



8.2	<p><b>Capital Fund Program Five-Year Action Plan.</b> As part of the submission of the Annual Plan, PHAs must complete and submit the <i>Capital Fund Program Five-Year Action Plan</i>, form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan.</p> <p>N/A</p>
8.3	<p><b>Capital Fund Financing Program (CFFP).</b>  <input type="checkbox"/> Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.</p> <p>N/A</p>
9.0	<p><b>Housing Needs.</b> Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.</p> <p>The instructions for form HUD-50075 require High Performing PHAs to complete this item only when submitting a 5-Year Plan.</p>
9.1	<p><b>Strategy for Addressing Housing Needs.</b> Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. <b>Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.</b></p> <p>N/A</p>
10.0	<p><b>Additional Information.</b> Describe the following, as well as any additional information HUD has requested.</p> <p>(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year Plan.</p> <p>The instructions for form HUD-50075 require High Performing PHAs to complete this item only when submitting a 5-Year Plan.</p> <p>(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification."</p> <p>The instructions for form HUD-50075 require High Performing PHAs to complete this item only when submitting a 5-Year Plan.</p>
11.0	<p><b>Required Submission for HUD Field Office Review.</b> In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. <b>Note:</b> Faxed copies of these documents will not be accepted by the Field Office.</p> <p>(a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights)</p> <p>(b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only)</p> <p>(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only)</p> <p>(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only)</p> <p>(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only)</p> <p>(f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.</p> <p>(g) Challenged Elements</p> <p>(h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only)</p> <p>(i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)</p>

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, as amended, which introduced 5-Year and Annual PHA Plans. The 5-Year and Annual PHA plans provide 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 is to be used by all PHA types for submission of the 5-Year and Annual Plans to HUD. Public reporting burden for this information collection is estimated to average 12.68 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 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. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

## Instructions form HUD-50075

**Applicability.** This form is to be used by all Public Housing Agencies (PHAs) with Fiscal Year beginning April 1, 2008 for the submission of their 5-Year and Annual Plan in accordance with 24 CFR Part 903. The previous version may be used only through April 30, 2008.

### 1.0 PHA Information

Include the full PHA name, PHA code, PHA type, and PHA Fiscal Year Beginning (MM/YYYY).

### 2.0 Inventory

Under each program, enter the number of Annual Contributions Contract (ACC) Public Housing (PH) and Section 8 units (HCV).

### 3.0 Submission Type

Indicate whether this submission is for an Annual and Five Year Plan, Annual Plan only, or 5-Year Plan only.

### 4.0 PHA Consortia

Check box if submitting a Joint PHA Plan and complete the table.

### 5.0 Five-Year Plan

Identify the PHA's Mission, Goals and/or Objectives (24 CFR 903.6). Complete only at 5-Year update.

**5.1 Mission.** A statement of the mission of the public housing agency for serving the needs of low-income, very low-income, and extremely low-income families in the jurisdiction of the PHA during the years covered under the plan.

**5.2 Goals and Objectives.** Identify quantifiable goals and objectives that will enable the PHA to serve the needs of low income, very low-income, and extremely low-income families.

**6.0 PHA Plan Update.** In addition to the items captured in the Plan template, PHAs must have the elements listed below readily available to the public. Additionally, a PHA must:

- (a) Identify specifically which plan elements have been revised since the PHA's prior plan submission.
- (b) Identify where the 5-Year and Annual Plan may be obtained by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on its official website. PHAs are also encouraged to provide each resident council a copy of its 5-Year and Annual Plan.

#### PHA Plan Elements. (24 CFR 903.7)

1. **Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures.** Describe the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV and unit assignment policies for public housing; and procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists.

2. **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA Operating, Capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources.
3. **Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units.
4. **Operation and Management.** A statement of the rules, standards, and policies of the PHA governing maintenance management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA.
5. **Grievance Procedures.** A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants.
6. **Designated Housing for Elderly and Disabled Families.** With respect to public housing projects owned, assisted, or operated by the PHA, describe any projects (or portions thereof), in the upcoming fiscal year, that the PHA has designated or will apply for designation for occupancy by elderly and disabled families. The description shall include the following information: **1)** development name and number; **2)** designation type; **3)** application status; **4)** date the designation was approved, submitted, or planned for submission, and; **5)** the number of units affected.
7. **Community Service and Self-Sufficiency.** A description of: **(1)** Any programs relating to services and amenities provided or offered to assisted families; **(2)** Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS; **(3)** How the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. **(Note: applies to only public housing).**
8. **Safety and Crime Prevention.** For public housing only, describe the PHA's plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must include: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities.

9. **Pets.** A statement describing the PHAs policies and requirements pertaining to the ownership of pets in public housing.
10. **Civil Rights Certification.** A PHA will be considered in compliance with the Civil Rights and AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction.
11. **Fiscal Year Audit.** The results of the most recent fiscal year audit for the PHA.
12. **Asset Management.** A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.
13. **Violence Against Women Act (VAWA).** A description of: 1) Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; 2) Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and 3) Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families.

