice from the Director, an answer to such complaint.
- The Director shall make an investigation of the alleged discriminatory practice and complete such investigation within 100 days after the filing of the complaint or when the Director takes further action with respect to a complaint, within 100 days after the commencement of such action, unless it is impracticable to do so.
- If the Director is unable to complete the investigation within 100 days after the filing of the complaint, the Director shall notify the complainant and respondent in writing of the reasons for not doing so.

Complaints and answers shall be under oath or affirmation, and may be reasonably and fairly amended at any time.

If a respondent is joined as an additional or substitute respondent, the Director shall notify him/her upon written notice, explaining the basis upon which he/she was joined as respondent.

Investigation and Conciliation

- During the period beginning with the filing of such complaint and ending with the filing of a charge or a dismissal by the Director, the Director shall, to the extent feasible, engage in conciliation with respect to such complaint.
- A conciliation agreement arising out of such conciliation shall be an agreement between the respondent and the complainant, and shall be subject to approval by the Director.
- A conciliation agreement may provide for binding arbitration of the dispute arising from the complaint. Any such arbitration that results from a conciliation agreement, may award appropriate relief, including monetary relief.
- Each conciliation agreement shall be made public, unless the complainant and respondent otherwise agree and the Director determines that disclosure is not required to further the purposes of the Law.

Reporting

- At the end of each investigation, the Director shall prepare a final investigative report containing:

  The names and dates of contacts with witnesses.

A summary and the dates of correspondence and other contacts with the aggrieved person and the respondent.

A summary description of other pertinent records.

A summary of witness statements, and

Answers to interrogatories.

A final report may be amended if additional evidence is later discovered.

Failure to comply with conciliation agreement

Whenever the Director has reasonable cause to believe that a respondent has breached a conciliation agreement, the Director shall refer the matter to the Attorney General with a recommendation that a civil action be filed for the enforcement of such agreement.

~~Prohibitions and requirements with respect to disclosure of information~~

- Nothing said or done in the course of conciliation may be made public or used as evidence in a subsequent proceeding without the written consent of he persons concerned.
- Notwithstanding the above, the Director shall make available to the aggrieved person and the respondent, at any time, upon request following completion of the Secretary's investigation, information derived from an investigation and any final investigative report relating to that investigation.

Prompt judicial action

- If the Director concludes at any time following the filing of a complaint that prompt judicial action is necessary to carry out the purposes of the Act, the Secretary may authorize a civil action for appropriate temporary or preliminary relief pending final disposition of the complaint. Upon receipt of such an authorization, the Attorney General shall promptly commence and maintain such an action. Any temporary restraining order of other order granting preliminary or temporary relief shall be issued in accordance with the Federal Rules of Civil Procedures. Commencement of a civil action does not affect the initiation or continuation of administrative proceedings under the Law.
- Whenever the Director has reason to believe that a basis may exist for the commencement of proceedings against any responder for proceedings by any governmental licensing of supervisory authorities, the Director shall transmit the
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- information upon which such belief is based to the Attorney General, or to such Authorities, as the case may be.

Note: Complaints may be filed in person or by mail to

Secretary
Department of Housing
Commonwealth of Puerto Rico
PO Box 21365
San Juan, Puerto Rico 00928-1365 or Telephone 787-274-2525

Or to:

Fair Housing Division
Department of Housing & Urban Development
171 Chardón Ave., Suite 301
San Juan, Puerto Rico 00919-0803

Generally, complaints will be processed through HUD's Regional Administrator having jurisdiction in the State in which the Alleged discriminatory practice occurred. However, where a complaint has been identified for systemic processing under Sec. 103.205, that complaint may be processed in the Office of the Assistant Secretary in Washington, DC.

SECTION 2

PRIVACY RIGHTS

Applicants will be required to sign the Federal Privacy Act Statement, which states under what conditions HUD will release information concerning Section 8 participants. Requests for information by other parties must be accompanied by a signed release request in order for the HA to release any information involving an applicant or participant, unless disclosure is authorized under Federal or State law or regulations (Reference HUD form 9886).

The Agency accepts the obligations to maintain only such information on individuals as is relevant and necessary to the performance of its functions, to maintain that information with such accuracy, relevancy, timeliness and completeness ads is reasonably necessary to assure fairness in determinations made by the Agency about the individual, to obtain information from the individual to the extent practicable, and to take every reasonable step to protect that information from unwarranted disclosure.

Family refusal 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 requested by the HA or HUD.

The HA's policy regarding release of information will conform to State and local laws that restrict the release of family information.

Any information concerning the condition of a person's disability must be kept in a separate folder and marked "confidential". The personal information in this folder must not be released except on an 'as needed' basis in cases where an accommodation is under consideration. The Director of the Section 8 program must approve all requests for access and granting of accommodations based on this information

The HA will furnish prospective landlords with the family's current address as shown in the HA's records and, if known to the HA, the name and address of the landlord at the family's current and prior address. A statement of the HA's policy on release of information to prospective landlords will be included in the briefing packet which is provided to the family.

All applicants' files will be kept so as to safeguard the privacy of applicants and program participants. All files will be kept in a secure location, which is only accessible, by authorized staff.

All files must be signed for when removed from the secured file storage area. The staff person who signs as utilizing a file is responsible for its security. Files will never be left unattended or placed in common areas.

Family information contained in files will not be discussed by staff, unless there is an official reason to do so. Improper use of family information disclosure will be reason for disciplinary action.

SECTION 3

DEFINITION OF TERMS

Section 24 part 5 and Section 982.4 Definitions effective from time to time are incorporated by reference as if fully set out herein. Copies of these regulations are available in the HA Office. The definitions described herein will be considered as this PHA's policies.

Absorption: In portability, the point at which a receiving HA stops billing the initial HA for assistance on behalf of a portability family.

Adjusted Income: Adjusted Family Income is the income on which total tenant payment is to be based and means the Total Annual Income less the following allowances:

- A deduction of $480 for each member of the family (other than head of household or spouse) who is:
    1. Seventeen (17) years of age or younger, or
    2. Who is eighteen (18) years of age or older and a verified full-time student and/or disabled or handicapped, according to this Section.
- A deduction of dollar amounts anticipated to be paid for the care of children (including foster children) less than thirteen (13) years of age where care is necessary to enable a family member to be gainfully employed or to further his/her education. The dollar amount must be verified and reflect reasonable charges and cannot exceed the amount of income from employment (if employed).
- A deduction of $400 for Elderly Family whose head, spouse or sole member is sixty-two (62) years of age or older and/or is handicapped or disabled according to this Section.
- A deduction for any elderly family:

  That has no Handicapped Assistance Expense, an allowance for medical expenses equal to the amount by which the medical expense shall exceed three (3%) if total Annual Family Income.

  That has Handicapped Assistance Expenses greater than or equal to three percent (3%) of Total Annual Family Income, an Allowance for Handicapped Assistance, as computed above, plus an allowance for medical expenses that is equal to the Family's medical expenses.

That has Handicapped Assistance Expenses that are less than three percent (3%) of Total Annual Family Income, an allowance for combined Handicapped Assistance expense and medical expense that is equal to the amount by which the sum of these expenses exceeds three percent (3%) of Total Annual Family Income. Expenses used to compute the deduction cannot be compensated for nor covered by insurance.

A deduction for any family that is not an elderly family, but has a Handicapped or Disabled member other than the head of household or spouse, Handicapped Assistance Expenses in excess of three percent (3%) of Total Annual Family Income, but this allowance may not exceed the employment received by the family member who is able to work as a result of the assistance to the Handicapped or disabled person. This deduction is allowed only to permit a member of the household to work

- Child Care Expenses: Amounts anticipated to be paid by the Family for the care of children under thirteen (13) years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a Family member to actively seek employment, be gainfully employed or to further his or her education and only to the extent that such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care, and, in the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment. The reasonable amount of charges is determined by the HA, by conducting surveys of local child care providers. The results are posted in the HA office.

Note: If the Total Annual Income less the above allowances result in a rent that is less than the established minimum rent, the resident rent will be established at the HA established minimum rent.

Administrative Fee: Fee paid by HUD to the HA for administration of the program and will include hard-to-house fees paid for moves by families with three or more minors, and extra counseling money that may be authorized by HUD.

Administrative Fee Reserve: (formerly "operating reserve") Account established by HA from excess Administrative fee income. HA administrative fees may only be used to cover costs incurred to perform HA administrative responsibilities for the program in accordance with HUD regulations and requirements.

Administrative Plan: The Administrative Plan describes HA policies for administration of the tenant-based programs. This document is the Administrative Plan for the HA.

Admission: The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.

Adult: An adult is:

19 years or older
18 years of age and married (not common law)
A person that has been relieved of the disability of non-age by the juvenile court, or
A person that has been emancipated by the adult with legal custody on him or her, through court disposition.

Note: In Puerto Rico an adult is a person 21 years of age or older, unless he or she has been emancipated by the adult with legal custody over him or her. Only persons who are adults according to the local law shall be eligible to enter into a lease agreement for occupancy.

Amortization Payment: Is a manufactured home space rental, the monthly debt service payment by de family to amortize the purchase price of the manufactured home. (This HA does not carry a program for manufactured homes.)

Annual Contributions Contract: A written contract between HUD and an HA. Under the Contract HUD agrees to provide funding for operation of the program, and the HA agrees to comply with HUD requirements for the program.

Annual Income: Annual Income is the anticipated total income from all sources received by the family head and spouse (even if temporarily absent) and by each additional member of the family, including all net income derived from assets, for the 12-month period following the effective date of initial determination or re-examination of income, exclusive of certain other types of income specified in this policy. Annual income includes, but is not limited to, the following: (Ref: 24 CFR 5.609):

- The full amount, before any payroll deduction, of wages and salaries, and overtime pay, including compensation for personal services (such as commissions, fees, tips and bonuses)
- Net income from the operation of a business or profession. (Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining Net Income.) An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. The family may deduct any withdrawal of cash or other

- assets from the operation of a business or profession from income, except to the extent the withdrawal is reimbursement of cash or assets in the operation.
- Interest dividends and other net income of any kind from real or personal property. (For this purpose, expenditures for amortization of capital indebtedness and an allowance for depreciation of capital assets shall not be deducted to determine the net income from real or personal property.)
- An allowance for depreciation is permitted only as authorized in the second paragraph of this section. Any withdrawal of cash or assets from an investment will be included income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has Net Family Assets in excess of $5,000, Annual Income shall include the greater of the actual income derived from all Net Family Assets or a percentage of the value of such assets based on the current passbook savings rate as determined by HUD.
- The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefit and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment.
- Payments in lieu of earnings, such as unemployment and disability compensation, social security benefits, workmen's compensation and severance pay.
- Welfare assistance. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that are subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

  The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities, plus

  The maximum amount that the welfare assistance agency could in fact allows the family for shelter and utilities. If the families' welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

- Periodic and determinable allowances, such as alimony, child support payments, and regular contributions gifts, including amounts received from any person's not residing in the dwelling. This includes payments made directly to schools, universities, child care, inclusion on health plans, and purchases of clothes, books, or any other expense made by a person not living in the unit on behalf of one of the participant family.

- All regular pay, special payments and allowances (such as longevity, overseas duty, rental allowances for dependents, etc.), received by a member of the Armed Forces (whether or not living in the dwelling) who is head of the family, spouse, or other family member whose dependents are in the unit. (See "hazardous duty pay".)
- Payments to the head of the household for support of a minor or payments nominally to a minor for his support but controlled for his benefit by the head of the household or a resident family member other than the head, who is responsible for his support (like social security).
- Veterans Administration compensation (Service connected Disability or Death Benefits).

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

Applicant: (Applicant family) A family that has applied for admission to a program, but is not yet a participant in the program.

Budget Authority: An amount authorized and appropriated by Congress for payment to Housing Agencies under the program. For each funding increment in an HA program, budget authority is the maximum amount that may be paid by HUD to the HA over the ACC term of the funding increment.

Certificate: A document that was issued by an HA to a family selected to the rental certificate program. The certificate describes the program, and the procedures for HA approval of a unit selected by the family. The certificate is not issued anymore.

Child: A member of the family, other than the family head or spouse, who is under 18 years of age.

Child Care Expenses: Amounts anticipated to be paid by the family for the care of children under thirteen (13) years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed or to further his/her education and only to the extent such amounts are not reimbursed. In the case of child care necessary to permit employment, the amount deducted must be verified and reflect reasonable charges and shall not exceed the amount of income received from such employment.

The HA will not normally determine care expenses as necessary when the household contains an additional unemployed adult who is physically capable of caring for the children. An example of

an exception may be an unemployed adult that is not capable of caring for a child because of some type of disability and or handicap. The head of household must document the disability/handicap that prevents the adult from providing childcare.

Child Custody: An applicant/participant family who does not have full custody of a child/children may only claim a child as a dependent by the following:

- The applicant/participant must have primary custody of the child.
- The applicant/participant must provide sufficient evidence that the child would reside with the Section 8 participant.

Note: More than one applicant cannot claim the same child.

Citizen: A citizen or national of the United States.

Common Space: In shared housing: Space available for use by the assisted family and other occupants of the unit. **Note**: This PHA does not carry this program.

Congregate Housing: Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing. **Note:** This PHA does not carry this program.

Continuous Metropolitan Statistical Area (MSA): In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial HA is located.

Continuously Assisted: An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any Housing Act program when the family is admitted to the Section 8 program. This PHA will consider that a family is continuously assisted if it had been receiving assistance under the program not more than three (3) months before the date any action is being considered to reinstate the family in the program.

Contract Authority: The maximum annual payment by HUD to an HA for a funding increment.

Cooperative Housing (Term includes mutual housing): Housing owned by a non-profit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment and to participate in management of the housing.

Dependent: A member of the family (except foster children **and foster adults),** other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student. An unborn child shall not be considered a dependent.

Disabled Person: (See "Handicapped Person"). The correct term is "Person with Disability".

Displaced Family: A person, or family, displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Domicile: The legal residence of household head or spouse as determined in accordance with State and local law.

Drug-Related Criminal Activity:

- Drug-trafficking, which is: The illegal manufacture, sale or distribution, or the possession with intent to manufacture, sell or distribute, of a controlled substance (as defined in Section 102 of the controlled substance Act (21 USC 802), or
- Illegal use, or possession for personal use, of a controlled substance (as defined in Section 102 of the Controlled Substances Act (21 USC 802).

Elderly Family: A family whose head or spouse or whose sole member is at least sixty-two (62) years of age, or disabled, or handicapped and may include two or more elderly, disabled or handicapped persons living together, or one or more such persons living with another person who is determined to be essential to his or her care and well being.

Elderly Person: A person who is at least sixty-two (62) years of age.

Evidence of Citizenship or Eligible Immigration Status: The documents that must be submitted to evidence citizenship or eligible immigration status [Reference CFR 5.508(b)].

Exception Rent: In the certificate program, an initial rent (contract rent plus any utility allowance) in excess of the published FMR. For certificates, exception rent is approved by HUD, and is used in determining the initial contract rent. In the voucher program, the HA may adopt a payment standard up to the exception rent limit approved by HUD for the HA certificate program.

Extremely Low-Income Family: A family whose annual income does not exceed thirty percent (30%) of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. Not less than 75 percent of the families admitted to the PHA's tenant-based voucher program during the PHA fiscal year from the PHA waiting list shall be extremely low income families. The PHA may admit a lower percent of extremely low income families during its fiscal year if HUD approves the use of such lower percent by the PHA.

Fair Market Rent (FMR): The rent, including the cost of utilities (except telephone), that would be required to be paid in the housing market area to obtain rivately owned, existing,

decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. FMRs for existing housing are established by HUD for housing units of varying sizes (number of bedrooms), and are published in the Federal Register in accordance with 24 CFR, part 888.

Familial Status: A single pregnant woman and individuals in the process of obtaining custody of any individual who has not attained the age of 19 years are processed for occupancy the same as single persons (Reference Federal Register published February 13, 1996, pages 5,662 and 5,663). In Section II (Reinventing Parts 812 and 912 of the Federal Register it is stated:
"The April 10, 1992 proposed revisions to parts 812 and 912, which concern section 5(b) of the Fair Housing Amendments Act of 1988 (FHAA) and the treatment of single, pregnant women obtaining custody, are not included in this final rule. The statutory prohibition against housing discrimination towards such persons is sufficiently clear and enforceable. Since the percentage limit for occupancy by single persons (which could have been used to mask instances of discrimination against persons in these protected classes) has been eliminated, it no longer necessary to distinguish persons in the FHAA-protected classes from other single persons."

Therefore, a single pregnant woman and individuals in the process of obtaining custody of any individual who has not attained the age of 18 years are processed for occupancy the same as single persons and only entitled subsidy for a zero or one-bedroom family unit size.

Family: The term "family" as used in this policy means:

- Two or more persons related by blood, marriage, or by operation of law.
- A family, with or without children, who live regularly together as a single household in the dwelling unit.

- The temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size.

- By definition, a family must contain a competent adult of at least 19 years of age or 18 years of age and married (not common law) to enter into a contract and capable of functioning as the head of household.

Note: If an individual is 18 or over and qualifies under the definition of family by being married, the head of household and the spouse must be parties to the lease. There must be some concept of a family living beyond the mere sharing or intention to share housing accommodations by two or more persons to constitute them as a family within the meaning of this policy. Some recognized and acceptable basis of family relationship must exist as a condition of eligibility.

The following are some of the families, besides the regular family:

- An elderly family
- A near-elderly family
- A disabled family
- A displaced family
- The remaining member of a tenant family
- A single person who is not elderly or displaced person or a person with disabilities or the remaining member of a tenant family.

Note: Housing assistance limitation for single persons: A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family, may not be provided (for tenant-based assistance) housing assistance for which the family unit size exceeds the one bedroom level (Ref. 982.207 Housing assistance limitation for single persons, published in the Federal Register on 2/13/96.)

The rule does not prohibit a single person from residing in a larger unit (2 or more bedrooms) with the amount of subsidy for a zero or one-bedroom family unit size. The limit is on the amount of subsidy paid, NOT the SIZE of the UNIT. (The utilities allowance to be considered shall be that **for the size** of the unit being occupied.)

Family Self-Sufficiency (FSS) Program: The program established by an HA to promote self-sufficiency of assisted families, including the provision of supportive services (42 USC 1437 u). Reference 24 CFR, part 984.

Family Share: The portion of rent and utilities paid by the family.

Family Unit Size: The appropriate number of bedrooms for a family. Family unit size is determined by the HA under the HA subsidy standards.

FMR/Exception Rent Limit: The Section 8 Existing Housing fair market rent published by HUD Headquarter, or any exception rent. For a tenancy in the voucher program, the HA may adopt a payment standard up to the FMR/exception limit, which is 110% of the published FMR.

Foster Children: With the prior written consent of the HA, a foster child may be added as a Section 8 participant. The factors considered by the HA in determining whether or not consent is granted may include:

- Whether the addition of a new occupant may require the issuance of a new certificate or voucher and whether such document is available.

- The Section 8 landlord's obligation to allow reasonable accommodation for handicapped persons.

Full-time Student: A member of a family (other than the head if household or spouse) who is carrying a subject load, which is considered full-timer for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with diploma, as well as an institution offering a college degree. The attended educational institution will supply verification.
Funding Increment: Each commitment of budget authority by HUD to an HA under the consolidated ACC for the HA program.

Gross Rent: The sum of the rent to owner plus any utility allowance.

Group Home: A dwelling unit that is licensed by a State as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in-aide).

Handicapped Assistance Expense: Reasonable expenses that are anticipated during the period for which Total annual Family Income is computed, for attendant care and auxiliary apparatus for a Handicapped or Disabled family member and that are necessary to enable a family ember (including the Handicapped or Disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

Handicapped Person and/or Disabled Person (Person with Disability): A person having a physical or mental impairment which:

- Is expected to be of long-continued and indefinite duration.
- Substantially limits one or more major life activities that impedes his/her ability to live independently; and
- Is of such a nature that such disability could be improved by more suitable housing conditions.

Note: All three conditions must be met to qualify as person with disabilities.

A person who is under a disability as defined in Section 223 of the Social Security Act (42 USC 423) or in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 USC 6001(7), or is handicapped as defined below:

Section 223 of the Social Security Act defines disability as:

- Inability to engage in any substantial gainful activity for reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months, or
- In the case of any individual who has attained the age of fifty-fiver (55) and is blind (within the meaning of "blindness" as defined in Section 4126(1)1 of this title), inability be reason of such blindness to engage in substantial gainful activity in which he has previously engaged with some regularity and over a substantial period of time.

Hazardous Duty Pay: Pay to a family member in the Armed Forces away from home and exposed to hostile fire

Head of Household: The adult member of the family who is the head of the household for ~~purposes of determining income eligibility and rent. Also, the head of household is primarily~~ responsible and accountable for the family, particularly in regard to lease obligations.

Homeless Family: Any individual or family who:

- Lacks a fixed, regular, and adequate nighttime residence.
- Has a primary nighttime residence that is:

  A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing or housing for the mentally ill.

  An institution that provides a temporary residence for individuals intended to be institutionalized, or A public or private place not designed for, or ordinarily used as, a regular sleeping accommodations for human beings.

A homeless family does not include:

- Any individual imprisoned or otherwise detained pursuant to an Act of the Congress of a State Law, or
- Any individual who is a Single Room Occupant that is not considered substandard housing as defined on this section.

Housing Agency (HA): Housing Agency (formerly Public Housing Agency (PHA), (PHA and HA are the same thing). A Housing Agency is a state, county, municipality or other government entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing.

Housing Assistance Payment (HAP): The monthly assistance payment by the HA. The total assistance payment consists of:

- A payment for rent to the owner under the family's lease.

