PHA 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: **Municipality of Aguas Buenas** PHA Code**: RQ082**
PHA Type: ☐ Small ☐ High Performing ☐ Standard ☒ HCV (Section 8)
PHA Fiscal Year Beginning: (MM/YYYY): 07/2010

2.0 **Inventory** (based on ACC units at time of FY beginning in 1.0 above)
Number of PH units: _____ Number of HCV units: **161**

3.0 **Submission Type**
☒ 5-Year and Annual Plan ☐ Annual Plan Only ☐ 5-Year Plan Only

4.0 **PHA Consortia** ☐ 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	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:

To provide quality affordable housing to eligible low-income residents of Aguas Buenas and to establish the community partnerships necessary for the municipality's residents to achieve personal goals related to:
g. Literacy and education;
b. Health and wellness;
c. Provide the necessary job training and employment leading to economic self-sufficiency and homeownership.

5.2	**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. PHA Goals and Objectives: 1. Expand the supply of assisted housing by applying for additional rental vouchers and leverage private or other public funds to create additional housing opportunities. 2. Improve the quality of assisted housing by: Improving voucher Management, (SEMAP Score) , Increasing customer satisfaction and Concentrating on efforts to improve specific management functions like HQS Inspections, and reporting rate. 3. Increase assisted housing choices by Increasing payment standards and continuing the marketing of the Homeownership program. 4. Provide an improved living environment by: Implementing measures to deconcentrate poverty by bringing higher income public housing households into lower income developments 5. Promote self-sufficiency and asset development of assisted households by: Providing or attracting supportive services to increase independence for the elderly or families with disabilities. 6. Ensure equal opportunity and affirmatively further fair housing by: Undertaking affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability. **Report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-year plan**. **1. <u>PHA Goal:Expand the supply of assisted housing</u>** **Apply for additional rental vouchers** The Municipality has applied for additional vouchers from other programs in order to alleviate the strain on the HCV. Proposals were submitted to the Municipality of San Juan for additional HOPWA vouchers and the state Department of Health for new HOPWA vouchers. The Municipality plans to continue to apply for rental voucher additions from any state and federal agency that might provide them. **Leverage private or other public funds to create additional housing opportunities** Local funds from the Senior Housing Opportunity Program along with funds from the Municipality of San Juan's HOPWA program have been leveraged in order to provide additional services and housing opportunities to area residents. The Municipality plans to continue its usage of such funds for leveraging purposes. **<u>2.PHA Goal: Improve the quality of assisted housing</u>** **Increase Customer satisfaction** The Municipality has applied for Fair Housing Act Enforcement funds in order to guarantee proper treatment of customers and in order to canalize complaints and allegations concerning unfair treatment. Checks and controls have been implemented on the Municipal level to assure that referred participants and citizens are treated and served correctly. **Improve voucher management (SEMAP score)100%** The Municipality attended a HUD-sponsored conference dedicated to improving SEMAP scores. This conference was carried out by HUD Coach. The Municipality wishes to continue assisting in such trainings in order to better its performance. **Concentrate on efforts to improve specific management functions** The PHA has created a "Paper Reduction Committee" who will have the responsibility of revising the Municipality's filing and case system and offer suggestions that will lead to the increased efficiency of the compiling and dealing with case files. The members of the committee are rank-and-file employees of the PHA. **<u>3.PHA Goal: Increase assisted housing choices</u>** **Increase voucher payment standards** The Municipality implemented a local rent of 100% the FMR, in accordance with regulations. **Aggressively develop the Homeownership Program** The Municipality has attended a number homeownership conferences and seminars and has also carried out an aggressive campaign of orientating participants on the benefits of such a program. During the last fiscal year, two FSS participants utilized a combination of state and federal funds to purchase their own house. the Municipality was the first non-entitlement Municipality to utilize funds from the state CDBG Home Ownership Program. **<u>4.PHA Goal: Provide an improved living environment</u>** **Implement measures to deconcentrate poverty by bringing higher income public housing households into lower income developments**. The Municipality has carried out a campaign of orientation for such participants **<u>5.PHA Goal Provide self-sufficiency and asset development of families and individuals</u>** **Provide or attract supportive services to improve assistance recipients employability** Conferences and orientations have been created in coordination with the "Pan y Trabajo" state program. The Municipality of Aguas Buenas has inaugurated the Municipal Office of Integrated Services, (AMSI),.This office offers job seeking help, job fairs and trainings to the Municipality citizens in order to help them to obtain their self sufficiency. Also the Municipality is working in partnership with educative institutions like Huertas Jr. College and Instituto de Banca y Comercio, to provide studies opportunities to the citizens. **<u>6.PHA Goal: Ensure equal opportunity and affirmatively further fair housing</u>** **Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability** The Municipality has not discriminated upon any participants in relations to the mentioned statuses. In fact, the Municipality has treated family compositions with controversial familial statuses in an equal way. **<u>Other PHA Goals and Objectives:</u>** **To further strengthen the PHA's FSS program** The Municipality has made a number of conferences and orientations for its participants in coordination with other federal, state, local, and private agencies. The Municipality has also increased the number of meetings between the participant and the FSS Coordinator.

6.0

PHA Plan Update

(a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission:

1. Eligibility, Selection and Admissions Policies, including Deconcentration and Wait List Procedures-

The preferences or local preferences that the Municipality of Aguas Buenas will be using to established priorities are as follows:

1. **Unstable Housing Circumstances** – An applicant has an urgent housing need if they are experiencing unstable housing circumstances. This will include but is not limited to:

a. Homelessness
b. Imminent Homelessness
c. Living in crisis or emergency accommodations
d. Living with family or friends who are unable to provide longer term accommodation
e. Living apart from immediate family members because of a lack of appropriate housing alternatives

2. **At Risk Factors** – An applicant has an urgent housing need if they and/or a member of their households, is at risk of harm. There are many situations in which the personal safety or mental health of an applicant or another member of their household may be "at risk" including but not limited to:

a. Domestic Violence
b. Sexual Assault
c. Child Abuse
d. Threatening behavior by one or more household member against another member.
e. Torture and Trauma
f. "Women at Risk" which includes but not limited to
   - Physical and emotional abuse
   - Sexual Assault
   - Victimization
   - Harassment

This factor must be sustain by Police Reports, Protection Orders emitted by the State Court system, Medical Assessment Forms, Reports from a Doctor, health professional, Social Worker or a Community Support Agency such as an Institution, refugee or the Commonwealth of Puerto Rico Department of the Family.

No additional supporting documentation is required in cases where the applicant provides any of the following:

a. Supporting Letter and/or Referral from the State Court
b. Referral letter from the Commonwealth of Puerto Rico Department of the Family

It should be notes that our Housing Department will treat at risk situations with sensitivity and adheres strictly with Federal Regulations regarding this subject matter. Information provided by an applicant will not be disclosed to members of the public. It will be kept confidential.

3. **Appropriateness of existing accommodation** – An applicant has an urgent housing need if their current living conditions are extremely unsatisfactory due to:

a. Disability Severe overcrowding Substandard property conditions (extreme damp, dangerous or unhealthy conditions)
b. Lack of essentials facilities (water, electricity, bathroom and kitchen)Needing secure accommodation to take a child out of care
c. Severe and ongoing medical conditions

SPECIAL ADMISSIONS

If HUD awards programs funding that is targeted for specifically named families and/or the Municipality implements its own programs directed to specifically named families within the Municipality of Aguas Buenas, the Municipality will admit these families under a Special Admission Procedure.

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

- A family displaced because of demolition or disposition of a public or Indian Housing Project;
- A family residing in a multifamily rental housing project when HUD sells, foreclosures or demolished the project;
- For housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990;
- A family residing in a project covered by a project based Section 8 HAP contract at or near the end of the contract term or the owner decides to opts-out or prepays;
- A non-purchasing family in a HOPE 1 or HOPE 2 projects.

Applicants who are admitted under special admissions, rather than from the waiting list, are identified by codes in the waiting list and are not maintained on a separated waiting list.

7.0	**Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers.** *Include statements related to these programs as applicable.* **Homeownership Program**-The municipality has a goal of establishing and implementing a viable Homeownership Program in accordance with the Quality Housing & Work Responsibility Act of 1998 and will attempt the necessary procedures to promote a Homeownership Program within its Housing Program. In this regard, the municipality will seek out not only HOME funds, but likewise will work with both the Puerto Rico Department of Housing, the Housing Development Bank, and other similar public private agencies in order to accomplish this same goal. The total family that will be serviced through this program will be limited to approximately 20% of participating families, initially. The Municipality has successfully lead citizens to apply for homeownership assistance through the U.S. Department of Agriculture-Rural Development Office and the State CDBG Homeownership program.
8.0	**Capital Improvements.** Please complete Parts 8.1 through 8.3, as applicable.
8.1	**Capital Fund Program Annual Statement/Performance and Evaluation Report.** As part of the PHA 5-Year and Annual Plan, annually complete and submit the *Capital Fund Program Annual Statement/Performance and Evaluation Report,* form HUD-50075.1, for each current and open CFP grant and CFFP financing.
8.2	**Capital Fund Program Five-Year Action Plan.** As part of the submission of the Annual Plan, PHAs must complete and submit the *Capital Fund Program Five-Year Action Plan,* 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.
8.3	**Capital Fund Financing Program (CFFP).** ☐ 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.
9.0	**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 waiting list has been closed since May 15, 2009 and the Municipality is planning to open it when the list gets to 50 applications. The waiting list of the Municipality of Aguas Buenas, has a total of 106 families in the waiting list. 0 of these families are extremely low income, 7 are very low income and 99 are low income .The statistics of the waiting list are the following: a. Single person family - 25 b. Families with children - 71 c. Elderly families - 9 d. Families with persons with disabilities- 17 Most of these families are in need of a 3 and 4 bedrooms hosing unit, which are very hard to find, most of the units are concentrated in remote places such as Bayamoncito, Jagueyes and Juan Ascencio Wards. Due to the fact that there is a public transportation problem in Aguas Buenas, most of the participants do not want to rent houses in those wards.

9.1	**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.** **1.Maximize the number of affordable units available to the PHA within its current resources by:** Maintaining voucher payment standards that will enable families to rent throughout the jurisdiction, marketing the program to landlords as needed by publishing notices inviting them to participate in the program., undertaking measures to ensure access to affordable housing among families assisted by the PHA, regardless of the unit size by identifying housing units based on the size needs of the families and participating in the Consolidated plan process to ensure coordination with broader community strategies **2.Increase the number of affordable housing units by:** Applying for additional section 8 units as they become available and pursuing housing resources other than Section 8 tenant based assistance **3..Target available assistance to families at or below 30% of AMI by**: Meeting or exceeding HUD federal targeting income requirements for families at or below 30% of AMI in tenant based section 8 program. **4.Target available assistance to elderly** by applying for special-–purpose vouchers targeted to the elderly, should they become available. **5.Target available assistance to families with disabilities** by applying for special- purpose vouchers targeted to families with disabilities, should they become available. **6. Conduct activities to affirmatively further fair housing** by counseling section 8 program tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units. Market the program to owners outside of areas of poverty or minority concentrations. .

10.0	**Additional Information**. Describe the following, as well as any additional information HUD has requested. (**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**. Within its 5-year Plan, the Municipality of Aguas Buenas has achieved the following: -Has established the Homeownership Program as planned. -Established contacts with the local financial institutions to service our Homeownership families as well as with some local neighborhood networks organization(non-profit) -Continue with our established goal of providing improved conditions for extremely low income families while maintaining their rent payments as an affordable level. -Has been actively promoting freedom of housing choice so as to achieve deconcentration of extremely low-income families, within our homogenous community. -Continue with the administration of the following programs; **HOPWA**-A program geared to provide assistance to a member of the family that is HIV positive or has AIDS. Families are offered rental assistance and short-term payments to prevent homelessness. The municipality has joined a consortium made of municipalities located within the San Juan-Bayamon MSA to secure the necessary funding for this same program. The Municipality of San Juan is the lead PHA in this consortium. **Family Unification Program** - a program geared to provide assistance to extremely low-income and moderate income families whereby they are threaten by the Commonwealth Child Welfare Agency in the removal of the children from the home due to the environment under which they live, or have already been removed. In essence, the family needs a safe, decent and sanitary dwelling units so that the family maybe united. Our Municipality joined forces with the Commonwealth Department of the Family to provide a service to this sector of the population. **Family Self Sufficiency** - a program whereby strategies are developed to coordinate the use of housing assistance under the auspices of the Housing Choice Voucher Program (Section 8) with public and private resources. Hence, enabling extremely low-income and low-income families, who are eligible to receive said assistance to achieve economic independence, and self -sufficiency**.** **The Agency also administer the Supportive Housing Program,(S.H.P)-** The Supportive Housing Program is designed to develop supportive housing and services that will allow homeless persons to live as independently as possible (b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification" The Municipality of Aguas Buenas 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 : -Any modification to the PHA's Mission Statement or any substantial modification to the Municipality's goals and objectives. -An exception to these definitions will be made for any of the above that are adopted to reflect changes in HUD regulatory requirements. Moreover, these same changes will not be considered substantial deviations or significant amendments by the Municipality. Substantial Modification Same as above (c)PHA's must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance. The Municipality of Aguas Buenas SEMAP 2009-2010 was troubled rate. A SEMAP Corrective Action Plan was approved by HUD on January 21, 2010 and reports are submitted to HUD in a monthly basis.

11.0	**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. (a) Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations* (which includes all certifications relating to Civil Rights) (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. 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. (g) Challenged Elements (h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report* (PHAs receiving CFP grants only) (i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* (PHAs receiving CFP grants only)

2010-2011

PHA Administrative Plan

Municipality of Aguas Buenas

(RQ082)

MUNICIPALITY OF AGUAS BUENAS

Administrative PLAN

HOUSING CHOICE VOUCHER PROGRAM

RQ082

HON. LUIS ARROYO CHIQUES

MAYOR

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APRIL 2010

PHA ADMINISTRATIVE PLAN

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CHAPTER 1

STATEMENT OF POLICIES AND OBJECTIVES

I. Introduction

This revision of the Municipality of Aguas Buenas administrative plan will address the merger of the Certificate Program and the Voucher Program in accordance with the Quality Housing and work Responsibility Act of 1998, 24 FR 903, Section 545. All references herein are to the regulations currently in effect for the Housing Choice Voucher Program, as they may be amended. Except as expressly provided herein, all of the provisions of the Municipality of Aguas Buenas Administrative plan for the Voucher Program will apply to all programs that are currently being administered by the Municipality.

Administration of the Housing Choice Voucher Program and the functions as well as the responsibilities of the Public Housing Agency (PHA), namely the Municipality of Aguas Buenas, staff will be in compliance with the PHA's Personnel Policy and the Department of Housing and Urban Development's (HUD) Section 8 Regulations. Also, all federal, State, and local Fair Housing Laws and Regulations will be adhered to by the Municipal Housing Department Staff.

II. Jurisdiction

The jurisdiction of the PHA is exclusive of the Municipality of Aguas Buenas. Participants must reside within our jurisdiction but will be informed of their right to portability along with the Municipality's right to deny such portability if the FMR of the PHA porting in drastically surpasses that of the Municipality of Aguas Buenas.

III. Goals and Objectives [24 CFR 982.1]

The design of the Housing Choice Voucher Program is to achieve the following:

A. To promote freedom of housing choice and spatial deconcentration of extremely low income and minority families.

E. To consolidate the Section 8 Voucher and Certificate Programs into a single market-driven program.

F. Create incentives and economic opportunities for residents assisted by PHA's to work and become self sufficient.

C. Increase accountability and reward effective management of PHA's.

H. To provide decent, safe and sanitary housing for eligible families.

I. To provide improved conditions for extremely low-income families while maintaining their rent payments at an affordable level.

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

IV. Housing Agency Mission Statement

The Municipality of Aguas Buenas' mission is:

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

g. Literacy and education;

b. Health and wellness;

c. Provide the necessary job training and employment leading to economic self-sufficiency and homeownership.

d. The Municipality of Aguas Buenas aspires to support this mission by ensuring integrity in our operational and financial management while providing the following:

1. Good stable housing through diligent upkeep, preventative maintenance and high utilization of Section 8 Vouchers as well as recruiting good private landlords;

2. Safe environment where residents can live and Municipal Department employees can work;

3. Social services delivered directly through the Municipal Department or through community partners intended to empower residents so as to improve their quality of live;

4. Human resource training and staff development to enable employees to be highly productive, efficient, whereby both the results are customer service orient.