**7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers**

- (a) **Hope VI or Mixed Finance Modernization or Development.** 1) A description of any housing (including project number (if known) and unit count) for which the PHA will apply for HOPE VI or Mixed Finance Modernization or Development; and 2) A timetable for the submission of applications or proposals. The application and approval process for Hope VI, Mixed Finance Modernization or Development, is a separate process. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>
- (b) **Demolition and/or Disposition.** With respect to public housing projects owned by the PHA and subject to ACCs under the Act: (1) A description of any housing (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and (2) A timetable for the demolition or disposition. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: [http://www.hud.gov/offices/pih/centers/sac/demo\\_dispo/index.cfm](http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm)  
**Note:** This statement must be submitted to the extent that approved and/or pending demolition and/or disposition has changed.
- (c) **Conversion of Public Housing.** With respect to public housing owned by a PHA: 1) A description of any building or buildings (including project number and unit count) that the PHA is required to convert to tenant-based assistance or

that the public housing agency plans to voluntarily convert; 2) An analysis of the projects or buildings required to be converted; and 3) A statement of the amount of assistance received under this chapter to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/centers/sac/conversion.cfm>

- (d) **Homeownership.** A description of any homeownership (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval.
- (e) **Project-based Vouchers.** If the PHA wishes to use the project-based voucher program, a statement of the projected number of project-based units and general locations and how project basing would be consistent with its PHA Plan.

**8.0 Capital Improvements.** This section provides information on a PHA's Capital Fund Program. With respect to public housing projects owned, assisted, or operated by the public housing agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the projects must be completed along with the required forms. Items identified in 8.1 through 8.3, must be signed where directed and transmitted electronically along with the PHA's Annual Plan submission.

**8.1 Capital Fund Program Annual Statement/Performance and Evaluation Report.** PHAs must complete the *Capital Fund Program Annual Statement/Performance and Evaluation Report* (form HUD-50075.1), for each Capital Fund Program (CFP) to be undertaken with the current year's CFP funds or with CFFP proceeds. Additionally, the form shall be used for the following purposes:

- (a) To submit the initial budget for a new grant or CFFP;
- (b) To report on the Performance and Evaluation Report progress on any open grants previously funded or CFFP; and
- (c) To record a budget revision on a previously approved open grant or CFFP, e.g., additions or deletions of work items, modification of budgeted amounts that have been undertaken since the submission of the last Annual Plan. The Capital Fund Program Annual Statement/Performance and Evaluation Report must be submitted annually.

Additionally, PHAs shall complete the Performance and Evaluation Report section (see footnote 2) of the *Capital Fund Program Annual Statement/Performance and Evaluation* (form HUD-50075.1), at the following times:

1. At the end of the program year; until the program is completed or all funds are expended;
2. When revisions to the Annual Statement are made, which do not require prior HUD approval, (e.g., expenditures for emergency work, revisions resulting from the PHAs application of fungibility); and
3. Upon completion or termination of the activities funded in a specific capital fund program year.

**8.2 Capital Fund Program Five-Year Action Plan**

PHAs must submit the *Capital Fund Program Five-Year Action Plan* (form HUD-50075.2) for the entire PHA portfolio for the first year of participation in the CFP and annual update thereafter to eliminate the previous year and to add a new fifth year (rolling basis) so that the form always covers the present five-year period beginning with the current year.

**8.3 Capital Fund Financing Program (CFFP).** Separate, written HUD approval is required if the PHA proposes to pledge any

portion of its CFP/RHF funds to repay debt incurred to finance capital improvements. The PHA must identify in its Annual and 5-year capital plans the amount of the annual payments required to service the debt. The PHA must also submit an annual statement detailing the use of the CFFP proceeds. See guidance on HUD's website at:

<http://www.hud.gov/offices/pih/programs/ph/capfund/cffp.cfm>

**9.0 Housing Needs.** Provide a statement of the housing needs of families residing in the jurisdiction served by the PHA and the means by which the PHA intends, to the maximum extent practicable, to address those needs. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

**9.1 Strategy for Addressing Housing Needs.** Provide a description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**

**10.0 Additional Information.** Describe the following, as well as any additional information requested by HUD:

- (a) **Progress in Meeting Mission and Goals.** PHAs must include (i) a statement of the PHAs progress in meeting the mission and goals described in the 5-Year Plan; (ii) the basic criteria the PHA will use for determining a significant amendment from its 5-year Plan; and a significant amendment or modification to its 5-Year Plan and Annual Plan. **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan).**
- (b) **Significant Amendment and Substantial Deviation/Modification.** PHA must provide the definition of "significant amendment" and "substantial deviation/modification". **(Note: Standard and Troubled PHAs complete annually; Small and High Performers complete only for Annual Plan submitted with the 5-Year Plan.)**

- (c) PHAs must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. **(Note: Standard and Troubled PHAs complete annually).**

**11.0 Required Submission for HUD Field Office Review.** In order to be a complete package, PHAs must submit items (a) through (g), with signature by mail or electronically with scanned signatures. Items (h) and (i) shall be submitted electronically as an attachment to the PHA Plan.