The assistance also includes an additional payment to the family, if the total assistance payment exceeds the rent to owner. In the certificate program, the additional payment is called a "utility reimbursement". The HA may elect to pay the appropriate amount directly to the utility provider.

Housing assistance Payment (HAP) Contract: A written contract between an HA and an owner, in the form prescribed by HUD, in which the HA agrees to make housing assistance payments to the owner on behalf of an eligible family.

Housing Quality Standards (HQS): The HUD minimum quality standards for housing assistance under the tenant-based programs.

HUD - Housing and Urban Development: The U. S. Department of Housing and Urban Development.

HUD Requirements: Required by HUD for the Section 8 programs. HUD requirements are issued by HUD headquarters as regulations, Federal Register notices, or other binding program directives.

Income Exclusions:

Annual Income does not include such temporary, non-recurring or sporadic income as the following:

Temporary: casual, sporadic, temporary, nonrecurring income, including gifts.

Medical Reimbursements: Amounts that are specifically received from, or are a reimbursement of, the cost of illness or medical care.

Lump-sum additions to family assets: Such as, but not necessarily limited to, inheritances, insurance payments, including payments under health and accident insurance and workmen's compensation, capital gains, and settlements for personal or property losses.

Scholarships: Full amounts of educational scholarships paid directly to the student or to the educational institution and amounts paid by the United States government to a veteran for use in

meeting the cost of tuition, fees, books, equipment, materials, supplies, transportation and miscellaneous personal expenses of the student.

Relocation payments: Made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC 4636).

Food Stamps: The value of the coupon allotments for the purchase of food in excess of the amount actually charged an eligible household pursuant to the Food Stamp Act of 1973 (7 USC 2017(b)).

Domestic Volunteers Service Act: Payments received by participants or volunteers in programs pursuant to the domestic Volunteers Service Act of 1973 (42 USC 5044(g), 5058).

Income of a live in aide

Job Training Partnership Act: Payments received from the Job training Partnership Act (29 USC 1552(b)).

Hazardous Duty Pay: For a family member in the Armed forces away from home and exposed to hostile fire.

Minor Income: Income from employment of children (including foster children) under the age of eighteen (18)

Foster Care: Payment received for the care of foster children.

Home Energy Assistance Program: Payments or allowances made under the Department of Health and Human Services Low-Income Home energy Assistance Program (42 USC 8624(f)).

Older Americans Act: Payments from Programs under Title V of the Older Americans Act of 1965 (42 USC 3056(f)).

HUD Training: Amounts received under training programs funded by the Department of Housing and Urban Development.

Plan to Attain Self-Sufficiency: Amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self Sufficiency (PASS).

Other Publicly Assisted Programs: Amounts received by a participant in other publicly assisted program which is specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clashing, transportation, child care, etc.) and which are made solely to allow participation in a specific program.

Earned Income Tax Credit Refund: For taxable years after December 31, 1990, the earned income tax credit refund. Effective Date: July 25, 1994.

A Resident Service Stipend: A resident stipend is a modest amount (i.e., $200 or less per month), received by a resident for performing a service for the owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire

patrol, hall monitoring, lawn maintenance, resident initiative coordination and resident management. No resident may receive more than one such service stipend from annual income, but only if the resident service stipend does not exceed $200 per month. Compensation from state or local employment training programs, and the training of a family member as resident management staff are not included as income. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance.

Adoption Assistance Payments: Income payments received for the care of adopted children to the extent that the payments exceed $480 per adopted child.

Student financial Assistance: This exclusion exempts from annual income all amounts received from student financial assistance. Student financial assistance is interpreted broadly to include various scholarships, educational entitlements, grants, work-study programs and financial aid package.

Earned Income of Full-time Students: This exclusion exempts earnings in excess of $480 for ~~each full-time student eighteen years old or older, except for the head of household and spouse.~~ The exemption only applies to earnings in excess of $480, since the family already receives a $480 deduction from income for any full-time student.

Adult Foster Care Payments: This exclusion removes from the computation of annual income payments for the care of foster adults, usually individuals with disabilities, unrelated to the tenant family, who are unable to live alone. Currently, only payments for the care of foster children are excluded from annual income. In adding this exclusion, the Department is not requiring that housing authorities or owners permit foster adults in assisted housing.

Compensation from state or local Job Training Programs and Training of Resident Management Staff: This exclusion exempts compensation received from qualifying employment training programs and the training of resident management staff. To qualify under this exclusion, the compensation received must be a component of a state or local Employment Training Program with clearly defined goals and objectives. Moreover, only the compensation incident to the training program is excluded, (i.e., any additional income received during the training program, such as welfare benefits, will continue to be counted as income). In addition, this exclusion only covers compensation received while the resident participates in the employment-training program and the duration of participation must be for a limited period determined in advance. An example of compensation which falls under this exclusion is compensation received from on-the-job training and during apprenticeship programs.

Property Tax Rebates: this provision excludes state rent credits and rebates for property taxes paid on a dwelling unit.

Home Care Payments for Developmentally Disabled Children or Adult Family Members: This exclusion exempts amounts paid by a state agency to families who have developmentally disabled children or adult family members living at home. States that provide families with

home care payments do so to offset the cost of services and equipment needed to keep a developmentally disabled family member at home.

Amounts received by a person with a disability that are disregarded for a limited time, as established on 24CFR 5.609(8)(ii) and 5.617.

Infant: A child under the age of two (2) years.

Initial Contract Rent: In the certificate program, the contract rent at the beginning of the initial lease term.

Initial HA: In portability, the term refers to both:

An HA that originally selected a family that subsequently decides to move out of the jurisdiction of the Selection HA.
An HA that absorbed a family that subsequently decides to move out of the jurisdiction of the absorbing HA.

Initial Lease Term: The initial term of the assisted lease. The initial lease term must be for at lease one year.

Initial Payment Standard: The payment standard at the beginning of the HAP contract term.

Initial Rent to Owner: The rent to owner at the beginning of the initial lease term.

Interim Redetermination of Rent: Changes of rent between admissions and reexamination and the next succeeding reexaminations.

INS: The U. S. Immigration and Naturalization Service.

Jurisdiction: The area in which the HA has authority under State and local law to administer the program.

Lease: A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the HA.

In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement established the conditions for occupancy of the member's cooperative dwelling unit by the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the HA. For purposes of part

982, the cooperative is the Section 8 "owner" of the unit, and the cooperative member is the Section 8 "tenant".

Lease Addendum: Is the lease between the tenant and the owner, the lease language required by HUD.

Live-in-Aide: A person who resides with an Elderly, Disabled, or Handicapped person or persons and who:

Is determined by the HA to be essential to the care and well-being of the persons(s)

Is not obligated for support of the persons(s)

Would not be living in the unit except to provide supportive services. The income of a Live-in-Aide that meets these requirements is not included as income to the tenant family, and

A Live-in-Aide must be approved in advance by the HA.

A medical certificate is required to determine if the person really needs a live-in-aide.

Low-income Family: A family whose Annual Income does not exceed eighty percent 80% of the median income for the area, as determined by HUD with adjustments for smaller and larger families. (Section 982.201(b) describes when a low-income family is income eligible for admission to the certificate or voucher program.)

Manufactured Homes: A manufactured structure that is built on a permanent chassis that is designed for use as a principal place of residence and meets the HQS. This HA does not carry this program.

Manufacture Home Space: In manufactured home space rental: a spacer leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space.

Medical Expense: Those necessary medical expenses, including medical insurance premiums, that are anticipated during the period for which Annual Income is computed, and that are not covered by insurance. Medical expenses in excess of three percent (3%) of annual income are deductible from income by elderly families only.

Military Service: Military Service means active military service of the United States, which includes de Army, Navy, Air Force, Marine Corp, Coast Guard, and since July 29, 12945, the commissioned corps of the United States Public Health Service.

Minimum Rent: Families assisted under the Public Housing program pay a monthly "minimum rent" of not more than $50 per month. The HA has the discretion to establish the "minimum rent" from $0 up to $50. This HA has established the minimum rent at $25.

Minimum Rent Hardship Exemptions: The Agency shall immediately grant an exemption from application of the minimum monthly rent to any family making a proper request in writing that is unable to pay because of financial hardship, which shall include the following situations:

- The family has lost eligibility for, or is awaiting an eligibility determination for a federal, State, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the immigration and nationalization act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

- The family would be evicted as a result of the implementation of the minimum rent.

- The income in the family has decreased because of changed circumstances, including loss of employment.

- A death in the family has occurred which affects the family circumstances.

- Other circumstances which may be decided by the HA on a case-by-case basis.

All of the above must be proven by the resident providing verifiable information in writing to the HA prior to the rent becoming delinquent and before the lease is terminated by the HA.

If a resident requests a hardship exemption (prior to the rent being delinquent) under this section, and the HA reasonably determines the hardship to be of a temporary nature, exemption shall **not** be granted during a ninety day period beginning upon the making of the request for the exemption. A resident **may not** be evicted during the ninety day period for non-payment of rent. In such a case, if the resident thereafter demonstrates that the financial hardship is of a long term basis, the HA shall retroactively exempt the resident from the applicability of the minimum rent requirement for such ninety day period. This Paragraph does not prohibit the HA from taking eviction action for other violation of the lease.

Minor: A "minor" is a person under nineteen (19) years of age. A married person 18 years of age or older shall be considered to be of the age of majority. (An unborn child may not be counted as a minor.)

Mixed Family: A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

Monthly Adjusted Income: One twelfth of Adjusted Annual Income.

Monthly Income: One twelfth of Annual Income. For purpose of determining priorities based on an applicant's rent as a percentage of family income., family income is the same as monthly income.

Mutual Housing: See definition of "cooperative housing" above.

National: A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

Net Family Assets: The net cash value after deducting reasonable costs that would be incurred in disposing of real property, checking and savings accounts, stock bonds, cash on hand and other . forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD home ownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded. (In cases where a trust fund has been established and the trust is not revocable by, or under control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining Annual Income.

In determining Net Family Assets, this HA shall include the value of any business or family assets disposed of by an applicant or Tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two (2) years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or Tenant receives important consideration not measurable in dollar terms.

Noncitizen: A person who is neither a citizen nor national of the United States.

Notice of Funding Availability (NOFA): For budget authority that HUD distributes by competitive process, the federal register document that invites applications for funding. The document explains how to apply for assistance and the criteria for awarding the funding.

Over-FMR Tenancy: In the Certificate program: the tenancy to which the initial gross rent exceeds the FMR/exception rent limit.

Owner: Any person or entity with the legal right to lease or sublease a unit to a participant.

Participant: A family that has been admitted to the HA program, and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the HA for the family.

Payment Standard: In a voucher or over-FMR tenancy the maximum subsidy payment for a family (before deducting the family contribution). For a Voucher tenancy, the HA sets a payment standard in the range from 80 percent to 100 percent of the current FMR/exception rent limit. For an over-FMR tenancy, the payment standard equals the current FMR/exception rent limit.

Portability: Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial HA.

Preference: At the option of the HA, a preference system can be used to select among applicant families.

Premises: The building or complex in which the dwelling unit is located, including common areas and grounds.

Private Space: In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

Program: The tenant-based certificate or voucher program.

Project Based Certificate Program: Project-based assistance under 24 CFR, Part 983, using funding under the consolidated ACC for the HA certificate program.

Reasonable Rent: A rent to owner that is not more than either:

Rent charged for comparable units in the private unassisted market; or

Rent charged by the owner for a comparable unassisted unit in the building or premises.

Receiving HA: In portability, an HA that receives a family selected for participation in the tenant-based program of another HA. The receiving HA issues a certificate or voucher, and provides program assistance to the family.

Recertification: Sometimes called reexamination. The process of securing documentation, which indicates that tenants meet the eligibility requirements for continued occupancy.

Re-examination Date: The date on which any rent change is effective or would be effective is required as a result of the annual re-examination of eligibility and rent.

Regular Tenancy: In the certificate program: a tenancy other than an over-FMR tenancy.

Remaining Member of the Tenant Family: The person(s) of legal age remaining in the subsidized unit after the person(s) who signed the certificate or voucher has (have) left the premises, other than by eviction, who may or may not normally qualify for assistance on their own circumstances.

An individual must have received housing subsidy under the program to which he/she claims head of housing status for one year before becoming eligible for Section 8 subsidy as a remaining member. This person must complete forms necessary for Section 8 assistance within ten calendar days from the departure of the leaseholder and may remain in the unit for a reasonable time (not more than 60 calendar days) pending the verification and hearing process. This person must, upon satisfactory completion of the verification process, execute all required Section 8 subsidy documents and cure any monetary obligations in order to maintain assistance.

Any person who claims him or herself as a remaining member shall, in the event that the HA declares him or her ineligible as a remaining member, be entitled for an informal hearing. The informal hearing process is described later on this policy.

Rent to Owner: The total monthly rent payable to the owner under the lease for the unit. Rent to Owner covers payment for any housing services, maintenance and utilities that the Owner is required to provide and pay for.

Residency Preference: An HA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area.

Residency Preference Area: The specified area where families must reside to qualify for a residency preference.

Set-up Charges: In a manufactured home space rental: Charges payable by the family for assembling, skirting and anchoring the manufactured home.

Shared Housing: A unit occupied by two or more families. The unit consists of both common space for shared by the occupants of the unit and separate private space for each assisted family.

Single Person: A person who lives alone or intends to live alone, and who does not qualify as an elderly family or a displaced person, or as the remaining member of a tenant family.

Single Room Occupant (SRO): Single Room Occupancy (SRO) Housing is a unit which does not contain sanitary facilities or food preparation facilities, or which contains one but not both

types of facilities, and is suitable for occupancy by an eligible individual who is capable of independent living. SRO Housing is not substandard solely because it does not contain sanitary facilities or food preparation facilities, or both.

Special Admission: Admission of an applicant that is not on the HA waiting list or without considering the applicant's waiting list position because of special circumstances, or special programs. This HA will tender Special Admission to families who are victims of natural disasters and persons who are victims of domestic violation, after proper verification in both instances. There might be families living on substandard housing with critical conditions, who will also be considered for special admission.

Spouse: The legal husband or wife of the head of the household. This includes common law marriage.

Subsidy Standards: Standards established to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and composition.

Suspension: Stopping the clock on the term of a family's certificate or voucher on the date that the HA receives the request for lease approval by the family.

Temporarily Absent Family Members: Any person(s) on the lease that is not living in the household for a period of more than thirty (30) days is considered temporarily absent.

Tenant: The person or persons (other than a live-in-aide) who executes the lease as lessee of the dwelling unit.

Tenant-Based: Rent assistance that is not attached to the structure.

Tenant Rent: The actual amount due, calculated on a monthly basis, under a lease or occupancy agreement between a family and the family's current landlord. The tenant payment is the amount the tenant pays toward rent and allowance for utilities. To arrive at the tenant rent, the utility allowance is subtracted from total tenant payment or minimum rent. If the utility allowance is greater than the total tenant payment or minimum rent, the tenant rent is zero and there is a utility reimbursement payment (URP). The URP is the difference between the total tenant payment or minimum rent and the utility allowance.

Total Tenant Payment (TTP):

Total tenant payment is the higher of:

- 30 percent (30%) of family monthly-adjusted income

- 10 percent (10%) of family monthly income
- If the family is receiving payments for welfare from a public agency and part of those payments are specifically designated for housing costs, that part is considered as income.
- $25, which is the minimum rent set by the HA

Utilities: Utilities may include water, electricity (including air conditioning, if applicable. (See CFR 982.517), gas, sewage services, and, where applicable, trash and garbage collection.

Utility Allowance: The utility allowance, if any, determined for the Section 8 program for tenant purchased utilities (except telephone) that are normally included in rent.

Utility Hook-up Charge: In a manufacture home space rental: costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical or sewer line.

Utility Reimbursement Payment (URP): Utility Reimbursement Payment is the amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment or minimum rent for the family occupying the unit.

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

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.

Visitor: Any adult not included on the HUD 50058 who has been in the unit more than 60 consecutive days, or a total of 120 days in a 12-month period, will be considered to be living in the unit as an unauthorized household member. Absence of evidence of any other address will be considered verification that the visitor is a family member. Statements from neighbors and or the landlord will be considered in making the determination. Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence. Minors and college students may visit for up to 60 days per year without being considered a member of the household.

Voucher: A document issued by an HA to a family selected for admission to the voucher program. The voucher describes the program and the procedures for HA approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

Waiting List Admission: An admission from the HA waiting list.

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

SECTION 4

APPLYING FOR ASSISTANCE

How to Apply:

Families wishing to apply for housing assistance shall complete an application for housing assistance. The HA will make sure 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.

Applications will be accepted at the following locations:

- Aguadilla Regional Office
  Kennedy Ave. (in front of Jose de Diego Public Housing Project)
  787-891-5955

- Arecibo Regional Office
  Carr. 653, Km. 1.5, Durán Bldg..
  787-878-2426

- Bayamón Regional Office
  Carr. 2, esq. 176, Santander Bldg., Fifth floor
  787-787-5100

- Caguas Regional Office
  Government Center, First Floor, Suite 10
  787-746-1377

- Carolina Regional Office
  Villa Arriba Heights Commercial Center
  Fidalgo Díaz Avenue
  787-752-5660

- Humacao Regional office
  Government Center
  Boulevar del Río, desvío Carr. 3, Ramal Torre 2, 2nd Floor
  787-852-3617

- Mayagüez Regional office
  100 Méndez Vigo St., corner Calle Oriente, Bo. Marina Meridional
  787-831-2323

- Ponce Regional Office
  La Rambla commercial Center, 2nd Floor
  Urb. La Rambla, Carr. 14
  787-843-2360

- San Juan Regional Office
  606 Barbosa St., 9th Floor
  San Juan, P. R.
  787-274-2398

The main office of the Department is located at:

- Main Office
  Department of Housing of the Commonwealth of Puerto Rico
  606 Barbosa St.
  San Juan, P. R.
  787-274-2416

Completed applications will be accepted for all applicants and the information verified at each regional office.

Applications may be made in person at the offices mentioned above during specified dates and business hours posted at each HA's office.

A pre-application will be accepted by telephone. An announcement will be placed in the bulletin boards of each regional office and the local newspapers to notify the public about this service. An employee will take the information required to determine eligibility, and will fill in a pre-application form. The applicant will be notified at the moment if, by the information given, the family is eligible.

The application must be dated, time stamped, and processed at the Selection Unit.

Individuals who have a physical impairment which would prevent them from completing an application in person may call the HA to make special arrangements to complete their application. A telecommunication Device for the Deaf (TDD) is available for the deaf. If the applicant is visually impaired, all notices must be in a format understandable by applicant.

Closing of Application Taking

If the HA is taking applications, the HA may suspend the taking of applications if the waiting list is such that additional applicants would not be able to be housed within the next 12-month period.

Opening of Application Taking - Family Outreach

If the waiting list has been closed, when the HA decides to restart taking applications, the following procedures will be followed:

Note: The HA will make known to the public through publication in a newspaper of general circulation, minority media, and other suitable means, the availability and nature of housing assistance for eligible families.

The Notice must contain the following:

- Advise families that applications will be taken at the designated offices
- Briefly describe the Housing Assistance program
- State that families interested must specifically apply for Section 8 assistance and that applicants for Section 8 assistance may also apply for Public Housing, and they will not lose their place on the Section 8 Housing waiting list if they also apply for Public Housing.
- To reach persons who cannot read the newspapers, the HA will distribute fact sheets to the broadcasting media. Personal contacts with the news media and with community service personnel, as well as public service announcements will be made.

Application Period (Dates)

The application taking closing date may be determined administratively at the same time that the HA determines to open enrollment. The open enrollment period shall be long enough to allow enough applicants as required by the projected turnover and the number of Section 8 Certificates or Housing Vouchers, as well as multifamily units within the Moderate Rehabilitation and Project based Programs.

Missed Appointments for Applicant or Participant

Missed Appointment Without Notification:

An family or person whose applications or recertification is being processed, but fails to keep an appointment without notifying the HA and without re-scheduling the appointment shall be sent a notice of termination of the process or assistance for failure to supply any certification, release of information or documentation as the HA or HUD determines to be necessary (or failure to allow the HA to inspect the dwelling unit at reasonable times and after reasonable notice, if applicable) in the following situations:

- Complete application
- Bringing in verification information
- Program briefing
- Leasing signature briefing
- HQS inspections
- Recertifications
- Interim adjustment
- Other appointments to bring in documentation as listed in this Plan
- Scheduled counseling sessions

Process when appointments are missed

For most of the functions above, the family may be given two (2) appointments. If the family does not appear or call to reschedule the appointment(s) required, the HA may begin the termination process. The applicant or participant will be given an opportunity for an informal review or hearing. If the representative of the HA makes a determination in favor of the applicant or participant, the HA will comply with decision, unless the HA is not bound by a hearing decision concerning a matter for which the HA is not required to provide an opportunity for a hearing pursuant to 24 CFR 982.554(c) and 982.555(b).

Letters Mailed to Applicants by the HA

If an applicant claims not having received a letter mailed by the HA, that requested to provide information or to attend an interview, the HA will determine whether the letter was returned to

the HA. If the letter was not returned to the HA, the applicant will be assumed to have received the letter.

If the letter was returned to the HA and the applicant can provide evidence that the family was living at the address to which the letter was sent, the applicant will be reinstated with the date and time of the application in effect at the time the letter was sent. Applicants must notify the HA, in writing, if their address changes during the application process.

Misrepresentation by the Applicant or Participant

If an applicant or Section 8 participant is found to have made willful misrepresentations at any time which resulted in the applicant or Section 8 participant being classified as eligible, when, in fact, they were ineligible, applicant will be declared ineligible and the Section 8 participant will be terminated because of the act of fraud by the applicant/Section 8 participant. If such misrepresentation resulted in the Section 8 participant paying a lower rent than was appropriate, the Section 8 participant shall be required to pay the difference between the actual payments and the amount, which should have been paid.