V Purpose of the Plan [CFR 982.54]

The purpose of the Administrative Plan is to establish policies for carrying out the program in a manner consistent with HUD requirements, local goals, and objectives contained within the Agency Plan, as well as establish viable policies for items not covered under Federal regulation for the Housing Choice Voucher Program. Other subsidized housing Programs are covered by this same plan.

The Municipality is responsible for complying with all subsequent changes enacted by HUD that pertain to these same programs. Should such changes conflict with this plan, HUD regulations will take precedence. The Municipality will revise this Administrative Plan as needed to comply with changes to regulations adopted by HUD.

The purpose of the Municipal program is to assist families that are economically disadvantaged and to gradually reduce the amount paid by the program. There is an undeniable need for low-income housing within the PHA jurisdiction as evidenced by the waiting list as well as the 2000 U.S. Census. There also exists a need for quality housing units available for program participants but there is not an abundance of affordable housing for low income families within this same Municipality. Being cognizant of this, our Municipality has established realistic and attainable goals, whereby, particular thought has been given to the number of families which can be expected to need and want better housing. By setting attainable goals, the PHA intends to become a facilitator between those in need and those who have available units by bringing them together in a manner beneficial to all concerned parties.

The Administrative Plan is a supporting document to the PHA Agency Plan, and is available for public review as required by 24 CFR 903.17,

Applicable regulations include:

24 CFR Parts 5: General Program Requirements

24 CFR Parts 8: Nondiscrimination

24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher program

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

VI. Housing Programs Offered

In addition to administering the tenant-based Housing Choice Voucher Program, the Municipality of Aguas Buenas has developed and implemented a Family Self-sufficiency Program to enable eligible low and extremely low-income families who are receiving assistance under this same program obtain economic independence and self-sufficiency. This same program has been designed and operated in accordance with established Federal Regulations as well as all applicable civil rights authorities.

It is the intent of our Municipality carry out a successful Family Self-Sufficiency Program, in order to attempt to combat the numerous problems of poverty and dependency within our community, focusing upon, what we believe to be, strategies that

will ultimately focus upon both employment and personal self development. In this regard, it has been our intent to mobilize resources within both the public and private sectors in order to achieve our goal, in accordance with HUD regulations.

Other Programs being administered by the Municipality of Aguas Buenas are:

1. **HOPWA -** a program geared to provide assistance to a member of the family that is HIV positive or has AIDS. Families are offered rental assistance and short payments to prevent homelessness. This is done in conjunction with the Municipality of San Juan. We have formed a partnership to administer this same program.

2. **Family Unification Program -** a program geared to provide assistance to extremely low-income and moderate income families whereby they are threaten by the Commonwealth Child Welfare Agency in the removal of the children from the home due to the environment under which they live, or have already been removed. In essence, the family needs a safe, decent and sanitary dwelling unit so that the family maybe united. Our Municipality in conjunction with him Commonwealth Department of the Family administers this program.

3. **Family Self-Sufficiency Program –** it is a program that encourages low income families to achieve education and goals as well as obtaining and maintain an employment. This program is for a 5 years period in which the family will be coach by FSS Coordinator in order to comply with short-terms and long terms goals to achieve economic independence and self sufficiency.

4. **Supportive Housing Program -** Program is designed to assist homeless people and develop supportive housing and services that will allow homeless persons to live as independently as possible. This program is only for 2 years period.

5. **The Homeless Prevention Program** - Program provides rental, utility and supportive services directly related to the prevention of homelessness to eligible individuals and families who are in danger of eviction, foreclosure or homelessness.

VII Rules and Regulations [CFR 982.52]

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

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

1. Take one all;

2. Shopping incentive;

3. 3-month holdback;

4. Federal preferences have been eliminated.

The following will be added to by the PHA:

1. The Municipality will promote a greater choice of housing opportunities for eligible families beyond the Municipality's jurisdiction or MBA, when necessary.

2. Families holding a voucher will be advised that it is their responsibility to find an existing unit suitable to their individual needs within the PHA's jurisdiction or MSA.

3. By no means will the actions of the Municipality reduce, directly or indirectly, the opportunities of the family to choose among the available units in the housing market.

4. The voucher holder will be advised that he or she may select a unit which he already occupies if the unit qualifies as existing housing and meets or can be made to meet the Housing Quality Standards.

5. Upon request, the Municipality will provide, without limiting opportunities of families to select assistance in finding units to those families who because of age, handicap or other reasons are unable to locate such approved housing units.

6. Information on available units which may become available to the Municipality because of its program and outreach efforts to attract new owners, will be posted in the owners' registry and in no way will the Municipality direct a family to a specific property thus limiting their right to choose and select.

7. Where a family alleges that illegal discrimination is preventing them from finding a suitable unit the Municipality will provide reasonable assistance in this matter by directing the aggrieved to the necessary agency

8. When circumstances permit communication with neighboring PHA's will be established to offer available vouchers to families which may be participating in the Housing Choice Voucher Program of the other PHA but are contemplating moving to the area of operation of the Municipality.

VIII Policy Statement Regarding the Steps the PHA Will Take To Affirmatively Further Fair Housing [CFR 982 (6)]

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

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

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.25 and 8.31, no individual with disabilities shall, be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the PHA's facilities are inaccessible to or unusable by persons with disabilities.

Based upon the letter, the Municipality of Aguas Buenas anticipates that the following activities will further Fair Housing, thereby benefitting those families, namely - the low and very low income families achieve safe, decent and affordable housing as well as self-sufficiency and economic independence.

ACTIVITIES:

<u>REVIEW OF EXISTING HOUSING PROGRAM</u>

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

In order to promote fair housing and remedy discrimination as well as encourage fair housing choice, our Program, which permits low income renters access to assisted. Housing regardless of race, color, religion, national origin, sex, familial status and disability, will be assured of this with the orientation winch will be given to new as well as incumbent owners during the briefing session prior to

execution of the housing assistance contract. Brochures will be prepared and handed out covering Fair Housing in both Spanish and English, which will form part of the owner's packet.

In order to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion, national origin, sex, familial status, and disability will be assured of because of the orientation offered to new or incumbent families and owners during their prospective briefing sessions which are held before the execution of the HAP contract and during the initial session held for prospective participants. Brochures will be prepared and handed out covering Fair Housing in both Spanish and English and these same brochures will be included in the owners' and participants' packet, respectively.

After a thorough review of our records and programs, each staff member of our PHA is uniquely aware of the existing Fair Housing laws and he importance of adherence to these same laws by the family, owner and staff. They have been instructed on the applicability of these same laws and how they must brief and or provide proper orientation to a new as well as existing owner or family.

Where a family alleges that illegal discrimination, is preventing them from finding a suitable unit within the community our local housing staff will provide reasonable assistance in this matter by directing the aggrieved to the necessary agencies.

The measures that will be undertaken to insure accessible housing to persons with all varieties of disabilities regardless of unit size are as follows:

A. The local Housing Inspector will receive the proper training so that when a prospective home has been inspected, it complies not only with established HQS but also with the American Disabilities Act.

B. Brief the owner concerning established local and federal laws on how to make the prospective dwelling unit comply with said laws and HQS as established by HUD.

C. Revise the payment standard in accordance with our plan so as to assure owner acceptance as well as the incentive to invest and make the dwelling unit an accessible unit for individuals with disabilities.

COORDINATION BETWEEN PUBLIC/PRIVATE RESOURCES

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

COORDINATING INFORMATION

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

CREATE AWARENESS OF LEAD BASE PAINT HAZARDS

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

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

ACTIVITIES:

COMPLYING WITH EXISTING REGULATIONS

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

IX Equal Opportunity

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

1. The Fair Housing Act, 42 U.S.C. 3610-3619 (implementing regulations at 24 CFR Parts 100, et seq.);

2. Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d (implementing regulations 24 CFR part 1);

3. The Age Discrimination Act of 1975, 42 U.S.C. 6101-6107 (implementing regulation sat 24 CFR part 146);

4. Executive Order 11063, Equal Opportunity in Housing (1962) as amended, Executive Order 12259, 46 FR. 1253 (1980), as amended. Executive Order 12892, 59 FR. 2939 (1994) (implementing regulations at 24 CFR part 107);

5. Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794 (implementing regulations at 24 CFR part 8); and

6. Title II of the Americans with Disabilities Act, 42 U.S.C. 12101, et. Esq.

a. For the application of equal opportunity requirements to an Indian Housing Authority, see 24 CFR 950.115.

b. The Municipality must submit a signed certification to HUD of the PHA's intention to comply with the Fair I Act, Title VI of the Civil Rights Act of 1964, the Age discrimination Act of 1975, Executive Order 11063, Section 504 of the Rehabilitation Act of 1973 and Title IT of the Americans with Disabilities Act.

X Reasonable Accommodation Policy [CFR 100.202]

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

A participant with a disability must first ask for a specific change to a practice as accommodation of their condition before the Municipality will be treated a person differently than anyone else. The Municipality's policies and practices will be designed to provide assurances that persons with disabilities will be given reasonable accommodations, upon request, so that they may fully access and utilize the housing program as well as related services. The availability of requesting an accommodation will be made known during the briefing of Voucher holders as well as sensitivity training of the staff so that they in turn may advise anyone needing such a service This policy is intended to afford persons with disabilities an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as those who do not have disabilities and is applicable to all situations described in this Administrative Plan including when a family initiates contact with the Municipality, when the Municipality initiates contact with a family including when a family applies, and when the Municipality schedules or reschedules appointments of any kind.

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

> A physical or mental impairment that substantially limits one or more of the major life activities of an individual;
>
> A record of such impairment;
>
> Being regard as having such an impairment.

Rehabilitated former drug users and alcoholics are covered under the ADA. However, a current drug user is not covered. In accordance with 24 CFR 5.403, individuals are not considered disabled for eligibility purposes solely on the basis of any drug or alcohol dependence. Individuals whose drug or alcohol addiction is a material factor to their disability is excluded, from the definition. Individuals are considered disabled if disabling mental and physical limitations would persist if drug or alcohol abuse discontinued.

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

If the Municipality fined that the requested accommodation creates an undue administrative or financial burden, the Municipality will deny the request and or present an alternate accommodation that will still meet the need of the person. An undue administrative burden is one that requires a fundamental alteration of the essential functions of the Municipality (i.e., waiving a family obligation). An undue financial burden is one that, when considering the available resources of the Agency as a whole, the requested accommodation would pose a severe financial hardship on the Municipality.

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

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

will be made available in an accessible format upon request, as a reasonable accommodation.

Verification of Disability

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

XI Privacy and Confidentiality

Information provided by a client to the Municipal Housing Department will not be disclosed to members of the public. ***It will be kept confidential.***

Information about a client may be passed between employees of the Municipal Housing Department where it is required in normal course of their duties. The Municipal Housing Department will only provide an individual's personal information to external organizations where there is a lawful reason to do so, such as a court order, or the individual to which the information relates has authorized release of the information to the requestor.

The Municipal Housing Department will disclose income details of household members to the head-of-household so that the family knows if their household's income is affecting their ongoing eligibility for the tenant-based housing program. The Department will disclose income details of household members to the participating family because household income affects the amount of rental subsidies that the tenant is entitled to receive.

XII Management Assessment Objectives [Part 982, Subpart D]

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

Selection from the Waiting List Reasonable Rent

Determination of Adjusted Income

Utility Allowance Schedule

HQS Quality control Inspections

HQS Enforcement

Expanding Housing Opportunities

Payment Standards

Annual Re-examinations

Correct Tenant Rent Calculations

Pre-Contract HQS Inspections

Annual HQS Inspections

Lease-Up

Family Self-Sufficiency Enrollment and Escrow Account Balances

Deconcentration Indicator

Supervisory quality control reviews will be performed by a PHA supervisor or other qualified person other than the person who performed the work, as required by HUD, on the following SEMAP factors:

Selection from the Waiting List

Rent Reasonableness

Determination of adjusted Income

HQS Enforcement

HQS Quality Control

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

1. Staff Functions

The following functions will be performed by the Municipal Housing Department staff;

a. Prepare all necessary documents, budget, forms, and any files which may be required for the efficient administration of the program.

b. Prepare and / or adapt the necessary forms, information, instructions, and material required for the organization. and implementation of the subsidized housing program.

c. During the leasing schedule and intake period, the staff will coordinate, supervise, organize, and actively participate in the following:

1. Outreach to eligible families and homeowners.

2. Determination of family eligibility and tenant selection, so as to ensure compliance with income targeting as stipulated in QHWRA.

3. Upon determining family eligibility, also ascertain which of the housing programs the family can enter into.

4. Verification of income and determination of total tenant payment.

5. Briefing the family of the various subsidized housing programs approved by HUD and administered by the Municipality

6. Briefing the family and issuance of vouchers.

7. Compliance by homeowners of Housing Quality Standards as established by existing HUD regulations as well as the required initial, interim and annual inspections.

8. Lease approval and contract execution in accordance with existing regulations.

9. Conduct initial, interim and annual certifications as required by HIJD regulations.

10. Prompt HAP payments to participating homeowners.

11. Briefing of families and participating homeowners concerning existing HUD regulations about terminations and evictions.

12. Monitoring applicable payment standards as established under QHWRA which is to be set between 90%410% of the Fair Market Rents for the PHA jurisdiction.

13. Assure compliance of security deposits and claims for damage and unpaid rents.

14. Compliance by families in the FSS Program, management of the FSS Escrow Account and proper disbursement of monies to the participating families of this same Program.

15. Briefing of families concerning the policy for informal hearing for denial, reduction and /or termination of assistance as required by existing HUD regulations.

16. Compliance by Families in the other subsidized housing programs that maybe administered by the Municipality.

2. Program Staffing

The Housing Choice Voucher Program extends the PHA's fiscal responsibility and flexibility to manage subsidy funds and administrative costs in an efficient manner in accordance with QHWRA, section 502(b). Whereby, the staff directly involved in the administration of the Housing Program in this Municipality, will be so designated in. accordance with the number of units assigned to the Program as stated in the ACC between the Municipality and HUD. The organizational chart for this Municipality is as follows:

Housing Director

Program and Special Project Coordinator

Secretary

HCV and FSS Coordinators

Housing Inspector

Accountant

Maintenance

Quality Control Unit

XIII Outreach Efforts [CFR 982 and 24 CFR 982.54(d)(5)]

1. Eligible Families

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

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

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

2. Homeowners

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

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

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

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

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

1. Affirmatively further fair housing goals and comply with equal opportunity requirements by visiting homeowners of suitable housing outside of minority

areas in order to explain the program's operational policies, as well, as to explain the numerous benefits to be derived from participating within the program.

2. Conduct other outreach programs such as conducting public hearings in order to explain program benefits and policies to not only prospective homeowners but also to prospective tenants as well. The public hearings will be held at centrally located places at times convenient to the general population.

3. Notices will be posted in public places in order to advise those interested persons, parties, and groups where information regarding the leasing of units may be obtained.

4. The Municipality will make personnel available to speak before fraternal, social and religious groups, in order to appraise the membership of these same groups of the policies, benefits, and program requirements of leasing units by homeowners under these same programs.

5. Special feature stories in local newspapers which highlight how the program can assist various types of homeowners can be an effective and inexpensive means of publicizing the program.

XIV PHA Code of Conduct [CFR 982.161]

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

At all levels of government, officials should be sensitive to the actions they may take to create an appropriate control environment. People within any organization, be it government or private, must be convinced that senior officials believe that effective controls are essential and expect that each member of the organization will adhere to prescribed control procedures. The atmosphere that prevails in the form of control discipline, attitude and awareness significantly affects an organization's ability to achieve an effective level of control, implementation and execution. The factors which influence the level of discipline, attitude and awareness comprise the control environment. It is useful to reflect on a number of control areas which, in terms of the significance usually attached to them, make an important contribution to the government control environment. The control environment is directly influenced by the degree of oversight

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

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

To ensure equity in selection of vendors;

To ensure uniformity in the application of procurement procedures;

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

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

The Municipality is a complex organization comprising a diversity of populations that have different relationships to one such as a relation of power and /or status. It is essential in such a society that all members recognize and respect not only their own rights and responsibilities, but also the right and responsibilities of other members of the community and those of the municipal staff. Cognizant of this fact, the Municipality of Aguas Buenas delineated and adopted a Code of Conduct

and Ethics that will be hereby adhered to by the employees of the Municipal Housing Department. The following constitutes the Code:

A. Introduction

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

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

B. Code of Conduct and Ethics

The Code of Conduct and Ethics establishes six principles of conduct which all public employees of the Municipality of Aguas Buenas are to expect to observe and adhere to:

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

2. In performing their duties, Municipal employees should respect the rights of their colleagues and the public.

3. Employees should carry out their duties in an efficient and competent manner, and avoid behavior which might impair their effectiveness.