- (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations*
- (b) Form HUD-50070, *Certification for a Drug-Free Workplace (PHAs receiving CFP grants only)*
- (c) Form HUD-50071, *Certification of Payments to Influence Federal Transactions (PHAs receiving CFP grants only)*
- (d) Form SF-LLL, *Disclosure of Lobbying Activities (PHAs receiving CFP grants only)*
- (e) Form SF-LLL-A, *Disclosure of Lobbying Activities Continuation Sheet (PHAs receiving CFP grants only)*
- (f) Resident Advisory Board (RAB) comments.
- (g) Challenged Elements. Include any element(s) of the PHA Plan that is challenged.
- (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report (Must be attached electronically for PHAs receiving CFP grants only)*. See instructions in 8.1.
- (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan (Must be attached electronically for PHAs receiving CFP grants only)*. See instructions in 8.2.

**PHA Certifications of Compliance with the PHA Plans and Related Regulations:  
Board Resolution to Accompany the PHA 5-Year and 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 PHA 5-Year and Annual Plan for the PHA fiscal year beginning July 1, 2009, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:*

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
5. The PHA made the proposed 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 Plan and invited public comment.
6. The PHA certifies that it will carry out the 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.
7. 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.
8. For PHA Plan that includes a policy for site based waiting lists:
  - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
  - 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(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
10. 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.
11. 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.

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 the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
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, the Residential Lead-Based Paint Hazard Reduction Act of 1992, 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), 2 CFR Part 225, 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 Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the 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 PHA Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA provides assurance as part of this certification 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.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

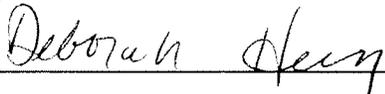
New Jersey Department of Community Affairs  
PHA Name

NJ912  
PHA Number/HA Code

5-Year PHA Plan for Fiscal Years 2010 - 2014

Annual PHA Plan for Fiscal Year 2010

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  Deborah Heinz	Title  Executive Director
Signature 	Date  3/12/09

## Attachment B (nj912b01)

### Development of the New Jersey Department of Community Affairs' Public Housing Agency Annual Plan and Housing Choice Voucher Program Administrative Plan for FY 2011

Two Resident Advisory Board meetings were held to discuss the program's Public Housing Agency (PHA) Annual Plan and Housing Choice Voucher Program Administrative Plan for fiscal year 2011. The first meeting occurred on November 20, 2009. The agenda for this meeting included a review of the modifications to the program's discretionary policies that were adopted by the program in the prior year. We also informed the members of the results of a consolidated review conducted by the U.S. Department of Housing and Urban Development (HUD) in March and April of 2009. The review consisted of three separate components: (1) A Rental Integrity Monitoring review to determine the accuracy of the program's calculation of program participants' total annual income, (2) An on-site confirmation that the program is using the HUD-provided Enterprise Income Verification system to obtain upfront income verification, and (3) An on-site review to validate the certifications the program made in our Section 8 Management Assessment Program (SEMAP) submission for fiscal year 2008. After a review of our SEMAP certifications and the unit and expense data the program submitted to HUD, our agency was again rated as a high performer. The on-site confirmatory review substantiated our status as a high performer. The consolidated review did not include any findings or errors.

The members were also informed about two new requirements of HUD. The first is a notice that provides guidance on the implementation of a new obligation to provide program applicants with the option of identifying a person or organization that may be able to help in resolving any issues that may arise during their assisted tenancy. Our *Application for Housing Assistance* has, for many years, provided program applicants with the opportunity to identify an alternate contact person.

The other new requirement is based on a final rule that was published in the December 29, 2009 edition of the *Federal Register*. This new rule, with an effective date of January 31, 2010, revises the Social Security number (SSN) disclosure and verification requirements for program applicants and program participants. The members were briefed on the requirements of the new final rule and informed that we will summarize the new requirements in a revision to Exhibit 7-1 (Disclosure and Verification of Social Security Numbers) of our Administrative Plan. (At the time of this meeting, HUD had not yet released administrative guidance on the implementation of this final rule.)

The meeting agenda then moved on to a discussion of the discretionary changes the program proposed to implement in the new fiscal year. The first item presented to the members was a proposal to change our records retention policy. Our current policy (see page 8 of Appendix C of our Administrative Plan) states that program participants' records are maintained for a period of twenty years after a participant's end of participation in the program. Our proposal would reduce the record retention period from 20-years to 10-years from the end of participation date. This proposal is based upon guidance included in a notice published by HUD in the September 1, 2009 edition of the *Federal Register*.