In justifiable instances, the HA may take such other actions as it deems appropriate, including referring the Section 8 participant to the proper authorities for possible criminal prosecution.

SECTION 5

ELIGIBILITY CRITERIA

Eligibility Requirements:

All individuals who are admitted to the Section 8 Program in the HA must be individually determined eligible under the terms of this plan. In order to be determined eligible, an applicant must meet the following requirements:

- The applicant family must qualify as a family.
- The applicant family's Annual Income must not exceed income limits established by HUD for the Section 8 Program.
- The applicant must be citizen or a noncitizen who has eligible immigration status.

Head of Household must be:

- 21 years of age or older
- 18 years of age and married (not common law) or
- A person that has been relieved of the disability of non-age by a juvenile court or emancipated by the adult with custody through legal action.

- The applicant agrees to pay the rent required by the subsidy program under which the applicant will be admitted.
- The unit will be the family's only residence.
- The tenant meets the eligibility criteria for the specific project/unit -- multifamily, SRO.
- The applicant meets the ~~Federal or~~ the HA's established preference requirements, where applicable, and any uniform tenant selection criteria.
- ~~The applicant must be a citizen or a noncitizen who has eligible immigration status~~.

Ineligible:

Applicants are not automatically determined eligible to receive federal assistance. An applicant will not be placed on a waiting list or offered Section 8 assistance under the following circumstances:

If the applicant's annual family income exceeds the Income Limits established by HUD and published in the Federal Register, the applicant will be declared ineligible.

Informed of Ineligibility

If the applicant has failed to meet any outstanding requirements for eligibility and is determined ineligible, he/she will be so informed and the reasons stated in writing. The applicant will be granted ten (10) days from the date stated on the ineligible letter to request an informal meeting. The applicant may bring any person he/she wishes to represent them at the informal meeting. The request for an informal meeting may be submitted in writing and/or the request may be verbal. However, the request must be received by the HA within the time frame established by the HA for the meeting.

Single Person

In addition, under Section 24 CFR 5.405, the HA is permitted to determine as eligible, single persons living alone or intending to live alone who do not meet any of the definitions of a family (Ref. CFR 5.403). Single persons are only eligible for a one bedroom voucher.

Declaration of Citizenship

Section 214 of the Housing and Community Development Act of 1980 prohibits Housing Agencies from making financial assistance available to a person other than United States citizens, nationals, or certain categories of eligible non-citizens in HUD's assisted housing programs. This law is referred to as the "Non-citizens Rule" and is effective June 19, 1995.

When the HA verifies that applicant is eligible

The HA must receive information verifying that an applicant is eligible within the period of 60 days before the HA issues a voucher to the applicant.

Continuously assisted

An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing act program when the family is admitted to the voucher program.

Adding a Person to the Program

Once an applicant becomes a participant in the HA's tenant-based or Moderate Rehabilitation program, the head of household must request permission to add another person to the program

(except for birth, adoption or court awarded custody of a child). The person being added must meet all eligibility requirements before the HA will approve any addition to the program.

If any new family member is added, family income must include any income of the additional family member. The HA will conduct a reexamination to determine such additional income, and will make appropriate adjustments in the housing assistance payment.

SECTION 6

VERIFICATION AND DOCUMENTATION

Verification Procedures

General Policies

The HA shall verify family income, composition, status of full time students, value of assets, factors allowing a preference before an applicant is issued a voucher. The HA will ensure that proper authorization from the family is always obtained before making verification inquires.

Methods of Verification

Third Party Verification

~~Third Party Verification is considered to be the most effective means of verifying~~ information provided by the family. Verification forms will be sent by mail to the appropriate third party with a request that the form be returned via mail within a two (2) week period. If the verification document is not received within the required period of time, HA staff will be advised to note the file accordingly and proceed with the third party oral verification.

The HA will not accept verifications delivered by the family, except computerized printouts from the following agencies:

- Social Security Administration
- Veterans Administration
- Welfare Assistance
- Unemployment Compensations

The reason for not having a third party verification being made must be certified in writing and filed on the applicant's or participant's file.

Oral Verification

Oral third party verification will be effectuated only when written third party verification was not possible to obtain. Oral third party verification will take place throughout a phone call to the source. When used, staff will be required to complete a form noting whom they spoke with, the date of conversation, and the facts provided to them.

The HA may accept faxed or e-mailed document as third party verification.

Documentation

Social Security Number (SSN)

Families are required to provide Social Security Numbers for all family member age 6 and older prior to admission, if they have been issued SSN by the Social Security Administration.

The family must submit the SSN or sign a certification if they have not been assigned a SSN. If the individual is under 18, his or her parent or guardian must execute the certification. If the participant who has signed a certification form obtains a SSN, it must be disclosed at the next regularly schedules reexamination or next rent change.

Verification will be conducted by providing a valid Social Security card issued by the Social Security Administration.

The HA will accept copies of the Social Security card only when it is necessary for the ~~HA to verify by mail the continuing eligibility of participating families.~~

If an applicant or tenant cannot provide his or her Social Security card, other documents listed below showing his or her Social Security Number may be used for verification. He/she may be required by the HA to provide one or more of the following alternative documents to verify his or her SSN, until a valid Social Security card can be provided. These documents include:

- Driver's license that displays the SSN
- Identification card issued by a Federal, State, or local agency
- Identification card issued by an employer or trade union
- Identification card issued by a medical insurance company
- Earnings statements or payroll stubs
- IRS Form 1099, or W-2 form
- Benefit award letter from government agencies
- Medicaid cards
- Unemployment benefit letter
- Retirement benefit letter
- Life Insurance policies
- Court records such as real estate, tax notices, marriage and divorce, judgment or bankruptcy records.

- Verification of Social Security benefits with the Social Security Administration

If the HA verifies Social Security benefits with the Social Security Administration, the acceptance of the SSN by the Social Security Administration may be considered documentation of its validity.

Applicants may not become participants until the documentation is provided and verified. The applicant will retain their position on the waiting list during this period. The applicant will be given a reasonable time, subject to the circumstances, to furnish the documentation before losing their place on the waiting list and the time may be extended, if the circumstances require an extension. The decision will be made by an HA's representative, and it will be documented, in writing, and placed in the applicant's file.

Additional Required Documentation

- Temporary Assistance to Needy Families (TANF)
- Birth certificate, or drivers license that displays the date of birth and/or form(s) that are issued by a Federal State, City, or County Agency that displays the date
- Credit references (History)
- Employer's verification
- Employer Identification Number [EIN] and applicable consent form.
- Landlord verification
- Social Security benefits
- Supplemental Social Security Income (SSI) Benefits
- Assets verification
- Bank accounts: checking accounts - $500 + balance
- Savings accounts - $1.00 + balance
- Marriage Certificate. If not available, the following information is acceptable
  - Drivers license that displays the same address and last names
  - Federal tax forms that indicate that the family filed taxes as a married couple during the last tax reporting period
  - Other acceptable forms of documentation of marriage would include any document that has been issued by a Federal, State, City or County government and indicates that the individuals are living as a married couple. Couples that are considered married under common law can provide the same information, as listed above, to document that they are living together as a married couple. The couple must also certify in their application for assistance that they are married.

- Personal References: Personal references (other than from family members) may be used when an applicant cannot produce prior rental history records.
- Certification of Good Behavior published by the Puerto Rico's Police Department for all members 18 years or older.
- Current reports from drug treatment centers or facilities, if applicable.
- Unemployment Compensation.
- Veterans Benefits.
- Documentation to support medical expenses.
- Any other reasonable information needed to determine eligibility may be requested.

For the purpose of this plan, if a member of the current family has committed acts of fraud or has an arrest record, including a drug related arrest, that reflects that the family member may be a danger to the health, safety or welfare of the community, that person ~~will not be allowed to be a participant on the program. The HA will conduct closer~~ inquiry to determine whether the family should be denied admission. The HA shall prohibit assistance to any household that includes any individual who is subject to a lifetime registration requirement under a state sex offender registration program.

Individuals who have been evicted from any housing complex for engaging in criminal activities, including drug-related criminal activities will be denied assistance or the assistance terminated.

Separated Couples with Children

Separation means the ending of co-habitation by mutual agreement. If an applicant or participant is separated from a person and has children by that person or former spouse, the applicant or participant must provide at least one of the verifications listed below:

- A final divorce decree.
- Child Support Court Order.
- Verification that applicant is pursuing child support through Department of the Family throughout its Child Support Unit ("ASUME") or the Judicial System.
- Receiving TANF through the Department of the Family for former spouse's children
- A statement from current landlord (not family) verifying that he/she knows that the applicant or participant and spouse have not lived together for the last six months or more.

- Income tax statements from both husband and wife indicating that both filed income taxes separately the last year and from different addresses.
- A written statement from a shelter for victims of violence, law enforcement agency or social services agency in which they certify that the applicant or participant is subject of physical abuse.
- Food stamp verification, if no other documentation is available.

Separated Couples - No Children

If applicant or participant is separated from a person and has not children by that person, applicant must provide at least one of the verifications listed below:

- A final divorce decree.
- Income tax statements from both husband and wife indicating both filed income taxes separately the last year and from different addresses.
- ~~Evidence that the applicant has filed suit for divorce because of physical abuse.~~
- A written statement from a shelter for victims of violence, law enforcement agency or social services agency in which they certify that applicant needs housing due to physical abuse.
- Food Stamp verification, if no other documentation is available.

U. S. Citizenship Verification and Appeal Procedures

The HA will follow the verification procedures provided by HUD and verify the person or persons declaration of U. S. citizenship through the INS SAVE system. All family members must sign a written declaration of their citizenship or immigration status using the Form provided by HUD according to Section 214 of the Housing and Community Development Act of 1980.

Once the verification is completed and verification from the INS SAVE system confirms the declaration of U. S. Citizenship and the applicant meets all other conditions for occupancy, the applicant will be processed for assistance.

If the INS SAVE system does not confirm U.S. citizenship, the HA must request a manual search to be conducted on INS records. The HA must request the secondary verification (manual search) by INS [Form G8455] within ten (10) calendar days of receipt of the initial failed verification. INS will issue a decision within thirty (30) days of the request for a secondary verification. If the secondary verification fails to confirm eligible immigration status, the HA shall notify the family of the right of appeal to INS.

If INS is unable to issue a decision within thirty (30) days, the INS will inform the family and the HA of the reasons for the delay.

When the HA receives a copy of the INS decision and the decision does not confirm the declaration of U. S. citizenship, the HA will notify the family of its right to request an informal hearing. The informal review will be conducted in accordance procedures established by the PHA.

Assistance to an applicant or a tenant may not be delayed, denied or terminated, if:

- The primary and secondary verification of any immigration documents that were timely submitted has not been completed.
- The family member of whom required evidence has not been submitted has moved.
- The family member who is determined not to be in an eligible immigration status following INS verification has moved
- The INS appeals process has not been concluded

Assistance to a tenant may not be terminated, if:

- The HA informal hearing process has not been concluded
- Assistance is prorated.

Assistance to an applicant shall be denied or a tenant's assistance shall be terminated, upon the occurrence of any of the following:

- Evidence of citizenship (i.e., the declaration) is not timely submitted
- The family does not pursue its right to a HA informal hearing.
- The final determination after the appeal or hearing decisions is decided against the family member.

If assistance is denied or terminated, adequate notice must be provided to the family, which shall advise:

- That the assistance has been denied or terminated, including a brief explanation of the reasons for such conclusion
- In the case of a termination of assistance, of their right to an informal hearing.

Criminal Records

All adult applicants and tenants shall provide a criminal records certificate issued by the Police Department of the Commonwealth of Puerto Rico. If decided by the PHA, an applicant or participant could be required to complete an "Authorization for Release of Information". The HA may request a National Crime Information Center (NCIC) check for criminal history for an applicant or tenant. Applicants and tenants may be requested to furnish fingerprints for this purpose through the local law enforcement office to be sent to the FBI. NCIC information shall be furnished to the HA pursuant to the agreement between the U.S. Department of Housing and Urban Development and the U.S. Department of Justice regarding access to National Crime Information Center Data.

Before the HA takes any adverse action based on a criminal conviction record, the HA must provide the applicant or tenant with a copy of the criminal record and an opportunity to dispute the accuracy or relevancy of the record. For applicants, the copy will be provided at a hearing. The hearing is afforded to each applicant that is denied admission and provides the applicant with an opportunity to dispute any information used to deny an applicant housing assistance. For participants, the copy will be provided in accordance with the HA's Informal Review or Hearing Procedure.

The HA will keep all-criminal records received confidential and not misuse or improperly disseminate the information. Criminal records of any adult applicant/tenant that are used as the basis of denying tenancy or eviction are confidential and shall not be disclosed to any person or entity other then for official use or for use in court proceedings. The term "adult" means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law. Said records shall be maintained in separate files and shall be kept in a locked, secure location. Access shall be limited to those employees approved by the Executive Director or its designee.

Records shall be destroyed once action is taken and any grievance procedure, or court proceeding is completed. A notice of record destruction shall be maintained in a separate file.

All other criminal records will be kept in each applicants or participants correspondent file.

The HA will work through their local law enforcement agencies to obtain information from NCIC. Also, the HA may pay reasonable fees charged by law enforcement agencies that provide the information. The applicant or tenant may not be charged for any expenses related to the investigation.

SECTION 7

GROUNDS FOR DENIAL OR TERMINATION OF ASSISTANCE

Denied Admission:

The HA may deny an applicant admission to participate in the Section 8 Program or, with respect to a current participant, may refuse to issue another voucher for a move to another unit, approve a new lease, or execute a new contract for the Section 8 participant, if the applicant or participant: (Ref. 24 CFR 982.552)

- Owes rent, other amounts, or judgments to any HA or any other federally subsidized housing program. The applicant will be declared ineligible. At the HA's discretion, the applicant may be declared eligible upon payment of the debt, with the date and time of application being the time of payment if meeting other criteria.

Note: Applicants that owe an HA or any other federally subsidized program funds will not be processed for receiving assistance. The applicant must pay the funds owed prior to the application being processed. Repaying funds that are due does not necessarily qualify an applicant for housing assistance. Such payments will be considered along with other factors in the application process. Any money owed to an HA which has been discharged by bankruptcy shall not be considered in making this determination.

- As a previous participant in the Section 8 Program or as a participant in the Public Housing Program, the applicant has not reimbursed the HA or another HA for any amounts paid to an owner under a housing assistance contract for rent or other amounts owed by the family under its lease and for a vacated unit.
- Has violated any Family obligation listed on the voucher.
- Engage in drug-related criminal activity or violent criminal activity, including criminal activity by the Family member. (Reference 24 CFR 982.553(a)(1)(2).
- Breaches a repayment agreement to the HA and/or owner.
- Committed acts which would constitute fraud in connection with and/or has been evicted from any federally assisted housing program.
- Did not provide information required within the time frame specified (the applicable dates are contained in the letters from the HA to the applicant) during the application process.
- The HA shall deny the admission of a Family if the applicant, or any member of the applicant's family does not sign and submit consent forms that are provided by the HA

or the purpose of verifying employment and income information, and other facts necessary for determination of eligibility.

- The applicant family must have properly completed all application requirements, including verifications. Misrepresentation of income, family composition, or any other information affecting eligibility, will result in the family being declared ineligible. In the event the misrepresentation is discovered after admission, the assistance will be termination for such misrepresentation.
- The applicant and all adults must sign a release allowing the HA to request a copy of a police report from the National Crime Information Center, Police Department or other Law Enforcement Agencies. The applicant and all adults further agree to provide fingerprints if requested. If the HA uses the information to deny or terminate assistance, the HA must provide a copy of the information used upon proper request.
- If the applicant is a former Public Housing or Section 8 participant who vacated the unit in violation of program requirements, the applicant may be declared ineligible.
- If the HA determines that a person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The HA may waive this requirement if:
    - The person demonstrates to the HA's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
    - Has successfully completed a supervised drug or alcohol rehabilitation program;
    - Has otherwise been rehabilitated successfully; or
    - Is participating in a supervised drug or alcohol rehabilitation program.
- If any household includes any individual who is subject to lifetime registration requirement under a state sex offender registration program.
- If any family member has engaged in or threatened abusive or violent behavior toward any HA employee.

As provided by law (42 U. S. C. 13662(a)), the HA or owner will terminate the tenancy or assistance for any household with a member who is determined to be illegally using drugs or whose illegal drug use or alcohol abuse is determined to be a threat to others, after evidence is obtained. Sufficient evidence could be a certification from the individual that he/she is not currently engaged in and has not engaged in such criminal activity during the reasonable period, supported by evidence from such sources as a probation officer, a landlord, neighbors, social service agency workers and criminal records, which will be verified. The applicant or tenant will

need to supply information that will permit to contact these sources of information, and the HA or owner will verify the supporting evidence.

The law, as established on 42 U. S. C. 1437d(1)(6) requires that a PHA use leases that provide that any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other tenants or any drug-related criminal activity on or off such premises, engaged in by any member of the household shall be cause for termination of tenancy. This HA is revising its lease so as to add this requirement, and will take the necessary action to have it validated. The conduct of guests and other persons under the tenant's control -in the sense that the tenant has permitted access to premises- will be reason for termination of tenancy.

This HA will apply the law as established on 42 U. S. C. 1437f(d)(1)(B) iii and 1437 f(o)(7)(D) which authorizes eviction for violent criminal activity on 'or near the premises', or alternatively for any criminal activity that threatens other residents of the development or the peaceful enjoyment of their homes or residents in the vicinity.

As required by Section 903 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, this HA will have leases to include that a 'tenant' who is fleeing to avoid prosecution, custody or confinement for a felony, or is violating a condition of probation or parole, will have his tenancy terminated. Participants will be required to exclude fugitive felons or parole violators from the household, and failure to do so will be a basis for breach of the lease.

Quality Housing Work Responsibility:

- If an applicant or tenant decides to resign to his job or to work fewer hours in order to qualify for subsidy or lower rent, admission in the program or continuation in the same, as applicable, will be denied.

Notification of Denial:

If an applicant is denied admission, the HA will notify the applicant, in writing, of its determination and inform the applicant that they have an opportunity for an informal review on such determination. The denial letter will allow the applicant ten (10) calendar days to request an informal review (verbal and/or in writing) with the HA. (Reference Section XI)

Time Frame for Denial:

As a general rule applicants may be denied admission to the Section 8 Programs for the following time frames, which shall begin on the date of application, unless otherwise provided for herein below:

- Denied admission for one year for violation of certificate/voucher possession for personal
- Denied admission for five (5) years for the following:

  Persons evicted from public housing, Indian Housing, Section 8, or Section 23 programs because of drug related criminal activity are ineligible for admission to public housing for a five-year period beginning the date of such eviction.

  The HA can waive this requirement if:

  the person demonstrates to the HA's satisfaction the successful completion of a rehabilitation program approved by the HA, or the circumstances leading to the eviction no longer exist.

- Denied admission for five (5) years for the following:

  Fraud (Giving false information on the application is considered fraud).
  An arrest or conviction record that indicates that the applicant may be a threat and/or negative influence on other residents. The five years shall begin on the date of the last reported act, completion of sentence and/or probation period.

- Denied admission for a conviction of **Drug Trafficking**.
- Denied admission **for life** to any household that includes any individual who is subject to a lifetime registration requirement under a state sex offender registration program.
- Denied admission for life to any applicant who has been convicted of manufacturing or producing methamphetamine (commonly referred to as "speed") on the premises of the assisted housing. Premises is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.
- Denied admission for a year for threats or abusive behavior toward HA personnel.

If a change occurs during the period between placement on the waiting list and issuance of a voucher which affects the family's eligibility or Total Tenant Payment, like going over the income limit prior to lease up, the family will not continue to be eligible for the program. They will be notified in writing of their ineligible status and their right to an informal review.

SECTION 8

INFORMAL REVIEW AND HEARING

Applicant Informal Review

The HA must give an applicant for participation prompt notice of a decision denying assistance to the applicant. The notice must contain a brief statement of the reasons for the HA decision. The notice must also state that the applicant may request an informal review of the decision and must describe how to obtain the informal review. The request from the applicant must be in writing and presented to the HA within ten (10) working days of the notice of denial.

Informal Review Process

The review may be conducted by any person or persons designated by the HA, other than a person who made or approved the decision under review or a subordinate of this person. The applicant must be given an opportunity to present written or oral objections to the HA's decision. The HA must notify the applicant within ten (10) working days of the final decision after the informal review. This notice must include a brief statement of the reasons for the final decision.

Informal Hearing Not required (for applicant or Participant, as applicable)

The HA is not required to give an informal hearing for any of the following discretionary administrative determinations by the HA:

- General policy issues or class grievances.
- Establishment of the HA schedule of utility allowances for families in the program
- An HA determination not to approve an extension or suspension of a certificate or voucher term.
- An HA determination not to grant approval to lease a unit under the program.
- An HA determination not to approve a proposed lease.

An HA determination that an assisted unit is not in compliance with HQS. Provided, however, that the HA must give the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family as described in the Voucher/Lease Addendum, or in other HUD rules and regulations of the HA policies.

- An HA determination that a unit is not in accordance with HQS because of the family size.
- An HA determination that the family has abandoned the unit, with proven evidence, without notifying the HA.
- An HA determination to exercise or not to exercise any right or remedy against the owner under a HAP contract.

