



HA 5-Year and Annual Plan

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

OMB No. 2577-0226
Expires 4/30/2011

1.0	PHA Information PHA Name: <u>MUNICIPALITY OF HATILLO</u> PHA Code: <u>RQ039</u> PHA Type: <input checked="" type="checkbox"/> Small <input type="checkbox"/> High Performing <input checked="" type="checkbox"/> Standard <input type="checkbox"/> HCV (Section 8) PHA Fiscal Year Beginning: (MM/YYYY): <u>JULY 2010</u>														
2.0	Inventory (based on ACC units at time of FY beginning in 1.0 above) Number of PH units: <u>73</u> Number of HCV units: <u>73</u>														
3.0	Submission Type <input checked="" type="checkbox"/> 5-Year and Annual Plan - 2010-2015 <input checked="" type="checkbox"/> Annual Plan Only -2010 <input type="checkbox"/> 5-Year Plan Only														
4.0	PHA Consortia <input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below.)														
	Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	<table border="1"> <thead> <tr> <th colspan="2">No. of Units in Each Program</th> </tr> <tr> <th>PH</th> <th>HCV</th> </tr> </thead> <tbody> <tr> <td>PHA 1:</td> <td></td> </tr> <tr> <td>PHA 2:</td> <td></td> </tr> <tr> <td>PHA 3:</td> <td></td> </tr> </tbody> </table>	No. of Units in Each Program		PH	HCV	PHA 1:		PHA 2:		PHA 3:	
No. of Units in Each Program															
PH	HCV														
PHA 1:															
PHA 2:															
PHA 3:															
5.0	5-Year Plan. Complete items 5.1 and 5.2 only at 5-Year Plan update. .														
5.1	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 for the next five years: The mission of the Municipality of Hatillo is to promote adequate and affordable housing economic opportunity and suitable living environment free from discrimination to serve families with low-income, very low income and extremely low income.														

5.2	<p>Goals and Objectives. Identify the PHA’s quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.</p> <ol style="list-style-type: none"> 1. The objective of the Municipality of Hatillo is to provide housing to all families that are participating in our Section 8 Program. At this moment we have 73 vouchers, all are occupied. 2. Obtain additional voucher for rent. 3. Take an affirmative action to provide equal opportunity in the participation of housing programs. 4. Maintain or increase the Standard Performance Status to high in the evaluation of SEMAP and the Single Audit. 5. Helping domestic violence victims (VAWA), according to public policy and the procedures established in the Municipality of Hatillo. (see attachment) 6. Undertake affirmative measures to ensure access to assisted housing regardless of race, color , religion natural origin, sex familiar status and disability. 7. Undertake affirmative measures to provide a suitable living environment for families living in assisted housing. 8. Undertake affirmative measures to ensure accessible housing to persons with varieties of disabilities regardless of unit size. 9. We will make alliances with public and private organization to provide supportive and educational services to families. 10. Continue to expand staff training in order to achieve better results.
6.0	<p>PHA Plan Update</p> <p>(a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission: The public policy of the VAWA law adopted by the Municipality of Hatillo, is included as an attachment.</p> <p>(b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions. Federal Program Office, Second Floor Municipality of Hatillo, Franklin D. Roosevelt, Hatillo, Puerto Rico</p>
7.0	<p>Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. <i>Include statements related to these programs as applicable.</i></p> <p><i>The Municipality of Hatillo has the Program Homeownership but at this moment we don’t have closed any case.</i></p>
8.0	<p>Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable. N/A</p>
8.1	<p>Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i>, form HUD-50075.1, for each current and open CFP grant and CFFP financing. N/A</p>
8.2	<p>Capital Fund Program Five-Year Action Plan. 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. N/A</p>
8.3	<p>Capital Fund Financing Program (CFFP). <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. N/A</p>

Housing Needs. 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.

The Municipality of Hatillo needs housing assistance due to the increase in the population the last decade. In the 2000 census had a population of 38,925 inhabitants, in 2010 we have 43,682.

The 2000 census indicated that 9,882 households occupied by their owners for a total of 77.9 percent and 2,803 renter-occupied housing units 22.1% for a total of 12,685 homes. The 52.5% of these families are under the poverty levels.

In households that pay rent tenants pay 35% of their income. These percentages according to the 2000 census.

The Municipality of Hatillo needs housing for elderly and persons with disabled persons. The percentage of elderly person is 45.6%. These people have an income from Social Security and can't afford to pay their rents.

Currently the Section 8 program administered by the Municipality of Hatillo has a waiting list of 300 applicants. The 85% are families with children, 5% elderly and 5% disabled. The 75 percent of these people has an extremely low income, 15 percent has low income and 10 percent has moderate income. All applicants are of Hispanic ethnicity.

<p>9.1</p>	<p>Strategy for Addressing Housing Needs. 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. Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.</p> <p>Make alliances with public and private organizations to provide supportive and educational services to families.</p> <p>Consistent with the Municipality of Hatillo Housing Authority agency Plan, the Municipality of Hatillo Housing Authority will select families from the waiting list based on local housing needs and priorities:</p> <ul style="list-style-type: none"> • Involuntary displacement • Date and time of application <p>Continue to expand staff training in order to achieve better results.</p> <p>Achieve family independence toward the acquisition of their own in order to alleviate our Section 8 Program, some other people can benefit from our program.</p> <ul style="list-style-type: none"> • Our municipality intends to better our lease- up rate assure that Families in the waiting list will be attended promptly. We will also evaluate the families that do have an income for counseling purposes and help them seek better job placements. Our priority is to advise families that have housing emergencies to seek help in other housing projects, public and private that may be able to help them. We will identify families where the head of household, other adults and other members of the family that are 18 years or older that have no finished their high school education, which will enable them to better their quality of life and expand their job replacement opportunities • We will reduce time to vacated unit Section 8 participants and reduce time to renovate when applicable priority will be given to families that qualify as written in our Administrative Plan. • Our waiting list will be taken in consideration when applicable housing programs are available with our jurisdiction.
<p>10.0</p>	<p>Additional Information. 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> <ul style="list-style-type: none"> • We improved our voucher management bettering our SEMAP Score. • Our voucher payment standard increased to meet the housing needs of our participants. • We undertook strict measures to ensure access to assisted housing regardless of race, color, religion, national origin, sex, familiar status, and disabilities. • Constant follow up concerning federal requirements Section 8 Program. • Orientated personnel (Section 8) prepared to assist participants concerning Homeownership Program and other Program <p>(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA’s definition of “significant amendment” and “substantial deviation/modification”</p> <p>The Municipality of Hatillo will consider the following to constitute a significant amendment or modification from its 5-year plan and/or amendment or modification to its Annual Plan :</p> <p>-Any modification to the PHA’s Mission Statement or any substantial modification to the Municipality’s goals and objectives.</p> <p>-An exception to these definitions will be made for any of the above that are adopted to reflect changes in HUD regulatory requirements.</p> <p>Moreover, these same changes will not be considered substantial deviations or significant amendments by the Municipality.</p> <p>Substantial Modification</p> <p>Same as above</p>

<p>11.0</p>	<p>Required Submission for HUD Field Office Review. 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. Note: Faxed copies of these documents will not be accepted by the Field Office.</p> <p>X(a)m 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>X(b)Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only)</p> <p>X(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only)</p> <p>X(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only)</p> <p>X(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only)</p> <p>X(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>X(h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only)</p> <p>X(i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only)</p>
--------------------	---

ATTACHMENT

VIOLENCE AGAINST WOMEN POLICIES ACT (VAWA).

As part of the Public Policy of the Autonomous Municipality of Hatillo through the Housing Opportunities Program for Voucher (Section 8), disclosure if necessary to the general public on compliance with the Violence Against Women Act (VAWA) and the rights of the applicants concerned and their families.

The program does not discriminate based on sex of the victim of domestic violence.

Services

The Municipality of Hatillo, in compliance with laws against domestic violence and sexual abuse crimes, provided by all possible means, to all the families affected and need support, assistance services, including referrals to any agency that is suited to handle these cases and can give them the necessary assistance.

Among the different departments which the Municipality offers services:

Office of Mistreated or Abuse
Child Care

The laws that are referred to here:

Public Law 109-162 of the Act against Violence Women Act
(VAWA)
Law 54 of Puerto Rico
Public Law 22

Not be accepted in the Housing Opportunity Program for Voucher (Section 8), no person who has been accused of committing a crime against these laws, within or outside our jurisdiction, in compliance with Articles 5 and 7 Public Law 266, Puerto Rico and federal regulation number 24CFR982.553, which provides for refusal of participation by people in the program.

Goals

The applicant, tenant or victim will be treated with respect, dignity and sensitivity at all times.

The Program will notify the voucher's holders on the rights under VAWA including the possibility of portability of the voucher to another jurisdiction, so the tenant can escape the threat of possible domestic violence or stalking.

In the orientation process for both, the landlord and the tenant, VAWA will be incorporated.

If necessary and in accordance with the laws, policies, processes and documentation of the program, made the necessary amendments, as require in the guidelines of HUD (Housing and Urban Development), including written notice thereof.

Disclaimer

1. The fact that the applicant or any family member is or was a victim of domestic violence or harassment according to VAWA does not guarantee that assistance will be denied by the Housing Opportunity Program for Voucher (Section 8).

2. VAWA also establishes that a situation of domestic violence, abuse or harassment:

- a. Not constitute a grave violation of the lease if the applicant or any family member is the victim and the violation of contract is related to such abuse or violent situation.
- b. The fact that the applicant or any family member is the victim, not a sufficient reason for denying assistance.

This means that services will not be denied to any person for being a victim of any such situation.

3. While it is true that the Municipality of Hatillo not allow admission to the program to any applicant who has been accused of committing a criminal act, VAWA establish that the accused person can not be rejected if the criminal act is:

- a. Directly related to domestic violence or harassment.
- b. It is linked to a household member, a person under the responsibility of the applicant or any home's guest.
- c. Any family member, including the applicant, is the victim of the act or has been threatened.

Certification

In case that the Housing Opportunity Program by Voucher (Section 8), informs to any applicant that the eligibility has been denied because of an incident, cases of domestic violence or harassment, and ask for the assistance of court protection under VAWA Act, the program will require a certification. The same must be received in our office within a period of 14 working days after receipt. Otherwise, the program can find the applicant ineligible without reference to that law. The forms of certificate may be:

1. Completing and submitting a certification form that will deliver the program, which was approved by the Department of Housing and Urban Development (HUD).
2. Provide the Program a complaint filed with the Police of Puerto Rico and protection order issued by the Department of Justice (which indicates that we are complying with the protocol to be followed before a case of domestic violence).

Privacy

1. The Housing Opportunity Program by Voucher (Section 8) will handle the information provided by the applicant concerning an incident, cases of domestic violence or harassment, in strict confidence. Such information will not be disclosed without proper consent except as necessary in an eviction proceeding or as required by law.

Limitations

People should know that VAWA has limitations on the rights of applicants. It is important to know that nothing falls within the Act:

1. Preclude the Housing Opportunity Program by Voucher (Section 8), to determine whether it is ineligible for housing assistance for any other situation that does not involve rape or domestic violence or harassment, for which VAWA provides protection.
2. Preclude the Housing Opportunity Program by Voucher (Section 8), to determine whether it is ineligible for housing assistance if it demonstrates a real and imminent threat to other people close to the property, including those who provide services to it. If the program can demonstrate this threat, VAWA does not protect the applicant as to the determination of ineligibility.
3. Restrict the authority of the program to obey a court order concerning rights of access or control of property. Including possession or distribution of property or protection orders to victims.
4. It does not replace any federal, state or local law that provides greater protection than

Rights of the Housing Opportunity Program by Voucher (Section 8)

The Program has the authority through VAWA, sheltered under federal law, to vacate, remove or terminate assistance to any benefits from them, which is involved in a crime of physical violence against another person. This without affecting other occupants registered under the same contract.

Definitions

Domestic violence- This includes crime or misdemeanor charges of violence by the spouse or former spouse of the victim, someone with whom you have a child together, a person living or has lived with the victim, who wants to be considered a spouse under the laws or by anyone who harms a victim who is under protection law on domestic or family violence.

Violence between couples-Violence committed by a person:

- having or having romantic or intimate relationship with the victim.
- where the ratio is determined by:
 - o duration of the relationship
 - o relationship
 - o frequency of interaction between two people.

Harassment-is:

chase, follow or constant acts of intent to kill, injure, harass or intimidate another person, or order to monitor the intentions above.

that the above actions cause fear of death, serious injury or emotional harm to his person, to any immediate member of that person or the spouse or intimate partner of that person.

Close family member- means:

spouse, parent, sibling (a) natural child or person under their care.

someone who lives in the same household and have blood relationship or marriage.