4. Employees should fulfill their lawful obligations with professionalism, honestly, faithfully, efficiently, and avoid situations which might compromise their integrity or otherwise lead to conflicts of interest.

5. Develop a consciousness understanding with the Municipal employees about what constitutes just cause in any disciplinary action taken.

6. To assist those employees who are demonstrating a conduct that is contrary to these same rules as they are outlined in this chapter.

C. Rules of Conduct

1. A municipal employee must behave honestly and with integrity in the course of employment with the Municipality of Aguas Buenas

2. A municipal employee must act with care and diligence in the course of employment with the Municipality of Aguas Buenas.

3. A municipal employee must comply with lawful and reasonable directive given by someone in the employee's Agency who has authority to give such operating instructions. In other words, the municipal employee shall not commit insubordination, for purposes of this rule; insubordination shall be defined as not submitting to authority, being insolent or refusing without just cause to comply with instructions.

4. A municipal employee, when acting in the course of employment with the Municipality of Aguas Buenas, must treat everyone with respect, courtesy and without harassment.

5. A municipal employee must maintain appropriate confidentiality about dealings with the Mayor, the Mayor's Staff Members and the general public.

6. A municipal employee must disclose, and take reasonable steps to avoid any and all conflict of interest (real or apparent) in connection with their employment with the Municipality.

7. A municipal employee must use the Municipality of Aguas Buenas resources in an efficient and proper manner.

8. A municipal employee must not, provide false or misleading information and / or testimony in response to a request for information that is made for official purposes in connection with their employment with the Municipality of Aguas Buenas

9. A municipal employee when acting in the course of employment with the Municipality of Aguas Buenas, must comply with all applicable Commonwealth of Puerto Rico as well as all Federal Laws enacted by the Congress of the United States. For purposes of this rule, Commonwealth of Puerto Rico and Federal Laws, respectively, means:

A. Any Act, or any instrument made under an Act;

B. Any Law of the Commonwealth of Puerto Rico or Federal, including any instrument made under such a law.

10. A municipal employee must not, make improper use of:

A. Inside information;

B. The employee's duties, status, power, or authority;

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

11. A municipal employee must at all times behave in a way that upholds the values, integrity and good reputation of the Municipality of Aguas Buenas.

12. A municipal employee representing the Municipality of Aguas Buenas, within the Commonwealth of Puerto Rico or abroad, must at all times behave in a way that upholds the good reputation of the Municipality. For purposes of this rule, aboard is defined as visiting any foreign country or the United States mainland.

13. Accept, or solicit any gift, favor or service that might reasonably tend to influence the office or employee in the discharge of official duties or that the officer or employee knows or should know is being offered with the intent to influence the independence of judgment in the performance of the officer's or employees' official duties.

14. No municipal employee may engage in business or professional activity for personal gain on Municipal property. For purposes of this rule, business or professional shall be defined as selling, buying, loaning or any other particular activity so as to benefit and / or obtain benefit from it.

15. Failure to follow instructions, inattentiveness or inability by the employees of the Municipality of Aguas Buenas from the Agency head constitutes an infringement upon the rights and privileges of other employees.

16. No employee of the Municipality shall intentionally intercept either verbal or written communication, be that as it may, official and / or private.

17. Any employee shall be subject to disciplinary action as provided for in this chapter who, either as a principal actor, aider, abettor, or accomplice and interferes with the personal rights and privileges of others or the municipal functions which violates any provision of this division and / or commits any of the following personal, property, or status offenses which are hereby prohibited:

A. Property Offenses related to the work area:

(1) It shall be considered an offense by an employee who commits malicious mischief. Intentional or negligent damage to, or destruction of any municipal facility or any other public and / or private real or personal property.

(2) Employees of the Municipality of Aguas Buenas are expected to use all municipal facilities and equipment efficiently, carefully and honestly. Resources should be used economically, secured against theft or misuse and waste avoided.

(3) Unauthorized use of municipal equipment, personal and /or public property, or supplies shall be considered an offense as well as permit that this same equipment, property or supplies are destroyed, lost and/or harm comes to it. Converting of municipal equipment or supplies for personal gain or use without proper authority is not permitted.

(4) Theft and robbery. It will consider an offense, punishable under the Penal Code of the Commonwealth of Puerto Rico, of any theft, robbery and improper use of public and / or personal property, supplies, and services of the Municipality as defined in Art. 166, 33 L.P,R,A., sect. 4272 of the Penal Code.

B. Personal Offense related to the work area:

(1) Assault, reckless endangerment, intimidation or interference upon another person.

(2) Disorderly, abusive, bothersome conduct. Disorderly or abusive behavior which interferes with the rights of others or

which obstructs or disrupts the work area or administrative functions.

(3) Derogatory statement or physical contact. Engaging in unwelcome derogatory statement, other verbal and / or physical contact which causes discomfort or humiliation and interfere with job performance.

(4) False compliant, defamation of character and/or bearing false witnesses. Filling a formal complaint falsely accusing another employee or official of the Municipality with violating a provision of this chapter.

(5) Refraining from any conduct arising from malice or negligence of rules and regulations as well as generally accepted security norms that would harm and / or place in danger, directly or indirectly, the lives of municipal employee or general public.

(6) Municipal employees may not get involved in or perpetuate a quarrel within municipal facilities during working hours.

(7) Employees should refrain from utilizing their public post for politically oriented purposes or other purposes which are not compatible with the public service being rendered by the municipal administration.

(8) Employees which have been charged with a criminal act which implies a moral depravation shall be dismissed.

(9) Employees shall refrain from violent or forcible acts in trying to bring the downfall of the governments of the Commonwealth of Puerto Rico or the United States of America.

C. Status Offenses related to the work area:

(1) Refusing to disclose information concerning a physical or contagious medical condition affecting the employee, and /or family members of this same employee which puts in danger or could present a health hazard to other employees.

(2) Forgery or alteration of records. Forging or tendering any forged records or instruments as defined in Art. 241, 33 L,P.R.A., sect. 4437, .Art. 242, 33 L.P.R.A,, sect. 4438, and Art. 272, 33 L sect. 4592 of the Penal Code of the Commonwealth of Puerto Rico,

as now law or hereafter amended, of any municipal record or instrument to an employee acting in his/her official capacity as such.

(3) To perform the work required in a negligent form or disorderly manner.

(4) Refusal to do the work assigned or not do it in the time allotted, deliberate idleness or wasting time during working hours.

(5) Departing front the job route without just cause or authorization.

(6) Refusing to work overtime without just cause.

(7) Reporting late to work without justification.

(8) Absent from the work area without authorization or consistently being absent from work or tardiness without just cause.

(9) Falling asleep on the job or abandoning work area without proper authorization.

(10) Forging another employee's signature on time card or any assistance record.

(11) Employees of the Municipality of Aguas Buenas should avoid any activities, whether in connection with their official duties or otherwise, which might bring their department or the municipal government into disrepute, or jeopardize its relationship with the Mayor, clients, or the general public.

(12) Alcoholic beverages. Being demonstrably under the influence of any form of an alcoholic beverage. Possessing or consuming any form of an alcoholic beverage on municipal property.

(13) Weapons, explosives, and dangerous chemicals. Illegal or unauthorized use of possession of any device or substance which can be used to inflict bodily harm or to damage public or personal property.

(14) Controlled substances. Using, possessing, being demonstrably under the influence of, or selling any narcotic or

controlled substance as defined by law on municipal property, except when the use or possession of a drug is specifically prescribed as medication by an authorized medical doctor or dentist.

(15) Employees may distribute and post any notice, posters or printed material within the municipal facilities with the consent of the Mayor.

(16) Employees may not take part in or get involved with games which are prohibited by law on municipal facilities during working hours.

D. Code of Ethics

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

1. Equity and Justice

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

2. Respect for People

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

3. Personal and Professional. Responsibility

The main idea of taking personal and professional responsibility requires not only that people avoid doing harm to others but that they exhibit courteous behavior as well as upholding the standards expected of all employees of the Municipality of Aguas Buenas as part of achieving a common good. Moreover, the employees are expected to protect the rights of others as well as respect the diversity of all cultures and peoples. Those individuals who assert their rights have a reciprocal duty to exercise

care towards those who depend on them for their well being. This principle involves stewardship of assets, resources and the environment.

E. Rules of Ethics

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

1. Fair, Equitable and Impartial Decisions and Procedures

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

2. Conflict of Interest

Municipal employees should take suitable measures to avoid, or appropriately deal with, any situation in which they may have, or be seen to have, a conflict of interest that could, directly or indirectly, compromises the performance of their duties. When staff members become aware of such a situation they should take appropriate steps to disclose the conflict. Failure to do as well as a continuation of such a conflict of interest may lead to disciplinary action. In accordance with 24 CFR Part 982.161 of the Federal Regulation, the following will hereby be adhered to by the staff members of the Municipal Housing Department:

A. Neither the PHA nor any of its contractors or subcontractors may enter into any contract or arrangement in connection with the tenant-based programs in which any of the following classes of persons has an interest, direct or indirect, during tenure or for one year thereafter:

(1) Any present or former member or officer of the PHA (except a participant commissioner);

(2) Any employee of the PHA, or any contractor, subcontractor or agent of the PHA, who formulates policy or who influences decisions with respect to the programs;

(3) Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs;

(4) Any member of the Congress of the United States.

B. Any member of the classes described in Section Xli, subpart E (A) of this chapter must disclose their interest or prospective interest to the PHA and HUD.

C. The conflict of interest prohibition under this section may be waived by the HUD field office for good cause.

3. Confidentially

Staffs members who have access to official Municipal documentation and information must take due care to maintain the integrity, confidentiality and privacy of such information to protect any individual concerned. Municipal employees should also undertake to maintain the privacy of oral communication where that has been requested. Furthermore, staff members of the Municipal Housing Department must take due care to respect the confidentiality and privacy of all concerned with the tenant-based housing programs administered and only provide information when authorized by the parties concerned, the Mayor or for legitimate legal purposes and/or request by the Judicial system.

4. Acceptance of Gifts or Benefits

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

5. Patron and Nepotism is Unacceptable

Municipal employees should take great care in treating colleagues, coworkers, and general public fairly. Employees should not favor friends or relatives when in dealing with Municipal programs of public interest, contracts for the supply of goods and services And / or appointing new staff members. Any appointments should be merit based and legislative requirements should be strictly adhered to. It is an unacceptable practice and contrary to abstracts emitted by the Puerto Rico Governmental Ethics

Office to hire friends or relatives for a position without designating the position.

6. Obligations to Government and Political Neutrality

Employees are obliged to serve the aims and objectives of the Municipal Government through. It's elected official. Municipal employees should ensure that their personal interests or activities do not interfere with, or appear to interfere with, this obligation. Public servants are required to serve the Government of the day regardless of which political party is in office, they must act not only to ensure that their department maintains the confidence of its Mayor, but also that is able to establish the same relationship with future Mayors. Public servants have a recognized role in assisting with the development as well as the implementation of public policy. This may occur in different ways and at different levels within each department. It is the responsibility of public servants to provide honest, candid, impartial, and comprehensive advice to the Mayor, and to alert them to the possible consequences of following particular policies, whether or not such advice accords with the Mayor's views. Essentially, municipal employees should exercise their judgment within the confines of legislative requirements, Government policy, ministerial direction and considerations of equity, efficiency and effectiveness. Furthermore, the final decision on policy is the prerogative of the Mayor, and public servants may not withhold relevant information from the Mayor, nor seek to obstruct or delay a decision, nor attempt to undermine or improperly influence Government policy (for example, by the unauthorized release of official information). The dilemma for public servants who hold strong personal beliefs on certain issues is recognized, but it is one which must be managed so as to avoid conflict with their official duties. It is the Mayor who bears the political responsibility for Government policies, and it is the role of the public servant to faithfully implement those policies to the best of their abilities. Once the Mayor has made a decision, it is the duty of the public servant to implement that decision within the law, whether or not they personally agree with it, with integrity, and to the best of their ability.

F. Procedural Fairness

The Municipality of Aguas Buenas procedures will have due regard for procedural fairness as called for under existing laws of the Commonwealth of Puerto Rico, namely the Municipal Autonomous Law of August 30, 1991. The principles of procedural fairness require people whose interests will be adversely affected by a decision to be given an opportunity to be

heard, and decision makers to act without bias or self-interest, and to base their decisions on compelling or “logically probative” evidence.

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

1. People against whom an adverse decision may be made must be informed of any allegations against them in as much detail as possible;

2. Wherever possible people must be provided with an opportunity to present their case, and to hear the case against them, whether at an oral hearing or otherwise;

3. Where a decision has to be trade between competing interests, all parties to a matter must be heard and all arguments considered;

4. No person judges their own case or a. case in which they have a direct interest;

5. Decision makers must act fairly and without bias.

C. Action that may be taken if breach found to have occurred

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

2. If a sanction is imposed on the employee, the employee must be given a written statement setting out the reasons for the determination and the imposition of the sanction as called for under Artic].e XIV, Section I of this same directive.

3. Once a scrupulous investigation has been carried out and concluded, by the Agency Head as authorized and called for in Article XIV, Section H of this same regulation.

4. It shall be the responsibility of the Agency Head to recommend in the written statement what action is to be taken based on the findings and which Code did the employee violate.

5. If a breach of the code entail violating the Article XIV subsection B and C, respectively, as described within this same directive, then the

disciplinary procedures set forth in Article XIV, Section H will be adhered to.

6. If a breach of the Code entail violating the Article XIV, Sections D and C, respectively, as described within this same directive, then the following shall take place:

A. Setup of the Municipal Ethics Board

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

B. Ethics Board Procedures

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

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

H. Disciplinary Procedures

Section 1: Investigation

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

Section 2: Procedures of the Presentation of Formal Charges

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

A. Name and last known address of the employee;

B. A brief detailed description of the suspected breach of the Code as well as specifying the grounds in which it must also set out the findings on material questions of fact and refer to the evidence or other material on which those findings were based;

C. The notification will contain the range of sanctions that may be imposed should there be a finding that the employee indeed breached the Code of Conduct and Ethics;

D. The notification will state that the employee has a right to request an administrative review before the Official Examiner of Disciplinary Matters. The employee will be afforded 15 working days after receiving the official notification to request such a review;

E. The notification will state where the review may be requested.

F. The notification will also state that the employee has a right to have legal representation present or any other qualified representation as well as witnesses present should there exist any.

Section 3: Procedures of an Administrative Review

Any employee who has been served with a "Notice of Formal Charges", which specifies the grounds for suspension, with or

without remuneration, or termination of employment will have a right to request an administrative review before the Official Examiner of Disciplinary Matters within 15 working days from the time that the employee was served the official notice.

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

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

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

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

Section 5: Official Examiner of Disciplinary Matters Rep

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

Section 6: Final Letter and Right to App

Once the Mayor or Human Resources Director adopts thefinal decision or recommendation made by the Official Examiner of Disciplinary Matters, the employee will be notified of said decision in writing. The adopted sanction will take effect as soon as the employee has been notified. If will be an indispensable requisite

that the Mayor notify the employee aggrieved by the findings or conclusions of his/her right to appeal pursuant to existing State Law and Regulations before the Appeals Board of the Personal Administration System (J.A.S.A.P as it is known! in Spanish). The employee may appeal in writing to the aforementioned Appeals Board within thirty (30) days following notification or letter of the final action taken.

I. Sanctions or Disciplinary Actions

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

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

Verbal Warning;

Written Warning;

Termination of Employment;

Suspension of employment and wages for a maximum period of thirty (30) days;

Suspension of employment, with remuneration;

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

XV Translation of Documents

Cognizant of the fact that the primary language in Puerto Rico is Spanish, the Municipal Housing Department has bilingual staff to assist non-Spanish speaking families in English, and may translate documents into Spanish.