Informal Hearing for Participant:

The HA must give an opportunity to the participant for an informal hearing to consider whether the HA's decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations, and HA policies under the following circumstances:

- A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.
- ~~The family has not supplied any information requested by the HA for use in a regularly~~ schedules reexamination of family income and composition in accordance with HUD requirements.
- The family has not allowed the PHA to inspect the unit at reasonable times and after reasonable notice.
- A determination that the family has violated any family obligation listed on the voucher or on the lease..
- A determination by the HA that a family member has engaged in drug-related criminal activity or violent criminal activity.
- The HA determines that the family has not met the obligations of a repayment agreement with the HA and/or owner.
- The HA determines that a member of the family has committed acts which would constitute fraud in connection with the present or past tenancy.
- The HA determines that a person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- The HA has determined that the household includes any individual who is subject to lifetime registration requirements under a state sex offender registration program.
- The HA has determined that any family member has engaged in or threatened abusive or violent behavior toward any HA employee.

- A determination of the appropriate utility allowance for tenant-paid utilities from the HA utility allowance schedule.
- A determination of the family unit size under the HA subsidy standards.
- A determination that the certificate program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the HA subsidy standards, or the HA determination to deny the family's request for an exception from the standards.
- A determination to terminate assistance for a participant family because of the family's action or failure to act.
- A determination to terminate assistance because the participant family has been absent from the assisted unit for more than ninety days in a calendar year, without a justified reason.

In the cases described herein above, the HA must give the opportunity for an informal hearing before the HA terminates housing payments for the family under an outstanding HAP contract.

The PHA must give a written notice that the family may request a hearing. The notice must:

- Contain a brief statement of the reasons for the decision
- State that if the family does to agree with the decision, the family may request an informal hearing on the decision, and
- State the deadline for the family to request an informal hearing. This PHA has established that the family will have ten (10) working days to submit its request.

The family must be given the opportunity to examine before the PHA hearing any PHA documents that are directly relevant to the hearing. The family must be allowed to copy any such document at the family's expense. If the PHA does not make the document available for examination on request of the family, the PHA may not rely on the document at the hearing.

The PHA must proceed in a reasonably expeditious manner upon the request of the family. This PHA has established that the request will be processed and submitted to the hearing officer not later than ten (10) working days from the receipt of the request.

The PHA must be given the opportunity to examine at the PHA offices before the PHA hearing any family documents that are directly relevant on the hearing. The PHA must be allowed to copy any such document at the PHA's expense. If the family does not make the document available for examination on request of the PHA, the family may not rely on the document at the hearing.

The PHA and the family must be given the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable.

The person who conducts the hearing must issue a written decision and deliver it within thirty (30) days from the date of receipt from the PHA, to the participant, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing.

Hearing Procedures:

The HA must give the participant an opportunity for an informal hearing of the HA decision terminating assistance to the participant. The hearing may be conducted by any person or persons designated by the HA, other than a person who made or approved the decision under review or a subordinate of this person.

The person who conducts the hearing may regulate the conduct of the hearing in accordance with the HA hearing procedures. The HA and the participant shall each have the right to review any and all relevant documents which may be used in the hearing. If these documents are not made available for review, they may not be used in the hearing. Any fees for copying or procuring the documents shall be at the expense of the requesting party.

A lawyer or other representative at the hearing may represent the participant. Costs of representation shall be the responsibility of the participant. The participant must be given an opportunity to present written or oral objections to the HA decision. The HA and the family must be given the opportunity to present evidence, and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The HA must notify the applicant of the final decision after the informal review not later than thirty (30) days from the date the decision was made This notice must include a brief statement of the reasons for the final decision. Factual determination relating to the individual circumstances of the family shall be based upon a preponderance of the evidence presented at the hearing. A copy of the hearing decision shall be furnished to the family.

If the decision of the hearing officer is against the participant, the hearing decision must include information that the participant can appeal to a civil court of the Commonwealth of Puerto Rico.

Effect of decision. The PHA is not bound by a hearing decision:

- Concerning a matter for which the PHA is not required to provide an opportunity for an informal hearing, or that, otherwise exceeds the authority of the person conducting the hearing under the PHA hearing procedures.
- Contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.
- If the PHA determines that it is not bound by a hearing decision, the PHA must notify the family within 15 calendar days of the determination and of the reason for the determination.

Procedures for termination, denial, suspension, or reduction of assistance based on information obtained from a SWICA or federal agency

Procedures for independent verification

Independent verification of information obtained from a SWICA or a federal agency may be:

- By HUD
- In the case of the public housing program, by the PHA, or
- In the case of any Section 8 program, by a PHA acting as contract administrator under an ACC.

Upon receiving income information from a SWICA or a Federal agency, the PHA shall compare the information with the information about a family's income that was:

- Provided by the assistance applicant or participant to the PHA; or
- Obtained by the owner from assistance applicant or participant or from his or her employer.

When the income information reveals an employer or other income source that was not disclosed by the assistance applicant or participant, or when the income information differs substantially from the information received from the assistance applicant or participant or from his or her employer:

- The PHA shall request the undisclosed employer or other income source to furnish any information necessary to establish an assistance applicant's or participant's eligibility for or level of assistance in a covered program.

  This information shall be furnished in writing to the Section 8 program.

- The PHA will verify the income information directly with the assistance applicant or participant. Such verification procedures shall not include any disclosure of income information directly to an owner.

- The Agency shall not pursue the verification procedures when the sums of money at issue are too small to raise an inference of fraud or justify the expense of independent verification and the procedures related to termination, denial, suspension, or reduction of assistance.

- Based on the income information received from a SWICA or federal agency, the PHA may inform an owner that an assistance applicant's or participant's income eligibility for or level of assistance is uncertain and needs to be verified.

Opportunity to contest

The PHA shall promptly notify any assistance applicant or participant in writing of any adverse findings made on the basis of the information verified. The assistance applicant or participant may contest the findings in the same manner as applies to other information and findings relating to eligibility factors under the program.

Termination, denial, suspension, or reduction of assistance shall be carried out in accordance with requirements and procedures established on this same Section. The notice shall give thirty (30) days to the assistance applicant or participant to contest.

Family disclosure of income information to the responsible entity and verification

The family must promptly furnish to the responsible entity any letter or other notice by HUD to a member of the family that provides information concerning the amount or verification of family income.

The responsible entity must verify the accuracy of the income information received from the family, and change the amount of the total tenant payment, tenant rent or Section 8 housing assistance payment, or terminate assistance, as appropriate, based on such information.

Hearings to consider a Determination of Ineligible Immigrtion Status

Whenever the PHA makes a determination of ineligible immigration status, the PHA must offer an applicant or participant family the opportunity to request an informal hearing. A family may request an informal hearing within 30 days of receipt of the ineligibility determination from the U. S. Immigration and Naturalization Service (INS), or the PHA's decision to delay, terminate, or deny assistance.

The PHA must keep all denial or termination of assistance documents related to immigration status for a minimum of five years. These include any applications for initial or continued assistance.

With good cause, the PHA may extend the period to request an informal hearing related to immigration status.

SECTION 8

INFORMAL REVIEW AND HEARING

Applicant Informal Review

The HA must give an applicant for participation prompt notice of a decision denying assistance to the applicant. The notice must contain a brief statement of the reasons for the HA decision. The notice must also state that the applicant may request an informal review of the decision and must describe how to obtain the informal review. The request from the applicant must be in writing and presented to the HA within ten (10) working days of the notice of denial.

Informal Review Process

The review may be conducted by any person or persons designated by the HA, other than a person who made or approved the decision under review or a subordinate of this person. The applicant must be given an opportunity to present written or oral objections to the HA's decision. The HA must notify the applicant within ten (10) working days of the final decision after the informal review. This notice must include a brief statement of the reasons for the final decision.

Informal Hearing Not required (for applicant or Participant, as applicable)

The HA is not required to give an informal hearing for any of the following discretionary administrative determinations by the HA:

- General policy issues or class grievances.
- Establishment of the HA schedule of utility allowances for families in the program
- An HA determination not to approve an extension or suspension of a certificate or voucher term.
- An HA determination not to grant approval to lease a unit under the program.
- An HA determination not to approve a proposed lease.

An HA determination that an assisted unit is not in compliance with HQS. Provided, however, that the HA must give the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family as described in the Voucher/Lease Addendum, or in other HUD rules and regulations of the HA policies.

- An HA determination that a unit is not in accordance with HQS because of the family size.
- An HA determination that the family has abandoned the unit, with proven evidence, without notifying the HA.
- An HA determination to exercise or not to exercise any right or remedy against the owner under a HAP contract.

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The HA must give an opportunity to the participant for an informal hearing to consider whether the HA's decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations, and HA policies under the following circumstances:

- A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.
- ~~The family has not supplied any information requested by the HA for use in a regularly~~ schedules reexamination of family income and composition in accordance with HUD requirements.
- The family has not allowed the PHA to inspect the unit at reasonable times and after reasonable notice.
- A determination that the family has violated any family obligation listed on the voucher or on the lease..
- A determination by the HA that a family member has engaged in drug-related criminal activity or violent criminal activity.
- The HA determines that the family has not met the obligations of a repayment agreement with the HA and/or owner.
- The HA determines that a member of the family has committed acts which would constitute fraud in connection with the present or past tenancy.
- The HA determines that a person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- The HA has determined that the household includes any individual who is subject to lifetime registration requirements under a state sex offender registration program.
- The HA has determined that any family member has engaged in or threatened abusive or violent behavior toward any HA employee.

- A determination of the appropriate utility allowance for tenant-paid utilities from the HA utility allowance schedule.
- A determination of the family unit size under the HA subsidy standards.
- A determination that the certificate program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the HA subsidy standards, or the HA determination to deny the family's request for an exception from the standards.
- A determination to terminate assistance for a participant family because of the family's action or failure to act.
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The PHA must give a written notice that the family may request a hearing. The notice must:

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The family must be given the opportunity to examine before the PHA hearing any PHA documents that are directly relevant to the hearing. The family must be allowed to copy any such document at the family's expense. If the PHA does not make the document available for examination on request of the family, the PHA may not rely on the document at the hearing.

The PHA must proceed in a reasonably expeditious manner upon the request of the family. This PHA has established that the request will be processed and submitted to the hearing officer not later than ten (10) working days from the receipt of the request.

The PHA must be given the opportunity to examine at the PHA offices before the PHA hearing any family documents that are directly relevant on the hearing. The PHA must be allowed to copy any such document at the PHA's expense. If the family does not make the document available for examination on request of the PHA, the family may not rely on the document at the hearing.

The PHA and the family must be given the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable.

The person who conducts the hearing must issue a written decision and deliver it within thirty (30) days from the date of receipt from the PHA, to the participant, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing.

Hearing Procedures:

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The person who conducts the hearing may regulate the conduct of the hearing in accordance with the HA hearing procedures. The HA and the participant shall each have the right to review any and all relevant documents which may be used in the hearing. If these documents are not made available for review, they may not be used in the hearing. Any fees for copying or procuring the documents shall be at the expense of the requesting party.

A lawyer or other representative at the hearing may represent the participant. Costs of representation shall be the responsibility of the participant. The participant must be given an opportunity to present written or oral objections to the HA decision. The HA and the family must be given the opportunity to present evidence, and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The HA must notify the applicant of the final decision after the informal review not later than thirty (30) days from the date the decision was made This notice must include a brief statement of the reasons for the final decision. Factual determination relating to the individual circumstances of the family shall be based upon a preponderance of the evidence presented at the hearing. A copy of the hearing decision shall be furnished to the family.

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Effect of decision. The PHA is not bound by a hearing decision:

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- Contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.
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Procedures for termination, denial, suspension, or reduction of assistance based on information obtained from a SWICA or federal agency

Procedures for independent verification

Independent verification of information obtained from a SWICA or a federal agency may be:

- By HUD
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- In the case of any Section 8 program, by a PHA acting as contract administrator under an ACC.

Upon receiving income information from a SWICA or a Federal agency, the PHA shall compare the information with the information about a family's income that was:

- Provided by the assistance applicant or participant to the PHA; or
- Obtained by the owner from assistance applicant or participant or from his or her employer.

When the income information reveals an employer or other income source that was not disclosed by the assistance applicant or participant, or when the income information differs substantially from the information received from the assistance applicant or participant or from his or her employer:

- The PHA shall request the undisclosed employer or other income source to furnish any information necessary to establish an assistance applicant's or participant's eligibility for or level of assistance in a covered program.

  This information shall be furnished in writing to the Section 8 program.

- The PHA will verify the income information directly with the assistance applicant or participant. Such verification procedures shall not include any disclosure of income information directly to an owner.

- The Agency shall not pursue the verification procedures when the sums of money at issue are too small to raise an inference of fraud or justify the expense of independent verification and the procedures related to termination, denial, suspension, or reduction of assistance.

- Based on the income information received from a SWICA or federal agency, the PHA may inform an owner that an assistance applicant's or participant's income eligibility for or level of assistance is uncertain and needs to be verified.

Opportunity to contest

The PHA shall promptly notify any assistance applicant or participant in writing of any adverse findings made on the basis of the information verified. The assistance applicant or participant may contest the findings in the same manner as applies to other information and findings relating to eligibility factors under the program.

Termination, denial, suspension, or reduction of assistance shall be carried out in accordance with requirements and procedures established on this same Section. The notice shall give thirty (30) days to the assistance applicant or participant to contest.

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The family must promptly furnish to the responsible entity any letter or other notice by HUD to a member of the family that provides information concerning the amount or verification of family income.

The responsible entity must verify the accuracy of the income information received from the family, and change the amount of the total tenant payment, tenant rent or Section 8 housing assistance payment, or terminate assistance, as appropriate, based on such information.

Hearings to consider a Determination of Ineligible Immigrtion Status

Whenever the PHA makes a determination of ineligible immigration status, the PHA must offer an applicant or participant family the opportunity to request an informal hearing. A family may request an informal hearing within 30 days of receipt of the ineligibility determination from the U. S. Immigration and Naturalization Service (INS), or the PHA's decision to delay, terminate, or deny assistance.

The PHA must keep all denial or termination of assistance documents related to immigration status for a minimum of five years. These include any applications for initial or continued assistance.

With good cause, the PHA may extend the period to request an informal hearing related to immigration status.

SECTION 9

SECTION 8 APPLICANT SELECTION PROCESSING
Tenant Based Voucher, Project Based Voucher, Family Self Sufficiency, Family Unification and Single Room Occupancy

Equal Opportunity

The Fair Housing Act makes it illegal to discriminate on the basis of race, color, religion, sex, handicap, familial status and national origin. This HA shall not deny any family the opportunity of applying for Housing Choice Voucher Assistance.

Types of Selection

The HA may admit an applicant for participation in the program either:

- ~~As a special admission (See definition below.)~~
- Target Funding
- As a waiting list admission
- As a Preference

Special Admissions

Special Admissions will be considered without regard to the waiting list. Applicants who are admitted under Family Unification or Single Room Occupancy are identified as Special Admission. The HA will maintain records showing that the family was admitted as a special admission. Also families residing in a project under a Project-Based Voucher HAP contract, at or near the end of the HAP contract term.

Targeted Funding

HUD has awarded the HA special funding for families who qualify under the Family Self Sufficiency or the Family Unification sub-programs. Self-Sufficiency Program participants must have previously been a participants of the Section 8 program. If not possible, this HA will consider families on its Waiting List that are willing to participate in such sub-program. Admissions to these Programs are considered as "special admissions".

Organization of the Waiting List

Each Regional Office will keep its own waiting list. A copy of each regional waiting list is kept at the Central Office, to assure compliance with federal regulations. A Master Record will be kept at Central Office for control on the issuance and cancellations of vouchers. The Central Office will monitor each Regional Office for control of the program budget.

Except for special admissions, participants must be selected from the respective waiting lists of the regional office in which they originally applied at.

Each waiting list will contain the following information for each applicant listed:

- Sequence number
- Applicant's name and social security number
- Family unit size (number of bedrooms for which family qualifies under HA occupancy guidelines
- Date and time of application
- Racial and Ethnic designation of Head of Household
- Pull-out date (date of selection)
- Status of application in the Waiting List

Order of Selection from the Waiting list

This HA's Waiting List has merged applications for the Tenant-Based and the Project-Based Voucher Programs, so as to provide applicants with the units that become available according to their status on the Waiting List. When a Housing Choice Voucher or a unit at a Project-Based is available, the HA will select the family at the top of either the preference waiting list or the regular waiting list in accordance with this Section. The order of admission from the waiting list may not be based on family size, or on the family unit size for which family qualifies for under the HA occupancy guidelines. If the HA does not have sufficient funds to subsidize the family unit size of the family at the top of the waiting list, the HA may not skip the top family to admit an applicant with a smaller family unit size. Instead, the family at the top of the waiting list will be admitted when sufficient funds are available.

Considering, however, the provisions of Deconcentration Rule contained within this policy, the HA shall supercede the selection of applicants based on date and time and local preference and proceed to skip families on the waiting list to accomplish this goal. This type of selection will be considered as a Special Admission.

Waiting List Preferences

Admissions from the waiting list will be on a **first come first served basis**. However, families subject to following requirements will be considered without regard to the waiting list procedures. Preferences will have two categories, in which FIRST category will be selected before a SECOND category preference. Nevertheless, the issuance of such preference will be subject to applicants due diligence in promptly complying with required documentation and strong evidence of alleged situation. ALL PREFERENCES WILL BE SUBJECT TO PROGRAM DIRECTORS OR ITS DESIGNEES APPROVAL.

A FIRST category preference will be provided to applicants in the following circumstances:

- INVOLUNTARY DISPLACEMENT BECAUSE OF NATURAL DESASTER

  Involuntary displacement applicants are required to vacate housing as a result of a disaster (fire, flood, earthquake, hurricane, etc.) that has caused the unit to be uninhabitable.

- WITNESS OR VICTIM OF CRIME

  Applicants who have been a witness or having provided information on criminal activities to a law-enforcement agency and, after a threat assessment, the law enforcement agency recommends rehousing the family to avoid or reduce risk of violence against the family. The family must be part of a Witness Protection Program or law enforcement agency, which must certify to the HA that the family is part of such or a similar program.

  The HA will take precautions to ensure that the new location of the family is concealed in cases participation in a Witness Protection Program.

- PHYSICAL IMPAIRMENT

  Displacement by non-suitability of the unit when a member of the family has a mobility or other impairment that makes the person unable to use critical elements of the unit and the owner is not legally obligated to make changes to the unit. The applicant must provide medical record.

  Critical elements are entry and egress of unit and building/a sleeping area/a full bathroom/a kitchen if the person with a disability must do his/her own food preparation/other.

- GOVERNMENTAL ACTION

  Subject to federal, state or local government action related to code enforcement, public improvement or development because of conversion of the applicant's

housing unit to non-rental or non-residential use, closure of the unit for rehabilitation or other government use. Also due to HUD disposition of a multifamily project under Section 203 of the Housing and Community Development Amendments of 1978.

- SUBSTANDARD HOUSING

Substandard Housing – For this purpose substandard housing is defined as inhuman conditions of the dwelling unit that endangers the health, safety or well being of the family. Such conditions must be personally verified and documented by the PHA's staff. The dwelling unit must be under dilapidated conditions; for purposes of meeting the substandard criteria "dilapidated" means the units does not provide safe and adequate shelter, and in its present condition endangers the health, safety or well-being of a family, or the unit has one or more critical defects, or a combination of intermediate defects in sufficient number or extent to require considerable repair or rebuilding.

- VICTIM OF DOMESTICE VIOLENCE

~~Actual or threatened physical violence against the applicant or the applicant's~~ family by a spouse or other household member who lives in the unit with the family.

The actual or threatened physical violence must have occurred recently or be of a continuing nature. To qualify for this preference, the abuser must still reside in the unit from which the victim was displaced.

The applicant must certify that the abuser will not reside with the applicant, unless the HA gives prior written approval. The HA will approve the return of the abuser to the household if it verifies that the abuser has received therapy or counseling that appears to minimize the likelihood of recurrence of violent behavior, or if a counselor, therapist or other appropriate professional recommends in writing that the individual be allowed to reside with the family. If the abuser returns to the family without approval of the HA, the HA will deny or terminate assistance for breach of the certification.

The HA will require an Protection Order provided by the court after the occurrence of a hearing in which both parties had their due process. This HA will also admit as prove of the situation a certification signed by the Executive Director of the Agency that protects women rights and in which she certifies that the applicant is a victim of violence and is receiving the services provided by such entity.

- MENTALLY-ILL HOMELESS PERSON

  Mentally Ill Homeless - For this purpose a mentally ill homeless person is defined as:
  - A person with a persistent mental illness;
  - That has been provided with a rehabilitation or stabilization process by a state certified institution;
  - That is stable within his/her condition;
  - Has developed skills to reincorporate themselves into society, and
  - Is capable of managing an independent unit dwelling

  Their stableness and skills needed to reincorporate the applicant into society must be certified by Administrator of the state's "Administration for Mental Health Services", which will supervise the continuity of supportive services, necessary for the adequate adaptation of the applicant into the community.

In order to receive the FIRST category preference, applicants who have been displaced must not be living in "standard, permanent replacement housing which are decent, safe and sanitary. Standard replacement housing does not include transitory facilities, hotels, motels and temporary shelters. It does not include any individual imprisoned or detained pursuant to State Law or an Act of Congress.

A SECOND category of preference will be provided to applicants in the following circumstances:

- VETERAN

  Veteran's Preference - Among applicants on the waiting list, a second category preference will be provided to Veterans. For this purpose a veteran is defined as a person who has served in the active military service of the United States in the Army, Navy, Air Force, Marine Corps or Coast Guard and who has been released from service under one of the following characterizations:
  - Honorable discharge (HD), or
  - Under Honorable Conditions (UHC).

  The applicant should request that a copy of the veterans DD-214 be provided by fax directly to the regional office of the PRDH. If not possible this document must be presented by the applicant and verified by the PRDH technician directly with Veterans Administrations Office.