Offender- means the person committing domestic violence between partners or harassment against any victim

OFFICE FOR MISTREATED OR ABUSED
MUNICIPALITY OF HATILLO

The office for abused people especially women with domestic problems is created because we received some many violent cases within our jurisdiction, the amount of this cases have rise, and one reason is for the lack of funds to manage the problem.

The main purpose is to offer social orientation to alleviate the apparent situation that this population is suffering from.

The objective is to offer orientation and carry in order to refer this population to agencies that can help and offer reinforcement to them.

The office functions by taking the following procedures:

- To evaluate each situation
- To offer the necessary orientation
- To reinforce the population specially those that suffer from physical or emotional risk.
- To offer professional services taking in consideration the clients needs.
- To refer to different agencies as necessary.
- To offer preventive orientation to the agencies involved.

This office is administered by Mrs. Marlene Jiménez, Director, telephone (787)262-6156, Monday to Friday from 8:00 a.m. to 4:30 p.m. daily

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 there under 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

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.

Part I: Summary	
PHA Name: MUNICIPALITY OF HATILLO	Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: Date of CFFP:
FFY of Grant: FFY of Grant Approval:	

Type 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 ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 21) ³				
3	1408 Management Improvements				
4	1410 Administration (may not exceed 10% of line 21)				
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 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.
² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.
³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.
⁴ RHF funds shall be included here.

Part I: Summary						
PHA Name: MUNICIPALITY OF HATILLO		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No: Date of CFFP:			FFY of Grant: FFY of Grant Approval:	
Type of Grant <input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: <input type="checkbox"/> Final Performance and Evaluation Report						
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹		
		Original	Revised ²	Obligated	Expended	
18a	1501 Collateralization or Debt Service paid by the PHA					
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment					
19	1502 Contingency (may not exceed 8% of line 20)					
20	Amount of Annual Grant:: (sum of lines 2 - 19)					
21	Amount of line 20 Related to LBP Activities					
22	Amount of line 20 Related to Section 504 Activities					
23	Amount of line 20 Related to Security - Soft Costs					
24	Amount of line 20 Related to Security - Hard Costs					
25	Amount of line 20 Related to Energy Conservation Measures					
Signature of Executive Director			Date		Signature of Public Housing Director	
					Date	

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 Expires 4/30/2011

Part I: Summary						
PHA Name/Number MUNICIPALITY OF HATILLO – RQ039		Locality (City/County & State)			<input type="checkbox"/> Original 5-Year Plan <input type="checkbox"/> Revision No:	
A.	Development Number and Name	Work Statement for Year 1 FFY _____	Work Statement for Year 2 FFY _____	Work Statement for Year 3 FFY _____	Work Statement for Year 4 FFY _____	Work Statement for Year 5 FFY _____
B.	Physical Improvements Subtotal	Annual Statement				
C.	Management Improvements					
D.	PHA-Wide Non-dwelling Structures and Equipment					
E.	Administration					
F.	Other					
G.	Operations					
H.	Demolition					
I.	Development					
J.	Capital Fund Financing – Debt Service					
K.	Total CFP Funds					
L.	Total Non-CFP Funds					
M.	Grand Total					

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY _____	Work Statement for Year _____ FFY _____			Work Statement for Year: _____ FFY _____		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See						
Annual						
Statement						
	Subtotal of Estimated Cost		\$	Subtotal of Estimated Cost		\$

Part II: Supporting Pages – Physical Needs Work Statement(s)						
Work Statement for Year 1 FFY _____	Work Statement for Year _____ FFY _____			Work Statement for Year: _____ FFY _____		
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See						
Annual						
Statement						
	Subtotal of Estimated Cost		\$	Subtotal of Estimated Cost		\$

Part III: Supporting Pages – Management Needs Work Statement(s)				
Work Statement for Year 1 FFY _____	Work Statement for Year _____ FFY _____		Work Statement for Year: _____ FFY _____	
	Development Number/Name General Description of Major Work Categories	Estimated Cost	Development Number/Name General Description of Major Work Categories	Estimated Cost
See				
Annual Statement				
	Subtotal of Estimated Cost	\$	Subtotal of Estimated Cost	\$

**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 X 5-Year and/or X Annual PHA Plan for the PHA fiscal year beginning 2010, 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. **X** 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. **X** 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. **X** 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:
 - **X** 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;
 - **X** 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.

Certification for a Drug-Free Workplace

U.S. Department of Housing and Urban Development

Applicant Name

MUNICIPALITY OF HATILLO

Program/Activity Receiving Federal Grant Funding

PUBLIC HOUSING SECTION 8 PROGRAM

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

(1) The dangers of drug abuse in the workplace;

(2) The Applicant's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federalagency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here if there are workplaces on file that are not identified on the attached sheets.

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
JOSE A RODRIGUEZ CRUZ -

Title
MAYOR

Signature

Date

03-25-2010

form HUD-50070 (3/98)

ref. Handbooks 7417.1, 7475.13, 7485.1 & .3

**Certification of Payments
to Influence Federal Transactions**

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

Applicant Name

MUNICIPALITY OF HATILLO

Program/Activity Receiving Federal Grant Funding

PUBLIC HOUSING SECTION 8 PROGRAM

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

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 JOSE A RODRIGUEZ CRUZ	Title MAYOR
Signature 	Date (mm/dd/yyyy) 03-25-2010

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

Approved by OMB

0348-0046

(See reverse for public burden disclosure.)

1. Type of Federal Action: <input checked="" type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Municipality of Hatillo Box 8 Hatillo, Puerto Rico 00659 Congressional District, if known: 4c1	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: N/A Congressional District, if known:	
6. Federal Department/Agency: HOUSING URBAN DEVELOPMENT	7. Federal Program Name/Description: SECTION 8 PROGRAM CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known: \$ N/A	
10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI): N/A	b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI):	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: _____ Print Name: JOSE A. RODRIGUEZ CRUZ- Title: MAYOR Telephone No.: (787)898-3840 Date: 03-25-2010	
Federal Use Only:		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

Civil Rights Certification

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

Civil Rights Certification

Annual Certification and Board Resolution

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 Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

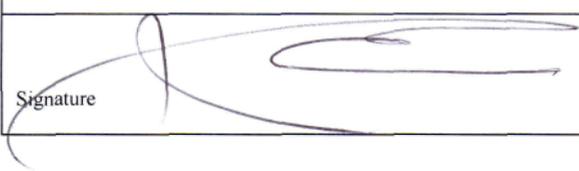
The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

MUNICIPALITY OF HATILLO

RQ039

PHA Name

PHA Number/HA Code

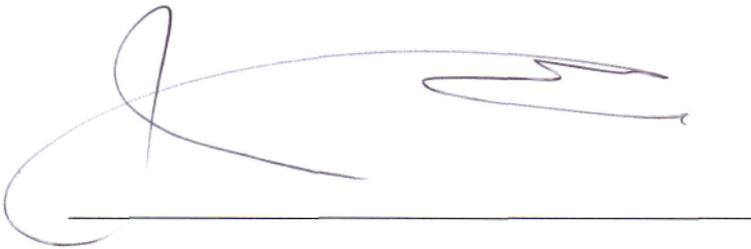
I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)			
Name of Authorized Official	JOSE A. RODRIGUEZ CRUZ	Title	MAYOR
Signature			
Date	03/25/2010		

**Certification by State or Local
Official of PHA Plans Consistency
with the Consolidated Plan**

**U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011**

**Certification by State or Local Official of PHA Plans Consistency with the
Consolidated Plan**

I, JOSE A. RODRIGUEZ CRUZ the MAYOR certify that the Five Year and
Annual PHA Plan of the MUNICIPALITY OF HATILLO is consistent with the Consolidated Plan of
HATILLO prepared pursuant to 24 CFR Part 91.



Signed / Dated by Appropriate State or Local Official

RESIDENT ADVISORY COMMITTEE

The Resident Advisory Committee of the Municipality Of Hatillo is committed to bring supportive services to the PHA and its residents. It is a group interested in sharing ideas of economic opportunities, and motivated in initiating the homeownership program.

We commit ourselves to fully support the initiative of the PHA to move forward in a strong, positive manner and in complying with the mission of providing safe, decent and affordable housing through its Section 8 Housing Choice Voucher program.

Ruth Sotomayor Paz
President

Jonathan P. Rodriguez
Vice-President

Maria J. Acaveda
Secretary

Hector Padin Valentin
Member

[Signature]
Member

Elizabeth Moya Colon
Member

Elizabeth Moya Soto
Member





ESTADO LIBRE ASOCIADO DE PUERTO RICO
GOBIERNO MUNICIPAL DE HATILLO

Apartado 8
Hatillo, Puerto Rico 00659
Oficina de Programas Federales



ASISTENCIA A VISTA PUBLICA
17 DE FEBRERO DE 2010
HORA: 9:00
SALON DE LA LEGISLATURA MUNICIPAL

NOMBRE		NOMBRE
Lizette Montalvo		Jacinto Betancourt
Antojito Vargon		Luis A. Soto Lopez
Maria M. del Valle		Ana Z. Rosa Padilla
Mil Marie Perez		Luz M. Betancourt
Maria Gonzalez hugo,		Manoel Sanchez
Elizabeth Moya Colon		Yesenia Rivera Colon
Jose Valentin Ramos		Martha Delgado
Paulina Ramos Rosado		Pauy Reyes Obispo
Gracie Santiago Velez		Ally A. Rivera Kelly
Eunice Alvarez		Silvio Lopez Torres
Tamara Melendez Rodriguez		Armando Morales Rodriguez
Carmen Rivera Mojica		
Flector Padin Valentin		
Carmen Velez Moya		
Radomir del Villar		
Rosa Delia Roson		
Yakira Riquera Garcia		
Yaritza Perez Sanchez		
Maria Maria Delgado		
Beatriz Rojas		
Marta Candiani		

AVISOS



Comentarios de Programas Fonoculturales Ponceños

Por medio, anuncio posterior y mutuo, que algunos proyectos de ley que se aprobarán por término el día 19 de diciembre de 2009:

Indicador	2008	2009	2010
Comercio	15,92%	13,65%	10,97%
Industria	12,01%	12,62%	10,02%
Hotelería	12,04%	11,83%	15,91%
Manufacturas	12,95%	12,01%	14,97%
Transporte	12,01%	12,95%	12,94%
Seguros	10,02%	10,97%	10,97%

Gobierno Municipal Ponce Programas Fonoculturales



AVISO DE VISTA PÚBLICA

El Municipio de Ponce cumplirá con lo establecido en la Ley "Quality Housing and Work Responsibility Act" de octubre de 1997 y el Acta de Vivienda de los Estados Unidos de 1997 (U.S. Housing Act of 1997) según amendada, presentará al Departamento de Vivienda y Desarrollo Urbano (HUD) el Plan de Cinco años y el Plan Anual para los periodos 2010-2015 y 2010-2011 respectivamente en cumplimiento con los requisitos del Departamento de Vivienda y Desarrollo Urbano (HUD).

Invitamos a la ciudadanía en especial a los grupos diversos, entidades sin fines de lucro, representantes de Vivienda Pública, entidades de bases comunitarias, agencias gubernamentales locales, ciudadanos de ingresos bajos y/o moderados, así como al público en general a participar de la vista pública.

Esta se lleva a cabo según indica:

Fecha: 17 de febrero de 2010

Hora: 9:30 A.M.

Lugar: Salón Asambleario Municipio de Ponce

Calle Franklin D. Roosevelt

En la Vista Pública se considerarán los siguientes asuntos:

1. Especificar las prioridades del Municipio y las actividades elegibles dentro de dichas responsabilidades.
2. Recibir sugerencias sobre las posibles actividades a ser incluidas en el Plan Anual del Municipio.
3. Recibir comentarios de la ciudadanía con relación a las necesidades de desarrollo de vivienda y la administración del Programa de Subsidio y Vivienda (Sección 9) de nuestro municipio y determinar si nuestro Plan Consolidado de Cinco (5) años cumple con las necesidades de nuestro pueblo.

En esta Vista se presentarán los cambios, si alguno, en el Plan Consolidado y Plan Anual, así como las actividades y/o proyectos a incluirse en la petición de fondos al Departamento de Vivienda Urbano (HUD).

Por orden de cumplir con el acta para personas con impedimentos (The American with Disabilities Act) cualquier persona que necesite asistencia especial que cualifique legalmente bajo la menciónada acta se le requiere que se comunique con la Oficina de Programas Federales al (787) 998-3140, Ext. 1299 y 1294. Se solicita a la ciudadanía a participar en las Vistas Públicas convocada.

JOSE A. RODRIGUEZ CRUZ
ALCALDE

Este anuncio no publica según requerido por el 24 CFR 90.13.