The second proposal presented to the members concerns a new procedure to reduce the number of terminations of assistance and the number of late payments to property owners. The new policy would provide program participants who have not complied with certain obligations with an

opportunity to resolve the matter at a pre-termination of assistance conference. The opportunity to request a pre-termination of assistance conference will be offered to program participants who have:

- Failed to respond to appointment letters;
- Failed to provide requested information;
- Breached a repayment agreement; or
- Failed to enter into an agreement to reimburse the program.

Our objective is to resolve the matter and complete the household's annual reexamination in a timely manner to avoid the necessity of an informal hearing to determine whether or not to terminate the household's participation in the program.

Finally, the meeting was open to questions from the members. The member from Hudson County asked if homeownership assistance could be provided to a household to purchase a 2-family house. The federal regulations (24 CFR §982.628) do allow the program to assist a household to purchase this type of property. In responding to the question, we realized that the description of an eligible unit on page 18-1 of our Administrative Plan should be revised to mirror the language of the referenced regulation.

At the conclusion of this meeting, the members were encouraged to prepare for the next meeting by reviewing the discretionary policies described in our Administrative Plan and to be prepared to discuss their recommendations for any policy modifications at the next meeting.

The second meeting of the Resident Advisory Board occurred on January 22, 2010. At this meeting, a written summary of the program's proposed changes to the Administrative Plan was distributed to each member in attendance, and each item was discussed with the members. In addition, written comments were solicited from the members on the proposed changes and also on any of the other discretionary policies of the program that are described in the Administrative Plan and the PHA Annual Plan. (The program has not made any revisions to the required elements of the PHA Plan since the submission of our Streamlined Annual PHA Plan in April 2008.)

The following is a summary of the proposed changes to the Housing Choice Voucher Program Administrative Plan for state fiscal year 2011 that were discussed at the January 22<sup>nd</sup> meeting of the Resident Advisory Board:

## **Chapter 7      Briefing Households**

The program has discretion to establish guidelines to determine the appropriate number of bedrooms and amount of subsidy for households of different sizes and compositions. These guidelines are referred to as subsidy standards. The subsidy standards "must provide for the smallest number of bedrooms needed to house a family without overcrowding." In determining the appropriate number of bedrooms for a particular household, the program may grant an exception to its established subsidy standards if the program determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances. The program considers requests for an exception to the subsidy standards on a case-by-case basis. Beginning in state fiscal year 2011, the program will require the county field office supervisor *and* the regional supervisor to approve an exception to the established subsidy standards (see page 7-7 of the Administrative Plan). Examples of the circumstances under which the program will approve an

exception to the established subsidy standards are listed on page 7-7. If an exception is granted to accommodate medical equipment, the actual equipment in the extra bedroom must be verified by the program during the annual inspection of the housing unit.

A new section will be added to page 7-15 of this chapter listing the reasons why program applicants may be denied assistance and the grounds under which program participants may be terminated from participating in the program. This information is also included on page 10 of the *Guide to the Housing Choice Voucher Program* which is included as Appendix B of the Administrative Plan. The grounds for denial or termination of assistance are from §982.552 of the program regulations.

The last paragraph to the section listing the grounds for denial or termination of assistance will be expanded to define the circumstances under which the program will offer a household the opportunity to enter into a repayment agreement. The federal regulations provide the program with the discretion to determine the circumstances under which a household that owes the program monies because of their failure to completely and accurately report changes in their total annual income may be offered the opportunity to enter into a repayment agreement. The program has decided to limit the circumstances under which it will enter into repayment agreements to ensure that any future agreements will be affordable to reduce the number of agreements that are breached. After reviewing the results of the repayment agreements the program recently reported to the U.S. Department of Housing and Urban Development, the program has decided to only offer the opportunity to enter into a repayment agreement to a household that owes the program less than \$3,000. Households that owe the program more than this amount because they did not completely and accurately report changes in their annual income will be terminated from participating in the program.

On December 29, 2009, the U.S. Department of Housing and Urban Development published a final rule in the *Federal Register* that changed the scope of the Social Security number (SSN) disclosure requirements for assistance applicants and program participants<sup>1</sup>. The effective date of this rule is January 31, 2010. The program has revised Exhibit 7-1, *Disclosure and Verification of Social Security Numbers*, to identify who is required to disclose and verify their SSN and lists the documentation that will be accepted. Each member of an applicant household, regardless of age, must disclose and verify their SSN when the applicant's eligibility to participate is being determined. Program participants who have not previously disclosed a SSN must disclose and verify their SSN at their next interim or annual reexamination of income and household composition. Exceptions to these requirements will be permitted for individuals who do not contend eligible immigration status, and for elderly program participants provided their initial determination of eligibility began before the effective date of this rule.

The new rule defines the required documentation as:

1. An original SSN card issued by the Social Security Administration (SSA);
2. An original SSA-issued document, which contains the name and SSN of the individual; or
3. An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual.