- CHILD ABUSE

  Child Abuse – A preference will be provided to a family in which such preference will protect the best interest of a minor that is under circumstances that constitute child abuse. This preference will only be provided when public housing is not an option, for one of the following reasons: (1) lack of availability in public housing

projects in the families residential area, adequately certified by the Public Housing Administrator, or (2) when the legal custody of the minor(s) is given to an elderly (62 and over). Applicant must obtain a court determination stating that he/she is, or is likely to be, the legal custodian of the minor(s). Throughout this preference the child under abusive circumstances will be provided with a safe and sanitary unit and most of all a home free of violence.

- VICTIM OF A HATE CRIME

  An applicant whom a member of the family has been the victim of one or more hate crimes, and the applicant has vacated the unit because of the crime or the fear of such a crime has destroyed the applicant's peaceful enjoyment of the unit. A hate crime is actual or threatened physical violence or intimidation that is directed against a person or his property and is based on the person's race, color, religion, sex, national origin, disability or familial status (including sexual orientation) and has occurred recently or is of a continuing nature.

  The HA will require evidence of the particular circumstances which must by ~~signed by the Executive Director of the Agency or by the District Attorney.~~

  An applicant who lives in a violent neighborhood or is fearful of other violence outside the household is not considered involuntarily displaced.

Admissions under the Deconcentration Rule

The rule establishes that the HA has to admit no less than 75% of its new admissions to families that have income at or below 30% of the area median income [extremely low income]. Most of the applicant families with income under 30% of the area median income are from poverty and minority concentration areas.

This agency will encourage owners of properties outside poverty or minority concentration areas to offer their units to applicants on our waiting lists. The Agency gives them the service of offering their units by filling out a form with the information on the available houses. Each regional office keeps a register of these houses by unit size and municipality. These registers are informed and available to the families when they receive a voucher.

The agency offers owner prompt rent payments and the opportunity to offer their units for rent without having to advertise them.

Periodic meetings with current and prospective owners explaining and updating the program requirements will be held.

Special Assignments

In order to comply with the programs requirements, for Family Self Sufficiency and the Family Unification Programs, as well as for the participants under the TANF program, as required by the QHWRA, this HA has signed Memorandum of Agreements with the Department of the Family and with the Right to Work Administration, in order to satisfy the needs of the families under the program who must attain self-sufficiency.

Preference Verification

The HA will verify all preference claims at the time of application. If the claim cannot be demonstrated at time of application, the family will be maintained on the regular waiting list. The qualification of a preference must be performed by the regional office and requires the written approval of the Director or Coordinator of the Program.

Removing applicants from the waiting list

The HA will remove an applicant's name from the waiting list for the following:

- When the family receives a voucher and executes a lease with an owner.
- When the applicant do not respond to an HA request for information or updating.
- When the applicant refuses to sign the Release of Information form required by the program.
- When the applicant refuse the HA's offer of the kind of housing assistance available and offered for a second time.

An applicant on the HA's Section 8 waiting list who refuses the HA's initial offer for housing assistance will not lose its place on the waiting list because of its refusal. If the family refuses a second offer, the HA will remove the family from the waiting list.

If applicants falsify documents or make false statements in order to qualify for the assistance provided by the Program, they will be removed from the Waiting List.

An ineligible family, for whatever reason, will not be placed on the waiting list.

Procedure for Removing an Applicant's Name from the Waiting List

When the applicant is selected for the waiting list and informed to submit required documentation, if no action is taken by the selected applicant the HA will notified, in writing, that they have ten (10) calendar days from the date of the written correspondence, to respond to the HA's request. The correspondence will also indicate that their names will be removed from the waiting list if they fail to respond within the

time frame specified. The HA's system of removing applicants' names from the waiting list will not violate the rights of disabled persons.

If an applicant's failure to respond to a request from the HA for information or update was caused by the applicant's disability, the HA will provide reasonable accommodations and give the applicant an opportunity to respond. An example of a reasonable accommodation would be to allow an applicant to be reinstated on the waiting list based on the original date and time of their application, if the applicant provides evidence that he/she did not respond due to a disability. If the disability is not apparent, the HA may request the applicant to have a doctor submit a written statement indicating that the applicant did not respond due to her/his disability.

Purging the Waiting List

To ensure that the HA's waiting list reflects the most current applicant information, the waiting list will be updated and purged on a monthly basis. Applicants should contact the HA every six months, to confirm their continued interest. The HA allows a grace period of 15 days after completion of the purge. Applicants who respond during this grace period will be reinstated.

If an applicant is removed from the waiting list for failure to respond, he/she will not be entitled to reinstatement unless there is evidence of some extenuating circumstances that did not allow them to respond to the HA request. This determination needs the written approval of the Director or Coordinator of the Program.

Monitoring the Selection from the Waiting List

Selection from the waiting list is strictly monitored by staff at Central Office by comparison of dated applicants have been selected with the waiting list kept at such office for each of the nine regional offices.

Disposition of files

Inactive application files will be kept for five (5) years (required by state law) on separate files before disposal.

SECTION 10
ISSUANCE OF A HOUSING VOUCHER, OR ASSISTANCE UNDER THE PROGRAM, AND ORIENTATION TO THE FAMILIES

Briefing Attendance Requirement:

All families (head of household) are required to attend the briefing when they are initially assigned a housing unit. No Housing Voucher will be awarded unless the household representative has attended a briefing.

The purpose of the briefing is to go over the packet prepared for new tenants in order to inform them about the program, so that they may be able to discuss it with potential landlord or project owners.

Failure to attend a scheduled briefing (without notice to the HA) will result in the family's application being placed in the inactive file and the family may be required to reapply for assistance. Applicants who provide prior notice of an inability to attend a briefing will be scheduled for the next briefing.

Failure of an applicant, without good cause, to participate in a scheduled briefing shall result in withdrawal of his/her application. The applicant will be notified of such withdrawal and determination of ineligibility and of his/her right to an informal review as outlined in Section XI above.

Format of the Briefing:

When a family is initially issued if Certificate of Family Participation or Housing Voucher, a full explanation (oral) of the following shall be provided to assist the Family in finding a suitable unit and to apprize the Family of its responsibilities and the responsibilities of the Owner (this may be done either in group or individual sessions, depending on the circumstances). Also, families will be given adequate opportunity to raise questions and to discuss the information listed below: (Reference 24 CFR 982.301).

- A description of how the program works
- Family and Owner Responsibility
- Where the Family may lease a unit, including renting a dwelling unit inside or outside the HA jurisdiction.

- If the family is assigned a multifamily project unit, a copy of the house rules will be enclosed in the packet.

Note: For a family that qualifies to lease a unit outside the HA jurisdiction under portability procedures, the briefing must include an explanation of how portability works. The HA may not discourage the family from choosing to live anywhere in the HA jurisdiction, or outside the HA jurisdiction under portability procedures.

If the family is currently living in a high poverty census tract in the HA jurisdiction, the briefing must also explain the advantages of moving to an area that does not have a high concentration of poor families.

When issuing a Housing Voucher, the HA shall give the Family a Section 8 Participant's Packet, which includes: (Reference 24 CFR 982.301)

- **The initial term of the Housing Voucher is 60 days.** A Vouchers is valid for a period of 60 days from the date of issuance. Prior to expiration, the family may contact the HA to inquire about assistance the HA can provide the family in locating suitable housing. The family must submit a Request for Lease Approval within the 60-day period, unless an extension has been granted by the HA. Once the family has submitted a Request for Lease Approval, the clock is stopped and/or suspended on the term of the certificate or voucher (See "Suspension"). When the clock is stopped (suspended), the time remaining will be reinstated to the initial 60-day period of the Voucher, if necessary. If the unit is not approved for any reason, the remaining days will be reinstated to the initial term of the voucher. If the initial term is not adequate for finding a unit to lease, the family may request an extension of the initial term as described below.
- **Requesting for extension of the term**. A family may request an extension of the Voucher time period. All requests for extensions should be received prior to the expiration date of the Voucher. Extensions are permissible at the discretion of the HA, primarily for the following reasons:
    - Extenuating circumstances such a family with a member with disabilities, or hospitalization or a family emergency for an extended period of time that has affected the family's ability to find a unit within the initial 60 day time period will be reason for an extension of the voucher. The HA representative will verify the extenuating circumstances prior to granting an extension.
    - The family has evidence that they have made a consistent effort to locate a unit and request support for services from the HA, throughout the initial 60-day period with regard to their inability to locate a unit.

- The family has turned in a Request for Lease Approval prior to the expiration of the 60-day time period, but the unit has not passed HQS.

- **Time Period for Extensions:** A PHA representative may grant one or more extensions not to exceed a total of 60 days. The initial term plus any extension **MAY NOT** exceed 120 calendar days from the beginning of the initial term. However, considering the difficulty in searching for housing, this HA will consider extending the voucher period, as it may deem necessary, with evidence of efforts to lease a unit. This policy will apply to disabled or regular non-disabled families if there is sufficient verified evidence of the need for the extension.
- **How the HA determines the housing assistance payment for a family:**
  - Information on the payment standard and the HA utility allowance schedule.
  - How the HA determines the maximum rent for an assisted unit
- **What the family should consider in deciding whether to lease a unit, including:**
  - The condition of the unit
  - Whether the rent is reasonable
  - The cost of any tenant-paid utilities and whether the unit is energy-efficient. The location of the unit, including proximity to public transportation (if applicable), centers of employment, schools and shopping.
- **Where the family may lease a unit**. For a family that qualifies to lease a unit outside the HA jurisdiction under portability procedures, the information packet must include an explanation of how portability works.
- **The HUD-required "lease addendum"**. (The lease addendum is the language that must be included in the lease.)
- **The form of request for lease approval**, and an explanation of how to request HA approval to lease a unit.
- **A statement of the HA policy on providing** information about a family to prospective owners
- **The HA subsidy standards**, including when the HA will consider granting exceptions to standards.
- The HUD brochure on **how to select a unit**
- **The HUD lead-based paint (LBP) brochure**

- **Information on federal, state and local equal opportunity laws,** and a copy of the housing discrimination complaint form.
- **A list of landlords** or other parties known to the HA who may be willing to lease a unit to the family, or help the family to find a unit.
- Notice that if the family includes a disabled person, the family may request a current listing of **accessible units** known to the HA that may be available
- **Family obligations** under the program
- The grounds on which the HA may **terminate assistance** for a participant family because of family action or failure to act
- **The informal hearing procedures.** This information must describe when the HA is required to give a participant family the opportunity for an informal hearing, and how to request a hearing.

Approval of Lease and Execution of Related Documents:

When a family finds a unit, and the owner is willing to lease the unit under the program, the family may request the HA to approve the lease and unit. This HA has a model contract, so as to assure full compliance with HUD and local government requirements.

Note: Property Owners cannot participate in the program if they are disapproved by the Housing Agency.

The HA will perform an initial inspection not later than fifteen (15) calendar days from the request for lease approval. If the HA determines that a unit which an Eligible Family wishes to lease meets the HQS and the proposed Lease is approved, the HA shall notify the Owner and the Family of its determination of Lease approval.

Not later than ten (10) working days after receiving notification from the HA, the Owner and the HA representative shall execute and sign the HAP Contract. At the same day, after the contract is executed, the Owner and the family shall execute and sign the Lease and provide a copy to the HA. This HA has established that this process be completed at the Agency's office. The family cannot occupy the unit until the HAP and the lease have been executed by all parties.

The HA shall retain the following in its files:

- The Request for Lease Approval
- The approved lease

- Inspection report
- HA certification that the current rent being charged for comparable units in the private unassisted market, taking into account the location, size, type, quality, amenities, facilities and management and maintenance service of such unit. This certification will be maintained for five years to comply with HUD and local regulations.
- Executed Contract.

SECTION 11

HAP CONTRACTS AND OWNER RESPONSIBILITY

The HAP Contract

- The HAP Contract must be in the form required by HUD.
- The term of the HAP contract is the same as the term of the lease.
- The amount of the monthly housing assistance payment by the Agency to the owner is determined by the Agency in accordance with HUD regulations and other requirements. The amount of the housing assistance payment is subject to change during the HAP contract term.
- The monthly housing assistance payment by the Agency is credited toward the monthly rent to owner under the family's lease.
- The total of rent paid by the tenant plus the PHA housing assistance payment to the owner may not be more than the rent to the owner. The owner must immediately return any excess payment to the Agency.
- The owner may not demand or accept any rent payment from the tenant in excess of this maximum rent, and must immediately return any excess rent payment to the tenant.

Owner responsibilities

- The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease.

The owner is responsible for:

- Performing all management rental functions for the assisted unit, including selecting a voucher holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.
- Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.
- Complying with equal opportunity requirements.
- Preparing and furnishing the Agency information required under the HAP contract.
- Collecting from the family.
- \Any security deposit
- The tenant contribution
- Any charges of unit damage by the family
- Enforcing tenant obligations under the lease.
- Paying for utilities and services (unless paid by the family under the lease).

- For provisions on modifications to a dwelling unit occupied or to be occupied by a person with disabilities.

Owner breach of contract

Any of the following actions by the owner (including a principal or other interested party), is a breach of the HAP contract by the owner:

- If the owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit in accordance with the HQS.
- If the owner has violated any obligation under the HAP contract under the Section 8 program.
- If the owner charges rent in excess of the rent established on the lease.
- If the owner does not pay the utilities that are not included in the lease
- If the owner does not return the security deposit, as established by the local law.

Owner debarred

The HA must not approve a unit if the HA has been informed (by HUD or otherwise) that::

- The federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing act or the federal equal opportunity requirements and the action is pending
- A court or administrative agency has determined that the owner violated the Fair Hocusing Act or other federal equal opportunity requirements.

HA Administrative Discretion:

The HA will deny approval to lease a unit from an owner for any one of the following:

- Owner has violated obligations under a HAP contract.
- Owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.
- The owner has engaged in drug trafficking.
- The owner has a history or practice on non-compliance with the HQS requirements, state or local housing codes.
- The owner has not paid State or local real estate taxes, fines, or assessments.

- The owner does not return the security deposits when due.
- The owner has demanded or accepted payments in excess of the rent determined by the Agency.

The Agency rights and remedies against the owner under the HAP contract include recovery of overpayments, abatement or other reduction of housing assistance payments, termination of housing assistance payments, and termination of the HAP contract.

Note: After May 18, 1998, if the owner is a parent, child, grandparent, grandchild, sister, or brother of any member of the participant family, the HA must not approve the unit. However, if the housing authority determines that approval of the unit would provide reasonable accommodations for a family member who is a disabled person, the unit may be approved.

Automatic termination of HAP contract

The HAP contract terminates automatically 180 calendar days after the last assistance payment to the owner.

Third parties

The HAP contract shall not be construed as creating any right of the family or other third party (other than HUD) to enforce any provision of the HAP contract, or to assert any claim against HUD, the agency, or the owner under the HAP contract.

Owner responsibility for screening applicant's suitability for tenancy

The HA must inform the owner that the HA has not screened the family's behavior or suitability for tenancy and that such screening is the owner's responsibility.

Family's Background:

An owner may consider a family's background with respect to such factors as:

- Payment of rent and utility bills
- Caring for a unit and premises
- Respecting the rights of others to the peaceful enjoyment of their housing
- Drug-related criminal activity or other criminal activity that is a threat to the life, safety or property of others and compliance with other essential conditions of tenancy.

Information Provided Owner concerning Tenancy:

The HA must give the owner the family's current address (as shown in the HA records) and the name and address of the landlord at the family's current and prior addresses, if known to the HA. The HA will provide information to an owner for all participants when the HA possesses the following:

- The tenancy history of family members, or
- Drug-trafficking by family members.

SECTION 12

WHERE A FAMILY CAN LEASE A UNIT WITH TENANT BASED ASSISTANCE AND PORTABILITY PROCEDURES

Assistance in the Initial HA's Jurisdiction:

The family may receive tenant-based assistance to lease a unit located anywhere in the jurisdiction of the initial HA.

This part covers:

- Assistance for a family that rents a dwelling unit in the jurisdiction of the Agency that originally selected the family for tenant-based assistance
- Portability assistance for a family to whom the Agency rents a unit outside the jurisdiction of the initial PHA.

Eligible housing

The following types of housing may not be assisted by the Agency in the tenant-based programs:

1. A public housing
2. A unit receiving project-based assistance
3. Nursing homes, board and care homes, or facilities providing continual psychiatric or nursing services
4. college or oter school dormitories
5. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions
6. A unit occupied by its owner or by a person with any interest in the unit
7. A unit whose owners has been disapproved by the Agency or HUD

A family may not receive the benefit of tenant-based assistance while receiving the benefit of other housing subsidy, for the same unit or for a diff3eent unit, as established on 24CFR 982.352

Portability - Assistance Outside the Initial HA Jurisdiction:

Families living in the jurisdiction of the initial HA may receive tenant-based assistance to lease a unit outside the initial HA jurisdiction:

- In the same State as the initial HA

- In the same metropolitan statistical area (MSA) as the initial HA, but in a different state
- In an MSA that is next to the same MSA as the initial HA, but in a different State, or
- In the jurisdiction of an HA anywhere in the United States that is administering a tenant-based program.

Note: Nonresident applicants (applicants that do not live in the legal jurisdiction of the initial HA) that apply for tenant-based assistance do not have any right to lease a unit outside the initial HA's jurisdiction during the twelve (12) month period from the time the family is admitted to the program. However, the family may lease a unit outside the initial HA's jurisdiction under portability procedures if both the initial HA and the receiving HA agree.

The initial PHA must not provide portable assistance for a participant if the family has moved out of its assisted unit in violation of the lease.

The following apply during the 12 month period from the time when a family is admitted to the program:

- The family may lease a unit anywhere in the jurisdiction of the initial PHA.
- The family does not have any right to portability.
- The initial PHA may choose to allow portability during this period.

If both the initial and a receiving PHA agree, the family may lease a unit outside the PHA jurisdiction under portability procedures.

Income Eligibility for portability:

- For admission to the voucher program, a family must be income eligible in the area where the family initially leases a unit with assistance in the program.
- A portable family transferring must be income eligible for the new program in the area where the family leases an assisted unit.
- If a portable family was already a participant in the initial HA voucher program, income eligibility is not redetermined.

Leasing in Place:

If the dwelling unit is approvable, a family may select the dwelling unit occupied by the family before selection for participation in the program.

Freedom of Choice:

When the family selects eligible housing that meets all program requirements, the HA may not directly or indirectly reduce the family's opportunity to select among available units.

Portability - Administration by the Initial HA Outside the Initial HA's Jurisdiction:

When a family moves under portability to an area outside the initial HA's jurisdiction, the initial HA must administer the assistance for the family if:

- The unit is located within the same State as the initial HA, in the same MSA as the initial HA (but in a different Stat), and
- No other HA with a tenant-based program has jurisdiction in the area where the unit is located.
- If the above conditions exist, the family remains in the program of the initial HA. The initial HA has the same responsibilities for administration of assistance for the family living outside the HA's jurisdiction as for other families assisted by the HA within the HA's jurisdiction.
- The initial HA may choose to use another HA, a private management entity or other contractor or agent to help the initial HA administer assistance outside the HA's jurisdiction.

Portability - Administration by Receiving HA:

When a family moves under portability to an area outside the initial HA's jurisdiction, another HA (the receiving HA) must administer assistance for the family if an HA with a tenant-based program has jurisdiction in the area where the unit is located. When this situation exists, the HA with jurisdiction in the area where the family wants to lease a unit must issue the family a certificate or voucher. If there is more than one such HA, the initial HA may choose the receiving HA.

The receiving HA has the choice of assisting the family under either the certificate program or the voucher program. If the family was receiving assistance under the initial HA's certificate program, but is ineligible for admission to the voucher program, a receiving HA that administers a certificate program must provide continued assistance under the certificate program. If the family receiving assistance under the initial HA voucher program, but is ineligible for admission to the certificate, a receiving HA that administer a voucher program must provide continued assistance under the voucher program.

Portability Procedures:

The PHA will initially limit portability to extreme need cases until the program grows sufficiently to support ample opportunity portability cooperative agreements where the householder needs to move because of a job opportunity, disabled family member in need of specialized medical services available in the area, and other conditions to be further defined.

The initial HA must determine whether the family is income-eligible in the area where the family wants to lease a unit. The initial HA must advise the family how to contact and request assistance from the receiving HA. The initial HA must promptly notify the receiving HA, and comply with receiving HA procedures for incoming portable families.

The initial HA must give the receiving HA the most recent HUD Form 50058 for the family, and related verification information. If the receiving HA opts to conduct a new reexamination, the receiving HA may not delay issuing the family a voucher or certificate or otherwise delay approval of a unit, unless the recertification is necessary to determine income eligibility.

When the portable family requests assistance from the receiving HA, the receiving HA must promptly inform the initial HA whether the receiving HA will bill the initial HA for assistance on behalf of the portable family, or will absorb the family into its own program. The receiving HA must determine whether to extend the voucher term.

The family must submit a request for lease approval to the receiving HA during the term of the receiving HA certificate or voucher. The receiving HA must determine the family unit size for the portable family. The family unit size is determined in accordance with the subsidy standards of the receiving HA. The receiving HA must promptly notify the initial HA if the family has leased an eligible unit under the program, or if the family fails to submit a request for lease approval for an eligible unit within the term of the certificate or voucher. To provide tenant-based assistance for portable families, the receiving HA must perform all HA functions, such as reexamination of family income and composition.

Absorption by the Receiving HA:

If funding is available for the receiving HA, when a voucher is received, the receiving HA may absorb the family into the receiving HA's certificate or voucher program.

Note: HUD may require a receiving HA to absorb all or a portion of the portable families.