AVISO DE APROBACIÓN DE RESOLUCIÓN

Resolución Núm. 41 Serie 2009 - 2010 Intitulada: "Resolución autorizando la resignación de los fondos de las siguientes entidades de Banco de Obligación General Municipal del Municipio de Ponce al Banco Gubernamental de Fomento" ha sido aprobada por la Legislatura Municipal el 9 de diciembre de 2009 y por el Alcalde el 10 de diciembre de 2009. Esta Resolución entrará en vigor inmediatamente después de un término de 10 días a partir de la fecha de publicación de este Aviso de Aprobación.

Ninguna acción o recurso basado en la nulidad de la Resolución podrá ser planteado, ni la validez de la Resolución o de cualquiera de sus disposiciones, incluyendo las disposiciones para el pago de 1999 Propósitos ni la validez de las Procesos autorizados por la Resolución, podrán ser cuestionados bajo ninguna circunstancia en cualquier tribunal, excepto, en una acción o procedimiento iniciado ante un tribunal con jurisdicción dentro de los diez (10) días siguientes a la fecha de este Aviso de Aprobación.

Por disposición del Artículo 13 de la Ley Núm. 64 del 2 de junio de 1956, según enmendada, como la Ley de Financiamiento Municipal de Puerto Rico de 1997:

Giselina Vargas Lugo
Secretaria, Legislatura Municipal
Luis, Puerto Rico

ESTADO LIBRE ASOCIADO DE PUERTO RICO
Municipio Autónomo de San Sebastián
Departamento de Secretaría Municipal

AVISO

El pasado jueves, 17 de diciembre de 2009 la Legislatura Municipal de San Sebastián, reunida en sesión ordinaria aprobó la siguiente ordenanza:

ORDENANZA NÚM. 46

SERIE: 2009-10

PARA ENMIENDAR LA SECCION 11A DE LA ORDENANZA NÚM. 33, SERIE 2006-07, QUE PROHIBE EL USO DE NEVEJAS DE PLAYA POR TODA EL ÁREA DONDE DISCURRIRIA EL DESFILE DEL FESTIVAL DE LA NOVILLA DE LAS FIESTAS PATRONALES DE SAN SEBASTIAN.

Esta Ordenanza establece en sus Secciones 1ra, 2da y 3ra, lo siguiente:

- Sección 1ra:** Enmendar la Sección 1ra de la Ordenanza Núm. 33, Serie 2006-07, para que lea de la siguiente manera:
- SECCION 11A:** Prohibir el uso de nevetas de playa por toda el área urbana de nuestro pueblo incluyendo la ruta por donde desfilará el Desfile de la Novilla y la carrera PR 1111 desde el Km. 34.0 hasta la intersección de la carretera PR 1111 con la carretera PR 4416.
- Sección 2da:** Todos los demás Por Cuantía y Secciones de la Ordenanza Núm. 33, Serie 2006-07, quedan en pleno vigor y efecto.
- Sección 3ra:** Esta Ordenanza comenzará a regir después de su aprobación y haber transcurrido diez (10) días de su publicación en un periódico de circulación general y se implementará de conformidad a la Sección 2da, de esta Ordenanza.

Copia de esta Ordenanza podrá ser adquirida, mediante su pago correspondiente, en la Oficina de la Secretaría de la Legislatura Municipal del Municipio Autónomo de San Sebastián.

APROBADA POR LA LEGISLATURA MUNICIPAL DE SAN SEBASTIAN, PUERTO RICO

HOY 17 DE DICIEMBRE DE 2009

ELIZABETH VALENTIN QUILLES
SECRETARIA

ANGEL TORRES RAMOS
PRESIDENTE

LEGISLATURA MUNICIPAL

APROBADO POR EL ALCALDE

HOY 17 DE DICIEMBRE DE 2009

JAVIER DOMÍNGUEZ FELIZ
ALCALDE



**ESTADO LIBRE ASOCIADO DE PUERTO RICO
GOBIERNO MUNICIPAL DE HATILLO**

**Apartado 8
Hatillo, Puerto Rico 00659
Oficina de Programas Federales**



VISTAS PÚBLICAS - PROGRAMA DE SECCION 8

17 DE FEBRERO DE 2010 – 9:30 A.M.

MINUTA

La Vista Pública comenzó a las 9:30 A.M. con la asistencia de 32 personas.

Comenzó la Vista Pública La Sra. Luz M. Betancourt del Programa de Sección 8. La Sra. Ana Zahir Rosa Padilla – Directora de Programas Federales les dio un saludo y presentó al personal del Programa de Sección 8. El Sr. Luis Soto, Inspector le dio lectura al Aviso de Vista Pública.

La Sra. Ana Zahir Rosa Padilla le dio lectura a las violaciones y explicó cada una de estas y le señaló que algunos participantes estaban incurriendo en alguna de estas violaciones.

La Sra. Luz M. Betancourt, Programa de Sección 8 les habló del Enterprise Income Verification y les explicó lo que conlleva este sistema y las consecuencias de ocultar información. Se entregó información.

Les habló también de los diferentes programas para la compra de vivienda y los exhortó para que soliciten los mismos. Se les entregó información relacionada a estos programas.

Los participantes del Programa de Sección 8 se mostraron interesados en los Programas de compra de vivienda. Hicieron preguntas sobre los programas las cuales fueron contestadas por la Sra. Luz M. Betancourt.

No habiendo otros puntos que discutir la Sra. Ana Zahir Rosa Padilla dio por terminada la Vista Pública a las 10:40 A.M.

**ANA ZAHIR ROSA PADILLA
DIRECTORA
PROGRAMAS FEDERALES**

GRAN CIUDAD DE TRADICIÓN Y CULTURA

**MUNICIPALITY OF HATILLO
ADMINISTRATIVE PLAN
VOUCHER PROGRAM**

I. ISSUANCE OF A VOUCHER

A Voucher will be given to an eligible family depending on the waiting list and local or federal preference at the time. Briefings will be given initially and throughout the process to the eligible families to the qualified owners.

A Voucher will have a term of 60 days. Any additional time do not exceed a 30 day period depending on the situation at that time and its merits. If the family Voucher expires, they will be eligible to reapply depending on the eligibility standards at that time.

When participating, a family may leave the household only by notifying the HA in do time. No family may be out of the household for more than a month and if more time is needed, the situation will be evaluated in accordance with the documentation, specially health reasons.

If a family breakup occurs the family who retains the children custody, will retain the assistance.

II. ORGANIZATION AND STAFFING

The Voucher Program extends the PHA's fiscal responsibility to manage subsidy funds and administrative costs. Therefore, the staff directly involved in the administration of Federal Programs in this Municipality will be so designated in accordance with the number of vouchers assigned to the Program and administrative expenses. The names and position of the staff is as follows:

Ana Z. Rosa Padilla	Program Director	10%
Josefina Correa	Program Secretary	100%
Luis Galarza	Inspector	20%
Fernando Betancourt	Inspector	100 2%
Luz M. Betancourt	Federal Program Technician	100%
Jesús Alicea	Finance Director	10%
Jonathan Castillo	Accountant	20%

The staff will perform the following functions:

- A. Prepare all the necessary documents, budgets, forms, any files required by the Program.
- B. Prepare and/or adapt the necessary forms, information, and implementation of the Program.
- C. Initiative the training of staff to work on the project at the Municipality.
- D. During the leasing schedule and intake period, coordinate, supervise, organize, and actively participate in:
 - 1. Outreach to eligible families and contact with owners.
 - 2. Determination of family eligibility and tenant selection.
 - 3. Verification of income and determination of total tenant payment.
 - 4. Briefing of family and issuance of Voucher.
 - 5. Housing quality standards and inspection.
 - 6. Lease approval and contract execution.

7. Payments to owners.
8. Provision of housing information and services to recipient families (Holder Packet).
9. Annual Re-certifications, interim Re-certifications.
10. Re-inspection of units under contract.
11. Family mobility and portability of Vouchers.
12. Terminations and evictions.
13. Monitoring applicable payment standards and budgets.
14. Security deposits and claims for damages, unpaid rents, and vacancy loss.
15. Informal hearings for denial, reduction, or termination of assistance.

III. PLANS FOR ADMINISTRATION OF PROGRAM FUNCTIONS

1. Outreach to eligible families and contact with owners

A wide publicity campaign will be implemented to prospective lessors. The Program's objectives, eligibility criteria, and other related information will be made available to prospective clients and owners, managers or real estate property And to the public in general in order to assure its success. Radio, newspaper, and TV advertisements will be used, making optimum use of public services program and government operating advertising media. At the present time, all the total units assigned for the Program must be directed to very low-income families and special outreach efforts will be made to this particular group. The collaboration of other family services agencies which deal directly with very low-income families will be requested and, if necessary, waiting lists for public housing applications for the area will be obtained from the appropriate agency in order to make easier the identification of these families. Posters and other illustrative materials will be placed in public areas such as Medical Dispensaries, Post Offices, Community Centers, and other facilities particularly in those located in low-income areas. Contact will also be established with civic groups and religious institutions in order to promote the Program. Contact with owners will be made through advertisements in newspapers and TV media inviting owners to participate in the Program. All advertising guidelines for fair housing require the use of equal opportunity logotype statement and slogan. Efforts will be made to reach a maximum number of owners and real estate brokers.

The Program's Division Director will have the responsibility for the development of the promotion and publicity campaign. Other staff members will assist him in this function.

2. Determination of eligibility and selection of families from the active waiting list.

An application center is located at the Office of Federal Programs, located within the City Hall. When the applicant visits the office to fill and sign the appropriate application documents, a basic orientation of the Program will be given. The Municipality will utilize a "first come-first served" basis approach directed to admission of very low income families except the following preferences. All families applying for initial participation in the PHA'S Program must have annual incomes which do not exceed the limits set forth under the lower-income family schedule.

A quality control process of the waiting list has been established by priority, preference, place, order of selection, etc. random sample of applicants and admissions; 98% of families in the HA will be selected from this list.

- a. Lower-income family schedule – represents income limits that not exceed generally 80 percent of the medium income for a family of four for the area, adjusted for smaller and larger families.

A. Priorities:

1. Families actually displace
2. Families living in substandard housing
3. Families who are paying more than 50% of income for rent

These are federal priorities and all the applicants will be selected based on the date and terms of application.

B. Local Preferences:

- a. Involuntarily displace
- b. Paying more than 30 percent family income for rent.
- c. Living in substandard housing.
- d. Elderly persons
- e. Disabled persons
- f. Single mothers

In the determination of eligibility the Mayor could offer to housing (Section 8) to families that do not appear on our Waiting List or that appear on a tentative list, but because of this situation they have not been offered a certificate.

Situation for been eligible

1. Grave health problems that are documented.
2. Families that have grave housing deterioration. These houses be inspected by a Section 8 Inspector, and photo will be included to justify the housing conditions.
3. Families that share housing with relations these being the owners because of this situation have housing problems population.

This process would be offered only if Section 8 housing vouchers are available.

Applicants order of selection will be governed by income range in the following order:

1. Annual income following within the income ranges most needed.
2. Annual income following within the range second most needed.
3. Annual income following with the range least needed.

If the family refuses the form of assistance offered by the Voucher Program, the alternative will be to whenever appropriate, to place the family on a waiting list or refer them to public housing or other resources that may be available.

The subsidy to be paid will be based on the size of the unit the family is eligible to occupy, based on the following standards:

<u>Family Members</u>	<u>Bedrooms</u>
1 – 2	1
2 – 4	2
4 – 6	3
6 – 8	4

A family may select a unit that is larger than the bedroom size authorized by the PHA, but the family must pay the increased cost. Special effort will be given to persons with disability providing such families with

information about accessible units an reasonable accommodation will be given to search time and payments standards.

Before establishing or changing the Adjustment Standard Schedule the Municipality will notify the public by means of posting of public notices regarding consultation on the impact of affordability adjustments on the number of families that can be assisted. Active waiting list will have the following priorities preferences, and the methods such as time and date of applications.

C. Mandatory Prohibition of Sex Offenders

The Municipality of Hatillo 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 Municipality of Hatillo RQ039 will screen the family by performing a criminal history background check if necessary to determine whether any household member is subject to a lifetime sex offender registration requirement in the State whether 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 Municipality of Hatillo will deny admission if any of the household Is subject to a lifetime registration requirement under a State Sex offender Registration program. Sex offenders, not subject to a lifetime registration, will be denied assistance for the entire period they are subject to registration as sex offenders.