---

<sup>1</sup> HUD published a notice on January 20, 2010, providing public housing agencies with guidance on the new SSN verification requirements.

Exhibit 7-2, *Certification That Household Member Has Not Been Assigned a Social Security Number*, and Exhibit 7-3, *Certification of Inability to Document a Social Security Number*, are no longer needed and will be removed from the Administrative Plan.

## **Chapter 12 Portability**

Whenever an individual or household with portability rights wishes to search for housing outside of the jurisdiction of the Department of Community Affairs' Housing Choice Voucher Program, the program's portability coordinator sends the required information (see page 12-3) to the receiving housing agency. One of the required items is the verification of household income and assets listed on the current edition of the *Family Report* (form HUD-50058). The verification information sent to the receiving housing agency will include the household's *Income Report* from the U.S. Department of Housing and Urban Development's Enterprise Income Verification (EIV) system, if the information is available for the household. If available, the portability coordinator will ensure that the EIV report is provided only to the intended recipient at the receiving housing agency. In addition, Social Security Number (SSN) documentation will no longer be sent to the receiving housing agency. The U.S. Department of Housing and Urban Development suggests that this documentation is removed from program participants' files and is destroyed once each household member's SSN is verified by the EIV system.

## **Chapter 16 Informal Review Procedures for Applicants and Informal Hearing Procedures for Participants**

In an effort to reduce the number of terminations and the number of payment additions to landlords, the DCA is introducing a pre-termination of assistance conference. The opportunity for a pre-termination of assistance conference will be offered to program participants who have:

- Failed to respond to appointment letters;
- Failed to provide requested information;
- Breached a repayment agreement; or
- Failed to enter into an agreement to reimburse the program.

In these cases, a letter will be sent to the participant offering a pre-termination of assistance conference to discuss why they are unable or unwilling to provide the necessary information. Our intention is to complete the household's annual reexamination in a timely manner to avoid the necessity of an informal hearing to determine whether or not to terminate the household's participation in the program.

The program has also established a new system in which final decisions by Hearing Officers may be questioned without the need to go to the Superior Court Appellate Division. The petitioner will have twenty days from the date of the final decision to request a review of the decision by writing to the Chief of Housing Services explaining the factual basis or specific reason(s) why they disagree with the Hearing Officer's decision. The Chief of Housing Services has the authority to accept, deny, or modify the hearing officer's decision.

## **Chapter 17    Payment Standard Amounts**

A third item is to be added to page 17-2 under the section titled “Applying a Different Payment Standard.” The new text will address the possibility of decreases in payment standard amounts. The new text states that if the program lowers a payment standard amount, the payment standard in effect on the effective date of the Housing Assistance Payments Contract with the property owner will remain in effect until the household moves to another unit, has a change in its household size or composition, or until the *second* annual reexamination of the household’s income and household composition after the program decreases the payment standard amount.

## **Chapter 18    Homeownership Option**

The text in the section on “Special Housing Types” on page 18-1 will be revised and this section will be re-titled as “Eligible Units.” The intent of the revised text is to clearly state that the program may only approve homeownership assistance in either a one-unit property (including a manufactured home) or a single dwelling unit in a cooperative or condominium.

Participants of the Housing Choice Voucher Program that are interested in the homeownership option must be participants in good standing and have a decent credit history (see page 18-3). The program intends to adopt a more specific requirement than the statement that applicants for homeownership assistance must have a “decent credit history.” Our proposed standard will require all applicants for homeownership assistance to have a credit score of at least 680 points to be considered for the homeownership option.

Participants of the Housing Choice Voucher Program who are interested in the homeownership option must satisfy the program’s minimum income requirements (see page 18-4) to be considered for homeownership. If a participant who is approved for homeownership suffers a loss of earned income prior to closing on an eligible unit, the program may determine the participant ineligible if the housing unit is no longer affordable. In addition, the text under the heading “Interruptions in Employment” on page 18-4 will be removed.

The following text will be added to page 18-6 under the heading “Financing the Purchase of a Home:” All mortgages must be for a 30-year term at a fixed rate and issued by a Department of Community Affairs approved mortgage company. Also in this section, the following new text will be added to page 18-7: If a homeowner proceeds with refinancing and/or obtaining a home equity loan or a second mortgage without DCA’s approval, they may be terminated from the program.

The minimum downpayment requirement (see page 18-8) will be revised to more closely reflect the current mortgage market underwriting requirements. Housing Choice Voucher Program participants who are interested in the homeownership option will be required to make a minimum downpayment of at least 3 percent of the purchase price of the housing unit. For elderly and disabled participants, 1 percent must be from the participant’s funds and 2 percent can be a gift or grant.