XVI Establishment of the Good Neighbor Policy

The Municipal Housing Department wants to assist tenants to live in peace and harmony with their neighbors. The Department encourages tenants to sort out their own problems with other tenants and / or neighbors between themselves, or through mediation. If the situation is one where the neighbors are both participants within our locally administered housing, they will be referred to the Social Worker, who will supervise the seminars and workshops which will be attended by the respective families so as to improve their behavior. This workshops and seminars will be carried via the Participant's School which will be established by the Municipal Housing Department.

If a participant family has breached the Statement of Responsibility Agreement, the Housing Department may take action against the family's tenancy. The action taken will depend on the seriousness of the breach. In extreme cases, the Housing Department will seek to terminate the family's assistance. If this situation comes to pass, the family will be apprised of the opportunity to appeal the decision taken through our Appeals Process. This action will only be taken when all other reasonable options have been exhausted, unless the breach has been extremely serious. Every attempt will be made to salvage the tenancy.

A. Entitlement

Participating families have a right to peaceful enjoyment of their home and an obligation to abide by the conditions set forth in their Statement of Responsibility. They have a right to complain about individuals who deny them this right The

Housing Department will investigate complaints against tenants where there is an alleged breach of the tenancy agreement. If the complaints are substantiated, participating families will be given the opportunity to change nuisance and annoying behavior.

We support the principles of cultural and social diversity, and we will not tolerate harassment in the form of racial, political, social, and sexual vilification.

B. Background

The Good neighbor Policy aims to achieve:

A. Harmonious living environments for tenant-based families and their neighbors;

B. A high qualify of life for Section 8 participants;

C. Secure and long-term Section 8 Tenancies;

D. Appropriate and adequate access to support ser vices, and/or advocates for tenants with special needs;

E. Stable communities with the residents getting involved in their neighborhoods;

F. Greater integration of Section 8 Tenants into the general community;

G. Improved management of the Tenant-based Program in partnership with relevant external agencies;

H. Improved landlord compliance with the Program Regulations.

XVII Client Feedback Policy

The Municipality of Aguas Buenas, namely the Municipal Housing Department, respects the right of our customers to complain, if they receive poor service. We also welcome compliments and suggestions through! our suggestion box as well as a survey conducted to see how the families are being served. We use this feedback to improve our services. We will respond to complaints promptly. The appropriate staff will investigate complex complaints. Clients will be kept informed about how their complaint is progressing.

Chapter 2

Applying to the Program and Waiting List

[CFR Part 982, subpart E & 982.54(d) (1)]

I. Introduction

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

III. Selection From Waiting List

(24 CFR 982.54(d)(1) and 202 (d)

A. Application Process

The purpose of application taking is to permit the Municipality to gather information and determine placement on the waiting list. The application will contain questions designed to obtain pertinent program information.

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

The Housing Director or the person assigned to carry out this duties will assigned a number to each application received, and maintain a list of qualified candidates assuring equality and assuring to all persons under this program.

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

People with applications not expected to be awarded vouchers upon completion of their files because their number in the waiting list is far higher than the number of available vouchers as per the ACC will be so advised. The families will be informed that their applications are valid for one year only and in order to maintain their case file opened, they must renew their application on a yearly basis. The Municipality will informed the families accordingly in writing. No documentation will be requested at that time, unless a significant change such as income or family composition had change, otherwise a certification will be placed in the applicants file in order to let the agency know that the family circumstances still the same and are interested in continue in the waiting list.

The application forms will contain both date and time of filling, and will be signed by the applicant or applicant's spouse and by he interviewer from the Municipal Staff which processed the family. Applications forms will be reviewed by the waiting list committee before the issuance of a new voucher as a method of Quality Control. A certification will be signed by the committee's representative.

During the process of application an investigator will make a field visit to the applicant's residence to further document the participant's living situation, in order for the agency established priorities or preferences to be recorded in the applicants file. All applicants will have a 30 days period in order to present all required documentation.

A copy of the official visit report can be seen attached to this.

After all documentation is turned in and the eligibility of the applicants is established, then the applicant is added to the Municipality's waiting list.

B. WAITING LIST MAINTENANCE AND SELECTION

Except for special admissions participants must be selected from the PHA waiting list. The PHA must select participants from the waiting list on first come – first serve basis with preferences, in accordance with this same plan, which includes Equal Opportunity.

The Municipality of Aguas Buenas uses a single waiting list for admissions to the Housing Choice Voucher Program. The Municipality will maintain information that permits proper selection from the waiting list in accordance with this Administrative Plan.

Information must be maintained that permits the Municipality to select qualified participants from the waiting list in accordance with established PHA admission policies. The Waiting list will contain the following information:

1. Applicants name
2. Family Composition (adults/children, age/sex)
3. Date, time and signature
4. Qualification for any preferences or local preferences
5. Racial or ethnic designation of the head of household
6. Programs for which the PHA feels that the family qualifies for and would be interested in participating under the auspices of the subsidized housing program. Should the family not be interested in participating in any special program, this will not affect the place and position of the family on the waiting list. This will not be considered as a preference in order to select a participant for a specific program.

The preferences or local preferences that the Municipality of Aguas Buenas will be using to established priorities are as follows:

1. **Unstable Housing Circumstances** – An applicant has an urgent housing need if they are experiencing unstable housing circumstances. This will include but is not limited to:

a. Homelessness

b. Imminent Homelessness

c. Living in crisis or emergency accommodations

d. Living with family or friends who are unable to provide longer term accommodation

e. Living apart from immediate family members because of a lack of appropriate housing alternatives

2. **At Risk Factors** – An applicant has an urgent housing need if they and/or a member of their households, is at risk of harm. There are many situations in which the personal safety or mental health of an applicant or another member of their household may be “at risk” including but not limited to:

a. Domestic Violence
b. Sexual Assault
c. Child Abuse
d. Threatening behavior by one or more household member against another member.
e. Torture and Trauma
f. "Women at Risk" which includes but not limited to
    - Physical and emotional abuse
    - Sexual Assault
    - Victimization
    - Harassment

This factor must be sustain by Police Reports, Protection Orders emitted by the State Court system, Medical Assessment Forms, Reports from a Doctor, health professional, Social Worker or a Community Support Agency such as an Institution, refugee or the Commonwealth of Puerto Rico Department of the Family.

No additional supporting documentation is required in cases where the applicant provides any of the following:

a. Supporting Letter and/or Referral from the State Court
b. Referral letter from the Commonwealth of Puerto Rico Department of the Family

It should be notes that our Housing Department will treat at risk situations with sensitivity and adheres strictly with Federal Regulations regarding this subject matter. Information provided by an applicant will not be disclosed to members of the public. It will be kept confidential.

3. **Appropriateness of existing accommodation** – An applicant has an urgent housing need if their current living conditions are extremely unsatisfactory due to:

a. Disability
b. Severe overcrowding.
c. Substandard property conditions (extreme damp, dangerous or unhealthy conditions)
d. Lack of essentials facilities (water, electricity, bathroom and kitchen)
e. Needing secure accommodation to take a child out of care
f. Severe and ongoing medical conditions

III. Opening of the Waiting List [CFR 982.206 & 982.54(d) (1)]

The Municipality will utilize the following procedures for opening & closing the waiting list:

• When the PHA opens a waiting list, it will publish a public notice informing all interested families and homeowners of the opening of a new waiting list. The public notice will state where and when to apply and/or to receive additional information on all aspects of the program.

• When the Municipality of Aguas Buenas opens the waiting lists, it will advertise through a public notice in a local newspaper of general circulation, minority publications and media entities. In addition, outreach will be provided through liaison with local social services agencies to assist persons with disabilities and elderly.

• At a minimum, the notice will contain the following information:

1. The dates, times and the locations where families may apply.

2. The program(s) for which applications will be taken.

3. A brief description of the program(s).

4. A statement that, among other things, state any limitations, if any, on who may apply.

5. The time frame established by the PHA on how long it will be accepting applications to the program.

Upon request from a person with a disability and / or a person with a special circumstance, additional time will be given as an accommodation for submission of an application after the closing deadline. For purposes of this section, special circumstance is defined to mean a situation unique to the family such as emergency hospitalization of the head of household and / or minor. The family will be asked to present evidence of special circumstance. This accommodation is to allow persons with disabilities the opportunity to submit an application in cases when a social service organization, assisting the family with the application process, provides inaccurate or untimely information about the closing date.

IV. Closing the Waiting List [CFR 982206(c)]

The notice published by the Municipality of Aguas Buenas about the opening of the waiting list will also contain the notice about the closing of the waiting list.

• The PHA at its discretion will determine that the existing waiting list does contain an adequate pool for use of available program funding and may stop accepting new applications.

• However, if the PHA is not otherwise accepting additional applications from those applicants who demonstrate a need beyond extraordinary circumstances and / or qualify under of the programs being offered by the PHA, said application will be accepted and so classified when placed on the waiting list.

• When a decision has been made to close the existing waiting list, the PHA will publish a public notice in a local newspaper of general circulation advising all interested persons, parties, and groups of the same.

V. Applicant Status While on Waiting List

Applicants are enquired to inform the PHA of changes in their address. Applicants are also required to respond to requests from the Municipality to update information on their application and to determine their interest in assistance. Those who do not reply will be removed from the waiting list with the option to apply at a later date with no penalty.

VI. Updating/Removal from the Waiting List [CFR 982.404(c)]

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

1. A letter will be mailed to the applicant's last known address.

2. The notice will inform the applicant family that a year has passed and information will be requested regarding their continued interest in maintaining a place on the waiting list.

3 A time limit will be established in the notice, whereby, the applicant will be requested to pass by the Municipal Housing Department to file an updated application. By visiting and / or contacting the Housing Department, the family has demonstrated interest as well as assured itself of continuing their position for one year on the waiting list.

4. If the PHA fails to receive the applicant notice and/or renewed application of continuance within the time frame established by the Municipality for this purpose, the applicant's name will be removed from the waiting list.

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

VII. Completion of a Full Application

All information declared on the application or while the family is on the waiting list will be verified before the family is put on the waiting list but before the final eligibility stage. During the acceptance of applicant applicants will be required to complete a full application in their own handwriting, unless assistance is needed, or a request for full accommodation is made by a person with a disability. Applicants will be orientated by department staff concerning requirements, regulations, and other program details. Upon completion of the application and all requested documentation, the applicants will then be visited and interviewed by the Municipal Housing staff to review the information on the full application form as well as confirm the documents requested from the family. Applicants have 30 days to turn in all requested documents. If 30 days passes, the agency will assume that the applicant lacks interest in completing their application. The date of the application will be the date placed in the waiting list.

VIII. Interview Process

The Municipality uses the investigation process to discuss the family's circumstances in greater detail, to clarify information which has been provided by the family, and to ensure that the information is complete. The investigation is also used as a vehicle to meet the informational needs of the family by providing information about the application and verification process, as well as to advise the family of other PHA services or programs which may be available. The head of household is required to attend the initial orientation when requesting an application. Despite such, all adult family members must sign a HUD-9886 form in order to carry out the investigation in accordance with federal regulations. All adult family members are required to attend the interview and sign the housing application. Exceptions may be made for extenuating circumstances for family members who cannot attend or attendance would be a hardship. The head of household and spouse is both required to attend the interview.

It is the applicant's responsibility to reschedule the second scheduled interview if she misses the first appointment, if the applicant does not reschedule or misses two scheduled meetings, the PHA will reject the applicant.

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

Applicants who fail to appear and want to reschedule a missed appointment must make the request to reschedule no later than 10 business days from the original appointment date. If an applicant fails to appear for a pre-scheduled appointment, the PHA will automatically schedule a second appointment. If the applicant misses the second appointment without prior approval, the application is denied.

If an applicant fails to appear for their interview without prior approval of the Municipality, their application will be denied unless they can provide acceptable justification.

If an application is denied due to failure to attend the application interview, the applicant will be notified in writing and offered a opportunity to request an informal review according to the PHA established procedures outline further in this same Administrative Plan.

After families complete their applications, except those that for obvious reasons will not qualify, a series of documents will be requested from them and they will be required to bring these documents within a period of 30 business days. The family will be given sheet outlining the necessary documents needed to complete their file. The Municipal Housing staff will go over the list and inform the family that if they do not comply with the time set, respective application will be withdrawn and case considered closed. To ensure that the family understands, the form will be signed by the family and Municipal staff managing the caseload. A copy will be given to the family.

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

X. Verification Procedures [CFR 982.201(e)]

Information, provided by the applicant will be verified, using the verification procedures in The "Verification Procedures" chapter. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, and other pertinent information will be verified. Once the family has filed an application and has provided evidence required to complement it, office personnel must verify with sources and references all basic information given by the applicant by means of a personal interview, telephone contact or by mail. When all information is verified and the family is determined eligible by a certification form which must be filled out by the Municipal staff in charge of the case, they will be placed on the waiting list.

In addition to the aforementioned, an on-site visit will be conduct by the Inspector and a Program Coordinator designated by the Housing Director, to verify the conditions under which the family is currently living to ascertain the veracity of the information given by the prospective family. An evaluation of the housing unit will be accompanied by pictures. This will form part of the file.

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

1. Family Composition - Birth, marriage and birth certificates, a family photograph, sworn statements, school records.

2. Special Medical needs which require larger units - Medical Certificate from attending physician.

3. Income from wages - Verification from the employer.

4. Social Security - Verification the S.S. office or through HUD website.

5. State Disability and other pensions - Verification from an employer or any pertinent governmental agency.

6. Welfare payments - Verifications from the Commonwealth Department of the Family agency.

7. Unemployment compensation - Verifications from State Agency (Form W-5).

8. Alimony and child support - Court Records A copy of the divorce decree as well as from the appropriate State Agency, namely “ASUME.”

9. Family financial Assistance - Letter form from a benefactor.

10. Family type (Elderly or Disabled) - From appropriate agency granting benefits and birth certificate.

11. Full-time student status (18 or older) - A letter from school or college.

12. Scholarships-grants - A written confirmation from the source of benefits, including one from the Educational Institution as to cost. The net balance is the amount available for subsistence.

13. Income Interest and Dividends - Verification from bank, or financial institution, bank passbooks, etc.

14. Assets - Written verification from the appropriate financial institution or source, In case of rental income, a written statement from the person paying the rent.

15. Applicant Screening - A Certificate of Good Conduct from State Police Department this as per QHWRA of 1998.

16. Other - Any other document deemed necessary for the family applicant to qualify for the subsidized housing program under established HUD regulations.

Moreover, a credit check will be conduct on the family to determine that their income and assets have been reported correctly to the Municipal Housing Department. The cost of the credit check will be covered by the Municipality.

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

After the verification process is completed, the Municipality will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by the Municipality, and the current eligibility criteria in effect. If the family is determined to be eligible, the PHA will mail a notification of eligibility and put on the waiting list.

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

XII. Special Admissions [CFR 982.54(d)(3) & 982.2031]

If HUD awards program funding that is targeted f or specifically named families and / or the Municipality implements its own programs directed to specifically named families within the Municipality of Aguas Buenas, the Municipality will admit these families under a Special Admission Procedure.

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

• A family displaced because of demolition or disposition. of a public or Indian housing project;

• A family residing in a multifamily rental housing project when HUD sells forecloses or demolishes the project;

• For housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990;

• A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the contract term or the owner decides to opts-out or prepays;

• A non-purchasing family residing in a HOPE 1 or HOPE 2 projects.

The following are examples of types of program funding that may be implemented and adopted by the Municipality of Aguas Buenas for families in a specified unit type:

• A program designed to assist the Elderly and/or disabled with the payment of rent, utilities and/or rental assistance. Depending on the family's particular

• Temporary relocation vouchers whereby the family's home is under going rehabilitation and the families need to secure a temporary home until said rehabilitation is completed. These vouchers have a life span of one year from the date of issuance and can be extended at the discretion of the Municipality.

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

*Supportive Service Referral Process - contingent upon funding availability, the Municipality will make up to 50 vouchers available for tenant-based assistance through referrals from the Commonwealth of Puerto Rico Department of the Family under its locally administered Family Unification Program.

*When a family is referred to the Municipality through the Family Unification Program, it will receive a voucher if it meets all of the eligibility requirements enumerated in this Plan, and a voucher is available for this program.

*Families referred through the Commonwealth of Puerto Rico Department of the Family will be put on the waiting list, regardless if the official list is closed and will receive top priority as soon as a FUP voucher is available and / or from the regular stock of inventory vouchers.