D. Domestic Violence Statement-Housing Choice Voucher Program

The Violence against Women Act (VAWA), Public Law 109-162 was signed into law n January 5, 2006. Section 603 of the law amends Section 5A of the U.S. Department Act (42 U.S.C. 1437c-1) to require PHAs' five year plan and annual PHA Plans to contain a Domestic violence, sexual assault, or stalking. Sections 606 and Section 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 victims' Immediate families – from losing their HUD-assisted housing as consequence of the abuse of which they were the victim. While awaiting new guidelines from the Department of Housing and Urban Development for implementing VAWA the Municipality of Hatillo RQ039 has adopted The following goals and objectives, for Domestic Violence Policy:

- The VAWA applies to the Housing Choice Voucher Program.
- The applicant/tenant/victim will be treated with respect and dignity.
- The Municipality of Hatillo will notify Housing Choice Voucher owners and managers of VAWA.
- The Municipality Of Hatillo will notify voucher holders of their rights under VAWA including the possible portability of vouchers between jurisdictions to escape an imminent threat of further domestic violence or stalking.
- VAWA will be incorporated into the landlord and tenant orientation process.
- Necessary conforming amendments to Housing Choice Voucher Program rules, regulations and paperwork will further addresses after receipt of guidelines from the Department of Housing and Urban Development.

3. Verification of Income and Determination of Annual Income and Total Tenant Payment

Once the family has filed an application and has provided evidence required to complement it, office personnel must verify with sources and references, all the basic information given by the applicant by means of a personal interview, telephone contact, or by mail. When all information is verified and the family is determined to be eligible, the calculation of the Total Tenant Payment will be made. Annual Income, Adjusted Income and Total Tenant Payment will be estimated based on the new definitions of income per CFR813. Direct orientation will be given to the family regarding the Program.

a. **TASS Sub-System**

The PHA has obtained HUD password for use TASS Sub-System. Also, two employees have been assigned to implement the Sub-system complying with HUD requirements. They have to enter to TASS Sub-System to comply with the public policy of UIV and Social Security Administration.

4. Rent Determination

The computation of the total tenant payment will be determined based in accordance of 24CFR 982.507.

The computation of TTP will be made once all income has been duly accounted and properly verified and all credits and unusual expenses have been determined eligible under the other applicable factors.

A reasonable written method to determine the comparability and reasonable rent is based on the rent study, which determine the current rent for comparable unassisted units, taking into consideration location, size, type, quality and age, amenities, housing services, and utilities provided by the owner under the lease.

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

- a) 30 percent of the family's monthly adjusted income.
- b) 10 percent of the family's monthly income.
- c) If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the family's housing costs, the portion of those payments which is designated for housing.
- d) The minimum rent in accordance with applicable provisions of Section 5,616.
- e) A family renting a unit above the payment standard pays the higher of 30% of monthly adjusted income, 10% of monthly income, or the welfare rent, and the amount of rent above the payment standard, but not more than 40% as the cap established by QHWRA of income on the family share of rent for initial leasing of any unit.

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

5. Briefing of Family and Issuance of Vouchers when the family receives a Voucher

The following items will be fully explained:

1. How to find a suitable unit
2. Housing Quality Standards
3. Procedures for family and owner for dwelling unit inspections
4. Rent to the owner and utilities
5. Security Deposit
6. Violations to the contract
7. Family and owner responsibilities under the lease contract
8. Re-examination documents
9. Contracts and other documents
10. Section 8 requirements

The family may obtain the pertinent forms, for lease approval at the time of the issuance of the Voucher. The family will be given ample opportunity to discuss and raise questions in relation to the above mentioned orientation. Personal assistance will be provided to families in an attempt to help them find adequate housing. A holder packet will be given to the participant which contains the voucher, a maps, list of qualified dwellings, violations, owner and tenants responsibilities, and other related documents.

6.. Housing Quality Standards and Inspections

HUD Certified Housing Inspections appointed to the Program will be in charge of inspectors of dwelling units following the Housing Inspection Booklet, prior to lease approval and annually after occupancy. The inspectors will be trained by HUD to evaluate each individual case according to established HUD Housing Quality Standards. Pre occupancy inspections will have priority and shall scheduled to avoid unnecessary delays for applicants and/or owners. Landlords of inspected units classified as inadequate will be oriented as to the repairs required to make the unit acceptable of occupancy in order to be able to sign the HAP contract. Complaints from the families about housing quality or contract violations shall be promptly investigated by the office. To assure housing quality standards, the 10% of all inspections performed by inspectors will be conducted by an external Housing Inspector. An official log will be maintained by the PHA Inspector. Reports of inspections, 100% inspections, and re-inspections will be maintained in the files of PHA.

7. Lease Approval and Contract Execution

No modal lease will be offered, contract agreements will be in English and Spanish. For the Voucher Program there will be no PHA limits, all will depend on conversations with the owner and eligible families. Prior to contract and lease execution, lease provisions, lease approval procedures, housing quality inspections, and payment procedures will be fully discussed with the owner and, as required by law, all records and documents related to the lease approval will be filed and retained at the Program's Office during the life of the contract and even after its cancellation, for a term of no more than three (3) years. When this period Had passed the records will be sent to the Municipality's Central Dead File for the appropriate action in accordance to the public law of documents.

8. Payments to owners

The details for the processing of the monthly payments for owners, the calculations, the preparation and delivery of the checks, and establishment

of accounting, and audit procedures will be the responsibility of the Program's Accountant.

9. Provision of Housing Information and Services to Recipient Families

The eligible families will be assisted in locating dwelling units by means of a roster of available units to be kept in the Program's office. A staff member will deal directly with families presenting social problems and will also be in charge of making referrals to other pertinent social agencies when deemed necessary. Efforts will be made to encourage communication of families with the staff in relation to both housing and non-housing problems. The Section 8 staff will tell the family the housing requirements. The eligible families, also, will be localized if possible, in moderate or high class areas.

If the family did not find an adequate dwelling in the municipality's area, the PHA will authorize them to move to the adjacent municipalities paying directly to the owner.

10. Annual and Interim Re-certification

Under the Housing Voucher Program, the Municipality must annually re-examine income and family composition for families receiving assistance. Re-examinations will be conducted at least annually and will be generally scheduled to coincide with other annual activities (e.g. annual unit inspection).

The same procedures used for determining total tenant payment, tenant rent, and housing assistance payment at initial certification will be used at Re-examination. However, the Municipality will first determine the applicable payment standard to use for a family

The applicable standard for a family continuing to receive assistance will be the same as the payment standard used to compute the family's current Housing assistance payment, unless:

- The Municipality institute and adjustment standard schedule which is higher than the payment standard currently being used; or
- The family's size/composition has changed and the family is eligible for a larger or smaller unit (required a new standard because of the change in unit size); or
- The family chooses to move to a new unit.
- The PHA will apply the appropriate restrictions if a participant family request to move frequently, according to 24CFR§982.314 (c).
- Families will be notified of the re-examination results.
- Families determined ineligible be informed by writing and will have an opportunity for an informal hearing.
- Procedures to be followed for families eligible for continued assistance for the Housing Voucher Program is as follows:
- The family and owner are notified of changes in HAP and tenant rent.

- An annual unit inspection is conducted.
- A new lease and housing Voucher contract are prepared and executed (if applicable).
- Families who intend to move will be briefed and issued a new housing Voucher.
- There will be no PHA limits on rent increase which the owner can impose. Families will make their own decision about the reasonableness of the rent. Owners must provide at least 60-day written notice of any proposed rent increase of the family and the Municipality.

11. Interim Re-examinations

The Municipality will apply the following policies and procedures for processing interim re-examinations.

If the family stays in the same unit:

The Municipality will recalculate the housing assistance payment using the applicable payment standard.

No changes will be made in the applicable payment standard until the next re-examination or until the family moves to another unit.

If the family moves at the time of the interim re-examination, the new family/mover schedule will be used. If moving family has a change in family composition, the bedroom size appropriate to the family's new circumstances

B. will be used

12. Enforcing Housing Quality Standards (HQS)

The Municipality will complete HQS inspections and complaint inspections as needed.

The municipality may abate or terminate housing assistance payments to owners if the unit fails HQS.

13. Assistance to be provided to applicants and participants claiming illegal discrimination

The Federal Office has a trained personnel that provide assistance concerning equal opportunity and discrimination for all the population of Hatillo.

14. Family Mobility and Portability of Vouchers – Move Out

A participating housing Voucher family is allowed to move from one housing Voucher jurisdiction to another with continued assistance. This special program feature is defined as "Portability". This Municipality will implement this concept in the following manner:

- a. General Procedures – Whenever this Municipality purposes is the initial PHA: A family must live in the initial PHA's jurisdiction and hold a housing Voucher be a current participant to be eligible for Portability.

The initial PHA may deny a family's request to move under the Portability procedures only if the number of portable housing Vouchers would exceed 25% of its total unit lease in the housing Voucher Program.

Once a family notifies the initial PHA that wants to move under the Portability Procedures, the initial PHA will contact the receiving PHA. The initial PHA will verify to the receiving PHA that:

- The family is eligible for assistance, (i.e., meets the income eligibility requirements of the initial PHA); and
- A housing Voucher has been issued to the family

The receiving PHA must re-certify the family's income initially to calculate the housing assistance payment based on the applicable payment standard in effect at the receiving PHA.

The receiving PHA will bill the initial PHA for the housing assistance payments and PHA fee unless it has given the family one of its own housing Voucher.

Families may move more than once under the Portability procedures. However, the initial PHA may limit moves to once in any 12-month period.

This housing Voucher revert to the initial PHA when the eligible family leaves the Program (if the initial PHA's housing Voucher was used).

b. PHA Fees

This Municipality, as the initial PHA:

- Retains the funding when the family leaves its jurisdiction; and
- May be eligible to receive up to \$215 preliminary fee if the portable housing qualifies for it (i.e., the housing Voucher is part of a new funding increment.

A receiving PHA which elects to administer the housing Voucher is also entitled to a 215 preliminary fee and the \$75.00 hard-to house fee from the initial PHA for each portable housing Voucher it accepts.

For each housing Voucher family under lease, the receiving PHA bills the initial PHA for the full amount of the housing assistance payment and 80% of the on-going administrative fee (calculated using the initial PHA's applicable FMR). The fee amount to be used when calculating the on-going administrative fee is the amount identified in column 2 of the annual fee notice published by HUD in the Federal Register.

A receiving PHA which issues its own housing Voucher to a family using the Portability opportunity may claim the preliminary fee from its housing Voucher at the time of the year-end settlement.

The Municipality expects HUD to provide detailed instructions for accounting for these special fees.

15. Family Portability Move-in Voucher

- a. When the Municipality receives a Portability Move-in Voucher, the same procedures of the Move-Out Voucher.
 - The family will receive an orientation regarding the Portability Program and a holder packet containing the documents to find an adequate dwelling.
- b. PHA Fees
 - The receiving PHA will send the initial PHA the corresponding requisition and/or invoices and the required HUD forms for the payment of rent, utilities, and administrative fees.
 - The receiving PHA will not pay the rent and utilities until the initial PHA pay the amount owe. The receiving PHA will advise the owner and tenant of that.

16. Termination and Evictions

Assistance under the Housing Voucher Program will be automatically continued for eligible families unless the housing Voucher contract is terminated. The housing Voucher contract may be terminated by the Municipality for reasons similar to those set forth in the HAP Contract, such as:

- The family vacates the unit in violation of the lease.
- The owner terminates tenancy accordance with the 3/29/84 regulations and the Federal Register Notice 4/22/85.
- The family moves from its unit with the owner's approval.
- The owner has evicted the family in accordance with state/local law.

The Municipality may also terminate the housing Voucher contract if:

- The family no longer requires, i.e 30% of adjusted income exceeds the applicable payment standard. (The housing Voucher contract remains in effect for one year after the family's assistance is terminated.
- The unit fails HQS.
- The unit is overcrowded and does not meet the HQS space requirement.
- The family does not comply with the obligations stated in the Housing Voucher Program.
- The Municipality discovers Program's abuse.
- Periodic investigations concerning family nucleus, family conduct, and dwelling unit responsibilities.
- The owner is not in compliance with the terms of the housing Voucher contract and does not comply with the requested documents CRIM" and the Treasury Department.

- Family does not comply with annual inspection deficiencies and or on time; only one opportunity will be given.
- Owner does not comply with annual inspection deficiencies and or on time.
- Family does not comply with annual Re-certification requirements on time as requested.
- Constantly violates annual Re-certification requirements.
- Family does not comply with rental payments to the owner as specified in contract.
- Family does not comply with security deposit to the owner as required.
- Utilities bills has to be in the family's name.
- The family owes money to PHA or owner.
- The family will incur on criminal activity, drugs, or alcohol abuse in accordance with 24 CFR§982.553.

The family/ owner will be notified in writing prior to the termination. The requirements for the Municipality to conduct and informal hearing will be in effect immediately. Repayment agreements will be made if violation was intentionally, no contract will be renewed if repayment has not been complied with the time given. Monies owed to the Program. The PHA will give a contract for payment plus interest, including date of termination.