## **Appendix A Determination of Tenant Rent to Owner**

The program uses the U.S. Department of Housing and Urban Development's Enterprise Income Verification (EIV) system to confirm tenant-reported income information. If an EIV report is not available for a particular family, the program will rely on alternate forms of verification to verify a family's income (see Acceptable Forms of Verification on pages 25 – 30). If the program is also unable to verify earned income directly with an employer in a timely manner, we will utilize pay stubs to determine the family's annual income. Our current policy requires consecutive pay stubs "for a period of at least three months." Based upon recent training materials on the effective use of the EIV system, the program intends to change the number of consecutive pay stubs that are required to verify earned income from the number an individual receives in a three month period to "at least two current and consecutive pay stubs." This standard will apply whether the person is paid on a weekly, bi-weekly, semi-weekly, or a monthly basis.

## **Appendix C Personal Computer and Network Policy**

The program proposes to change its records retention policy. Our current policy states that program participant records will be maintained for a period of 20 years after a household's termination date. Our new policy, in accordance with the guidelines of a U.S. Department of Housing and Urban Development notice published in the September 1, 2009 edition of the *Federal Register*, states that participant records will be retained for a period of 10 years from the end of participation date.

## **Resident Advisory Board Comments**

No written comments were received from the members of the Resident Advisory Board.

## Attachment C (nj912c01)

### Challenged Elements

An announcement was posted on the department's Web site ([www.nj.gov/dca/dh](http://www.nj.gov/dca/dh)) informing the public of a meeting on March 19, 2010 to discuss the program's *Housing Choice Voucher Program Administrative Plan*, and *Public Housing Agency Annual Plan* for state fiscal year 2011. These documents describe how the program will administer the Housing Choice Voucher Program in state fiscal year 2011 commencing on July 1, 2010. The announcement also included a link to both documents. Written comments were to be received by April 1, 2010.

### Written Comments on the Public Housing Agency Annual Plan

*Comment:* Legal Services of New Jersey (LSNJ) states that paragraph 7 of the *PHA Certifications of Compliance with PHA Plans and Related Regulations* (HUD-50077), an attachment to the PHA Plan template, obligates the DCA to affirmatively further fair housing by conducting a race-based analysis of housing patterns and barriers to fair housing. A recent decision concerning the development of Westchester County's Consolidated Plan was cited to highlight the importance of this responsibility.

*DCA Response:* The New Jersey Department of Community Affairs (DCA), Division of Housing and Community Resources, is the entity charged with creating the state's Consolidated Plan, the Public Housing Agency Annual Plan, and the Housing Choice Voucher Program (HCVP) Administrative Plan. This work is done under the guidance and supervision of the Director of the Division of Housing and Community Resources which assures continuity in the planning process.

While the administrative plan only addresses the administration of the HCVP, the Consolidated Plan consolidates into a single document the submission requirements for the Community Development Block Grant, HOME, Emergency Shelter Grant, and Housing Opportunities for Persons with AIDS programs. The DCA is currently drafting its Five-Year Consolidated Plan and has scheduled a developmental public hearing to be held at the DCA administrative office on May 5th. It is within the Consolidated Plan that an analysis of impediments to fair housing will be articulated in detail based upon available resources, such as census reports and findings from studies conducted by HUD's Office of Policy Development and Research. We eagerly await fresh statistical data from the 2010 census, but do not expect any information to be released in time to assist us in the development of our Five-Year Consolidated Plan.

*Comment:* One commenter suggested that the program should establish a special "mobility assistance unit" to encourage and assist families wishing to move to higher-cost, less integrated municipalities. Additionally, the program should provide it with the additional resources, such as a special security deposit fund, to enhance its effectiveness.

*DCA Response:* Since the inception of the federally funded tenant-based rental assistance programs in the mid-1970s, the DCA has participated in a number of mobility programs that

were created to provide households with additional supportive services and assist them to move to better housing in better neighborhoods. One such effort was called Operation Bootstrap. A more recent example is the Regional Opportunity Counseling Program. Both of these programs were not viewed as successful or cost effective programs and have been eliminated. Despite these unsuccessful attempts, our program continues to encourage households to take advantage of the opportunity a voucher represents and make an effort to move to better housing in better neighborhoods. We offer program applicants and participants the advantage of a jurisdiction that includes the entire State of New Jersey. Program applicants and participants have the right to move anywhere within the state. In addition to these transfers within our jurisdiction, the program is proud of our efforts to make portability between jurisdictions work for our participants and for households wishing to move to New Jersey from another state or from another public housing agency within the state. Over the years we have made every effort to absorb the cost of portability move-in cases and continue to do so. Our current records include 226 households that have used the portability option to move out-of-state with a DCA voucher that we continue to fund and 3,325 households that have moved to New Jersey and our agency has elected to absorb the cost of the transfer.

On the matter of a security deposit fund, the program is permitted to use funds in its federal Housing Assistance Payments account only for rental assistance payments. In prior years, we were able to rely on our state-funded programs to assist a limited number of households with security deposit grants. The amount of funding for security deposit grants for state fiscal year 2011 has not yet been decided but we expect that it will be less than the amount authorized for the current year.