XIII. Income Targeting [CFR 982.201]

In accordance with 24 CFR part 5, subpart F, section 5.607(b), not less than 75 percent of the families admitted to the Municipality of Aguas Buenas' subsidized

housing program during the Municipality's fiscal year will be families whose annual income does not exceed the following amounts:

1. 30 percent of the area median income, with adjustments for smaller and larger families.

2. A higher or lower percent of the area median income, if HUD determines a higher or lower percent is necessary because of usually high or low family incomes.

The Municipality will admit families who qualify under the Extremely Low In come Families (ELI) limit to meet the income targeting requirement, regardless of waiting list ranking.

The Municipality will on a monthly basis assess whether the number of persons admitted in accordance with this Plan will result in the PHA achieving the required 75% targeting of persons in the ELI range. To the extent that the PHA is not on track with that goal, it will skip to the next ELI family on the waiting list in rank order. The PHA's income targeting requirement does not apply to low income families continuously assisted as provided for under the 1937 Housing Act.

If the annual income of the family has been verified, at final eligibility determination, and does not fall under the ELI limit and the family was selected for income targeting purposes before families with higher rank on the waiting list, the family will be returned to its original position on the waiting list.

A. Conversion of assistance

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

B. Inapplicability of targeting

Admissions of the following categories of families are not subject to targeting under Article XIV of this chapter:

1. A low income family that is continuously assisted under the 1937 Act.

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

C. Use of family's income

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

XIV. Housing Former Program Participants

Cognizant of the fact that families will find themselves in a difficult situation due to the fact that they have fallen on hard times, the Municipality of Aguas Buenas has adopted what it believes to be a fair and just policy concerning the issue of housing former program participants.

The Municipality of Aguas Buenas considers a reasonable waiting period of 5 years before a former family can reapply to the Subsidized Housing Program. That is considering that the waiting list is opened and there exists an inventor y of vouchers that can be offered to the families. Notwithstanding, it will be up to the Housing Director to determine if extenuating circumstances exist which merit that this time limit is waived and allows the family to reapply.

Furthermore, once the imposed time limit has expired, the family will be allowed to reapply considering that the waiting list is opened and applications are being received. At that time, the family may reapply and the procedures and guidelines established in this Chapter will be adhered to by the Housing Department.

On the other hand, the Housing Director will determine, if extenuating circumstances exists which merit that the time limit is waived, For purposes of this policy, extenuating circumstances is defined to mean that the family has an urgent need and are unable to resolve that need themselves.

An applicant may demonstrate that they have urgent housing need, if they are experiencing one or more of the following. (Each of these urgent needs have been associated with the Waiting List preferences outlined in this same chapter.)

- Unstable housing circumstance;
- Experiencing "At Risk" factors;
- Existing accommodation is inappropriate for their basic housing requirements

1. Unstable Housing Circumstances

An applicant has an urgent housing need if they are experiencing unstable housing circumstances. This will include but is not limited to:

- Homelessness
- Imminent homelessness
- Living in crisis or emergency accommodation
- Living with family or friends who are unable to provide longer term accommodation
- Living apart from immediate family members because of a lad. of appropriate housing alternatives

2. "At Risk" factors

An applicant has an urgent housing need if they and/or a member of their household, is at risk of harm. There are many situations in which the personal safety or mental heath of an applicant or another member of their household may be 'at risk' including but not limited to:

- Domestic violence
- Sexual assault
- Child Abuse
- Threatening behavior by one or more household member against another member
- Torture and trauma
- An additional 'at risk' category relates to refugees as "Women at Risk" The United Nations High Commissioner for Refugees gives priority to the protection of refugee women identified as being at risk of serious abuse including:
- Physical and emotional abuse
    - Sexual assault
    - Victimization
    - Harassment

The applicant may need to provide documents to support their applicant. The types of documents will vary according to the circumstances, but may include:

- Police Reports
- Protection Order emitted by the State Court system
- Medical Assessment Form
- Reports from a doctor, health professional, social worker or a community support agency, such as a refugee and / or the Commonwealth of Puerto Rico Department of the Family.

No additional supporting documentation is required in cases where an applicant provides any of the following:

- Supporting letter and/or referral from the State Court
- Referral letter from the Commonwealth of Puerto Rico Department of the Family

It should be noted that our Housing Department will treat at risk situations with sensitivity and adheres strictly with Federal Regulations regarding this subject matter.

Information provided by an applicant will not be disclosed to members of the public. It will be kept confidential. Information about an applicant may be passed between employees of the Department where it is required in the normal course of their duties the Municipal Housing Department will only provide an individual's personal information to external organizations where there is a lawful reason to do so or where the applicant has first given their permission for releasing the information.

Notice and Opportunity for a Meetings where the Local Preference is denied

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

This same meeting may be conducted by any person or persons designated by the PEA, who may be an officer or employee of the PHA, including the person who made or reviewed the determination or a subordinate employee. Additionally, the applicant may exercise other rights if the applicant believes that he or she has been discriminated

against: on the basis of race, color, religion, sex, national origin, age, disability or family status.

3. Appropriateness of existing accommodation

An applicant has an urgent housing need if their current living conditions are extremely unsatisfactory due to:

a. Severe overcrowding

For purposes of this policy, severe overcrowding is defined as:

- An adult or a couple share a bedroom with a person aged over three years;
- More than three children share a bedroom;
- More than two unrelated adults share a bedroom.

b. Substandard property conditions (extreme damp, dangerous or unhealthy conditions)

c. Lack of essential facilities (water, electricity, bathroom and kitchen)

d. Needing secure accommodation to take a child out of care

e. Severe and ongoing medical condition

For purposes of this policy, severe and ongoing medical condition is defined as:

- Where an applicant, or a member of their household, has a severe or ongoing medical condition or disability, they must show how their current housing circumstances are having a bad effect on their health or well-being.
- If an applicant has a severe or ongoing medical condition or disability the Housing Department will consider:
- The severity of the person's condition;
- Where the medical condition is permanent or likely to be permanent;
- The mobility of the per son is affected;

- The impact of the current dwelling and / or location on the person's health or well-being;
- How often the person needs to visit medical services or specialists;
- If, and how easily, the person can travel to these services;
- If, and how easily, these services can be accessed in other areas

f. Disability

For purposes of this policy, disability will be defined as the same definition as the one provided by HUD.

In order to consider whether to allow the families to reapply, former program participants must be:

Within the Municipality of Aguas Buenas' income eligibility limits established by HUD.

When a participant family vacates a property, the Municipal Housing Department will assess the tenancy history of the tenant and their household members. Depending on the former occupancy and rental history their previous tenancy is categorized as:

1. Satisfactory;

2. Less than satisfactory;

3. Unsatisfactory;

4. Ineligible.

The category assigned at the end of a tenancy will be considered when a former tenant applies for the Subsidized Housing Program. This review will determine an applicant's eligibility for the Tenant-Based Housing Program based on:

1. Their previous housing tenancy history;

2 Their current situation;

3. Regular repayment of any money owed to the Municipal Housing Department incurred during a previous tenancy.

It should be noted that the review of the applicant's tenancy history will also be used to determine any conditions that need to be met by the applicant before

requests for housing assistance will be approved. A former tenant not assigned a category at the end of their tenancy prior to implementation of this policy will be assigned a category when they apply for our locally administered Tenant-based Housing Choice Voucher Program.

1. Entitlement

Former Housing Choice Voucher Program participants reapplying for housing assistance can expect the Municipal Housing Department to:

- Advice those of the category assigned to their previous tenancy;
- Explain the reasons for assigning the category;
- Explain the conditions that apply to each category;
- Explain the documentation required;
- Explain the types of housing assistance available depending on the category;
- Explain why they are ineligible for a specific type of assistance;
- Advice them of their right to appeal as explained in, Chapter 16, "Complaints, Grievance and Appeals".

2. Business Rules

The Municipal Housing Department reviews a participating family's tenancy history when they voluntarily turn their voucher. Different categories are then assigned depending on whether the former tenant breached their previous Statement of Family Responsibility. The category and any condition that relate to the category reflect the seriousness of past breaches.

Satisfactory

Less than satisfactory

Unsatisfactory

Ineligible

3. Satisfactory former family participants

Satisfactory former family participants are eligible to reapply for our locally administered Tenant-based Housing Choice Voucher Program. This category applies to former participant's family who did not breach their former Statement

of Family responsibility. It also applies to former tenants who voluntarily turn in their voucher owing the Municipal Housing Department less than $500.00. Moreover, former participant families who turned in their voucher must make regular repayments to rectify the debt. The former participating family's repayment history will be reviewed prior to making an offer of accommodation. Failure to maintain regular repayments will result in the cancellation of the offer.

4. Less than satisfactory former family participants

Less than satisfactory former family participants include those who left voluntarily without being evicted or being under threat of eviction, but:

- Left the program owing the Municipal Housing Department more than $500.00 in rent, repairs and/or other charges;
- Abandoned the dwelling unit;
- Left the property in an unsatisfactory condition.;
- Had substantiated complaints of serious nuisance and annoyance during their tenancy.

Applicants who owe the Municipal Housing Department more than $500.00 in unpaid rent or other charges are eligible for admittance to the Housing Register but not the waiting list for a period of six (6) months. This means that no offer of accommodation will be made during this period unless the debt is fully repaid. Failure to make regular repayments will result in the applicant's name being removed from the Housing Register.

5. Unsatisfactory Former Tenants

Unsatisfactory former tenants include those that:

- Were evicted from their previous tenancy by the owner of the unit;
- Vacated the unit without proper authorized from the PHA;
- Are "repeat" less than satisfactory tenant (that is, they have moved out of a dwelling unit more than once and on more than one occasion were assigned a less than satisfactory category);
- Had substantiated complaints of nuisance and annoyance and were evicted by the owner;
- Had substantiated complaints of nuisance and annoyance (as defined above) and vacated the unit without proper authorization from the PHA.

Unsatisfactory former tenants are not eligible for the tenant-based housing program until they have demonstrated that they have been able to sustain a tenancy in the private sector for at least six (6) months. If an unsatisfactory former participant family is unable to sustain a private tenancy, their application to the Housing Choice Voucher Program will not be approved. The family will have to wait until the 5-year imposed time limit expires before they can reapply for the Tenant-based housing program.

6. Ineligible Former Tenants

Ineligible former tenants are those who were evicted for extreme violations or had heir participation canceled by the PHA due to a breach of their Statement of Family Responsibilities and/or violation of 24 CFR Part 981.551 and 982.552. Extreme breaches include:

a. Illegal drug activities or crime committed by the tenant or a member of their household.

b. Convicted of illegal drug activities or serious crime committed by the head of household or any member of the family.

c. Physical attacks or serious verbal threats directed at neighbors or Housing Staff made by the head of household or any member of the family.

This determination can only be made by the Housing Director and can only be overridden by the Executive Director of the PHA, namely the duly elected Mayor of the Municipality of Aguas Buenas. In special circumstances, and at their absolute discretion, the Executive Director of the PHA may approve an ineligible former f family's application for the Housing Choice Voucher Program. The decision to determine the ineligibility of a former family's application will be carried out in conjunction between the Housing Director and the Executive Director of the PHA. When approval is granted to a previously ineligible former tenant for the Housing Choice Voucher Program, then the family will be required to meet all the same conditions as unsatisfactory former participant families. That is, they will need to demonstrate that they can sustain a tenancy in the private sector for 6 months before consideration is given to offering the family the opportunity to reapply to the Program. They will also need to repay any outstanding debts.

7. Appealing Decision or Actions

Former participant families can appeal a decision made by the Municipality of Aguas Buenas regarding:

A. The category assigned at the end of the tenancy;

B. Being deemed ineligible for the Housing Choice Voucher Program;

C. Suspension from the Waiting List;

D. Not being admitted to the Waiting List;

F. Being removed from the Waiting List.

The normal appeal process applies. See the policy on Chapter 16, Complaints, and Grievance and Appeals.

XV. Mandatory Prohibition of Sex Offenders

The Municipality of Aguas Buenas 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 Aguas Buenas (RQ082) will screen the family by performing a criminal history background necessary to determine whether any household member is subject to a lifetime sex offender registration requirement in the State where the dwelling unit is located and in other States where the household members are known to have resided. The screening is to be carried through the Puerto Rico Polite Department, which issues a Certificate of Conduct.

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

XVI. The Violence Against Women Act (VAWA)

As part of the Public Policy of the Municipality of Aguas Buenas through the Housing Choice Voucher Program (HCV), and in compliance with HUD's requirements a disclosure is 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 Aguas Buenas in compliance with local, state and federal 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.

The Municipality of Aguas Buenas will implement a Program Service Committee (PSC) in order to comply with the Violence Against Women Act . Some of the agencies that will be invited to be par t of this Committee are as follows:

- Department of the Family
- Municipal and State Police
- Child Care
- Early Head Start
- Counseling Services (APS, Inspira, Sanos Inc., etc.)

We will also be referred to the following laws:

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

Denial of Service or cancellation of participation:

The Municipality of Aguas Buenas can deny, prohibit and even cancel service to a person who has been accused of committing a crime against these laws, within or outside our jurisdiction, in compliance with Articles 5 and 7 of Public Law 266 of Puerto Rico and Federal Regulation 24 CFR 982.553, which prohibit, deny or cancel admission to the HCV 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 required 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, it does not guarantee that assistance will be denied by the Housing Choice Voucher Program (Section 8).

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

a. Not constitute a mayor violation of the lease, if the applicant or any family member is the victim, and the violation of contract is related to such abuseor 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. In the meanwhile, it is true that the Municipality of Aguas Buenas will deny admission to the program any applicant who has been accused of committing a criminal act, VAWA establish that the only way 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 Choice Voucher Program (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 Choice Voucher Program (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 Choice Voucher Program (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 Choice Voucher Program (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 VAWA.

Rights of the Housing Choice Voucher Program (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.

Chapter 3

Eligibility for Admission

[24 CFR Part 982, Subpart E]

I. Introduction

This chapter defines both HUD and the Municipality's criteria for admission and denial of admission, to the Housing Rental Assistance Program. The policy of the municipality is to strive for objectivity and consistency in applying these criterions to evaluate the eligibility of families who apply. The Housing Department staff will review all pertinent information provided by the family carefully and without regard to factors other than those defined in this chapter. Families will be afforded the opportunity to present their individual circumstances, furnish additional information, if needed, and receive an explanation of the basis for any decision made by the Municipality pertaining to their eligibility.

II. Eligibility Factors [982.201(b)]

The head of household must have the legal capacity to enter into a lease under State law, which is the age of 21 in the Commonwealth of Puerto Rico. Furthermore, to be eligible for participation, an applicant must meet HUD's criteria, as well as any permissible additional standards adopted and implemented by the Municipality of Aguas Buenas.

The HUD eligibility criteria are defined as follows:

- An applicant must be in accordance with the established definition of a family as described in Article III of this chapter;
- An applicant must be income eligible;
- An applicant must furnish social security numbers for all family members age six and older;
- An applicant must furnish a Declaration of Citizenship or Eligible Immigration Status and verification, if required;
- At least one member of the applicant family must be either a U.S. citizen or have eligible immigration status before the Municipality may provide any financial assistance.

- An applicant will be denied admission if any member of the family has ever been convicted for a sexual offense or who is subject to the lifetime registration with federal, state or local law enforcement agencies. (Amended May 3, 2007)

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

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

I. Verification of Status before Admission

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

III. Other Criteria For Admission [CFR 982.55 2(a)(b)(c)(e) & 24 CFR 982.553(a)]

It is the policy of the Municipality of Aguas Buenas to deny assistance for any applicant befitting from its locally administered tenant-based housing program because of the family's action and/or failure to act.

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

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

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

- If the family violates any family obligations under the program under 24 CFR982.551 and 24 CFR 982.553 which delineates the procedures to follow if a family or member commits a crime.

- If any member of the family has been evicted from federally assisted housing in the last five years.

- If the PHA has ever terminated assistance under the program for any member of the family.

- If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal Housing Program.

- If the family currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

- If the family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

- If the family breaches an agreement with the PHA to pay amounts owed to the PHA, or amounts paid to an owner by the PHA. (The PHA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to the PHA. The PHA may prescribe the terms of the agreement.)