Portability Billing:

The receiving HA may bill the initial HA for housing assistance payment and administrative fees. The initial HA must promptly reimburse the receiving HA for the full amount of the housing assistance payments (HAP) made by the receiving HA for the portable family.

The amount of the HAP for a portable family in the receiving HA's program is determined in the same manner as for other families in the receiving HA program. The initial HA must promptly reimburse the receiving HA for 80 percent of the initial HA's on-going administrative fee for each unit month that the family receives assistance under the tenant-based program from the receiving HA. HUD may reduce the administrative fee to an initial HA, if the HA does **not promptly reimburse** the receiving HA for housing assistance payments or fees on behalf of portable families.

This HA has determined that **promptly** means not later than forty-five (45) days from the initial date of the portability and every three months thereafter.

If an HA does not process billing on time, it will have to absorb the portable family.

SECTION 13

ABSENCE FROM ASSISTED UNIT

Absence means that no member of the family is residing in the unit. Families participating in the program may be absent for a period of 14 consecutive calendar days. The Head of Household must request written permission from the HA prior to leaving the assisted unit. The written request must be submitted 30 calendar days in advance of the anticipated absence.

The HA may approve absences in excess of 14 consecutive calendar days for vacation, hospitalization or other good cause as presented to the HA by the head of household. The HA will respond in writing within 10 calendar days of the receipt of the request for approved absence. The HA will not approve any request for absence for a period of more than 180 consecutive calendar days in any circumstance, or for any reason.

Note: In an emergency situation exists, such as hospitalization, the head of household must ~~notify the HA by telephone as soon as possible and request a determination via the telephone.~~ Verbal request for determination may only be made in emergency situation. The HA will respond verbally and follow-up its verbal determination in writing within ten (10) calendar days of the verbal request.

Continued Assistance after Family Break

The HA shall determine which family members will continue to receive assistance after a family break-up. The head of household, spouse, or any adult member of the household must notify the HA that there has been a family break-up and continued assistance is being requested. The assisted family member making the request must submit the request in writing to the HA and request a determination. The request must be made within 10 calendar days of the break-up. The HA will consider the following factors in making this determination:

- Assisted Unit: Whether the assistance should remain with family members remaining in the original assisted unit.
- Interest of Family Members: The interest of minor children or of ill, elderly or disabled family members.
- Physical Violence: Whether family members are forced to leave the unit as a result or actual or threatened physical violence against family members by a spouse or other member of the household.

The HA will issue a determination within 10 calendar days of receipt of the request for an informal hearing. The person requesting the determination may request an Informal Hearing in accordance with the HA established procedures if they disagree with the determination of the HA.

Note: If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, the HA is bound by the court's determination of which family members continue to receive assistance in the program.

SECTION 14

SUBSIDY STANDARDS

The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding. The subsidy standards must be applied consistently for all families of like size and composition.

The family unit size as determined for a family under the HA subsidy standard is used to determine the maximum rent subsidy for a family assisted in the voucher program.

The following subsidy standards shall determine the number of bedrooms required to accommodate each family without overcrowding or over-housing:

Subsidy Standards to be applied by this HA:

Number of Bedrooms	Number of Persons	
	Minimum	**Maximum**
1	1	2
2	2	4
3	3	6
4	4	8
5	5	10

Section 8 participants shall be issued a Voucher based on the subsidy standard listed above. In determining family unit size for a particular family, the HA may grant an exception to the above subsidy standard if the HA determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances.

The family unit size for any family consisting of a single person must be either a zero or one-bedroom unit, unless a live in aide resides with the family. Any live in aide must be approved by the HA, in advance, and reside in the unit to care for a family member who is disabled or is at least 50 years of age. A live in aide must be counted in determining the family unit size. A medical certificate indicating health condition and need for a living aide must be provided before its approval

A single person can rent a larger unit size if the owner agrees to accept the rent for a zero or a one bedroom unit.

A family that consists of a pregnant woman (with no other persons) must be treated as a **two-person** family, but only for determining the number of bedrooms. The woman must submit a certificate of at least four-month pregnancy.

A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size.

Small children of different sex may have their own bedroom, or share one, as the family may require.

The HA may grant an exception to its established subsidy standards if the HA determines that the exception is justified by the age, sex, health, handicap or other personal circumstances. Medical certificates will be required when considering an exception based on health or handicap.

Size of unit occupied by family

The family may lease an otherwise acceptable dwelling unit with fewer bedrooms than the family unit size. However, the dwelling unit must meet the applicable HQS space requirements.

The family may lease an otherwise acceptable dwelling unit with more bedrooms than the family unit as long as the gross rent required does not exceed the payment standard of the number of bedrooms required and assigned by the PHA.

Violation of HQS space standards

If the HA determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, the HA must issue a new voucher, and the family and the HA must try to find an acceptable unit as soon as possible.

If an acceptable unit is available for rental for the family, the HA must terminate the HAP contract in accordance with its terms.

SECTION 15

HOUSING QUALITY STANDARDS AND INSPECTIONS

Inspection Standards

Before a unit can be approved for occupancy under Section 8 program, the unit must meet the performance requirements set forth in 24 CFR 982.401, which are the Housing Quality Standards (HQS).

Housing Quality Standards

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant-based programs. HQS are required both at initial occupancy and during the term of the lease, that is, throughout the assisted tenancy. HQS standards apply to the building and the exterior premises, as well as the unit.

Inspections of private landlord's property

When the HA receives a Request For Tenancy Approval (RFTA), the HA shall inspect the unit within fifteen (15) days from the request for compliance with the HA's housing quality standards (HQS). This HA will strongly try to comply with the inspection requested in a period that will not exceed seven (7) days. If there are defects or deficiencies with HQS standards they must be corrected in order for the unit to comply with HQS standards, the owner must be advised in writing by the HA of the work required to be done before a Contract is executed. The unit will be re-inspected to ascertain that the necessary work was performed and the unit met the HQS standards for occupancy.

The HA will maintain a copy of every inspection and re-inspection report for five years, with no exception. If the unit inspected requires testing for Lead Based Paint and/or the unit requires treatment of chewable surfaces based on the testing, the HA shall keep indefinitely the test results and, if applicable, the Owner certification of the treatment. The inspection reports will specify the defects or deficiencies that must be corrected in order for the unit to be corrected for meeting the HQS standards.

Types of HQS Inspections and requirements:

- Initial Inspections: Performed by the HA staff after receiving the Request For Tenancy Approval from the applicant. It will be conducted to determine that the unit and property meet the HQS. Document the current condition of the unit as a basis to evaluate whether the future condition of the unit exceeds normal wear and tear. If the unit fails to initial HQS inspection, the family and owner will be advised to notify the HA once repairs are completed. The Owner will be given up to 30 days to correct the items noted as Fail. If the time period has elapsed the family must select another unit.
- Annual HQS Inspection: Required for tenants continuing to receive assistance and remaining in the same unit. Regional Offices Inspectors will conduct at least an annual inspection within 90 day prior to the anniversary month of the contract.
- Re-Inspections: Performed by HA staff for the purpose of verifying that the deficiencies noted in the previous inspection have been corrected and meet HQS.
- Quality Control Inspections: The Section 8 Coordinator or designated staff will re-inspect five percent (5%) (based on a random sample) of the total number of Section 8 units under HAP contract to insure that inspections are being performed in compliance with HQS standards. The Regional Supervisor may perform some of the re-inspections if necessary. The Regional Supervisor will maintain a file that documents the quality control inspections.
- Special inspections: These types of inspections may be necessary when Federal Official visits the HA to perform compliance review of the HA and/or the Owner may request a special inspection be performed to document unit condition. Special inspections may be schedule between anniversary dates.
- Move-Out Inspections: Are not required since the HA is not responsible for damages on the property. If an Owner request a move-out inspection to substantiate a damage claim/violation of family obligation, the inspection must be completed prior to the work that will correct the damage being done. Pictures will be accepted to sustain damages. The HA may use this evidence to terminate the continuing assistance to the participant because of a family violation.

Note: The HA may only be responsible for a portion of a damage claim for HAP contracts existing **prior to October 2, 1995.**

HQS Inspection Areas:

The following areas are included in HQS inspections:

- Sanitary Facilities
- Food preparation and refuse disposal
- Space and security
- Thermal environment
- Illumination and electricity
- Structure and materials
- Interior air quality
- Water supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary conditions
- Smoke detectors

Note: The HA's inspection only certifies that the unit meets HQS federal regulations and the HA is not responsible for items not included in the HQS inspection.

Acceptability Standards:

1. Smoke detectors will be required as per HUD regulations and the National Fire Protection Association. At least one smoke detector must be installed in every multiple dwelling unit. The detector must be installed on the ceiling and within 15 feet of all rooms used for sleeping purposes. There must be at least one detector for each level on which a room is used for sleeping purposes.
2. A bedroom must have a floor area of not less than 70 square feet.
3. The minimum bedroom ceiling height must not be less than seven (7) feet six (6) inches.
4. Every room used exclusively as a bedroom shall have access to at least one bathroom without passing through another room used exclusively as a bedroom.

5. Each bedroom must provide natural ventilation through a window, skylight or other acceptable opening.
6. Partitions separating rooms used for bedrooms from other rooms must be of "one-hour-fire-rated" construction.
7. The dwelling unit must include sanitary facilities within the unit. It must be in proper operating condition (proper drain and sewer trap). The unit must have a fixed basin (Lavatory) with hot and cold running water in proper operating conditions. Must have a shower or tub with cold and hot running water in proper operating conditions and afford privacy.
8. The unit must have suitable space and equipment to store, prepare, and serve food in a sanitary manner.
9. The dwelling must have a kitchen sink in proper operating condition with cold and hot running water and must drain into approved public or private system.
10. The dwelling unit must provide adequate space and security for the family. At a minimum, the unit must have a living room, a kitchen and a bathroom.
11. Exterior doors to the unit must be lockable.

HQS General Policies:

The dwelling units have to be inspected at least annually, if fail items are noticed during the inspection the staff must notify in written to the owner or tenant such findings. The Owner or Tenant must be given time to correct the failed items.

Time Standards for Repairs.

There are three guidelines to use:

1. If the item endangers the family's health or safety the owner must be given 24 hours to correct the violation.
2. For less serious failures the owner must be given up to 30 days to correct the items.
3. For major repairs or weather-deferred items, the Section 8 Program Director may approve an extension beyond 30 days.

Emergency Repair Items:

The following items are considered to be of an emergency nature and must be corrected by the owner or tenant (whoever is responsible within 24 hours of notice by the Inspector. Other items may constitute an emergency at the discretion of the Inspector if they appear to represent an immediate threat to the health or safety of the family:

- No electricity or running water
- Major plumbing leaks or flooding
- Any electrical outlet, switch, stationary light fixture, fuse box or circuit breaker that smokes, sparks or short circuits creating a fire hazard.
- Lack of security for the unit
- Waterlogged ceiling in imminent danger of falling
- Natural gas leak or fumes
- Utilities not in service
- No running hot water
- Lack of functioning toilet
- Obstacle which prevents tenant's entrance or exit

If the emergency repairs items are not corrected in the time period required by the HA, and **the owner is responsible**, the housing assistance payment will be abate and the HAP contract will be terminated.

If the emergency repair items are not corrected in the time period required by the HA and is **a family obligation**, the HA will terminate the assistance to the family and the owner's payment will not be abate.

Abatement:

A Notice of Abatement will be sent to the owner, and the full amount of assistance will be abate effective on the first of the month following the notice.

If the owner makes repairs during the abatement period, payment will resume on the first of the month following the unit pass inspection.

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 the HQS. The notice of abatement will state that the tenant is not responsible for the HA's portion of the rent that was abated.

SECTION 16

DETERMINATION OF PARTICIPANT RENT AND REEXAMINATION OF INCOME AND FAMILY CIRCUMSTANCES

Rent as initially determined or at annual reexamination will remain in effect for the period between regular reexamination of family income and composition, unless the following changes in family circumstances occur. Also, Section 8 participant agrees to report, in writing, and provide certification following any change in annual income within ten (10) calendar days of the following occurrences:

- Loss or addition of family composition of any family member through birth, death, divorce, removal of other continuing circumstances and the amount, if any, of family member's income.
- Employment, unemployment, or changes in employment of a permanent nature of the family head, spouse, or other wage earner that is 18 years of age.
- To correct errors made when determining eligibility or at reexamination.

Note: If an error results in a retroactive rent payment due to the participant not providing correct information concerning annual income, the Section 8 participant may request the HA representative to approve a repayment schedule. The Section 8 participant must make the request, in writing, to the HA representative. The amount of the repayment will be the higher of $10 per month or ten percent (10%) of the monthly-adjusted income. The HA representative will provide the Section 8 participant with a written response to the request and if approved, the written notification will include the amount of the monthly repayment plus the due date of the first payment.

The final estimate of Family Income will be made by the HA on the basis of verified information regarding income.

There is no minimum income requirement, but the staff should use good interviewing skills to determine whether there is income (as defined in Section IV), which is not being reported.

Families may not be required to apply for public assistance, but it may be suggested to them. If the family reports zero income, the HA will have the family sign a verification form to verify that no income is being provided.

Families will be required to report any changes in their income status within ten (10) calendar days of the occurrence of employment and/or any other type of income is received. Families

with zero (0) income **may** be requested to recertify more frequently. This HA will recertify zero income families every six months.

Annual Re-examination:

Once each year, or as required by this HA, the HA must reexamine the income and family composition of all families participating in the Section 8 Program, in accordance with 24 CFR 5.617. Verifications acceptable to the HA shall be obtained and determinations made. In the event of failure or refusal of the family to report the necessary information, the HA may terminate the assistance.

Records shall be maintained by the HA to insure that every participant's income and family composition has been reexamined within a twelve-month period.

Upon completion of verification and reexamination, the participant shall be notified, in writing, no later than thirty (30) days prior to the effective date of the following:

- Any change in rent and the date on which it becomes effective
- Any change required because of a change in the family composition.

Interim Redetermination of Rent:

The rent set at admission or annual Reexamination will remain in effect for the period between regular rent determinations unless changes in family circumstances occur. The participant is required and agrees to report, in writing, the following specified changes in family income and composition within ten (10) calendar days of occurrence:

- Loss or addition to family composition of any kind through birth, death, marriage, divorce, removal or other continuing circumstance and the amount, if any, of such family member's income. Any such additions, other than birth, must be approved by the HA in advance, and must qualify, the same as an applicant or any prospective new participant.
- Employment, unemployment or changes income for employment of a permanent nature of the family head, souse, or other wage earner eighteen (18) years of age or older
- The starting of or stopping of, or an increase or decrease of any benefits or payments received by any member of the family or household from Old Age Pension, Aid for Dependent Children, Black Lung, Railroad Retirement,. Private Pension Fund, Disability Compensation, Veterans Administration, Child Support, Alimony, Regular Contributions or Gifts. Lump sum payments or retroactive payments of benefits from any of the above sources that constitute the sum of monthly payments for a preceding period paid in a

- lump sum must be reported and rent adjusted retroactively on such income to date of eligibility for any family member residing in the household for that period of time.
- Cost of living increases in Social Security or public assistance grants need not be reported until next re-examination and redetermination of rent.
- Errors of omission made at admission or re-examination shall be corrected by the HA. Retroactive payments will be made to the participant if the error is in his/her favor.
- A participant who has had a rent reduction/increase after initial occupancy or after annual re-examination must report all changes in income within ten (10) calendar days regardless of the amount or source.

Notice of Temporary Rent:

On occasions, the HA is required to compute rent based on information that is supplied by the participant and third party information that has not or will not be provided by the employer. ~~When this situation occurs, the HA will compute a temporary rent based on the information~~ available. Once the information is verified, the participant will be notified in writing. If an underpayment was made based on the information provided, the participant will have fourteen (14) days from the date of the HA notification to pay the amount specified. If the participant has made an overpayment, that amount will be credited to his/her account, with the landlord. The Head of Household and Spouse (if applicable) and an HA representative signs this Notice of Temporary Rent and it is filed appropriately with a copy provided to the participant.

The Effective Dates of Interim Redetermination of Rent:

Any decrease in rent resulting from any decrease in family income will be made effective the first of the month following the date the decrease in family income was reported and verified in writing.

The participant agrees to pay any increase in rent resulting from an increase in family income the first day of the second month following the date in which such increase in family income occurred, and to pay any back rent due because of failure to report such increase in family income.

- Any interim decrease in rent will require re-verification in family income that has not been verified within ninety (90) calendar days of the previous rent determination.
- Participant agrees to pay any increase in rent resulting from the implementation of changes in rent computation or increases due to changes in regulations, policies or procedures requiring implementation by the United States Department of Housing and Urban Development.

- **Temporary** employment/unemployment or increases and decreases in wages "**for any reason**" of less than 30 days will not constitute a rent adjustment.
- If it were found that a participant has misrepresented or failed to report facts upon which rent is based so that the participant is paying less than they should be paying the increase in rent shall be made retroactive to the date the increase would have taken effect. The participant will be required to pay the difference between the rent paid and the amount that should have been paid. In addition, the participant may be subject to civil and criminal penalties. Misrepresentation is a serious program violation, which may result in termination of assistance.

Special Re-examinations:

Special reexaminations are prescheduled extensions of admission or continued occupancy determinations, and will be considered for the following reasons:

- ~~If it is impossible to determine annual family income accurately due to instability of~~ family income and/or family composition, a temporary determinations of income and rent is to be made and a special re-examination shall be scheduled for thirty (30), sixty (60), or ninety (90) days, depending on circumstances. The participant shall be notified, in writing, of the date of the special re-examination.
- If the family income can be anticipated at the scheduled time, the reexamination shall be completed and appropriate actions taken. If a reasonable anticipation of income cannot be made, another special reexamination shall be prescribed and the same procedure followed as stipulated in the preceding paragraph until a reasonable estimate can be made.
- Rents determined at special reexamination shall be made effective as follows:

  30 days from the date the reexamination is effectuated, which should be the anniversary of the last Recertification.

  Retroactive to the date of an increase in income if the participant did not notify the increase as required.
  Retroactive to the date the participant had a decrease if the participant reported it on time.

Minimum Rent Hardship Exemptions:

The HA **shall** immediately grant an exemption from application of the minimum monthly rent to any family making a proper request in writing who is unable to pay because of financial hardship, which shall include:

- The family has lost eligibility for, or is awaiting an eligibility determination from a federal, state, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the Immigration and Nationalization Act who would be entitled to public benefits.
- The family would be evicted as a result of the implementation of the minimum rent (this exemption is only applicable for the initial implementation of a minimum rent of increase to the existing minimum rent.
- The income of family has decreased because of changed circumstance, including loss of employment.
- A death in the family has occurred which affects the family circumstances.
- Other circumstances which may be decided by the HA on a case-by-case basis.

All of the above must be proven by the Resident, providing verifiable information in writing to the HA prior to the rent becoming delinquent and before the lease is terminated by the HA.

If a resident requests a hardship exemption (prior to the rent being delinquent) under this section, and the HA reasonably determines the hardship to be of a temporary nature, exemption shall not be granted during a ninety day period beginning upon the making of the request for the exemption. A resident may not be evicted during the ninety-day period for non-payment of rent. In such a case, if the resident thereafter demonstrates that the financial hardship is of a long term basis, the HA shall retroactively exempt the resident from the applicability of the minimum rent requirement for such ninety day period. This Paragraph does not prohibit the HA from taking eviction action for other violations of the lease.

Reduction of Welfare Benefits:

If the Section 8 participant requests an income re-examination and the rent reduction is predicated on a reduction in tenant income from welfare, the request will be denied, but only after obtaining written verification from the welfare agency that the family benefits have been reduced because of:

- Noncompliance with economic self-sufficiency program, or
- Work activities requirements, or

- Because of fraud.

Exception to Rent reductions:

Families, whose welfare assistance is reduced specifically because of fraud or failure to participate in an economic self-sufficiency program or comply with a work activities requirement will not affect their Section 8 tenant-based assistance. The rent will not be reduced.

SECTION 17

ADJUSTMENT TO CONTRACT RENT, PLUS MONTHLY HOUSING ASSISTANCE PAYMENTS

Contract Rents:

Contract rents may be adjusted by the HA on an annual basis and for special adjustments as provided below:

- Annual Adjustment: Upon request from the owner to the HA an annual adjustment may be made if the Contract unit is in decent, safe and sanitary condition and the Owner is otherwise in compliance with the terms of the Lease and the HAP contract. Annual adjustments as of any anniversary date shall be determined by using the Section 8 Annual Adjustment Factor most recently published by HUD in the federal Register. The ~~Contract rent may be adjusted upward or downward. However, in no case shall the~~ adjusted rent be less than the Contract rent on the effective date of this Contract.

- A special adjustment: Subject to HUD approval, to reflect increases in the actual and necessary expenses of owning and maintaining the unit which have resulted from substantial general increases in real property taxes, utility rates or similar costs (i.e. assessments, and utilities not covered by regulated raters), but only if and to the extent that the Owner clearly demonstrates that such general increasers have caused increases in the Owner's operating costs which are not adequately compensated for by the annual adjustments provided for in number 1 above of this section. The Owner shall submit financial statements to the HA which clearly support the increase. The Owner shall submit financial statements to the HA which clearly support the increase.

Utility Allowances:

At least annually, the HA shall determine whether there has been a substantial change in utility rates or other charge of general applicability, and whether an adjustment is required in the Allowance of Utilities and Other Services by reason of such changes or because of errors in the original determination. If the HA determines that an adjustment should be made, the HA shall establish a schedule of adjustments taking into account size and type of dwelling units and other pertinent facts and shall furnish HUD with a copy of the adjusted schedule. (Reference 24 CFR 882.214)

Overall Limitation of Adjustments

Notwithstanding any other provisions of this part, adjustments as provided for in this section shall not result in material differences between the rents charged for assisted and comparable unassisted units.