Evictions

The Municipality does not authorize or deny eviction actions; the owners are required to:

- Comply with the requirements of state/local law.
- Provide a copy of the notice to the PHA when the notice is given to the family.

The Municipality must determine whether the family is eligible to receive continued assistance under the Housing Voucher Program.

17. Monitoring Applicable Payment Standards and Budgets

At least annually, the Municipality will review applicable payment standards and determine if any changes are appropriate.

On a continuing basis, the Municipality will monitor expenditures to ensure that annual contract authority is not exceed.

The Municipality will submit every end of year the financial reconciliations.

18. Security Deposits and Claims for Damages, Unpaid Rent, and Vacancy Loss

Owners may collect a security deposit which is the greater of one month's total tenant payment (TTP) or 150.

If the owner fails to collect a security deposit, the Municipality liability will be reduced by the amount the owner could have collected.

The Housing Voucher Program reimbursement for unpaid rent, damages, or other amounts owed, will not exceed the lessor of:

- The amount owed to the owner; or
- One month's contract rent minus:
 - (1) The security deposit actually collected; or
 - (2) The security deposit the owner could have collected.

19. Claims for Vacancy Loss

In the Housing Voucher Program, owners will not be eligible to receive housing assistance payments after the family moves from the unit.

If the Housing Voucher family vacates its unit in violation of its lease, the owner retains the payment of the security for the month in which the vacancy occurred.

20. Informal Hearings for Denial Reduction of termination of Assistance

The Municipality upon determining an applicant or participant to be ineligible will notify the applicant or participant in writing, the reasons for the ineligibility and their right to request and informal hearing.

- a) Procedures: If an informal hearing is an applicant, Voucher holder, or tenant, the informal hearing will be conducted by a municipal employee or other public official who is not directly involved in the day-to-day administration of the Program.

In addition:

1. The family may retain counsel or other representative, if desired, at its own expense.
2. Either the family or its counsel/representative must be given an opportunity to examine evidence and question any adverse witness (es).

The family or its counsel/representative must also be given an opportunity to present testimony and evidence in its favor. The decision of the official hearing must be in writing, must be based solely on evidence provided at the hearing and must state the legal and evidentiary grounds for the decision.

21. Measures in Death Cases

When an owner or participant died, the following measures will be followed:

- If the contract appears in the name of both, still the same.
- If the contract is in the name of one solely, PHA proceed to make a new contract.

IV. SECTION 8 HOMEOWNERSHIP PROGRAM

SECTION A – BASIC CONCEPT

(1) Helping Section 8 Families Move to Homeownership

According to the Final Rule (24 CFR Parts 5, 903 and 982 – October 18, 2002) homeownership assistance offers a new option for families who receive Section 8 tenant-based assistance. To be eligible for the homeownership option, a family must be a current voucher-program participant or be eligible for admission to the housing choice voucher program. The Municipality will implement the Housing Choice Homeownership Program as an option for qualified applicants and participants in the PHAs Housing Choice Voucher program. The basic concept behind the Municipality. Housing Choice Voucher Homeownership Program is using the voucher subsidy to provide a family assistance for homeownership purposes rather than for rental assistance. The program allows first-time homeowners to use the voucher subsidy to meet monthly home owning expenses such as the monthly mortgage payment standard amounts for families pursuing the homeownership option. Families are responsible for all homeownership expenses not covered by the Homeownership assistance payment (HAP). Under the homeownership option, families are responsible for finding an eligible property they wish to purchase. The Municipality may make the monthly payment directly to the family or to the lender. The program will provide assistance for first-time homebuyers as defined and in accordance with HUD policy (24CFR Part 982 subpart M). The mission of this program will be to provide homeownership possibilities by providing families with financial assistance, comprehensive counseling and homeowner education support that will facilitate the transition to successful homeownership for Section 8 recipients.

(2) Key Program Features of the Housing Choice Voucher Homeownership Program

HUD has establish the following key program features:

- a. First-time homeowner or cooperative members.
- b. A family that has not owned or had ownership interest in the past three years.

Minimum income requirement. Except in the case of disabled families, the qualified annual income of the adult family members who will own the must not be less than the Federal minimum hourly wage multiplied by 2,000 hours (currently \$10,300). For disabled families, the qualified annual income of the adult family members who will own the home must not be less than the monthly Federal Supplemental Security Income (SSI) benefit for an individual living alone multiplied by 12 (currently \$6,624). (The PHA may also establish a higher minimum income requirement for either or both types of families, Except in case of an elderly or disabled family, welfare assistance is not counted in determining whether the family minimum income requirement).

- a) Employment requirement. Except in the case of elderly and disabled families, one or more adults in the family who will own the home is currently employed on a full-time basis and has been continuously employed on a full-time basis for at least one year before commencement of homeownership assistance.

- b) Additional PHA eligibility requirements. The family meets any other initial eligibility requirements set by the PHA.
 - c) Homeownership counseling. The family must attend and satisfactorily complete the PHA's pre-assistance homeownership and housing counseling program. (Minimum of 8 hours).
- (3) Local Homeownership Policy, Goals and Objectives

The Section 8 Homeownership Program of the Municipality of Hatillo permits eligible participants in the Section 8 housing choice voucher program, including participants with portable vouchers, the option of purchasing a home with their Section 8 assistance rather than renting. Two options are available for this assistance: monthly homeownership assistance payment on behalf of a family, and to provide homeownership assistance for the family in the form of a single grant to be used toward the down-payment required in connection with the purchase of the home. Until HUD publishes the regulations for down payment assistance, only monthly homeownership assistance is available.

SECTION B – FAMILY ELIGIBILITY AND PARTICIPATION REQUIREMENTS

(1) Selection and Admission of Applicants to the Program

a) Section 8 Tenants

Participation in the Section 8 Homeownership Program is voluntary. Each Section 8 Homeownership participant must meet The general requirements for admission to the Section 8 housing choice voucher program. Such Section 8 family also must be “eligible” to participate in the homeownership program.

(2) Portability

Participants with portable vouchers may purchase a home in a jurisdiction other than the Municipality of Hatillo, provide the Housing Authority in the receiving jurisdiction operates a Section 8 homeownership program for which the Section 8 homeownership applicant qualifies or authorizes the Municipality of Hatillo to administer the homeownership assistance in their jurisdiction. In the former case, a family's participation in the Section 8 Homeownership Program will be subject to the Section 8 Homeownership Program and policies of the receiving jurisdiction.

(3) Affordability Standards

No affordability standards are issued other than the mortgage payment of the homebuyer should not exceed the payment standard authorized to the family at the time of recertification.

(4) Employment and Credit Requirements

a) Amount of Income

At the time the family begins receiving homeownership assistance, the head of household, spouse, and/or other adult household members who will own the home, must have a gross annual income at least equal to the Federal minimum hourly wage multiplied by 2000 hours.

b) Employment History

With the exception of disabled and elderly households, each family must demonstrate that one or more adult members of the family who will own the home at commencement of homeownership assistance is employed full-time (an average of 30 hours per week and has been so continuously employed for one year prior to execution of the sales agreement. In order to reasonably accommodate a family's participation in the program, the Municipality of Hatillo will exempt families that include a person with disabilities from this requirement. The Municipality may also consider whether and to what extent an employment interruption is considered permissible in satisfying the employment requirement. It may also consider successive employment during the one-year period and self-employment in a business.

c). Exclusion of Welfare Assistance Income

With the exception of elderly and disabled families, the Municipality of Hatillo will disregard any "welfare assistance" income in determining whether the family meets the minimum income requirement. Welfare assistance includes assistance from Temporary Assistance for Needy Families (TANF); Supplemental Security Income (SSI) that is subject to an income eligibility test; food stamps; general assistance; or other welfare assistance specified by HUD. The disregard of welfare assistance income under this section affects the determination of minimum monthly income in determining initial qualification for the homeownership program. It does not affect the determination of income eligibility for admission to the Section 8 Housing Choice Voucher Program, calculation of the family's total tenant payment, or calculation of the amount of homeownership assistance payments.

(5) First-Time Homeowner

Each Section 8 family, except families with a disabled member, must be a first-time homeowner. A "first-time homeowner" means that no member of the household has had an ownership interest in any residence during the three years preceding commencement of homeownership assistance. However, a single parent or displaced homemaker who, while married, owned a home with a spouse (or resided in a home owned by a spouse) is considered a "first-time homeowner" for purposes of the Section 8 homeownership option; and the right to purchase title to a residence under a lease-purchase agreement is not considered an "ownership interest". A member of a cooperative (as defined in § 982.4) also qualifies as a "first time homeowner".

(6) Minimum down payment

For the down payment option the family must:

- a) The family has a sufficient resource to pay a down payment equal to 3% of the purchase price of a typical home that meets their family household size and closing costs. No less than 1% will come from the participant's equity.
- b) The family has demonstrated to the Municipality that its gross income is sufficient to meet homeownership and other family expenses. The Municipality of Hatillo reserves the right to determine whether a family can or cannot afford the proposed

financing before making the recommendation for assistance participation.

- c) The family has accrued at least \$500.00 in an escrow account

(7) Credit Requirements

In compliance with the Fair Credit Act, the lending institution will make credit worthiness of the participant. In case the participant is unable to meet this initial criterion he/she will be referred to credit counseling and the reconsidered for the program.

(8) Application Process and Review Criteria

Once a family is determined to be eligible to participate in the program, it must comply with the following additional requirements:

- a) Complete a homeownership counseling program approved by the Municipality prior to commencement of homeownership assistance.
- b) Within a specified time, locate the home it proposes to purchase.
- c) Submit a sales agreement containing specific components to the Municipality for approval.
- d) Allow the Municipality to inspect the proposed homeownership dwelling to assure that the dwelling meets appropriate housing quality standards.
- e) Obtain an independent inspection covering major building systems.
- f) Obtain the Municipality approval of the proposed mortgage (which must comply with generally accepted mortgage underwriting requirements).
- g) Enter into a written agreement with the Municipality to comply with all of its obligations under the Section 8 Program.

(9) Other Eligibility Restrictions

- a) Repayment of Any Housing Authority Debts.

Participants in the Section 8 Housing Choice Voucher Program shall be ineligible for participation in the Section 8 Homeownership Program in the event any debt or portion of a debt remains owed to the Municipality or any other Housing Authority. Nothing in this provision will preclude Section 8 participants that have fully repaid such debt(s) from participating in the Section 8 Homeownership Program.

- b) Completion of Initial Lease Term

Applicants for and new participants in the Section 8 Housing Choice Voucher Program shall be ineligible for participation in the Section 8 Homeownership Program until completion of an initial Section 8 lease term and the participant's first annual recertification in the Section 8 housing choice voucher program. Nothing in this provision will preclude Section 8 participants that have completed an initial lease term in another jurisdiction from participating in the Section 8 home program.

c) Elderly and Disabled Households

Elderly and disabled families are exempt from the employment requirements set forth in Paragraph 5 above. In the case of an elderly or disabled family, the Municipality will consider income from all sources, including welfare assistance in evaluating whether the household meets the minimum income required to purchase a home through the Section 8 Homeownership program.

d) Prior Mortgage Defaults

If a head of household, spouse, or other adult household member who will execute the contract of sale, mortgage and loan documents have previously defaulted on a mortgage obtained through the Section 8 Homeownership Program, the family will be ineligible to participate in the Homeownership program.

(10) Counseling Participation Requirement

A family's participation in the Homeownership Program is conditioned on the family attending and successfully completing a homeownership and housing counseling program provided or approved by the Municipality of Hatillo prior to commencement of homeownership assistance. The homeownership and counseling program will cover home maintenance; budgeting and money management; credit counseling; negotiating purchase price; securing mortgage financing and finding a home.

The counseling agency providing the counseling program shall HUD approve either or the program shall be consistent with the homeownership counseling provided under HUD's Counseling Program. The Municipality may require families to participate in an approved homeownership-counseling program on a continuing basis.

SECTION C – THE HOUSING UNIT REQUIREMENT

(1) Timeframe to Locate

Upon approval for the Section 8 Homeownership Program, a family shall have one hundred eighty (180) days to locate a home to purchase. A home shall be considered located if the family submits a proposed sales agreement with the requisite components to the Municipality of Hatillo. For good cause, the Municipality may extend a Section 8 family's time to locate the home for additional thirty (30) day increments. During a Section 8 participants search for a home to purchase, their Section 8 rental assistance shall continue if a Section 8 participant family is unable to locate a home within the time approved by the Municipality of Hatillo, their Section 8 rental assistance through the Section 8 Housing Choice Voucher Program shall continue.

Once a home is located and a sales agreement is approved by the Municipality of Hatillo and is signed by the family, the family shall have up to three (3) months, or such other time as is approved by the Municipality of Hatillo or set forth in the approved sales agreement, to purchase the home.