*Comment:* One commenter suggested that the DCA should aggressively pursue enforcement of the provisions in the New Jersey Law Against Discrimination prohibiting discrimination in the rental of housing, especially where racial discrimination or source of income discrimination are involved.

*DCA Response:* All tenant briefings conducted by the program include a discussion of equal housing opportunity. Program applicants and participants are informed of what constitutes a discriminatory act and are encouraged to seek assistance directly from their DCA program representative, from one of the Division of Civil Rights' regional offices in New Jersey, or from the U.S. Department of Housing and Urban Development. In addition to discussing discrimination based upon membership in a protected class, the program also aims to educate households about discrimination based upon the source of their income. The program has assisted a number of advocacy groups representing applicant families in their efforts to secure housing against claims that their income did not meet the minimum income requirements despite the fact that the family was a voucher holder.

The program is willing to partner with any credible advocacy group that is involved in protecting the rights of low-income households in New Jersey who are in need of housing assistance benefits.

## Written Comments on the Housing Choice Voucher Program Administrative Plan

*Comment:* Legal Services of New Jersey (LSNJ) suggests that the information on tenant briefings, included in chapter 7, should emphasize mobility opportunities and special exceptions to encourage mobility.

*DCA Response:* We agree that a discussion of mobility is an important aspect of any tenant briefing and that this information must also be included in written materials that are distributed to program applicants and participants. To accomplish this objective, the program has developed a *Guide to the Housing Choice Voucher Program*. The guide provides households with information that will help them to gain a better understanding of the benefits of the program and of their responsibilities as program participants. This booklet informs the household that the program not only maintains a listing of available housing at each field office but also has partnered with the New Jersey Housing and Mortgage Finance Agency to develop a database of affordable housing units located throughout the state. We state in this publication that “our goal is to increase the number and diversity of neighborhoods where Housing Choice Voucher Program participants can live. You are encouraged to move to a low-poverty neighborhood that offers high-quality housing, education and employment opportunities.”

*Comment:* Three comments were received on the related topics of payment standard amounts and subsidy standards. On the matter of payment standard amounts, one commenter suggested that the program should establish special payment standard amounts for households moving from high poverty, racially-impacted areas to high-cost, racially-exclusionary areas, especially those with access to better job and educational opportunities. Where necessary, the U.S. Department of Housing and Urban Development should be asked to approve waivers allowing such initiatives.

Subsidy standards are the guidelines used by the program to determine the number of bedrooms for which a household qualifies and are used to determine the amount of assistance to be paid on behalf of the household to the property owner. One comment advocated for approval of exceptions to the subsidy standards for standard issuance (page 7-6) to encourage mobility to high-cost, racially-exclusionary areas, especially those with access to better jobs and educational opportunities. The following example was provided: A mother with a teenage daughter and a teenage son should be approved for a 3-bedroom unit if doing so facilitates such a move. In addition, the commenter also suggests that the program should revise its standards used to determine the unit size of a housing unit (page 8-4) by including living rooms, dining rooms, and other rooms as bedrooms to make a unit selected by a household affordable to the household by using the 2-bedroom payment standard rather than the 1-bedroom payment standard, etc.

*DCA Response:* The program is required to establish payment standard amounts (see chapter 17) for each unit size in each of the eleven fair market rent areas of the state. The requirements (§982.503, *Voucher tenancy: Payment standard amount and schedule*) establish a range

of values that the payment standards must be within. This range is referred to as the “basic range” and it is defined by the U.S. Department of Housing and Urban Development (HUD) as between 90 percent and 110 percent of the fair market rent published by HUD. All of the DCA’s payment standard amounts have been set at or above 100 percent to 110 percent of the FMR. It is our policy not to establish any payment standard amounts below 100 percent of the FMR even though we are permitted to drop down to 90 percent of FMR. Our current schedule includes values above 100 percent of FMR in seven of the eleven FMR areas in the state. These higher values were determined to be necessary based upon an analysis of the total housing cost of program participants by county and by unit size. The report that is produced to conduct this review identifies program participants by a range of values and guides us in deciding how to better utilize our available resources.

On a case-by-case basis, the program will consider any requests for exception payment standard amounts from households that include a person with disabilities as a reasonable accommodation. Approval of an exception payment standard above 110 percent of FMR to 120 percent of the published FMR must be approved by the HUD Field Office. The program has designed a form (see Exhibit 9-4) to expedite these requests.

The program has adopted the subsidy standards included on page 5-42 of the U.S. Department of Housing and Urban Development’s *Housing Choice Voucher Program Handbook*. They are included in our administrative plan on page 7-6. Program applicants and participants may request an exception to our established subsidy standards. The household’s request to the program must be in writing, it must describe the reason for the request, and it must explain how a unit with an additional bedroom would improve the household’s circumstances. These requests are reviewed on a case-by-case basis and require the approval of the field office supervisor and the regional supervisor. A few examples of the circumstances under which the program would approve an exception are included in the administrative plan on page 7-7.