- If a family participating in the Family Self-Sufficiency (FSS) program f ails to comply without good cause, with the family' s FSS contract of participation.

- If the family has engaged in, threatened, demonstrated abusive or violent behavior toward any PHA personnel.

- If the family has been engaged in criminal activity or alcohol abuse as described in 24 CFR 982.553.

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

* The Municipality of Aguas Buenas will consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial or termination of assistance on other family members of who were not involved in the action or failure.

* In determining whether to deny admission or terminate assistance for illegal use of drugs or alcohol abuse by a house hold member who is no longer engaged in such behavior, the Municipality will consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 Usc 13661). For this purpose, the Municipality will require the applicant or tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

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

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

* That the evicted household member who engaged in drug- related criminal activity has successfully completed a supervised drug rehabilitation program approved by the commonwealth of Puerto Fico Corrections Department;

* That the circumstances leading to eviction no longer exist, for example, the criminal household member has died or is imprisoned.

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

A. Drug related criminal activity;

B. Violent criminal activity;

C. Other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity;

D. Other criminal activity which may threaten the health or safety of the owner, or persons performing a contract administration function or responsibility on behalf of the PH.A, including a PHA. employee, PHA contractor or agent.

It will be the policy of the Municipality of Aguas Buenas to establish a period of 5 years as the period of reasonable time whereby the applicant family has not engaged in the

activities specified in 24 CFR 982.553(a) (2) (i) before admitted into the housing program.

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

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

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

IV. Prohibited Admissions Criteria [CFR 982.202(b)]

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

a. Where a family lives prior to admission to the program;

b. Where the family will live with assistance under the program;

c. Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock;

d. Discrimination because a family includes chi Whether a family decides to participate in a Family Self-Sufficiency Program;

f. Other reasons as listed in the "Statement of Policies and Objectives" chapter under the Fair Housing and Reasonable Accommodations sections, respectively.

V. Family Composition [CFR 982.201(c)]

The applicant must be a "Family." The term "Family" is defined as a single person or a group of persons. Furthermore, that a group of persons constituting a family may include a family with a child or children, two or more elderly persons, disabled persons living together, one or more elderly persons, near elderly, and/or disabled persons living with one or more live-in aides constitute a family.

The Municipality feels that by widening the definition of the family regarding the qualification of single individuals for assistance under this same program, so as to

provide equal assistance under the law to such persons who tray be classified as aged, displaced or disabled.

The Municipality will make the determination if any other group of persons qualifies as a "Family."

A single person "Family" is defined as:

- An elderly person
- A displaced person
- A disabled person

Single persons who cannot be categorized under the above three categories will not be considered a "family". A child who is temporarily away from the home because of placement in foster care is considered a member of the family.

Head of Household

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

Spouse of head

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

Co - head

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

Split Households Prior to Voucher Issuance

It is the policy of the Municipality of Aguas Buenas that should it happen that a family on the waiting list split into two otherwise eligible families due to divorce, legal separation, or division of the family, and the new families both claim the same placement on the waiting list, and there are no court determination, the Housing Director or his/her designate shall make the determination taking into consideration the following:

• Which of the two new family units have custody of the dependent children;

• Which family member applied as head;

• The composition of the new family unit and which unit contains elderly or disabled members;

• Whether the factor of domestic violence was present

• Which family member remained in the unit

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

Multiple Families in the Same Household

When the applicant family consists of two households living together, such as a mother and father, and a daughter with her own husband or children, if they apply as one family unit, they will be treated as such. Subsidy participants with three generations in the household can have a member of the family composition apply for their own subsidy voucher under the condition that the potential head of household applying for the new voucher is 21 years or older (the legal age for an adult according to State law). If the person is 18 years old or older but does not reach the age of 21, the person must be rightfully emancipated. Upon doing so, their application will be proceeded and evaluated as any other normal application .

Joint Custody

Children who are subject to a joint custody agreement but live with one parent at least, 51% of the time will be considered members of the household. The term “51 % of the time” is defined as 183 days of the year, which do not have to run consecutively. Court documentation is the preferred form of verification of custody. However, where there is no court documentation, the Municipality may consider other forms of verification such as school records, tax records, and/or self certification. The term “self certification” is defined as a notarized affidavit certifying this information.

■ Income Limitations [CFR 982.201(b). 982.5531]

To be eligible for assistance, an applicant family must have an Annual Income at the time of admission that does not exceed the very low income limits for

occupancy as estate shed by HUD for the San Juan-Bayamon MSA, which is the area where the Municipality of Aguas Buenas located.

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

■ Extremely and very low-income family based on the income limits published by HUD annually;

■ A low income family which has physically been displaced by rental rehabilitation activity under 24 CFR part 511.

■ A low income family that is continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act Program within 120 days of voucher issuance. Programs include any housing federally assisted under the 1937 Housing Act

■ Low-income family previously assisted under the public housing, Section 23, or Section 8 programs;

■ Low-income family that is a non-purchasing tenant of certain home ownership programs;

■ Low-income tenants displaced from certain Section 221 and 236 projects;

■ Low-income families that meet PHA eligibility criteria;

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

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

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

VI. Definition of extremely low family

The Municipality of Aguas Buenas considers a family to be an extremely low- income applicant when their annual income does not exceed 30 percent of the median income for the San Juan-Bayamon Metro Area, as determined by HTJD, with adjustments for smaller and larger families.

VII. Definition of Family when it is considered to be "Continuously Assisted"

The Municipality of Aguas Buenas considers that an applicant is continuously assisted under tile subsidized housing program if the family is already receiving assistance under any federal housing program when the family is admitted to the Housing Choice Voucher Program.

It is in this regard that the Municipality has established the following policy concerning whether and to what extent a brief interruption between assistance, and admission to the voucher program will be considered to break continuity of assistance:

"Any family currently involved with any federally assisted public housing project has a total of some 365 calendar days or one year between the period they have left a federal housing program and applied for assistance under the Housing Choice Voucher Program, in order to be considered under 'continuously assisted'."

IX. Treatment of Single Applicants

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

X. Mandatory Social Security Numbers [CFR 5.216 & 5.2181]

Families are required to provide verification of social security numbers for all family members prior to admission, if they have been a number by the Social Security Administration This requirement also applies to persons joining the family after admission to the program. Furthermore, failure by the family to furnish verification of social security numbers is grounds for denial or termination of assistance.

Persons who have not been issued a Social Security Number must sign a certification that they have never been issued a Social Security Number. Persons who disclose their social security numbers but cannot provide verification must sign a certification and provide verification within 60 days, unless additional time is approved as reasonable accommodation.

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

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

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

> Mixed Families: A family is eligible for rental assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed". Such applicant families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.
>
> Non-citizen students: Defined by HUD in the non-citizen regulations at 24 CFR 5.522. Not eligible for assistance.
>
> All members who are ineligible: Applicant families that include no eligible members are ineligible for rental assistance. Such families will be denied admission and offered an opportunity for a hearing.
>
> Appeals: For this eligibility requirement only, the applicant entitled to a hearing exactly like those provided for participants and as set forth in this same plan.

Chapter 4

Subsidy Standards

[CFR 982.54(d)(9)]

I. Introduction

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

II. Determining Family Unit (Voucher) Size (24 CFR 982.402]

The Municipality of Aguas Buenas does not determine who shares a bedroom! Sleeping room, but there must be at least one person per bedroom on the Voucher. The Municipality's subsidy standards for determining voucher size shall be applied in a manner consistent with Fair Housing guidelines.

All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements. The unit size on the Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

One bedroom will generally be assigned for each two-family members. The Municipality will consider factors such as family characteristics including sex, age, or relationship. For subsidy standards, an adult is a person 18 years old or older. Consideration will also be given for medical reasons and the presence of a live-in aide.

Head of household and spouse/co-tenant shall occupy the same bedroom. If there is no spouse/co-tenant occupying the same bedroom as the head of household, the head of household will share a bedroom with a child aged two or under. Persons of different generations (e.g., grandparent and grandchild) will be allocated a separate bedroom. Foster children will be included iii determining unit size. Live-in! attendant will be provided a separate bedroom. No additional bedrooms are provided for the attendant's family.

Space may be provided for a child who is away at school but who lives with the family during school recesses. Space will not be provided for a! family member, other than a

spouse, who will be absent most of the time, such as a member who is away in the military.

A single pregnant woman wit no other family members must be treated as a two-person family. A single person family or head of household with a spouse/co-tenant will be allocated, a one bedroom unit.

Two children of different sex under age 4 are to share a bedroom. Bedrooms will be assigned to all other family members on the basis of two members of the same sex per bedroom.

III. Exceptions to the Subsidy Standards [CFR 982.403(a) & (b)]

The Municipality will grant exceptions from! the subsidy standards if the family makes a request and it is determined by the Municipal Housing Director that the exception is justified by the relationship, age, sex, health or disability of family members, or other individual circumstances.

The Municipality will grant an exception upon request as an accommodation for persons with disabilities. Circumstances may dictate a larger size than the subsidy standards permit when persons cannot share a bedroom because of a need, such as a verified medical or health reason, or elderly persons, or persons with disabilities who may require a live-in attendant.

IV. Changes for Applicants/Participants

For new participants at the time of initial voucher issuance, and for any participant in his / her first year of contract, the Municipality will only allow a move in the first year of the contract for medical reasons. Documentation from a medical professional must be provided for such a request to be considered.

Requests based on health related reasons must be verified by a doctor / medical professional / social service professional.

V. PHA Error

If the Municipality errs in the bedroom size designation, the family will be issued a Voucher of the appropriate size.

VI. Changes in Family Composition

The members of the family residing in the unit must be approved by the Municipality. The family must obtain approval of any additional family member before the new member occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the Municipality within 30 days and

complete and interim re-exam. The new family member(s) must meet all of the Municipality of Aguas Buenas's Program eligibility requirements. The Municipality will not adjust the subsidy standard in the first year of a contract except for medical reasons as specified in Section IV "Changes for Applicants/Participants" of this Chapter. At the time of the regular reexamination, the payment standard should be adjusted to reflect any changes, since the last scheduled reexamination in either the family's eligibility or the level of the payment standard. Payment standards shall not be adjusted, either upward or downward, at the time of the any interim re-exam.

VII. Under housed and Over housed Families

If a unit does not meet HQS space standards due to an increase in family size because the unit is too small or large, the Municipality will issue a new voucher of the appropriate size.

The Municipality will also notify the family of the circumstances under which an exception will be granted, such as:

If a family with a disability is under housed in an accessible unit.

If a family requires the additional bedroom, because of a health problem, which has been verified by the Municipality.

VIII. Unit Size Selected [CFR 982.402(c)]

The family may select a different size dwelling unit than that listed on the Voucher There three criterions to consider:

- Subsidy limitation: The family unit size as determined for a family under the PHA subsidy standard for a family assisted in the voucher program based on the PHA's adopted payment standard, The payment standard for a family shall be the lower of:

1. The payment standard amount for the family unit size;

2. The payment standard amount for the unit size rented by the family.

- Utility Allowance: The utility allowance used to calculate the gross tent is based on the actual size of unit selected by the family, regardless of the sized authorized on the family's Voucher.

- Housing Quality Standards: The standards allow two persons per living! / sleeping room and permit maximum occupancy level, that is assuming a living room is used as a living / sleeping area as shown in the table below The levels may be exceeded if a room in addition to bedrooms and living room is used for

sleeping. Any such rooms must meet HQS acceptability criteria, e.g., windows that open.

IX. HQS Guidelines For Unit Size Selected

Based on the family composition the subsidy to be paid will be based upon the size unit that the family is eligible to occupy. The following table will be used to determine unit size for the family:

Unit Size	MINIMUM NO OF PERSON IN HOUSEHOLD	MAXIMUM NO. OF PERSONS IN HOUSEHOLD
O BR	-1-	-1-
1 BR	-1-	-2-
2 BR	-2-	-4-
3BR	-4-	-6-
4BR	-6-	-8-

A family may select a unit that is larger than the bedroom size authorized by the FHA but the family must pay the increased cost unless an owner is willing to accept a lesser rent.

X. Utility Standards

The Municipality will carry out a utility study at least once a year in accordance with SEMAP procedures and standards. This study will consist of the following: the Municipality will request from homeowners and subsidy participants copies of the last three utility bills. The average of the bills will be established depending on the unit size.

The Municipality will currently set utility allowances at 30% of the average. This amount can be changed depending on funding availabilities.

Chapter 5

Selection of Applicants, Issuance of Vouchers and Briefings

[CER 982301 & 982.302]

I. Introduction

The Municipality of Aguas Buenas' goals and objectives are designed to assure that families selected to participate in the Subsidized Housing Program are equipped with the necessary tools to locate an acceptable housing unit. Families are provided with sufficient knowledge and information regarding the program and how to achieve maximum benefit while complying with program requirements. When eligibility has been determined, the Municipal. Housing Department will conduct a mandatory briefing to ensure that families know how the program works and the programs that are being administered by the Municipality. The briefing will provide a broad! description of owner and family responsibilities, PHA procedures, and how to lease a unit. The family will also receive a briefing packet called the "Participants Packet" which provides more detailed information about the program. This chapter describes how a family is selected, how briefings will be conducted, the information that will be provided to families, and the policies for how changes in a family composition will be handled.

II. Admission of a family applicant 124 CFR 982 & 982.54(d) (2)]

When funding is available, the Municipality will issue vouchers to applicants whose eligibility has been determined, The number of vouchers issued will ensure that the Municipality stays close as possible to the 100 percent lease-up, as required by QWHRA. The Municipality will conduct monthly reviews to determine whether applications can be processed, the number of vouchers that can be issued, and to what extent the Municipality can over-issue. By this it is meant, issuance of more vouchers than the budget allows to achieve lease-up.

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

In accordance with existing regulations, the Municipality may admit an applicant for participation into its subsidized housing program as:

1. Special admission;

2. Waiting list admission;

III. Issuance of Voucher

1. Prior to selection of a qualified family from the waiting list, all information will be verified so that it is current and in accordance with 24 CFR part 5, subpart F.

2. When a qualified family has been selected, the PHA will issue a voucher to the family which would allow them to search for a unit.

3. The family will be notified via a certified letter and/or hand-delivered, whereby the family will sign a receipt form, informing them of their selection and affording them the opportunity to participate in the PHA's Housing Choice Voucher Program. This same notification will contain the date and time which the family must present itself to accept the voucher and at which time the family will be receiving a briefing outlining the rules and regulations of the program, as well as the participant's packet.

IV. Briefing Types and Required Attendance [CFR 982.301]

A. Initial Applicant Briefing

A briefing will be conducted for applicant families who are determined to be eligible for assistance.

Briefings will be conducted in Spanish since the primary language spoken in Puerto Rico is Spanish, however, English-speaking staff is available to assist non-Spanish speaking applicants.

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

The Municipality will not issue a voucher to an applicant family unless the household representative has attended a briefing and signed the voucher or have had a similar briefing previously .

The Municipality will conduct individual briefings for families with disabilities at their home, upon request by the family, if required for reasonable accommodation.

The families will be briefed in a detailed manner about the Housing Choice Voucher Program. In accordance with 24 CFR Section 982.301(a), the following will be discussed in the briefing:

1. Family and owner responsibilities.

2. Where the family may lease a unit, including renting a dwelling unit inside or outside the PHA jurisdiction (in the case of portability.)

3. If the family qualifies to lease a unit outside the PHA jurisdiction under portability procedures, the briefing will include an explanation of how portability works.

4. If the family should have a disabled person, appropriate steps will be taken to ensure effective communication in accordance with 24 CFR 8.6.

B. Voucher Holder Packet [CFR 982.301(b)]

The documents and information provided in the briefing packet for the voucher program will comply with all HUD requirements. At a minimum, the participant's packet will contain the following:

1. The term of the voucher and the PHA policy concerning extension of the term. Said policy will contain information concerning how the family may request an extension;

2. Request for lease approval and an explanation of how to request PHA approval to lease this same unit;

3. Required lease provisions and instructions for the preparation of the lease, between owner and tenant as per QHWRA regulations;

4. Lead base paint notices;

5. Fair housing information and a statement of the PHA policy on providing information about a family to prospective owners. A copy of the housing discrimination complaint form;

6. Utility allowance schedule;

7. Informal hearing procedures;

8. General information on how families are selected, how the PHA determines the housing assistance payment for a family and how the PHA determines the maximum rent for an assisted unit.