If a Section 8 participant is unable to purchase the home within the maximum time permitted by the Municipality, it shall continue the family's participation in the Section 8 Housing Choice Voucher Program. The family may not re-apply for the Section 8 Homeownership Program until they have completed an additional year of participation in the Section

8 Housing Choice Voucher Program following the initial determination of their eligibility for the homeownership option.

(2) Type of Home

A family approved for Section 8 homeownership assistance purchase the following type of homes within the Municipality of Hatillo: a new or existing home, a single-family home, a condominium, a home in a planned use development, a cooperative, a loft or live/work unit, or a manufactured home. The home must already exist or under construction at the time the Municipality determines the family eligible for homeownership assistance to purchase the unit (§982.628(a)(2)).

(3) Seller cannot be debarred, suspended or Subject to LDP by HUD

The seller could not be posted in the Limited Denial of Participation (LDP). The listing is normally issued by a HUD Field Office and is an action that excludes a specific individual(s) or firm (s) from participating in a specific program, or programs, within that HUD Field Office's geographic jurisdiction, for a specific period of time. In limited instances HUD Headquarters may also issue LDP's.

(4) Extension of Jurisdiction

The municipal territory of Hatillo is the main location for the Homeownership Program. Nevertheless, extension of this jurisdiction could be granted to participants with portable vouchers that may purchase a home in a jurisdiction other than the Municipality of Hatillo, provided the Housing Authority in the receiving jurisdiction operates a Section 8 Homeownership Program for which the Section 8 homeownership applicant qualifies or authorizes the Municipality of Hatillo to administer The homeownership assistance in their jurisdiction. In the former case, a family's participation in the Section 8 Homeownership Program will be subject to the Section 8 Homeownership Program and policies of the receiving jurisdiction.

(5) Lease-Purchase

Families may enter into lease-purchase agreements while receiving Section 8 rental assistance. All requirements of the Housing Choice Voucher Program apply to lease-purchase agreements, except that families are permitted to pay an extra amount out-of-pocket to the owner for purchase related expenses—a "homeownership premium", defined as an increment of value attributable to the value of the lease-purchase right or agreement, is excluded from the Municipality rent reasonableness determination and subsidy calculation and must be absorbed by the family. When a lease-purchase participant family is ready to exercise their option, they must notify the Municipality and apply for the homeownership option. If determined eligible for homeownership assistance, the family may be admitted to the Homeownership Program and must meet all the requirements of these policies.

Prior to execution of the offer to purchase or sales agreement, the family must provide the financing terms to the Municipality for approval. The sales agreement must provide for inspection by the Municipality of Hatillo and the independent inspection referred to in Section 3 and must state that the purchaser is not obligated to purchase unless such inspections are satisfactory to the Municipality. The contract also must provide that the purchaser is not obligated to pay for any necessary repairs. The sales agreement must provide that the purchaser is not obligated to purchase if the Municipality does not approve the mortgage financing term. The sales agreement must also contain a seller certification that the seller is not

debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

(6) HQS Inspection by PHA

To assure the home complies with the housing quality standards of the Section 8 Program, homeownership assistance payments may not commence until Municipality first inspects the home.

HQS inspection will be conducted in compliance to HUD requirements.

(7) Independent Initial Inspection Conducted

A professional inspector selected by the family also must complete an independent inspection of existing homes covering major building systems. The Municipality of Hatillo will not pay for the independent inspection. The independent inspection report must be provided to the Municipality, which may disapprove the unit due to information contained in the report or for failure to meet federal housing quality standards.

SECTION D – Financing Requirements

The proposed financing term must be submitted to and approved by the Municipality of Hatillo prior to close of escrow.

In first instance, the lending institution should submit to the Municipality of Hatillo the God Faith Estimate for the option to purchase contract in order to determine the affordability of the family's proposed financing. In making such determination, the Municipality may take into account other family expenses, including but not limited to child care, unreimbursed medical expenses, education and training expenses and the like. Once completed the loan application, copy of the Settlement Statement should be presented to the Municipality for final approval.

Certain types of financing, including but not limited to, balloon payment mortgages unless convertible to a variable rate mortgage, are prohibited and will not be approved by the Municipality.

The Municipality on a case-by-case basis shall consider seller-financing mortgage. If a mortgage is not FHA-insure, THE MUNICIPALITY will require the lender to comply with generally accepted mortgage underwriting standards consistent with those of HUD/FHA, Ginnie Mae, Fannie Mae, Freddie Mac, Puerto Rico Housing Finance Agency (PRHFA), USDA Rural Housing Services, the Federal Home Loan Bank, or other private lending institution.

SECTION E – ASSISTANCE LIMITS

(1) Assistance Limits

Notwithstanding the provisions except for disabled and elderly families, a family may receive Section 8 homeownership assistance for not longer than ten (10) years from the date of close of escrow unless the initial mortgage incurred to finance purchase of the home has a term that is 20 years or longer, in which case the maximum term is 15 years.

(2) Exceptions to Elderly and Handicapped Applicants

Families that qualify as elderly at the commencement of homeownership assistance are not subject to a maximum term limitation. Families that qualify as disabled families at the commencement of homeownership assistance or at any time during the provision of homeownership assistance are not subject to a maximum term limitation. If a disabled

family or elderly family ceases to qualify as disabled or elderly, the appropriate maximum term becomes applicable from the date homeownership assistance commenced; provided, however, that such family shall be eligible for at least six months of homeownership assistance after the maximum term becomes applicable. The time limit applies to any member of the household who has an ownership interest in the during any time that homeownership payments are made, or is a spouse of any member of the household who has an ownership interest.

(3) Reexamination Requirements

A participant in the Section 8 Homeownership Program shall meet the reexaminations (Recertification) requirements.

(4) HAP Payments

The amount of the monthly assistance payment will be based on three factors: the voucher payment standard for which the family is eligible; the monthly homeownership expense; and the family's household income. Municipality will pay the lower of either the payment standard minus the total family contribution ("TFC") or the family's monthly homeownership expenses minus the TFC. The Section 8 family will pay the difference.

a) Determining the Payment Standard

The voucher payment standard is the fixed amount the Municipality of Hatillo annually establishes as the "fair market" rent for a unit of a particular size located within the Municipality jurisdiction. In the Homeownership Program, the initial payment standard will be the lower of either (1) the payment standard for which the family is eligible based on family size; or (2) the payment standard which is applicable to the size of the home the family decides to purchase. The payment standard for subsequent years will be based on the higher of: (1) the payment standard in effect at commencement of homeownership assistance; or (2) the payment standard in effect at the most recent regular reexamination of the family's income and size. The initial payment standard, for purposes of this comparison, shall not be adjusted even if there is a subsequent decrease in family size. The municipality will request HUD approval of a higher payment standard, up to 120% of the published Fair Market Rent limit, where warranted as a reasonable accommodation for a family that includes a person with disabilities.

b) Determining the Monthly Homeownership Expense

Monthly homeownership expense includes all of the following: principal and interest on the initial mortgage and any mortgage insurance premium (MIP) incurred to finance the purchase and any refinancing of such debt; real estate taxes and public assessments; homeowner's insurance; maintenance expenses per the Municipality allowance; costs of major repairs and replacements per the Municipality schedule of utility allowances; principal and interest on mortgage debt incurred to finance mayor repairs, replacements or improvements for the home including changes needed to make the home accessible; and homeowner association dues, fees or regular charges assessed, if any.

c) Determining the Total Family Contribution

The TFC is that portion of the homeownership expense that the family must pay. It is generally 30% percent of the family's adjusted income, plus any gap between the payment standard and the actual housing cost. All family income (including public assistance), will be counted to determine the family's monthly income for purposes of determining the amount of assistance.

d) Payment to Family or Lender

The Municipality of Hatillo will provide the lender with notice of the amount of the housing assistance payment prior to close of escrow and will pay the Municipality contribution towards the family's homeowner expense directly to the family, unless otherwise required by the lender. The family will be responsible to submit the entire mortgage payment to the lender unless the lender requires direct payment of the Municipality of Hatillo contribution.

SECTION F – TERMINATION OF SECTION 8 HOMEOWNERSHIP ASSISTANCE

(1) Grounds for Termination of Homeownership Assistance

Failure to Comply with Family Obligations Under Section 8 Program or the Municipality of Homeownership Policies.

A family's homeownership assistance may be terminated if the family fails to comply with its obligations under the Section 8 Program, the Municipality homeownership policies, or if the family defaults on the mortgage. If required, the family must attend and complete ongoing homeownership and housing counseling course. The family must comply with the terms of any mortgage incurred to purchase and/or refinance the home. The family must provide the Municipality with written notice of any sale or transfer of any interest in the home; any plan to move out of the home prior to the move; the family's household income and homeownership expenses on an annual basis; any notice of mortgage default received by the family; and any other notices which may be required pursuant to the Municipality homeownership policies. Except as provided in this Section, the family may not convey or transfer the home to any entity or person while receiving homeownership assistance.

(2) Occupancy of Home

Homeownership assistance will only be provided while the family resides in the home. If the family moves out of the home, the Municipality will not continue homeownership assistance commencing with the month after the family moves out.

(3) Changes in Income Eligibility

A family's homeownership assistance may be changed in the month following annual recertification of the household income, but participation in the Section 8 Homeownership program shall continue until such time as the assistance payments amounts to \$0 for a period of six (6) consecutive months.

(4) Reaching Maximum Term of Homeownership Assistance

Once the family is reaching the maximum term of homeownership assistance, the Municipality will notify 90 days before the date of such occurrence, that no further assistance will be disbursed to the family once the date of termination arrives.

(5) Procedure for Termination of Homeownership Assistance

A participant in the Section 8 Homeownership Program shall be entitled to the same termination notice, rights set forth in Conditions and Procedures for Termination of Assistance of this Administrative Plan.

(6) Right to Informal Hearing Procedures

A participant in the Section 8 Homeownership program shall be entitled to the same informal hearing procedures as set forth in Informal Hearing Procedures for Participants of this Administrative Plan.

(7) Continued Participation in Section 8 Housing Choice Voucher Program

a) Default on FHA-Insured Mortgage

If the family defaults on an FHA-insured mortgage, the Municipality may permit the family to move with continued Section 8 Housing Choice Rental assistance if the family demonstrates that it has (a) conveyed title to the home as put forth in the FHA documents.

b) Default on non-FHA-Insured Mortgage

If the family defaults on a mortgage that is not FHA-insured, the Municipality may permit the family to move with continued Section 8 Housing Choice Voucher Rental assistance if the family demonstrates that it has (a) conveyed title to the home to the lender, to the Municipality of Hatillo or to its designee, as may be permitted or required by the lender; and (b) moved from the home within the period established or approved by the lender and/or the Municipality of Hatillo.

c) Return to tenant-based assistance on the Down – payment grant

The municipality may not commence tenant-based rental assistance for occupancy of the new rental assisted unit so long as any family member owns any title or other interest in the home purchased with homeownership assistance. Further, 18 months must have passed since the family's receipt of the down-payment assistance grant.

(8) Administrative Fee

For each month that homeownership assistance is paid by the Municipality on behalf of the family, the Municipality shall be paid the ongoing administrative fee described in 24 CFR §982.152(b).

(9) Waiver or Modification of Homeownership Policies

The Mayor of the Municipality of Hatillo shall have the discretion to waive or modify any provision of the Section 8 Homeownership Program or policies not governed by statute or regulation for good cause or to comply with changes in HUD regulations or directives.

V. DEFINITION OF TERMS AND CONCEPTS

The following terms, definitions, and concepts apply:

1. Eligible Family

A family, as defined in 24 CFR Part 812, that qualifies as very low-income family at the time it initially receives assistance under the PHA Housing Voucher Program.

2. Very Low-Income Family

A family, whose income does not exceed 50 percent of the area, as determined by HUD.

3. Applicable Standard

The schedule of costs used to calculate the Housing Voucher Subsidy.

4. Initial Payment Standard

This schedule applies to all families at the outset of the Housing Voucher. The family size is based on the PHA's occupancy standards. The initial payment standard schedule is based on the Fair Market Rent Schedule or the HUD approved community wide exception rents, in effect at the time of execution by HUD of the PHA original ACC for the first increment of funding under the Housing Voucher Program.

5. New Family/ Mover Schedule

The PHA may establish a "new family/mover schedule" at any time. The amounts on the "new family/mover schedule" can be any amount between the initial payment standard (or adjustment standard, if applicable) and the FMR in effect at the time the "new family/mover schedule" is adopted.

6. Adjustment Standard Scheduled

The PHA may at its discretion establish an "adjustment standard schedule" twice during any five-year period to assure continued affordability. The amounts on the "adjustment standard schedule" can be any amount between the initial payment standard (or previous "adjustment standard schedule", if applicable) and the FMR in effect at the time the "adjustment standard schedule" is adopted. No "adjustment standard schedule" may be established if less than 60 months have elapsed since the next to the last "adjustment standard schedule" was adopted.