Monthly Housing Assistance Payment (HAP) Payments:

Monthly payments will be made to an owner on behalf of a family participating in the Section 8 Program. Payments will be issued in accordance with the Housing Assistance Payment Contract. The checks will be issued on a monthly basis and mailed directly to the participating owner (due on the fifth (5) day of each month for the current month.)

A copy of the check will be kept and serve as a record of payment.

SECTION 18

FAIR MARKET RENT (FMR), PAYMENT STANDARD AND RENT REASONABLENESS LIMITATION

Fair Market Rent (FMR)

HUD establishes the FMR by units size and by municipality. The range of possible payment standard amounts is based on HUD's published FMR schedule for the FMR area in which the PHA has jurisdiction. A PHA may set its payment standard amounts from 90 percent to 100 percent of the annually published FMR's. The HUD's field office may establish an exemption payment standard over or under the abovementioned limits.

Payment Standard

Establishing the Payment Standard

Payment standard has been established within the basic range, at 110 percent of the published FMR for our jurisdiction.

The family share may not exceed a 40 percent of the family's monthly-adjusted income. If the family leases a unit with a gross rent at or below the payment standard, the family's share of the rent will be its Total Tenant Payment [TTP]. I f the rent for the unit is higher than the payment standard, the family's share will be higher that the TTP.

Payment Standard amounts should be high enough to allow families a reasonable selection of decent, safe and sanitary housing in a range of neighborhoods in the PHA's jurisdiction.

Revising the Payment Standard

This PHA maintains its Payment Standard amounts for each unit size in a FMR area within the basic range of 90 to 110 percent of the 40th percentile of FMR. Payment Standard has been established in 110 percent of the published FMR for this jurisdiction. Below 90 or above 110 percent of the 40th percentile of FMR requires HUD approval.

Prior to the effective date of any new FMR the PHA will review its Payment Standard Schedule to ensure that the Payment Standard remain within the basic range [90 to 110%] and determine whether adjustments are needed for some of all units sizes. PHA will likely increase payment standard as FMR increases in order to help voucher holders find units and current participants to continue to afford the units they have selected.

PHA will review the size and quality of units selected by assisted families before concluding that there is a need for a change in the payment standard amount.

PHA will review the average time required for voucher holders to find units. If determine that the amount of time required is excessive (90 days or more) an increase in the Payment Standard amount may be needed.

PHA will also review the number of voucher holders whose vouchers expire without their having leased a unit.

PHA will review rent reasonableness data and vacancy rate data to determine whether there is an ample supply of vacant units with rent below the payment standard, particularly in areas with low concentration of poverty and minority families.

Applying the Payment Standard

The payment standard is used to calculate the monthly Housing Assistance Payment [HAP] for a family under the Housing Choice Voucher Program.

The HAP is calculated by determining the lower of:

- Payment Standard minus the Total Tenant Payment, or
- Gross Rent for the unit minus the Total Tenant Payment.

If the gross rent for the unit is higher than the payment standard, the family may pay the TTP plus the amount by which the gross rent exceeds the payment standard.

The payment standard amount for a family is the lower of:

- Payment Standard for the family unit size, or
- Payment Standard amount for the size of the unit leased by the family.

Rent Reasonableness

HA Determination

Before entering into a HAP contract, the HA must determine that the rent to owner is reasonable. For this purpose, each participant's file will include a certification that provides all factors considered in determining the reasonable rent. The certification also identifies the persons who conducted the evaluation and certifies the compliance with this policy and the federal regulations.

A comparability study will be performed to determine initial rent and annually to process any rent increase upon timely request from owner.

The HA must redetermine the reasonable rent:

- Before any increase in rent to owner

- If there is a five (5) percent decrease in the published FMR in effect 60 days before the contract anniversary (for unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary
- If directed by HUD

Comparability

In conducting rent reasonableness, the PHA must determine whether the rent to the owner is a reasonable rent in comparison to rent for other comparable unassisted units. For this purpose, the HA will conduct either telephone, site visits after telephoning, or more extensive market surveys of available rental units in the area where the unit to be contracted is located. When conducting the study, the HA staff will consider two or three unassisted units. In determining comparability the PHA must consider:

- Location of the unit within the community and the availability and accessibility of public transportation to schools, stores and medical facilities.
- Unit size including number of bedrooms and bathrooms.
- Unit type, such as garden apartment, elevator building, townhouse, single-family unit.
- Quality – the extent to which the unit meets or exceeds the Housing Quality Standards.
- Accessibility to persons with disabilities.
- Amenities for the submitted dwelling.
- Facilities, including availability of playgrounds, storage, parking, etc.
- Gross rent amount (including utilities and appliances) charged by owner, or amount charged by owner plus estimated utility allowance of tenant paid utilities and appliances (i.e., range and refrigerator).
- Age of contract unit (year built).

The data for unassisted units will be gathered from:

- Market rent information obtained from owner, real estate agents or banks.
- Classified advertisements in news papers

The PHA maintains a notebook, which includes data on unassisted units for use by staff in making rent reasonableness determinations. The data will be updated on an ongoing basis and purged when it is more than twelve (12) months old.

Owner certification of rents charged for other units

By accepting each monthly Housing Assistance Payment from the HA, the owner will certified that the rent is not more than rent charged by the owner for comparable unassisted units in the premises.

Negotiating rent to Owner

The rent is negotiated between the owner and the tenant. At the family's request, the HA must help the family negotiate the rent to owner. In this negotiation, the parts must consider the limits of payment standard established by the HA.

Voucher payment standard schedule

A voucher payment standard schedule is a list of the payment standard amounts used to calculate the voucher housing assistance payment for each unit size in an FMR area. The payment standard schedule for an FMR area includes payment standard amounts for any HUD approved exception rent area in the FMR area.

- The voucher payment standard schedule establishes a single payment standard for each unit size in an FMR area and, if applicable, in a HUD-approved exception rent area within an FMR area.
- Payment standard amounts on the payment standard schedule must be within the maximum and minimum limits stated in paragraph (b)(12)(ii) of this section. Within these limits, payment standard amounts on the schedule may be adjusted annually, at the discretion of the HA, if necessary to assure continued affordability of units in the Ha jurisdiction.
- To calculate the housing assistance payment standard from the HA payment standard schedule for the fair market rent area (including the applicable payment standard for any HUD-approved exception rent area) where the unit rented by the family is located.

Over-FMR tenancy: Determining amount of assistance:

Payment standard:

At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, and where the gross rent of the unit exceeds the applicable payment standard for the family, the family share does not exceed 40 percent of the family's monthly adjusted income.

For an over-FMR tenancy, the payment standard for the unit size is the FMR tenancy, the payment standard for the unit size is the FMR/exception rent limit.

- The payment standard for a family is the lower of:
- The applicable payment standard minus the total tenant payment, or
- The monthly gross rent minus the minimum rent as required by law.

Payment standard for the family

- This paragraph applies to both a voucher tenancy and an over-FMR tenancy.
- The payment standard for a family is the lower of:
- The payment standard for the family unit size, or
- The payment standard for the unit size rented by the family.

If the unit rented by a family is located in an exception rent area, the HA must use the appropriate payment standard for the exception rent area.

During the HAP contract term for a unit, the amount of the payment standard for a family is the higher of:

- The initial payment standard (at the beginning of the lease term) minus any amount by which the initial rent to owner exceeds the current rent to owner, or

- The payment standard as determined at the most recent regular examination of family income and composition effective after the beginning of the HAP contract term.

Over FMR Tenancy: HA approval: HA discretion to approve

At the request of the family, the HA may approve an over-FMR tenancy in accordance with this section.

Generally, the HA is not required to approve any over-FMR tenancy. However, the HA must approve an over-FMR tenancy in accordance with this section, if needed as reasonable accommodations so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8.

The HA generally will approve over FMR tenancy if it is to aid in furthering of the goals and objectives of fair housing.

Requirements.

- Ten percent limit. The HA may not approve additional over-FMR tenancies if the number of such tenancies currently is ten percent or more of the number of incremental certificate units under the HUD-approved budget for the HA certificate program. "Incremental units" means the number of budgeted certificate units minus any units for which HUD provided tenant-based program funding designated Previously residing in housing with Section 8 project-based assistance.

- Affordability of family share. The HA may not approve an over-FMR tenancy unless the HA determines that the initial family share is reasonable. In making this determination, the HA must take into account other family expenses, such as child care, unreimbursed medical expenses, and other appropriate family expenses as determined by the HA.

- Amount of assistance. During an over-FMR tenancy, the amount of the housing assistance payment is determined in accordance with Sec. 982.505(c).

Regular Tenancy: (How to calculate housing assistance payment)

The monthly housing assistance payment equals the gross rent, minus the higher of:
FMR/exception rent limit

The initial gross rent for any unit may not exceed the FMR/exception rent limit on the date the HA approves the lease.

The FMR/exception rent limit for a family is the lower of

The FMR/exception rent limit for the family unit size, or
The FMR/exception rent limit for the unit size rented by the family.

Reasonable Rent. The initial rent to owner may not exceed a reasonable rent as determined in accordance with Section 982.503.

~~Regular Tenancy: (Annual adjustment of rent to owner)~~

When rent is adjusted. At each annual anniversary date of the HAP contract, the HA **must** adjust the rent to owner at the request of the owner in accordance with this section.

Amount of annual adjustment in rent.

The adjusted rent to owner equals the lesser of the pre-adjustment rent to owner multiplied by the applicable Section 8 annual adjustment factor, published by HUD in the Federal Register, that is in effect 60 days before the HAP contract anniversary.

- The PHA will approve the reasonable rent (as most recently determined or redetermined by the HA in accordance with Sec. 982.503), or the amount requested by the owner.
- In making the annual adjustment, the pre-adjustment rent to owner does not include any previously approved special adjustments.
- The rent to owner may be adjusted up or down in accordance with this section.
- The rent to owner for a unit must not be increased at the annual anniversary date unless the owner requests the adjustment by giving notice to the HA, and during the year before the annual anniversary date, the owner has complied with all requirements of the HAP contract, including compliance with the HQS.

- The rent to owner will only be increased for housing assistance payments covering the months commencing on the latter of:

  The contract anniversary date, or
  At least sixty days after the HA receives the owner's request.

Regular Tenancy: (Special adjustment of rent to owner).

Substantial and general cost increases

At HUD's sole discretion, HUD may approve a special adjustment of the rent to owner to reflect increases in the actual and necessary costs of owning and maintaining the unit because of substantial and general increases in:

Real property taxes
Special governmental assessments
Utility rates, or
Costs of utilities not covered by regulated rates.

Reasonable rent. The adjusted rent may not exceed the reasonable rent. The Owner may not receive a special adjustment if the adjusted rent would exceed the reasonable rent.

Term of special adjustment in rent

- The HA may withdraw or limit the term of any special adjustment.
- If a special adjustment is approved to cover temporary or one-time costs, the special adjustment is only a temporary or one-time increase of the rent to owner.

Other fees and Charges

- The cost of meals or supportive services may not be included in the rent to owner, and the value of meals or supportive services may not be included in the calculation or reasonable rent.
- The lease may not require the tenant or family members to pay charges for meals or supportive service. Non-payment of such charges is not grounds for termination of tenancy.
- The owner will not charge the tenant extra amounts for items customarily included in rent in the locality, or provided at no additional cost to unsubsidized tenants in the premises.

Distribution of Housing Assistance Payments

The monthly housing assistance payment is distributed as follows:

The H/A pays the owner the lesser of the housing assistance payment or the rent to owner.

- If the housing assistance payment exceeds the rent to owner, the HA will pay the balance of the housing assistance payment either to the family or directly to the utility supplier to pay the utility bill on behalf of the family.

Family Share: (Family responsibility)

- The family share is calculated by subtracting the amount of the housing assistance payment from the gross rent.

- The HA will not use housing assistance payments or other program funds (including any administrative fee reserve) to pay any part of the family share. Payment of the family share is the responsibility of the family.

SECTION 19

FAMILY INCOME AND COMPOSITION
REGULAR AND INTERIM EXAMINATIONS

HA responsibility on reexamination and verification. The HA's responsibility for reexamining family income and composition are specified in 24 CFR Part 5, subpart F. The HA will obtain and document in the tenant file third party verification of the following factors, or will document in the tenant file why third party verification was not available.

- Reported family annual income
- The value of assets
- Expenses related to deductions from annual income, and
- Other factors that affect the determination of adjusted income.

When HA will conduct interim reexaminations.

At any time, the HA may conduct an interim reexamination of family income and composition

At any time, the family should request an interim determination of family income or composition because of any changes since the last determination. The HA will make the interim determination within a reasonable time after the family request.

Interim examinations will be conducted upon any change in the family's circumstances that would affect the rent or size of unit.

An addition to the family household will have to be reported and considered by the HA, even if there is no need for a change in the size of the unit.

Family reporting of change. The HA has adopted a policy prescribing that families must report changes in income and composition upon 10 working days of its occurrence.

Effective date of reexamination

The effective date of a change in the housing assistance payment resulting from an interim determination will be the first day of the month following the date the reexamination is made, unless the reason for the reexamination is due to unreported increase in income, which will have the effect of a retroactive action.

At the effective date of a regular or interim reexamination, the HA will make appropriate adjustments in the housing assistance payment and family unit size.

Family income.

Family income must include income of all family members, including family members not related by blood or marriage. If any new family member is added, family income must include any income of the additional family member. The HA will conduct a reexamination to determine such additional income, and will make appropriate adjustments in the housing assistance payment and family unit size.

SECTION 20

UTILITY ALLOWANCE SCHEDULE

Maintaining Schedule

The HA must maintain a utility schedule for all tenant-paid utilities (except telephone), for cost of tenant-supplies refrigerators and ranges, and for other tenant-paid housing services (trash collection, disposal of waste and refuse)

The HA must give HUD a copy of the utility allowance schedule. At HUD's request, the HA also must provide any information or procedures used in the preparation of the schedule. .

An HA's utility allowance schedule, and the utility allowance for an individual family will include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards. However, the HA will not provide any allowance for non-essential utility costs, ~~such as costs of cable or satellite television.~~

In the utility allowance schedule, the HA will classify utilities and other housing services according to the following general categories: air conditioning, cooking, water heating, water, sewer, trash collection (disposal of waste and refuse), other electric items, refrigerator (cost of tenant-supplied refrigerator), range (cost of tenant-supplied range, and other specified housing services. The HA will provide a utility allowance for tenant-paid air-conditioning costs if the majority of housing units in the market provide centrally air-conditioned units or there is appropriate wiring for tenant-installed air conditioners.

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

The utility allowance schedule will be prepared and submitted in accordance with HUD requirements on the form prescribed by HUD.

Revision of the utility allowance schedule

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

At HUD direction the HA will revise the utility allowance schedule to correct any error, or as necessary to update the schedule.

Use of utility allowance schedule

The HA will use the appropriate utility allowance for the size of the dwelling unit actually leased by the family (rather than the family dwelling unit size as determined under the HA subsidy standards). At reexamination, the HA will use the current utility allowance schedule.

Higher utility allowance as reasonable accommodation for a person with disabilities

On request from a family that includes a person with disabilities, the HA will approve a utility allowance which is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation in accordance with 24 CFR part 8 to make the program accessible to and usable by the family member with a disability.

SECTION 21

AFFORDABILITY ADJUSTMENTS AND RENT PROVISIONS

Annual Increases of Payment Standards.

The HA, in its discretion, may adopt annual increases of payment standards amounts on the payment standard schedule, so that families can continue to afford to lease units with assistance under the Housing Voucher Program (Reference 24 CFR 982.617). In determining when an adjustment to the payment is necessary, the HA will consider:

- Rent burden (number of families paying more than 30% of income for rent) if more than 50%, the HA may adjust the payment standard.
- Success rate in leasing vouchers (if less than ninety percent (90%), the HA may adjust the payment standard) and
- Percentage of FMR (if payment standard is within 110 percent of the FMR, either higher of lower, the HA may adjust the payment standard.).
- The HA will also consider the financial utilization of funding provided for vouchers. If the HA determines that vouchers are not being leased to properly utilize funding, the payment standard may need to be adjusted to increase utilization of available funding.

Rent Negotiation

Under the Housing Voucher Program, the rent to the owner is a matter of negotiation between the owner and the family. The rent must be within the guidelines or "rent reasonableness", and this rental amount must be certified by the HA as falling within the guidelines of "Rent reasonableness". If requested by the family, the HA must also assist the family in negotiating a reasonable rent with the owner. (Ref. 24 CFR 982.309).

Rent Increase

The rent to owner may not be increased during the first year of the lease. The lease may provide that the owner may increase the rent any time after the first anniversary of the lease, but the owner must give the tenant and the HA 60 days written notice of any increase before it takes effect. (Ref. 982.309).

HA Disapproval of Lease

The HA may disapprove a lease for a rent that is not reasonable, based on rents charged for comparable rental units. The HA will exercise this authority in communities where the market is not functioning normally or where some families are not able to negotiate reasonable rent on

their own. For example, where there is a concentration of ownership by a small number of landlords, or where rents charged to voucher holders are greater than rents changed to certificate holders living in comparable units. The HA must document each case in which it disapproves a lease because the rent is not reasonable. (Ref. 982.309)

The HA will not approve a lease if the description of the unit to be occupied is not included in the property deed submitted by the owner. In the unit to be occupied is not included in the initial property deed, the owner must bring a legal document to evidence that the unit is part of the original deed.

Additionally, in order to have a lease approved, the owner must submit the following:

- two photos of the unit
- evidence of payment of property taxes
- certificate of criminal records
- certification from the government agency (ASUME) that he/she does not owe child support
- certification that he/she does not owe income tax for the period covering the last five years.
- a power of attorney, if a representative of the owner is going to execute the lease and the HAP contract

Security Deposit

The owner establishes the amount of the security deposit to be charged. The security deposit should be consistent with private market practice, or security deposits for the owner's unassisted units. When the tenant moves out of the dwelling unfit, the owner, subject to State and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the tenant, damages to the unit or for other amounts the tenant owner under the lease. The owner must give the tenant a written list of all charges against the security deposit, and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must refund promptly the full amount of the unused balance to the tenant.

Note: If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner might seek to collect the balance from the tenant.

The HA is not responsible for any damages to the unit and will not process any damage claims for HAP contracts singed after October 2, 1995.

Termination of Tenancy by Owner

Reasons for Termination

The Owner shall terminate the tenancy of the Family except for:

- Serious or repeated violation of the terms and conditions of the Lease.
- Criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control shall be cause for termination of tenancy. Criminal activity is defined as: criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents or by persons residing in the immediate vicinity of the premises.
- Violation of Federal, State or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises, or
- Other good cause, which may include, but not be limited to: failure by the family to accept the offer of a new lease or revision, a family history of disturbance of neighbors or destruction of property, or of living or housekeeping habits resulting in damage to the unfit or premises, the owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit, or a business or economic reason for termination of the tenancy (such as sale of the property., renovation of the unit, desire to leaser the unit at a higher rental). If the owner terminates the tenancy for a business or economic reason, the owner must provide the tenant with a 90 day notice.

Eviction by Court Action

The Owner may evict the Family from the Contract Unit only by instituting a court action. The Owner must notify the HA, in writing, of the commencement of procedures for termination of tenancy, at the same time that the Owner give notice to the Family under State law.

Written Notice

Owners must provide written notice of not less than 90 days before termination of a tenant-based assistance payment (HAP) contract and not less than 1 year before termination of a project-based certificate or moderate rehabilitation HAP contract because of an owner op-out or expiration of the HAP contract. Copies of these notices must be provided to the HA. (Reference HUD Notice PIH 93-54 issued October 19, 1993 and 24 CFR 982.455.)

Termination During First Year

During the first year of the lease term, the owner may not terminate the tenancy for other good cause", unless the owner is terminating the tenancy because of something the family did or failed to do. For example, during this period, the owner may not terminate the tenancy for "other good cause" based on any of the following grounds" failure by the family to accept the offer of a new lease or revision, the owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit, or a business or economic reason for termination of tenancy.

Termination of Housing Assistance Payment (HAP) Contract:

When the Unit is too big or too small

If the HA determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, the HA must issue the family a new voucher, and the family and HA must try to find an acceptable unit as soon as possible.

Breach of Contract

Causes for termination of HAP contract because of owner breach of contract are outlined in the contract.

Automatic Termination of HAP Contract

The HAP contract terminates automatically 180 calendar days after the last housing assistance payment to the owner.

SECTION 22

SPECIAL HOUSING TYPES

SINGLE ROOM OCCUPANCY (SRO)

Overview:

This HA administers an SRO project in the Municipality of San Juan.

The HA will permit a family to use the Single Room Occupancy housing type in accordance with requirements of the program.

The HA must permit use of the special housing type of the SRO program if needed as a reasonable accommodation so that the program is readily accessible to be used by persons with disabilities in accordance with 24 CFR part 8.

Family choice of housing and housing type.

The HA may not set aside program funding for special housing types, or for a specific special housing type. The family chooses whether to rent housing that qualifies as a special housing type under this subpart, or as any specific special housing type, or to rent other eligible housing in accordance with requirements of the program. The HA may not restrict the family's freedom to choose among available units in accordance with Section 982.353.

Single Room Occupancy (SRO): SRO: General. Sec. 982.602

Who may reside in an SRO. A single person may reside in an SRO housing unit.

When may a person rent an SRO unit. A single person may rent a unit in SRO housing only if:

- HUD determines that there is significant demand for SRO units in the area.
- The HA and the unit of general local government approve providing assistance for SRO Housing under the program
- The unit of general local government and the HA certify to HUD that the property meets applicable local health and safety standards for SRO housing.