9. General information about Housing Quality Standards.

10. What the family should consider in deciding whether to lease a unit is as follows:

a. The condition of the unit;

b. The reasonability of the rent;

c. The cost of any tenant-paid utilities;

d. Whether the unit is energy efficient;

e. The location of the unit, including proximity to public transportation, centers of employment, schools and shopping;

11. Program brochure and FSS brochure

12. Where the family may lease a unit;

13. The HUD brochure on how to select a unit;

14. A list of landlords or other parties known to the PJHA who may be willing to lease a unit to the family or assist the family in finding a unit;

15. Information on the PHA's grievance procedures;

16. Family obligations under the program;

17. The grounds on which the PHA may terminate assistance for a participant family because of a family action or failure to act.

18. A map showing where the family may lease.

19. Families are informed about Fair Housing Discrimination laws as applicable within Puerto Rico and are provided with a copy of HUD Form 903, in Spanish, to file a complaint and where they must file the complaint as well as Fair Housing literature.

Additionally, when this same packet is presented to the participant, a member of the Housing Staff will review each document in detail so as to ensure that the participant is fully cognizant of both his or her rights and responsibilities under the program. The family will be required to sign a certification acknowledging receipt as well as receiving the proper briefing concerning the services offered by the Municipality, rules and regulations hi regards to the Program.

V. Establishment of the Participant's School

As new families are entering the Program, it will be a requirement that these same families attend a Participant's School, whereby workshops and seminars will be conduct

to help the families retain their tenancy within the Program. The workshops and seminars will cover such areas as, but not limited to:

a. Family responsibilities within the Program;

b. Household management and budget;

c. Any other areas where the PHA feels needs to be covered to assist the families retain their tenancies.

d. If the families miss more than two sessions, they will be advised that they are putting in jeopardy their participation within the Program!.

VI. Security Deposit Requirement [CFR 982.313]

The owner may collect a security deposit from the tenant. Security deposits char get by owners may not exceed those charged to unassisted tenants or the maximum prescribed by State or low law.

The families will be informed during the briefing session about the security deposit requirement as well as a program so assist them with the security deposit being administered by the Municipal Housing Department. They will be informed that it is not a grant program and they are required to repay the Municipality with a minimum of $25.00 monthly.

VII. Term of Voucher [CFR 982.303 & 982.54(d) (11)]

During the briefing session, each household will be issued a voucher which represents a contractual agreement between the PHA and the Family specifying the rights and responsibilities of each party. It does not constitute admission to the program which occurs when the lease and contract become effective.

A. Initial Term

The initial term of a voucher will be 60 calendar days. This initial term will be stated on the voucher. The family must submit a Request for Tenancy. Approval within the sixty-day period unless an extension has been granted by the Municipality.

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

Participants who have their vouchers expire may apply again using their new waiting list date.

B. Suspension of Term

It is the policy of the Municipality of Aguas Buenas to grant a family a suspension of the voucher terms if the family has submitted a request for lease approval during the term of the voucher. The Municipality will deduct the number of days required to process the request from the initial 60-day term of the voucher.

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

C. Extension of Term

There will be no extensions granted.

D. Reason for Granting Extension

Should there be a death or other serious impediments within the immediate family, which would preclude this same family from participating both actively and freely in the location and selection of suitable, safe, decent, and sanitary housing, the PHA may at its discretion grant extension up to a total of some 120 calendar days including the initial term of some 60 calendar days. Verification is required.

E. Progress Report by the to the PHA

During the initial or any extended term of the voucher, the Municipality of Aguas Buenas will require the family to report their progress in leasing a unit. These same reports may be accomplished by personally visiting or telephoning the Municipality every 30 calendar days or presenting a written progress report. This form will be provided to the family during the voucher briefing process, described in this plan, and said form will be part of the Voucher Holder's Packet.

VIII. Assistance to Voucher Holders

Families who require additional assistance during their search may call the PHA office to request assistance, Voucher holders will be notified at their briefing session that the PHA periodically updates the listing of available units and how the updated list may be obtained.

The PHA will assist families with negotiations with owners and provide other assistance related to the families' search for housing.

IX. Voucher Issuance & Determination For Split Household [CFR 982.3151]

In those instances when a family assisted under the Housing Choice Voucher Program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, the Housing Director will review each case individually by considering the following to determine which of the families will continue to be assisted.:

- Which of the two new family units has custody of dependent children;
- Which family member was the head of household when the voucher was initially issued as listed on the initial application;
- The composition of the new family units, and which unit contains elderly or disabled members;
- Whether domestic violence was involved in the breakup;
- Which family members remain in the unit;
- Recommendations of social service professionals;
- Reexamination of family income in order to determine that the remaining members qualify for the assistance originally approved;
- The need for adequate housing so that the children need not be removed by the pertinent Government Agency into foster care as well as consider whoever retains custody of the minors shall retain possession of the Voucher;
- The need for housing based upon the size of the family by age groups;
- Difficulty in alleviating severe hardships on individual family members including but not necessarily limited to:

    1. The need to be located close to a hospital or medical dispensary in. order to receive special medical treatment;

    2. The need to be close to either public and private transportation due to the absence of a personal vehicle;

    3. In the case of a large family with school age children the need to be located close to a school.

Documentation of these factors will be the responsibility of the requesting parties. If documentation is not provided, the PHA will terminate assistance on the basis of failure to provide the necessary information for a reexamination. Should it be determined that with the breakup of a. family, that additional family members are now gainfully employed, and adjustment in the assistance payment will be made based upon the reexamination of the total family income and composition. it should be noted that the Municipality of Aguas Buenas will, at all times, make an attempt to work with and satisfy the needs of all family members provided that they do in fact qualify for such assistance and comply with existing federal regulations.

X. Remaining Member of Tenant Family - Retention of Voucher [CFR 982.3151]

To be considered the remaining member of the tenant's family, the person must have been previously approved by the PHA to be living in the unit A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the family. In order for a minor child to continue to receive assistance as a remaining family member, the PHA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought info the assisted unit to care for the children for an indefinite period. A reduction in family size may require a reduction in the voucher family unit size.

Chapter 6

Tenant Payment & Family Share Determination

[CFR 982.153, 982.551, Part 5, Subpart E & F]

I. Introduction

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

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

II. Income and Allowance [CFR 5.609 & 5.611]

According to HUD regulations, the following definitions are accepted within the Housing Choice Voucher Program and used to determine family eligibility during the initial certification as well as during the annual reexamination.

• Income

Includes all monetary amounts which are received on behalf of the family. For purposes of calculating the Total Tenant Payment, HUD defines what is to be calculated and what is to be excluded in the federal regulations. In essence, all income which is not specifically excluded in the regulations is counted.

rent requirement will begin the month following the family's hardship request.

2. The following will be considered as financial hardship:

a. When the family has lost eligibility for, or is waiting an eligibility determination for a Federal, State or, local assistance;

b. When the family would be evicted as a result of the imposition of the minimum rent requirement;

c. When the income of the family has decreased because of changed circumstances, including loss of employment;

d. When a death has occurred in the family;

e. Other circumstances as determined by the Municipality of Aguas Buenas.

D. Request for hardship exemption

1. If a family requests a hardship exemption, the Municipality of Aguas Buenas will suspend the minimum rent requirement beginning the month following the family's hardship request until the Municipality of Aguas Buenas determines whether there is a qualifying financial hardship and whether it is temporary or long-term.

2. If the Municipality of Aguas Buenas determines that there is a qualifying financial hardship, but that it is temporary, the Municipality of Aguas Buenas will not impose a minimum rent for a period of no more than 90 days from the date of the family's request. At the end of the 90-day suspension period, a minimum rent is imposed retroactively to the time of suspension. The family will be afforded a responsible repayment agreement for the amount of back rent owed.

3. If the Municipality of Aguas Buenas has determined that there is no qualifying hardship exemption, the Municipality of Aguas Buenas will reinstate the minimum rent including the back payment for minimum rent from the time of suspension on terms and conditions established by the Municipality.

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

E. Appeal of financial hardship

Should the family appeal the financial hardship determination through the Municipality of Aguas Buenas' grievance procedure, it will be exempt from any escrow deposit that may be required in accordance with 24 CFR Part5, Section 5,616.

III. Family Absence From the Dwelling Unit [CFR 982.54(d) (10) & 982.551]

The Municipality of Aguas Buenas's policy regarding permanent and temporary absences is as follows:

• The family may not be absent from the unit for a period of more than 180 consecutive calendar days in any circumstance, or for any reason. The Municipality of Aguas Buenas will notify both the family and the owner in writing upon being advised of any lengthy absence within 90 consecutive calendar days, should the family be absent for longer than the maximum period permitted (180 consecutive days), the housing payments will be terminated.

• Head of household will be considered permanently absent and subject to remaining family member policy if absent for a period of more than 60 days.

• A family member subject to court ordered restraint for a period of more than 60 days will be considered permanently absent for the purpose of voucher size and income determination!. The PHA will determine if the reason for incarceration is due to drug- related or violent criminal activity.

• A student (other than the head of household or spouse) who attends school away from home but lives with the family during the school recesses may, at the choice of the family, be considered either temporarily or permanently absent. If the family decides that the member is permanently absent then the income of that member will! not be included in total household income, the member will not be included in the lease agreement, and the member will not be included for determination of voucher size.

• If the student family member resides with the family 183 days per year or more, the family member will be considered temporarily absent when away at school, the member will be included on the lease and the member will be included for determination of the voucher size.

• A family caretaker resident in the dwelling unit, as a result of permanent absence of the head of household and spouse, and approved by the Municipality of Aguas Buenas, will maintain a status of a temporarily absent adult for the purposes of income determination, for a period not to exceed 180 days.

• If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, the Voucher will be transferred to the caretaker.

• If custody or legal guardianship has not been awarded by the court, but the action is in process, the PHA will secure verification from social services staff or the attorney as to the status.

• The PHA will transfer the voucher to the caretaker, in the absence of a court order, if the caretaker has been in the unit for more than 180 days and it is reasonable to expect that custody will be granted.

• When the PHA approves a person to reside in the unit as the caretaker for the child / children, the income should be counted pending a final disposition.. The PHA will work with the appropriate agencies and the landlord to provide a smooth transition in the these cases.

• If the family includes a child or children temporarily absent from the home due to placement in foster car e, the PHA will determine from the appropriate agency when the child/children will be returned to the home. If the time period is to be greater than 12 months from the date of removal of the child/children, the voucher size will, be reduced. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the PHA's subsidy standards.

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

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

and / or by telephone, that they are indeed responsible for supplying any information or certification requested in order to verify that the family is residing within the unit or in relation to any absence from the unit by the family. The family must cooperate with the Municipality for this purpose.

Families are required both to notify the Municipality before they move out of a unit and to provide the PHA information about any family absence from the unit. HUD regulations require that the PHA terminate assistance if the entire family is absent from the unit for a period of more than 180 consecutive days. "Absence" is defined as no family member is residing in the unit. The Municipality of Aguas Buenas has adopted what it believes to be the appropriate technique to verify family occupancy or absence from the dwelling unit:

■ Telephone calls to the family every 90 to 120 days, and/or correspondence directed to the family at the unit, or may choose to make a personal visit to the family of the leased residence.

■ Verify if utilities are in service;

■ Additionally, when deemed necessary, the Municipality reserve the right to question the owner and! or neighbors at the leased residence,

A person with a disability may request an extension of time, as an accommodation, provided that the extension does not go beyond the HUD- allowed 180 consecutive

calendar days' limit. If the absence which resulted in termination of assistance was due to a person's disability, and the PHA can verify that the person was unable to notify the PHA in accordance with the family's responsibilities, and if funding is available, the PHA may reinstate the family as an accommodation if requested by the family, as long as the period was within 180 days.

IV. Visitors

Any adult not included on the HUD Form 50058, but who has been in the unit for more than 60 consecutive days, or a total of 60 days in a 12-month period, without PH.A approval, will be considered to be living in the unit as an unauthorized household member.

Absence from evidence of any other address will be considered in making a determination whether or not the visitor is a member of the household Statements from neighbors and/or the landlords will be considered in making the determination. Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be considered in making a determination. In a joint custody arrangement, if the minor is in the household 182 or fewer days per year, the minor will be considered to an eligible visitor and not a family member.

V. Reporting Additions to Owner and PHA

The family obligations require the family to request PHA approval to add any other family member as an occupant of the unit and to inform the PHA of the birth, adoption or court-awarded custody of a child. The family must request prior approval of additional household members. lf any new family member is added, the income of the additional member will be included in the family income as applicable under HUD regulations.

If the family does not obtain prior approval from the PHA, any person the family has permitted to move in will be considered an unauthorized household member. An interim reexamination will be conducted for any additions to the household.

Chapter 7

Verification Procedures

[CFR Part 981201(2) (e) & 24 CFR Part 5, Subpart B, D, F, F and 5.617]

I. Introduction

HUD regulations require that the factors of eligibility and Total Tenant Payment/Family Share be verified by the PHA, namely the Municipality of Aguas Buenas The Municipal Housing Staff will, obtain written verification from independent sources whenever possible and will document tenant files whenever third party verifications are not possible as to why third party verification was impossible to obtain.

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

II. Methods of Verification and Time Allowed [CFR 982.516]

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

A. Third-party written

B. Third-party oral

C. Review of Documents

D Certification/Self-Declaration

The Municipality will allow 3 weeks for return of third-party verifications and 2 weeks to obtain other types of verifications before going to the next method,

The Municipality will document the files as to why third party written verification was not used.

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

III. Verification Procedures [CFR 982.201(e)]

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

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

After the families have completed their applications, except those that for obvious reasons will not qualify, a series of documents will be requested from them and they will require bringing these documents within a reasonable period specified by the intake Housing Staff member. The family will be given a sheet outlining the necessary documents needed to complete their file The Municipal Housing staff will go over the list and inform the family that they should not be able to comply with the time set, their respective application will be withdrawn and case considered closed. To ensure that the family understand and is in agreement, the for m will be signed by the family and the Municipal Staff attending the family. A copy will be given to the family.

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

A. Third Party Verification [24 CFR 982.516(2)]

Third party verification is used to verify information directly with the source. PHA will the EIV(Enterprise Income Verification) as it first third party verification method. Third party written forms will be sent and returned via the family in a sealed enveloped and the family will be required to sign an authorization for the information source to release the specified information.

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

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

1 Social Security Administration

2. Veterans Administration

3. Welfare Assistance

4. Unemployment Compensation from the Puerto Rico Department of Labor

5. Municipal or District Courts

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

B. Third-party Oral Verification

Oral third-party verification will be conducted when written third party verification is delayed, not possible, or the documents look altered. The housing staff will be required to complete a Certification of Document Viewed or Person Contacted Form, noting with whom they spoke, the date of the conversation, and the facts provided. This document will form part of the certification and/or re certification process of the family.

C. Review of Documents

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

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

1. Printed wage stubs

2. Computer print-outs from the employer

3. Signed letters (provided that the information is confirmed by phone)

4. Other documents noted in this chapter as acceptable verification

The Municipality will accept faxed documents and other electronic transmissions as well as photocopies.

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

D. Self-Certification / Self-Declaration

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

E. Release of Information [CFR 5.230]

Adult family members will be required to sign the HUD 9886 Release of Information/Privacy Act Form in addition, family members will be required to sign specific authorization forms when information is needed that is not covered by the HUD Form 9886. Each member requested to consent to the release of specific information will, be provided with a copy of the appropriate forms for their review and signature.

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

F. Items to be verified [24 CFR 982.516]

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

1. All income not specifically excluded, by the regulation.

2. Full-time student status including high school students who are18 or over .

3. Current assets including assets disposed of, for less than fair market value in preceding two years.

4. Child care expenses where it allows an adult family member to be employed or to further his/her education.

5. Total medical expenses of all family members in households whose head or spouse is elderly or disabled.

6. Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an adult family member to be employed.

7. Disability for determination of preferences, allowances or deductions.

8. U.S. citizenship/eligible immigrant status.

9. Social security numbers for all family members, over 6 years of age or older who have been issued a social security number.