7. Housing Voucher

A document issued by a PHA declaring a family to be eligible for participation in the Housing Voucher Program and stating the terms and conditions for the family's participation.

8. Housing Voucher ACC

A written agreement between HUD and a PHA to provide annual contribution to the PHA for housing assistance payments and administrative fees to PHA.

9. Housing Voucher Contract

A written contract between a PHA and owner in the form prescribed by HUD or the Housing Voucher Program, in which the PHA agrees to make housing assistance payments to the owner on behalf of an eligible family.

10. Gross Rent

The actual rent for the unit stated in the lease and payable to the owner plus any utility allowance for that unit.

11. Utility Allowance

The allotted amount, by unit size and type, for tenant furnished utilities and services, based on the typical cost of each utility and services in the location.

12. Total Tenant Payment

The portion of the monthly gross rent payable by an eligible family, including the utility allowance paid by the family.

13. Minimum Total Tenant Payment

The minimum amount of gross rent that an assisted family must pay toward rent is ten (10) percent of the family's gross income.

14. Portability

Portability is the ability for a housing Voucher holder to move from a jurisdiction of its current PHA which administers a Housing Voucher Program; must accept a housing Voucher holder from another PHA jurisdiction.

This is different from the inter-jurisdictional mobility agreements and the Section 8 Housing Voucher Exchange Program that have been established on a voluntary basis.

15. Homeownership Program

Program which provides homeownership possibilities to the families to acquire their own home according to Section 8 rules and regulations.

Revised: March 2008

Required Attachment E: Membership of the Resident Advisory Board or Boards

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

1. Ruth Sotomayor Rodríguez P.O. Box 1424
Hatillo, Puerto Rico 00659
Tel. (787)262-2028
(787)590-2494
2. Dianorath C. Rodríguez HC05 Box 55046
Hatillo, Puerto Rico 00659
Tel. (787)898-3694
3. María Saavedra Mercado HC06 Box 9999
Hatillo, Puerto Rico 00659
(787)820-0694
4. Héctor Padín Valentín Calle Nueva #78
Hatillo, Puerto Rico 00659
Tel. (787)201-5522
5. José A. Morán Rodríguez P.O. Box 207
Hatillo, Puerto Rico 00659
Tel. (787)898-5904
6. Elizabeth Moya soto Urb. Brisas de Hatillo
Calle Francisco Velásquez G-2
Hatillo, Puerto Rico 00659
7. Elizabeth Moya Colón HC08 Box 50704
Hatillo, Puerto Rico 00659
Tel. (787)240-9546
(787)262-6043

MUNICIPALITY OF HATILLO SECTION 8 HOME OWNERSHIP PROGRAM

SECTION A - GENERAL PROVISIONS.

- (1) ***Helping Section 8 Families Move to Home Ownership*** - According to the Final Rule (24 CFR Parts 5, 903 and 982 –October 18,2002) homeownership assistance offers a new option for families who receive Section 8 tenant-based assistance. To be eligible for the homeownership option, a family must be a current voucher-program participant or be eligible for admission to the housing choice voucher program. The Municipality of Hatillo will implement the Housing Choice Homeownership Program as an option for qualified applicants and participants in the PHA’s Housing Choice Voucher program. The basic concept behind the Municipality ‘ Housing Choice Voucher Homeownership Program is using the voucher subsidy to provide a family assistance for homeownership purposes rather than for rental assistance. The program allows first-time homeowners to use the voucher subsidy to meet monthly home owning expenses such as the monthly mortgage payment. The Municipality uses the same voucher payment standard amounts for families pursuing the homeownership option. Families are responsible for all homeownership expenses not covered by the Homeownership assistance payment (HAP). Under the homeownership option, families are responsible for finding an eligible property they wish to purchase. The Municipality may make the monthly payment directly to the family or to the lender. . The program will provide assistance for first-time homebuyers as defined and in accordance with HUD policy (24CFR Part 982 subpart M) The mission of this program will be to provide homeownership possibilities by providing families with financial assistance, comprehensive counseling and homeowner education support that will facilitate the transition to successful homeownership for Section 8 recipients.

- (2) ***Key Program Features of the Housing Choice Voucher Homeownership Program***

HUD has establish the following key program features:

- (a) First-time homeowner or cooperative member.
- (bi) A family that has not owned or had ownership interest in the past three years.

Minimum income requirement. Except in the case of disabled families, the qualified annual income of the adult family members who will own the home must not be less than the Federal minimum hourly wage multiplied by 2,000

hours (currently \$10,300). For disabled families, the qualified annual income of the adult family members who will own the home must not be less than the monthly Federal Supplemental Security Income (SSI) benefit for an individual living alone multiplied by 12 (currently \$6,624).

- (c) Employment requirement. Except in the case of elderly and disabled families, one or more adults in the family who will own the home is currently employed on a full-time basis and has been continuously employed on a full-time basis for at least one year before commencement of homeownership assistance.
- (d) Additional PHA eligibility requirements. The family meets any other initial eligibility requirements set by the PHA.
- (e) Homeownership counseling. The family must attend and satisfactorily complete the PHA's pre-assistance homeownership and housing counseling program. (Minimum of 8 Hours)

(3) *Local Home Ownership Policy, Goals and Objectives*

The Section 8 Home Ownership Program of the Municipality of Hatillo permits eligible participants in the Section 8 housing choice voucher program, including participants with portable vouchers, the option of purchasing a home with their Section 8 assistance rather than renting. Two options are available for this assistance: monthly homeownership assistance payment on behalf of a family, and to provide homeownership assistance for the family in the form of a single grant to be used toward the down-payment required in connection with the purchase of the home. Until HUD publishes the regulations for down payment assistance, only monthly homeownership assistance is available.

SECTION B – FAMILY ELIGIBILITY AND PARTICIPATION REQUIREMENTS

(1) *Selection and Admission of Applicants to the Program*

- (a) Section 8 Tenants

Participation in the Section 8 home ownership program is voluntary. Each Section 8 home ownership participant must meet the general requirements for admission to the Section 8 housing choice voucher program as set forth in the Municipality of Hatillo Administrative Plan. Such Section 8 family also must be "eligible" to participate in the home ownership program.

(b) **Preference for Participation in FSS Program**

Applicants for the home ownership program are not required to participate in the Municipality' Family Self Sufficiency ("FSS") program in order to participate in the home ownership program. **However, in the event the applications for home ownership assistance exceed five percent (5%) of the Municipality of Hatillo total voucher program in any fiscal year, FSS participants shall have a preference for participation in the home ownership program (if there are any at that time that meet all the qualifications).**

(2) ***Portability***

Participants with portable vouchers may purchase a home in a jurisdiction other than the Municipality of Hatillo, provided the Housing Authority in the receiving jurisdiction operates a Section 8 home ownership program for which the Section 8 home ownership applicant qualifies **or authorizes the Municipality of Hatillo to administer the homeownership assistance in their jurisdiction.** In the former case, a family's participation in the Section 8 home ownership program will be subject to the Section 8 home ownership program and policies of the receiving jurisdiction.

(3) ***Affordability Standards***

No affordability standards are issued other than the mortgage payment of the homebuyer should not exceed the payment standard authorized to the family at the time of recertification.

(4) ***Employment and Credit Requirements***

(a) Amount of Income

At the time the family begins receiving homeownership assistance, the head of household, spouse, and/or other adult household members who will own the home, must have a gross annual income at least equal to the Federal minimum hourly wage multiplied by 2000 hours.

(b) Employment History.

With the exception of disabled and elderly households, each family must demonstrate that one or more adult members of the family who will own the home at commencement of home ownership assistance is employed full-time (an average of 30 hours per week) and has been so continuously employed for one year prior to execution of the sales agreement. In order

to reasonably accommodate a family's participation in the program, the Municipality of Hatillo will exempt families that include a person with disabilities from this requirement. The Municipality may also consider whether and to what extent an employment interruption is considered permissible in satisfying the employment requirement. It may also consider successive employment during the one-year period and self-employment in a business. **In the latter, there must exist proof of said employment, such as income tax payments and/or patents paid to the Municipality, as well a bank account with regular deposits.**

(c) Exclusion of Welfare Assistance Income.

With the exception of elderly and disabled families, the Municipality of Hatillo will disregard any "welfare assistance" income in determining whether the family meets the minimum income requirement. Welfare assistance includes assistance from Temporary Assistance for Needy Families ("TANF"); Supplemental Security Income ("SSI") that is subject to an income eligibility test; food stamps; general assistance; or other welfare assistance specified by HUD. The disregard of welfare assistance income under this section affects the determination of minimum monthly income in determining initial qualification for the home ownership program. It does not affect the determination of income-eligibility for admission to the Section 8 housing choice voucher program, calculation of the family's total tenant payment, or calculation of the amount of home ownership assistance payments.

(5) ***First-Time Homeowner.***

Each Section 8 family, except families with a disabled member, must be a first-time homeowner. A "first-time homeowner" means that no member of the household has had an ownership interest in any residence during the three years preceding commencement of home ownership assistance. However, a single parent or displaced homemaker who, while married, owned a home with a spouse (or resided in a home owned by a spouse) is considered a "first-time homeowner" for purposes of the Section 8 homeownership option; and the right to purchase title to a residence under a lease-purchase agreement is not considered an "ownership interest.". A member of a cooperative (as defined in § 982.4) also qualifies as a "first time homeowner".

(6) ***Minimum down payment***

For the down payment option the family must:

- (a) **The family has a sufficient resource to pay a down payment equal to 3% of the purchase price of a typical home that meets their family**

household size and closing costs. No less than 1% will come from the participant's equity.

(b) The family has demonstrated to the Municipality that its gross income is sufficient to meet homeownership and other family expenses. The Municipality of Hatillo reserves the right to determine whether a family can or cannot afford the proposed financing before making the recommendation for assistance participation.

(c) The family has accrued at least \$500.00 in an escrow account

(7) *Credit Requirements*

In compliance with the Fair Credit Act, the lending institution will make credit worthiness of the participant. In case the participant is unable to meet this initial criterion he/she will be referred to credit counseling and then reconsidered for the program.

(8) *Application Process and Review Criteria*

Once a family is determined to be eligible to participate in the program, it must comply with the following additional requirements: (i) complete a home ownership counseling program approved by the Municipality prior to commencement of home ownership assistance; (ii) within a specified time, locate the home it proposes to purchase; (iii) submit a sales agreement containing specific components to the Municipality for approval; (iv) allow the Municipality to inspect the proposed home ownership dwelling to assure that the dwelling meets appropriate housing quality standards; (v) obtain an independent inspection covering major building systems; (vi) obtain the Municipality approval of the proposed mortgage (which must comply with generally accepted mortgage underwriting requirements); and (vii) enter into a written agreement with the Municipality to comply with all of its obligations under the Section 8 program.

(9) *Other Eligibility Restrictions*

(a) Repayment of Any Housing Authority Debts.

Participants in the Section 8 housing choice voucher program shall be ineligible for participation in the Section 8 home ownership program in the event any debt or portion of a debt remains owed to the Municipality or any other Housing Authority. Nothing in this provision will preclude Section 8 participants that have fully repaid such debt(s) from participating in the Section 8 home ownership program.

(b) Completion of Initial Lease Term

Applicants for and new participants in the Section 8 housing choice voucher program shall be ineligible for participation in the Section 8 home ownership program until completion of an initial Section 8 lease term and the participant's first annual recertification in the Section 8 housing choice voucher program. Nothing in this provision will preclude Section 8 participants that have completed an initial lease term in another jurisdiction from participating in the Section 8 home program.

(c) Elderly and Disabled Households.

Elderly and disabled families are exempt from the employment requirements set forth in Paragraph 5 (ii) above. In the case of an elderly or disabled family, the Municipality will consider income from all sources, including welfare assistance in evaluating whether the household meets the minimum income required to purchase a home through the Section 8 home ownership program.

(d) Prior Mortgage Defaults.

If a head of household, spouse, or other adult household member who will execute the contract of sale, mortgage and loan documents have previously defaulted on a mortgage obtained through the Section 8 home ownership program, the family will be ineligible to participate in the home ownership program.

(10) *Counseling Participation Requirement*

A family's participation in the home ownership program is conditioned on the family attending and successfully completing a home ownership and housing counseling program provided or approved by the Municipality of Hatillo prior to commencement of home ownership assistance. The home ownership and counseling program will cover home maintenance; budgeting and money management; credit counseling; negotiating purchase price; securing mortgage financing and finding a home.