SRO: Lease and HAP contract. (Ref. Sec. 982.603)

For SRO housing, there is a separate lease and HAP contract for each assisted person.
SRO: Rent and housing assistance payment. (Ref. 982.604)

SRO FMR/exception rent limit. The FMR/exception rent limit for SRO housing is 75 percent (75%) of the zero-bedroom FMR/exception rent limit.

Regular tenancy: Limit on initial gross rent. For a regular tenancy in the certificate program, the initial gross rent may not exceed the FMR/exception rent limit for SRO housing.

Voucher program: Payment standard.

The HA must adopt a payment standard for persons who occupy SRO housing with assistance under the voucher program. The SRO payment standard may not exceed the FMR/exception rent limit for SRO housing. While an assisted person resided in SRO housing, the SRO payment standard must be used to calculate the housing assistance payment.

Utility allowance. The utility allowance for an assisted person residing in SRO housing is 75 percent (75%) of the zero bedroom utility allowance.

~~SRO: Housing quality standards. (Sec. 982.605)~~

HQS standards for SRO. The HQS in Sec. 982.401 apply to SRO housing.

Sanitary facilities

Sec. 982.401(c) (food preparation and refuse disposal) and Sec. 982.401 (d) (space and security). Since the SRO units will not house children, the housing quality standards in Sec. 982.401(j) concerning lead-based paint do not apply to SRO housing.

Performance requirements.

SRO housing is subject to the additional performance requirements in the following paragraph.

- Sanitary facilities and space and security characteristics must meet local code standards for SRO housing. In the absence of applicable local code standards for SRO housing, the following standards apply:

Sanitary facilities.

At least one flush toilet that can be used in privacy, lavatory basin, and bathtub or shower, in proper operating condition, must be supplied for each six persons or fewer residing in the SRO housing.

If SRO units are leased only to males, flush urinals may be substituted for not more than one-half the required number of flush toilets. However, there must be at least one flush toilet in the building.

Every lavatory basin and bathtub or shower must be supplied at all times with an adequate quantity of hot and cold running water.

All of these facilities must be in proper operating condition, and must be adequate for personal cleanliness and the disposal of human waste. The facilities must utilize an approvable public or private disposal system.

Sanitary facilities must be reasonably accessible from a common hall or passageway to all persons sharing them. These facilities may not be located more than one floor above or below the SRO unit.

Sanitary facilities may not be located below grade unless the SRO units are located on that level.

Space and security.

- No more than one person may reside in an SRO unit.
- An SRO unit must contain at least one hundred ten square feet of floor space.
- An SRO unit must contain at least four square feet of closet space for each resident (with an unobstructed height of at least five feet). It there is less closet space, space equal to the amount of the deficiency must be subtracted from the area of the habitable room space when determining the amount of floor space in the SRO unit.
- Exterior doors and windows accessible from outside an SRO unit must be lockable.

Access

- Access doors to an SRO unit must have locks for privacy in proper operating condition.
- An SRO unit must have immediate access to two or more approved means of exit, appropriately marked, leading to safe and open space at ground level, and any means of exit required by State and local law.
- The resident must be able to access an SRO unit without passing through any other unit.

SECTION 23

SPECIAL TARGETTED ADMISSIONS

1. Family Self-Sufficiency Program

The purpose of the family self-sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of public housing assistance and assistance under the Section 8 rental certificate or voucher program with public and private resources, to enable families eligible to receive assistance under these programs, and to achieve economic independence and self sufficiency.

This HA has developed an action plan and policy and procedures to implement the requirements of this program. .

Eligible FSS Participants: Families currently receiving Section 8 voucher assistance will be selected to participate in the FSS program: (Ref. Action Plan and Policy and Procedures to Implement the FSS Program for specific guidelines on selecting participants for the FSS program). The basic selection criteria is listed below:

- Fifty percent (50%) of the HA's slots will be allocated to Section 8 voucher participants with one or more family members currently enrolled in, or on the waiting list, for one or more FSS related service programs such as Job Opportunity and Basic Skills Training (JOBS) and/or Job Training Partnership Act (JTPA).

- The remaining fifty percent (50%) of the HA's slots will be filled based on the date and time a family expresses interest in the FSS program. The HA will notify each Section 8 participant of the availability of the FSS program, in writing, and inform the families that eligibility for participation will be based on the date and time the HA is contacted by the family and an interest is expressed in the program.

- The HA will keep records for a period of not less than five years, which document how families were selected for participation in the FSS program.

Termination of FSS: If the FSS participant under-reports income and assets, the Section 8 assistance can be terminated and/or the family can be terminated for the FSS program. In either case the HA will not credit the family's escrow account with any portion of the back rent.

How Section 8 assistance is terminated and/or how FSS supportive services are withheld for violations of FSS obligations.

- If a Family fails to meet its FSS obligations as outlined in the FSS contract of participation, the family can be terminated from the FSS program. The family may lose Section 8 assistance if they are terminated from the FSS program. The HA is not required to terminate Section 8 assistance as a consequence of termination of the FSS contract.

- If a family was selected to participate in the FSS program and was terminated because they did not meet its FSS obligations, the family may be denied the opportunity to participate in the FSS program the second time, based on the fact that they violated FSS obligations the first time the family participated in the FSS program. A family may also be denied the opportunity to participate in the FSS program if they owe funds to the HA.

- If a FSS participant moves from another HA's jurisdiction with continued Section 8 assistance, this HA is not obligated to enroll the FSS family in its FSS program. The family must qualify under the HA's guidelines for selection and participation in the FSS program.

Reduction of Required FSS Program:

HA's may reduce their FSS obligation by one family for each FSS graduate fulfilling the family's contract of participation obligations on or after 10/21/1998. Also, minimum FSS program size will not increase when an HA receives incremental Section 8 funding and public housing units on or after 10/21/1998.

2. Family Unification

This Agency administers 100 vouchers assigned to the Family Unification Program. The purpose of this program is to provide housing assistance to families for whom the lack of adequate housing is a primary factor in the separation of children from their families. Most of these families are victims of domestic violence or other criminal acts, or of poor economic and social conditions which makes the Department of the Family of the Commonwealth of Puerto Rico to place their children in foster homes.

Agreements have been executed with the Department of the Family, that will refer the families in need of housing under the program.

The program works the same as any other Section 8 program, except for the kind of clients.

SECTION 24

THE HOUSING AUTHORITY'S INTEGRITY PROGRAM

This HA will try to avoid fraud and misrepresentations through a thorough program of third party verification, obtaining credit reports from a contracted Credit Investigation Agency, and aggressive interviews. Inasmuch as some persons can always get away with deceit, the PHA has and Audit Division that investigates and takes action on any case that may be brought to the HA's attention and on which legal procedures have to be initiated.

The HA has a Quality Control Team to assure that there is compliance with required statutes and regulations. Third-party verification of information that would determine the tenant's rent and other eligibility requirements will be enforced. Rent comparability and inspection of units to verify compliance with HQS and rent to owner will be strictly required.

Continuous meetings are held with supervisors and occupancy employees to assure that they understand the admission and occupancy rules and that they help residents to understand their rights and responsibilities in relation to their rent determination.

A contract with a Credit Bureau has been executed, so as to identify potential discrepancies between the participant's reported and PHA verified income.

The HA also uses TEVS to access SSA data to match tenant reported income.

Translation of the most significant 24CFR regulations and a Standard Operating Procedures handbook for the Voucher Program was delivered to each supervisor and technician, to assure that they understand the requirements of the program and their responsibility to avoid fraud.

The Department's Office of Audit, through its Fraud and Abuse Investigation unit will initiate an investigation of a participating family, or a PHA's employee, only in the event of one or more of the following circumstances:

- Referrals, Complaints, or Tips

  The HA take action on referrals from other agencies, companies or persons which are received by mail, by telephone, or in person, which allege that a family is in non-compliance with, or violating the family obligations or any other program rules. Follow up will be made if the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file.

- Internal File Review

If HA staff discovers, through a certification, recertification, an interim recertification, or a quality control review that there are facts in conflict with previous file data, the HA's knowledge of the family, or is discrepant with statements made by the family.

- Verification of documentation

If the HA receives independent verification or documentation which conflicts with representations in the family's file, such as public record information, credit bureau reports, or reports from other agencies.

How the HA will Prevent Program Abuse and Fraud.

The HA's objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families and employees. The following method will be used for this purpose:

- Distribute a program integrity bulletin to promote understanding of program rules, and to clarify the HA's expectations for cooperation and compliance.
- Mandatory orientation sessions will be conducted by the HA staff for all prospective program participants, either prior to or upon issuance of assignment of a housing unit.
- Routinely provide participant counseling as a part of every recertification interview in order to clarify any confusion relative to program rules and requirements.
- Staff will explain all required forms and review the contents of all recertification documents prior to signature.
- Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse
- All family representatives will be required to sign a "Participant Certification" form as contained in HUD's Participant Integrity Program Manual.

How the HA will try to Detect Program Abuse and Fraud

The HA staff will take the following steps to discover indicators of possible abuse and fraud:

- Five percent (5%) of each participant file will be reviewed for quality control, to verify:

  Assurance that verification of all income and deductions is present.
  Authenticity of file documents.
  Ratio between reported income and expenditures.
  Review of signatures for consistency with previously signed documents.

That all forms are correctly dated and signed.

- The HA Management and Occupancy Staff, including inspection personnel, will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported. Observations will be documented in the file.

- Credit Bureau inquiries will be made at eligibility determination and then annually, with authorization by the participant.

Action to be Taken When Allegations of Possible Abuse and Fraud are Received

Participating families will be encouraged to report suspected abuse to the Director of the Section 8 Program. Only allegations that seem to be verifiable will be taken action on through:

- An internal file review will be conducted to determine if the allegation is probable. It will be determined if the HA or any other entity must take action. Any documentation of past behavior as well as corroborating complaints will be evaluated.

- If at the conclusion of the preliminary file review there are facts contained in the allegation which conflict with file data, and the facts are independently verifiable, the Unit in charge of Fraud and Abuse Investigation will initiate an investigation to determine if the allegation is true or false.

Investigation of Allegations of Abuse and Fraud

If it is determined that an allegation or referral warrants to take action, the Unit for Investigation of Fraud and Abuse will initiate an investigation. The HA will secure the written authorization from the program participant for the release of information. If the participant does not sign the release, the family's assistance can be terminated.

The HA will use any of the following means to verify the information:

- Credit Bureau Inquiries to verify if there is financial activity that conflicts with the reported income of the family.
- Verification of credit form mailed to the creditor in order to determine the unreported income source.
- Employers and ex-employers may be contacted to verify wages which may have been previously undisclosed.
- Neighbors and other witnesses who may have knowledge of facts related to the review may be interviewed

- Representatives of other benefit agencies, case workers, or investigators may be contacted.
- The HA will review public records kept in any agency, like real estate, marriage, divorce, voter registration, judgments, court or police records, state wage records, utility records, and postal records.

How the HA will Keep Documents and Evidence Obtained in the Investigation

All documents and evidence obtained during the course of the investigation will be kept in a separate file. The participant's file and the investigation file shall be kept locked. The review will not be discussed among HA staff until the investigation is over and reported to the Director of the Section 8 Program.

Reporting Investigative Reviews

The employee who performed the review will report the findings to the Director of the Section 8 Program, who will determine if a violation occurred or not.

If it is determined that a violation occurred, the HA will determine:

- The type of violation (procedural, non-compliance, fraud).
- Whether the violation was intentional or not.
- Amount of money (if any) owed by the family.
- If assistance should be terminated or not.

Action to be Taken if Violations Are Documented

The HA will take the most appropriate remedy based upon the type and severity of the violation.

When the family fails to observe a procedure or requirement of the HA, but does not misrepresent a material fact, and there is no retroactive payment owed by the family, like failure to appear at a pre-scheduled appointment or failure to return verification in time period specified, the HA will send a warning notice to the family containing the following:

- A description of the non-compliance and the procedure, policy or obligation that was violated.
- The date for correction of the violation or compliance with procedures.
- The action that will be taken if the procedures or obligations are not complied with by the date specified.
- The consequences of repeated violations.

- When the family owes money due to the failure to reports changes in income or assets, the HA will issue a Notification of overpayment of Assistance containing the following:
- A description of the violation and the date/s
- Any amounts owe to the HA
- A specified date for response.
- The right to disagree and to request an informal hearing with instruction on how to request the hearing.

If the participant fails to comply with the HA's notice, and a family obligation has been violated, the HA will initiate termination of assistance.
If the family complies, the staff person responsible will meet with the head of household or spouse to discuss and explain the Family Obligation or program rule that was violated. The staff person will complete a Participant Counseling Report, give one copy to the family and retain a copy in the family's file.

If a participant falsifies, misstates, omits or misrepresents a material fact which results in an overpayment of housing assistance by the HA, the HA will determine if

- The participant had knowledge that the actions were wrong, and
- The participant willfully violated the family obligations or the law.

Any of the following facts can demonstrate willful intent of wrong action or inaction:

- An admission by the participant of the misrepresentation.
- Evidence that the act was done repeatedly.
- If a false name or social security number was used.
- That the participant omitted material facts which were known to him or her
- That the participant falsified, forged or altered documents
- That the participant uttered and certified to statements at an interim recertification that were later independently verified to be false.

Action to be Taken by the HA on Cases Involving Misrepresentations.

In all cases of misrepresentations involving cases on which the HA paid undue housing assistance, one or more of the following actions may be taken:

- If is established that criminal intent occurred and the case meets the criteria criminal prosecution, the case will be referred to the Legal Division for action, with notification to HUD's RIGI, and the housing assistance will be terminated.

- If the case only merits administrative remedies, the HA will permit continued assistance at the correct level and execute an administrative repayment contract in accordance with the HA's repayment policy.

The Secretariat for Finances has the duty of recovering the monies on which a repayment plan has been accepted. It is responsible for the enforcement of the payment plans and referral for legal action or to HUD's RIGI if pertinent.

If the participant fails to repay the debt, assistance will be terminated and the case will be referred for legal action and to HUD's RIGI.

- If the HA determines that material misrepresentations have occurred, a Case Conference will be scheduled with the family representative and the HA staff person who is most knowledgeable about the circumstances of the case. This conference will take place prior to any proposed action by the HA. The purpose of such conference is to review the information and evidence obtained by the HA with the participant, and to provide the participant an opportunity to explain any document findings which conflict with representations in the family's file. Any documents or mitigating circumstances presented by the family will be taken into consideration. The family will be given ten (10) days to present any mitigating evidence.

When an Employee of the HA Commits Fraud or Abuse or Collaborates with an Applicant or Participant in Committing Fraud or Abuse of the Program

If an employee of the HA commits fraud or abuse of the program or collaborates with an applicant or participant to do the same, he or she will receive the same treatment as established above, besides any other action established on the Employee Conduct Handbook delivered to each one of them by the Personnel Office.

This HA has established a Social Services Unit with the following purposes:

- Investigate conditions regarding social or economic needs presented by applicants or participants, so as to refer them to different departments on the Municipality that can help.
- Meet with other dependencies of the Commonwealth of Puerto Rico to assure help for applicants or participants with economic or social needs and to ensure the supportive services for the FSS and Family Unification participants.
- Investigate preferences claimed by applicants before a housing unit or voucher is assigned.
- Investigate grievances regarding participants misconduct or failure to comply with the Family's Obligations regarding HQS or any other requirement.

- Meet with the families who have violated contract requirements and orient them as to their obligations in order not to lose their assistance.
- Counsel homeless applicants and help to allocate them on emergency housing while their applications are completed and permanent housing is provided.
- Meet with families victimized by abusers and orient and refer them to the dependency in the Municipality that handles theses cases. Work with the Police Department, if necessary, so that they can get any protection needed.
- Monitor compliance with the supportive services to the participants on SRO projects.

SECTION 25

Recovery of Owner or Family Debts to the HA

The Law (24CFR 792)

This PHA will investigate and pursue instances of t4enants and owner fraud and abuse in the operation of the Section 8 housing assistance payments program. This part applies only to those instances where a tenant or owner committed fraud, and the fraud recoveries are obtained through litigation brought by the PHA (including settlement of the lawsuit), a court-ordered restitution pursuant to a criminal proceeding, or an administrative repayment agreement with the family or owner as a result of a PHA administrative grievance procedure pursuant to Section 8 regarding informal hearing procedures of this Administrative Plan.

This part does not include cases where incorrect payments were made or benefits received because of calculation errors instead of willful fraudulent activities, which will be solved by the Section 8 Supervisors on the respective region.

It is the HA's policy to meet the informational needs of owners and families, and 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 documentation to support the HA's claim that the debt is owed. The file must also contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

Definitions

Fraud and abuse. Fraud and abuse means single act or pattern of actions that:

- Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and
- Results in payment of section 8 program funds in violation of section I program requirements.

Judgment. Judgment means a provision for recovery of section 8 program funds obtained through fraud and abuse, by order of a court in litigation or by a settlement of a claim in litigation, whether or not stated in a court order.

Litigation. A lawsuit brought by a PHA to recover section 8 program funds obtained as a result of fraud and abuse.

Principal party in initiating or sustaining an action to recover. Principal party in initiating or sustaining an action to recover means the party that incurs more than half the costs incurred in:

- Recertifying tenants who fraudulently obtained section 8 rental assistance.
- Recomputing the correct amounts owed by tenants, and
- Taking needed action to recoup the excess benefits received, such as initiating litigation.

Costs incurred to detect potential excessive benefits in the routine day-to-day operations of the program are excluded in determining the principal party in initiating or sustaining an action to recover. For example, the cost of income verification during an annual recertification would not be counted in determining the principal party in initiating or sustaining an action to recover.

Public Housing Agency (PHA). A public housing agency that acts as a contractor under an annual contributions contract with HUD in any section 8 housing assistance payments program.

Repayment agreement. Repayment agreement means a formal document signed by a tenant or owner and provided to a PHA in which a tenant or owner acknowledges a debt, in a specific amount, and agrees to repay the amount due at specific time period(s).

Conduct of litigation

The PHA must obtain HUD approval before initiating litigation in which the PHA is requesting HUD assistance or participation.

PHA retention of proceeds

Where the PHA is the principal party initiating or sustaining an action to recover amounts from tenants that are due as a result of fraud and abuse, the PHA may retain the greater of:

- Fifty percent of the amount it actually collects from a judgment, litigation (including settlement of lawsuit) or an administrative repayment agreement pursuant to or incorporating the requirements of 982.555 (informal hearings), or
- Reasonable and necessary costs that the Pha incurs related to the collection from a judgment, litigation (including settlement of lawsuit) or an administrative repayment agreement pursuant to, or incorporating the requirements of 982.555 (informal hearings. Reasonable and necessary costs include the costs of the investigation, legal fees and collection agency fees.
- If HUD incurs costs on behalf of the PHA in obtaining the judgment, these costs must de deducted from the amount to be retained by the PHA.

CFR 24CFR 982.165

Under 24 CFR 792, the Pha may retain a portion of program fraud losses that the PHA recovers from a family or owner by litigation, court order or a repayment agreement. See PHA Retention of Proceeds above.

The Procedures

Repayment Agreements

The use of an administrative repayment agreement is an effective tool to recover amounts owed by a tenant or owner. When executing a repayment agreement, the following must be considered:

- Include in the agreement that the tenant acknowledges and agrees with the findings for the repayment.
- Establish a timetable and a repayment amount that is acceptable to the Agency. Token payments will not be accepted.
- The agreement will include a clause explaining the consequences for failure to honor the agreement.
- A description of the program violation, the duration of the violation, the am9ount owed and the terms of the repayment must be included in the document.
- A PHA employee will be responsible for monitoring all repayment agreements. If payments are missed, immediate action must be taken to enforce the agreement and to bar the tenant or owner from further participation until the debt is paid.

Termination of Tenancy

Providing false information is a material non-compliance with HUD regulations. In that case, the PHA must take administrative action to resolve the discrepancy, including, if warranted, taking legal steps to terminate tenancy. This must be made clear to the tenant or owner.

**The maximum amount for with the HA will enter into a repayment agreement with a family or owner is $_____.

The maximum length of time the HA will enter into a repayment agreement with a family or owner is _____.

The minimum monthly amount of monthly payment for any repayment agreement is $____.

The PHA will use the following scale system to determine the monthly payment

Late Payments

A late payment will be considered to be in arrears if:

The payment is not received by the close of the business day thirty days after the due date.

If the family's repayment agreement is in arrears, the HA will:

1. Grant an extension of fifteen (15) days if the account is in arrears for the first time.
2. If the family does not comply with the extension or is late often, the PHA will require the family to pay the balance in full.
3. If the family does not pay the balance in full, the PHA will refer the case to the Assistant Secretary for Legal Matters of the PHA to pursue civil collection of the amount due and to the Director of the Internal Audit Division for investigation.
4. If the PHA has to take civil action, the assistance will be terminated.

If the family requests a move to another unit and has a repayment agreement in place for the payment of an owner claim, and the repayment agreement is not in arrears:

- The family will be required to pay the balance in full prior to the issuance of a voucher.

If the family requests a move to another unit and is in arrears on a repayment agreement for the payment of an owner claim:

- The family will be required to pay the balance in full, or be terminated from the program.
- If the family repays the past due amount, the move will be allowed.

Repayment Schedule for Monies Owed to the PHA

A amount of ___ percent of the debt must be paid as first installment before a repayment agreement if executed.

Initial payment due (% of total amount)	Amount owed	Maximum Term
_____% to _____%	0 - $500	3 – 6 months
_____% to _____%	$501 - $1,000	6 – 10 months
_____% to _____%	$1,001 - $2,500	12 – 18 months
_____% to _____%	$2,501 – $3,500	12 – 24 months