One of the comments suggested that a three member household comprised of a mother with a teenage son and a teenage daughter should be granted an exception to the subsidy standards and issued a 3-bedroom voucher to encourage mobility to higher cost, racially-exclusionary areas that have better school systems. The program’s exception standards (see pages 7-6 through 7-8) do allow for a 3-member household to receive a 3-bedroom voucher if the program “determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances” (see §982.402(b)(8)).

When a voucher holder locates a suitable unit and submits a *Request for Tenancy Approval* to the program, an inspection is scheduled to evaluate the condition of the unit and determine if the proposed rent is reasonable. An important aspect of the physical inspection of the unit is determining if the unit meets the space and security requirements of the federal housing quality standards (§982.401). Once again, the program has adopted the guidelines included on page 5-42 of the U.S. Department of Housing and Urban Development’s *Housing Choice Voucher Program Handbook*, but with one exception. The recommended standards permit a maximum occupancy of only one person in an efficiency unit whereas the

DCA allows two persons to receive housing assistance in an efficiency unit. Our standards to determine the acceptability of unit size are included on page 8-4 of our administrative plan. These guidelines comply with the space and security requirements of the housing quality standards that an assisted unit “must have at least one bedroom or living/sleeping room for each two persons.”

*Comment:* LSNJ reports that the listing of the grounds for denial or termination of assistance added to pages 7-15 and 7-16 are inadequately defined and must include reference to other sections of the federal regulations for clarification.

*DCA Response:* The listing of the grounds for denial or termination of assistance were added to the administrative plan to provide the necessary background to establish the program’s proposed policy concerning the circumstances under which the program would offer a household the opportunity to enter into a repayment agreement (see page 7-16). This list is not intended to be a substitute for the federal regulations. The purpose of the administrative plan is to state PHA policy on matters for which the program has discretion. The listing, however, will be enhanced by adding a reference to §982.551 (Obligations of participant) and §982.553 (Denial of admission and termination of assistance for criminals and alcohol abusers) to item 1 on page 7-15 and a similar reference to §982.553 to item 9 on page 7-16.

*Comment:* On December 29, 2009, the U.S. Department of Housing and Urban Development published a final rule in the *Federal Register* that changed the scope of the Social Security number (SSN) disclosure requirements for program applicants and participants. The effective date of this rule is January 31, 2010. The program has revised Exhibit 7-1, *Disclosure and Verification of Social Security Numbers*, to identify who is required to disclose and verify their SSN and identifies the documentation that will be accepted. One commenter suggested that the language in the footnote in Exhibit 7-1 (page 7-17) concerning individuals who do not contend eligible immigration status should be elevated to text and more fully developed to ensure that eligible families will not be disqualified from participating.

*DCA Response:* The program agrees with this comment and will add a definition of the term “Non-contending family members” to the definitions included in chapter 1 of the administrative plan.

*Comment:* LSNJ has recommended that the informal hearing procedures outlined in chapter 16 of the administrative plan should be substantially revised and clarified in order to comply with the Appellate Division decision in Bouie v. New Jersey Dept. of Community Affairs. In particular, the section on Appeals on page 16-7 should state that participants facing termination of assistance are entitled to a hearing before an Administrative Law Judge.

*DCA Response:* This appeal process was added to give a petitioner every opportunity to be heard. HUD has determined that this procedure is ample enough that they state there is “no need for a post termination hearing because the pre-termination hearing satisfies all requirements.” The new process of permitting a petitioner to question a final decision by a Hearing Officer is intended to supplement not supplant all rights of appeal a petitioner may have under New Jersey law, including those outlined in Bouie, in furtherance of reducing the number of terminations and providing efficient and accurate determinations.

*Comment:* The program proposed that participants of the Housing Choice Voucher Program (HCVP) who are interested in participating in the homeownership option must be in good standing with the HCVP and have a decent credit history based on a credit score of at least 680 points (see page 18-3). LSNJ states the credit score requirement is onerous and unfair. They believe that this standard will disparately impact people of color and persons with disabilities.

*DCA Response:* The federal regulations provide the program with the discretion to “prescribe additional requirements for commencement of homeownership assistance” (see §982.626(b)). The program proposed to replace the vague statement that applicants for homeownership assistance must have a “decent credit history” with a specific requirement. Rather than being onerous, we believe a credit score of at least 680 points is a reasonable and objective standard that reflects the current conditions of the mortgage market. Credit scores are more vital than ever when it comes to getting a good rate on a home loan especially for low-income households that are unable to make a substantial down payment. Given these developments, the program has decided to adopt the requirement that applicants for homeownership assistance must have a credit score of at least 680 points. This standard is based upon information the program received from our sister agency, the New Jersey Housing and Mortgage Finance Agency. The source of the information is the Mortgage Guarantee Insurance Corporation, the nation’s leading private mortgage insurer.

# # # # #