The counseling agency providing the counseling program shall HUD approve either or the program shall be consistent with the home ownership counseling provided under HUD's Housing Counseling program. **The Municipality may require families to participate in an approved home ownership-counseling program on a continuing basis.**

SECTION C – THE HOUSING UNIT REQUIREMENT

(1) *Timeframe to Locate*

Upon approval for the Section 8 home ownership program, a family shall have one hundred eighty (180) days to locate a home to purchase. A home shall be considered located if the family submits a proposed sales agreement with the requisite components to the Municipality of Hatillo. For good cause, the Municipality may extend a Section 8 family's time to locate the home for additional thirty (30) day increments. During a Section 8 participant's search for a home to purchase, their Section 8 rental assistance shall continue pursuant to the Administrative Plan. If a Section 8 participant family is unable to locate a home within the time approved by the Municipality of Hatillo, their Section 8 rental assistance through the Section 8 housing choice voucher program shall continue.

Once a home is located and a sales agreement is approved by the Municipality of Hatillo and is signed by the family, the family shall have up to three (3) months, or such other time as is approved by the Municipality of Hatillo or set forth in the approved sales agreement, to purchase the home.

If a Section 8 participant is unable to purchase the home within the maximum time permitted by the Municipality, it shall continue the family's participation in the Section 8 housing choice voucher program. The family may not re-apply for the Section 8 home ownership program until they have completed an additional year of participation in the Section 8 housing choice voucher program following the initial determination of their eligibility for the home ownership option.

(2) *Type of Home.*

A family approved for Section 8 home ownership assistance may purchase the following type of homes within the Municipality of Hatillo: a new or existing home, a single-family home, a condominium, a home in a planned use development, a cooperative, a loft or live/work unit, or a manufactured home. The home must already exist or under construction at the time the Municipality determines the family eligible for home ownership assistance to purchase the unit (§ 982.628(a)(2).]

(3) *Seller cannot be debarred, suspended or Subject to LDP by HUD.*

The seller could not be posted in the Limited Denial of Participation (LDP). The listing is normally issued by a HUD Field Office and is an action that excludes a specific individual(s) or firm(s) from participating in a specific program, or programs, within that HUD Field Office's geographic jurisdiction, for a specific period of time. In limited instances HUD Headquarters may also issue LDP's.

(4) *Extension of Jurisdiction*

The municipal territory of Hatillo will be the main location for the homeownership program. Nevertheless, extension of this jurisdiction could be granted to participants with portable vouchers that may purchase a home in a jurisdiction other than the Municipality of Hatillo, provided the Housing Authority in the receiving jurisdiction operates a Section 8 home ownership program for which the Section 8 home ownership applicant qualifies **or authorizes the Municipality of Hatillo to administer the home ownership assistance in their jurisdiction**. In the former case, a family's participation in the Section 8 home ownership program will be subject to the Section 8 home ownership program and policies of the receiving jurisdiction.

(5) ***Lease-Purchase***

- Families may enter into lease-purchase agreements while receiving Section 8 rental assistance. All requirements of the housing choice voucher program apply to lease-purchase agreements, except that families are permitted to pay an extra amount out-of-pocket to the owner for purchase related expenses-- a "home ownership premium." Any "home ownership premium," defined as an increment of value attributable to the value of the lease-purchase right or agreement, is excluded from the Municipality rent reasonableness determination and subsidy calculation, and must be absorbed by the family. When a lease-purchase participant family is ready to exercise their option, they must notify the Municipality and apply for the home ownership option. If determined eligible for home ownership assistance, the family may be admitted to the home ownership program and must meet all the requirements of these policies.

Prior to execution of the offer to purchase or sales agreement, the family must provide the financing terms to the Municipality for approval. The sales agreement must provide for inspection by the Municipality of Hatillo and the independent inspection referred to in Section 3 and **must state that the purchaser is not obligated to purchase unless such inspections are satisfactory to the Municipality**. The contract also must provide that the purchaser is not obligated to pay for any necessary repairs. **The sales agreement must provide that the purchaser is not obligated to purchase if the Municipality does not approve the mortgage financing terms**. The sales agreement must also contain a seller certification that the seller is not debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

(6) ***HQS Inspection by PHA***.

To assure the home complies with the housing quality standards of the Section 8 program, home ownership assistance payments may not commence until the Municipality first inspects the home.

HQS inspection will be conducted in compliance to HUD requirements.

(7) *Independent Initial Inspection Conducted.*

A professional inspector selected by the family also must complete an independent inspection of existing homes covering major building systems. The Municipality of Hatillo will not pay for the independent inspection. The independent inspection report must be provided to the Municipality, which **may disapprove the unit due to information contained in the report or for failure to meet federal housing quality standards.**

SECTION D - Financing Requirements.

The proposed financing terms must be submitted to and approved by the Municipality of Hatillo prior to close of escrow.

In first instance, the lending institution should submit to the Municipality of Hatillo the Good Faith Estimate for the option to purchase contract, in order to determine the affordability of the family's proposed financing. In making such determination, the Municipality may take into account other family expenses, including but not limited to child care, unreimbursed medical expenses, education and training expenses and the like. Once completed the loan application, copy of the Settlement Statement should be presented to the Municipality for final approval.

Certain types of financing, including but not limited to, balloon payment mortgages, unless convertible to a variable rate mortgage, are prohibited and will not be approved by the Municipality.

The Municipality on a case-by-case basis shall consider seller-financing mortgages. If a mortgage is not FHA-insured, THE MUNICIPALITY will require the lender to comply with generally accepted mortgage underwriting standards consistent with those of HUD/FHA, Ginnie Mae, Fannie Mae, Freddie Mac, Puerto Rico Housing Finance Agency (PRHFA), USDA Rural Housing Services, the Federal Home Loan Bank, or other private lending institution.

SECTION E – ASSISTANCE LIMITS

(1) Assistance Limits

Notwithstanding the provisions except for disabled and elderly families, a family may receive Section 8 home ownership assistance for not longer than ten (10) years from the date of close of escrow unless the initial mortgage incurred to finance purchase of the home has a term that is 20 years or longer, in which case the maximum term is 15 years.

(2) ***Exceptions to Elderly and Handicapped Applicants***

Families that qualify as elderly at the commencement of home ownership assistance are not subject to a maximum term limitation. Families that qualify as disabled families at the commencement of home ownership assistance or at any time during the provision of home ownership assistance are not subject to a maximum term limitation. If a disabled family or elderly family ceases to qualify as disabled or elderly, the appropriate maximum term becomes applicable from the date home ownership assistance commenced; provided, however, that such family shall be eligible for at least six additional months of home ownership assistance after the maximum term becomes applicable. The time limit applies to any member of the household who has an ownership interest in the unit during any time that home ownership payments are made, or is a spouse of any member of the household who has an ownership interest.

(3) ***Reexaminations Requirements***

A participant in the Section 8 Home Ownership program shall meet the reexaminations (Recertification) requirements.

(4) ***HAP Payments***

The amount of the monthly assistance payment will be based on three factors: the voucher payment standard for which the family is eligible; the monthly home ownership expense; and the family's household income. The Municipality will pay the lower of either the payment standard minus the total family contribution ("TFC") or the family's monthly home ownership expenses minus the TFC. The Section 8 family will pay the difference.

(a). **Determining the Payment Standard.**

The voucher payment standard is the fixed amount the Municipality of Hatillo annually establishes as the "fair market" rent for a unit of a particular size located within the Municipality jurisdiction. In the home ownership program, the initial payment standard will be the lower of either (1) the payment standard for which the family is eligible based on family size; or (2) the payment standard which is applicable to the size of the home the family decides to purchase. The payment standard for subsequent years will be based on the higher of: (1) the payment standard in effect at commencement of the home ownership assistance; or (2) the payment standard in effect at the most recent regular reexamination of the family's income and size. The initial payment standard, for purposes of this comparison, shall not be adjusted even if there is a subsequent decrease in family size. The Municipality will request HUD approval of a higher payment standard, up to 120% of the published Fair Market Rent limit, where warranted as a reasonable accommodation for a family that

includes a person with disabilities.

(b) Determining the Monthly Home Ownership Expense.

Monthly home ownership expense includes all of the following: principal and interest on the initial mortgage and any mortgage insurance premium (MIP) incurred to finance the purchase and any refinancing of such debt; real estate taxes and public assessments; homeowner's insurance; maintenance expenses per the Municipality allowance; costs of major repairs and replacements per the Municipality allowance (replacement reserves); utility allowance per the Municipality schedule of utility allowances; principal and interest on mortgage debt incurred to finance major repairs, replacements or improvements for the home including changes needed to make the home accessible; and homeowner association dues, fees or regular charges assessed, if any.

(c) Determining the Total Family Contribution.

The TFC is that portion of the home ownership expense that the family must pay. It is generally 30% percent of the family's adjusted income, plus any gap between the payment standard and the actual housing cost. All family income (including public assistance,) will be counted to determine the family's adjusted monthly income for purposes of determining the amount of assistance.

(d) **Payment to Family or Lender**

The Municipality of Hatillo will provide the lender with notice of the amount of the housing assistance payment prior to close of escrow and will pay the Municipality contribution towards the family's homeowner expense directly to the family, unless otherwise required by the lender. The family will be responsible to submit the entire mortgage payment to the lender unless the lender requires direct payment of the Municipality of Hatillo' contribution.

SECTION F - TERMINATION OF SECTION 8 HOME OWNERSHIP ASSISTANCE.

(1) ***Grounds for Termination of Home Ownership Assistance***

Failure to Comply with Family Obligations Under Section 8 Program or the Municipality of Home Ownership Policies.

A family's home ownership assistance may be terminated if the family fails to comply with its obligations under the Section 8 program, the Municipality home

ownership policies, or if the family defaults on the mortgage. **If required, the family must attend and complete ongoing home ownership and housing counseling course.** The family must comply with the terms of any mortgage incurred to purchase and/or refinance the home. The family must provide the Municipality with written notice of any sale or transfer of any interest in the home; any plan to move out of the home prior to the move; the family's household income and home ownership expenses on an annual basis; any notice of mortgage default received by the family; and any other notices which may be required pursuant to the Municipality home ownership policies. Except as otherwise provided in this Section, the family may not convey or transfer the home to any entity or person while receiving home ownership assistance.

(2) ***Occupancy of Home.***

Home ownership assistance will only be provided while the family resides in the home. If the family moves out of the home, the Municipality will not continue home ownership assistance commencing with the month after the family moves out.

(3) ***Changes in Income Eligibility.***

A family's home ownership assistance may be changed in the month following annual recertification of the household income, but **participation in the Section 8 Home Ownership program shall continue until such time as the assistance payment amounts to \$0 for a period of six (6) consecutive months.**

(4) ***Reaching Maximum Term of Home Ownership Assistance.***

Once the family is reaching the maximum term of home ownership assistance, the Municipality will notify 90 days before the date of such occurrence, that no further assistance will be disbursed to the family once the date of termination arrives.

(5) ***Procedure for Termination of Home Ownership Assistance.***

A participant in the Section 8 Home Ownership program shall be entitled to the same termination notice, rights set forth in Conditions and Procedures for Termination of Assistance, of the Municipality Administrative Plan.

(6) ***Right to Informal Hearing Procedures***

A participant in the Section 8 Home Ownership program shall be entitled to the same informal hearing procedures as set forth in Informal Hearing Procedures for Participants of the Municipality Administrative Plan.

(7) ***Continued Participation in Section 8 Housing Choice Voucher Program.***

(a) Default on FHA-Insured Mortgage.

If the family defaults on an FHA-insured mortgage, the Municipality may permit the family to move with continued Section 8 housing choice rental assistance if the family demonstrates that it has (a) conveyed title to the home as put forth in the FHA documents.

(b) Default on non-FHA-Insured Mortgage.

If the family defaults on a mortgage that is not FHA-insured, the Municipality may permit the family to move with continued Section 8 housing choice voucher rental assistance if the family demonstrates that it has (a) conveyed title to the home to the lender, to the Municipality of Hatillo or to its designee, as may be permitted or required by the lender; and (b) moved from the home within the period established or approved by the lender and/or the Municipality of Hatillo.

© Return to tenant-based assistance on the Down-payment Grant.

The Municipality may not commence tenant-based rental assistance for occupancy of the new rental assisted unit so long as any family member owns any title or other interest in the home purchased with homeownership assistance. Further, 18 months must have passed since the family's receipt of the down-payment assistance grant.

(8) ***Administrative Fee.***

For each month that home ownership assistance is paid by the Municipality on behalf of the family, the Municipality shall be paid the ongoing administrative fee described in 24 CFR §982.152(b).

(9) ***Waiver or Modification of Home Ownership Policies.***

The Mayor of the Municipality of Hatillo shall have the discretion to waive or modify any provision of the Section 8 home ownership program or policies not governed by statute or regulation for good cause or to comply with changes in HUD regulations or directives.