10. Marital status when need for head or spouse definition.

11. Verification of Reduction of Benefits for Noncompliance:

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

G. UIV/EIV Usage and Security Procedures

In order to minimize errors, utilization of HUD-provided systems such as the Enterprise Income Verification (EIV) will be used to verify the household income of program participants. Case files with minor discrepancies will be cited and given the opportunity to fix the problem depending on the severity of the violation. Case files with reparative violation over the years or with large discrepancies will be canceled with the option of appealing via an administrative hearing. Cases canceled more than once for the same or similar violation will not be granted administrative hearing. Cases that claim that there has been a case of identity theft must present their testimony or proof during their hearing. Additional time can be granted at the time of the hearing in order to allow for the participant to collect sufficient proof (due to the fact that doing such might require correspondence with distant employers).

An EIV Security Administrator will be assigned in order to assure compliance with HUD and federal regulations regarding confidentiality, privacy, and correct use of information. Each Coordinator will have access to the EIV system and will have their own user ID and secure passwords. Each Coordinator will have access to the system via their own assigned password-enabled computer and will have lock-equipped doors. Printed copies of EIV reports will be stored solely in the participant's private file which will also be under the guard of each respective Coordinator in lock-equipped file cabinets.

EIV files whenever destroyed will be done so with a shredder and will last as long as the life of the participant's file. Improper disclosure cases will be referred to the Municipality's legal department and incurring personnel will be punished according to

federal, state, and local legal procedures. Such cases will be treated as violations of privacy and confidentiality law.

IV. Verification of Income [CFR 982.5161]

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

1. Employment Income

Verification forms request the employer to specify the following:

a. Date of employment

b. Amount and frequency of pay

c. Estimated income from overtime, tips, bonus pay expected during next 12 months

2. Acceptable methods of verification

a. Employment verification form completed by the employer.

b. Oral verification of employment information.

c. Check stubs or earning statements, which indicate the employees gross pay, frequency of pay or year to date earnings.

d. Income tax returns and/or a certification from the State Treasury Department.

e. Self - certification and/or income tax returns signed by the family may be used for verifying self-employment income.

3. Social Security and Pensions

Acceptable methods of verification include:

a. Benefit verification form completed by agency providing benefits.

b. Award or benefit notification letters prepared and signed by the providing agency.

4. Unemployment Compensation

Acceptable methods of verification include:

a. Benefit verification form completed by the unemployment compensation. agency.

b. A computer report electronically obtained or in hard copy, from unemployment office stating payment dates and amounts.

5. General Assistance

Acceptable methods of verification include;

a. PHA verification form completed, by payment provider.

b. A computer generated Notice of Action.

c. A written statement from the payment provider indicating the amount of the grant/payment, starting dates of payment, and anticipated changes in payment in the next 12 months.

6. Alimony or Child Support Payments [CFR 5.609]

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment. If the amount of child support or alimony received is less than the amount awarded by the court, the PHA will use the amount awarded by the court unless the family can verify that they are not receiving the full amount by proving the following item.;

- Verification from the agency responsible for enforcement or collection. In the case of Puerto Rico, the State Agency regulated to do this is called “ASUME” in Spanish.

Acceptable methods of verification include;

a. Copy of a. separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.

b. Copy of the latest check, and/or payment stubs from Court Trustee, which in the case of Puerto Rico is “ASUME”.

c. A notarized statement from the person paying the support.

if payments are irregular, the family must provide an. accurate state rent of income:

a. A copy of the pertinent pages of the separation and/or settlement agreement, or the pertinent pages of the divorce decree stating the amount and type of support 100 and payment schedules.

b. A notarized affidavit from the family indicating the amount(s) to be received.

c. A certification from the State Agency in charge of this which is called "ASUME".

7. Recurring Gifts [CFR 5.609]

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment.

Any contribution or gift received every month or more frequently will be considered a "regular" contribution or gift, and must be reported. This includes rent and utility payments made on behalf, of the family and other cash or non-cash contributions provided on a regular basis. it does not, include casual contributions or sporadic gifts. Furthermore, if the family's expenses exceed its known income, the Municipality will inquire of the family regarding contributions and gifts.

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

a. The person who provides the gifts.

b. The value of the gifts.

c. The regularity (dates) of the gifts.

d. The purpose of the gifts.

8. Zero income Status

Families claiming to have no income will be required to execute verification forms to determine that forms of income such as unemployment, TANF, SS, etc. are being received by the household.

9. Net Income from a Business

In order to verify the net income from a business, the Fl will view Puerto Rican Tax Form "Planilla de Contribucciones" and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification include:

a. The Long Form of the Tax Return - Form 482

b. Attachments I, C, E & ID. c, Financial Statement

10. Full-Time Student Status

Only the first $480 of the earned income of full time students, other than head, co-head, or spouse, will be counted towards family income. This is only applicable to students who are full time at an institution of higher education and the student is over the age of 18. Verification of full time student status is required.

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

a. Written verification from the registrar's office or other school official.

b. School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

V. Verification of Allowable Deductions from income [CFR982.516]

(1) Child Care Expenses

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

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

(2) Medical Expense

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

(a) Written verification by a doctor, hospital, or clinic personnel, dentist, pharmacist, of (1) the anticipated medical costs to be incurred by the

family and regular payments due on medical bills, and (2) extent to which those expenses will be reimbursed by an insurance company or government agency.

(b) Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.

(c) Self-certification when doctor, hospital, insurance company, social security, etc., refuse to provide written confirmation.

VI. Average Income

When annual income cannot be anticipated for a full twelve month period, the PHA may annualize current income and conduct an interim reexamination if income changes. The following will also be considered when averaging the income becomes necessary:

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

If, by averaging, an estimate can be made for those families whose income fluctuates form month to month, this estimate will be used so as to reduce the number of interim adjustments.

The Municipality of Aguas Buenas will complete an interim re-exam for any participating family for a change in income, at any time, upon request by the family.

VII. Lump-Sum Receipts [CFR 5.609]

Lump-sum additions to Family assets, such as inheritances, insurance payments, including payments under health and accident insurance and worker's compensation, capital gains, and settlement for personal or property losses, are not included in income but may be included in assets, and must be reported at the annual re- exam.

Lump-sum payments caused by delays in processing periodic payments such as unemployment or welfare assistance are counted as income, Lump sum payments from Social Security are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments, which have accumulated due to a dispute, will be treated, the same as periodic payments which are deferred due to delays in processing.

In order to determine the amount of retroactive tenant rent that the family owes as a result of the lump sun. receipt, the FHA uses a calculation method which calculates retroactively or prospectively depending on the circumstances.

VIII. Calculation Methodology

A. Prospective

If the payment is reported on a timely basis, the calculation will be done prospectively and will result in an interim adjustment calculated as follows: The lump sum will be added in the same way for any interims which occur prior to the next annual reexamination.

B. Retroactive

If the payment is not reported on a timely basis, the P1-IA will go back to the date the lump-sum payment was received, or to the date of admission, which is closer. At the PHA's option, the PHA may enter into a Payment Agreement with the family. The amount owed by the family is a collectible debt even if the family becomes unassisted.

IX. Child Care Expenses [24 CFR 5.603]

Child care expenses for children under 13 may be deducted from the annual income if they enable an adult to work or attend school full time, or to actively seek employment. In the case of a child attending private school, only after-hours care can be counted as child-care expenses.

Child-care expenses cannot be allowed as a deduction if there is an adult household member capable of caring for the child who can provide the child care. Examples of those adult members, who would be considered unable to care for the child, include:

a. The abuser in a documented child abuse situation;

b. A person with disabilities or older persons unable to take care of a small child, as verified by a reliable third-party source.

In order to quality as child care expenses, the following must exist:

a. Child Care to Work: The maximum child care expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who ear ns the least amount of income from working.

b. Child Care for School: The number of hours claimed for child care may not exceed the number of hours the family member is attending school, including reasonable travel time to and from school.

X. Medical Expenses [CFR 5.609(a)(2) & 5.603]

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS Publication 502 will be used as a guide.

Nonprescription medicines must be doctor-recommended in order to be considered a medical expense.

Nonprescription medicines will be counted toward medical expenses for families who qualify if the family furnishes legible receipts.

Acupressure, acupuncture and related herbal medicines, and chiropractic services will be considered allowable medical expenses if a doctor approved.

XI. Utility Allowance and Utility Reimbursement Payments [CFR 982.153 & 982.517]

The same Utility Allowance Schedule is used for all tenant-based programs. The utility allowance is intended to cover the cost of utilities not included in the rent. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on an individual family's actual energy consumption.

The PHA's utility allowance schedule, and the utility allowance for an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards.

The PHA may not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

The Municipality will classify the utilities in the utility allowance schedule according to the following general categories: (1) water heating, (2) cooking, (3) water, (4) sewer, (5) other electric (which is taken to mean the electricity supplied by the Commonwealth of Puerto Rico Electric Authority), (6) refrigerator (amortized cost if tenant-supplied), (7) range (amortized cost if tenant-supplied) and (8) other specified services.

It is a .HUD requirement that the Municipality review the utility allowance schedule on an annual basis, if the review finds a utility rate has changed by 10 percent or more since the last revision, of the utility schedule, the schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a participant family's rent calculation at their next reexamination.. The approved utility allowance schedule is given to families

along with their voucher as well as a copy is placed in the family's file. The utility allowance is based on the actual unit size selected.

Where the calculation, on the HIJD 50058 results in a utility reimbursement payment due the family [CFR 982.514(b)], the PHA will provide a utility reimbursement payment for the family each month. The check will be made out directly to the tenant. Moreover, if there exist an extenuating situation where the family is unable to maintain their utilities up to date, with the consent of the family, the Municipality will make the utility payments directly to the Water Authority and/or Electric Authority with the remainder, if any, to the family! This is in accordance with established. HIJD regulations.

Chapter 8

Re determination/Reexaminations

[CFR 982.516]

I. Introduction

In accordance with Federal Regulations, the Municipality of Aguas Buenas will reexamine the income and household composition of families at least annually. All annual activities will be conducted in accordance with HUD regulations so as to ensure that families report all corresponding changes. Families will be provided accurate annual and interim rent adjustments. Reexaminations and interim examinations will be processed in a manner that assures families are given 30 days notice of rent increases. The chapter outlines the policies and procedures adopted by the Municipality for conducting annual reexaminations as well as the coordination of annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

II. Annual Activities [CFR 982.516 & 982.405]

There are three activities that the Municipality must conduct on an annual basis:

Reexamination of income and family composition.

HQS Inspections (See Chapter on "Housing Quality Standards and Inspections")

Rent increases, if requested by the Owner.

The Municipality produces a monthly listing of units under contract to ensure that timely reviews of rent to owner, housing quality, and factors related to a total tenant payment / family share can be made. Requests for rent adjustments and other monetary changes will be transmitted to the Municipal Accounting Division.

III. Annual/Initial Reexamination/Reexamination [CFR 982.516 &24CFR8]

A. <u>initial determination and regular determination</u>

Initial certification (regular determination.) will be carried out prior to the signing of the HAP contract between the Municipality and the owner.

B. Redetermination of family income

Redetermination of family income and composition will be conducted on an annual basis by the Municipality as specified in 24 CFR part 5, subpart F. All redetermination will be effective on the anniversary date of the HAP contract. The Municipality has established the following procedure for conducting annual reexaminations whereby the family will be scheduled with a date and time of appointment by mailing a notification indicating this information, Along with this notification the family will receive a Reexamination Form which will be filled out by the family prior to the certification interview.

Furthermore, the following procedure will be adhered to by the Municipality when the annual reexamination process begins for participating families. Ninety (120) days prior to the expiration of the HAP contract, the participating family will be notified in writing that an annual reexamination will be made in the following order:

- 120 days initial notice
- 90 days second notice
- 60 days final notice-

(notifying participant of responsibility of rent for first month of recertification)

- 30 days -Cancellation notice due to noncompliance by the family

Step 1: An initial 120 -days notice will be sent to the family requesting that they fill out a reexamination application (form included with notice) and a scheduled interview. The tenant will be interviewed and the following documents will be requested based on the information provided:

1. Signed consent form to release information;

2. Signed verification of income form;

3. Change in family composition

a. Copy of SSN. card

b. Copy of birth certificate

c. Photograph

d. Sworn Statement

4. Form W-5 from the State Labor Department;

5. Verification of student status if deem necessary (under the new regulations a full-time student is defined as a person who is attending school or vocational training on a full-time basis);

6. Issuance of Certificate of Good Conduct from the State Police Department;

7. Any other document that are deemed necessary, so as to complete the reexamination process of the family;

8. A date will be set for submitting the requested documents.

Step 2: During the follow-up notice, the Municipality will make a second request in writing requesting those items not submitted or received in order to complete the reexamination process. The Municipality will begin to compile the information received, assure for completeness and accuracy, and will follow-up on third party verification, thus, initiating the necessary action to certify said information. A Quality Control sheet should be used during the recertification process and filled out by an assigned Quality Control officer to assure completion of documents. This Quality Control sheet will be located in the tenant's file and must include all required documents (including the FSS worksheet, if applicable). The appropriate contracts and form designated by the Municipality will be prepared and said form will be signed by the family. Form 50058 will also prepared so that the verified information can be entered into the system and electronically sent to MTCS in accordance with existing HUD regulations.

Step 3: The yearly mandatory inspections will be carried, out and both owner and family will be notified in writing of the results of the reexamination and changes in family contribution or eligibility for the unit they may occupy if any. A final notice will be issued that will contain a scheduled date to sign the addendum to the original contract reflecting these same changes for the coming year.

In the event that for some unforeseen reason there is a delay in completing said reexamination, the owner and tenant would be notified of an extension, under the same terms and conditions presently existing, until the reexamination is completed. Families that do not comply with the submission of documents for the annual reexamination once given all opportunities will be notified of their cancellation as participants within the program and will be advised of their rights as well as informed that they are entitled to request an informal hearing as established in this plan. The final determination of said hearing will be maintained with the family's file. A copy of the determination will be directed to the owner stating that the housing assistance payments will be discontinued.

C. Notification to Owner

It is the policy of the Municipality of Aguas Buenas to inform participating landlords when the reexamination process is initiated for the family. The Housing Staff will mail a notification to the owner whereby they are informed that the annual reexamination process has began and if the owner is willing to renew the HAP contract with the family and / or the owner wants the family to vacate the unit. The same timetable utilized in the requesting of documents by participants as mentioned in Section III Part B of this same chapter will be utilized with the landlords. By adopting this process, it is expected that the following will be accomplished:

1. Keeps inform the landlord that the reexamination process has begun and should any problems arise during this process with the family, the owner can assist the Municipality and the family;

2. The owner feels like part of the reexamination process;

3. The owner will be in compliance with the 90-day period of informing the Family and PHA about not desiring to renew the HAP contract.

4. Affords the owner the opportunity to secure the documents required to renew the HAP contract and/or request a revision to contract rent.

D. Measures to Ensure Compliance

To ensure compliance on behalf of landlords and participants with the above mentioned dates, the following two steps will be taken:

1. Participants who do not comply with the second notification will be responsible for the rent of the first month of their certification. (For example, if a participant is recertified by January 1, 2006, he or she must have all documents turned in by December 1, 2006.) If the month of recertification arrives and there are still documents missing, then the contract will not be expired and the cancellation notice will be sent.

2. Landlords who do not comply with documents requested 30 days before the recertification will have their last month rent frozen until documents are turned in. If the certification date arrives and documents are still missing, participants will be given authority to move due to incompliance to program regulations on behalf of the landlord. In all

moments, the above points will be stressed to participants. Notices will include the above information as to ensure knowledge of measures.

IV. Collection of Information [CFR 982.516(f)]

The Municipality has established what it believes the appropriate reexamination procedures to ensure that the income data provided by families is complete and accurate.

V. Requirement to Attend & Failure to Respond to Notification to the Reexamination Process

All adult household members will be required to attend the reexamination interview. If the head of household is unable to attend the interview the appointment will be rescheduled.

The written notification will state which family members ar e required to attend the interview. The family will be scheduled for a final appointment if the first and second appointment are missed. This letter will also inform the family of the right to request an informal hearing if the third and final appointment is missed.

Exceptions to these policies may be made by the Housing Director if the family is able to document an emergency situation that prevented them from canceling or attending the appointment or if requested as a reasonable accommodation for a person with a disability.

VI. Verification of Information

The Housing Staff will adhere to the verification procedures and guidelines described in this Plan. Verifications for reexaminations must not be more 120 days old.

VII. Interim Reexamination Policy [24CFR 982.516]

When a participating family, due to unforeseen or temporary events, requests an adjustment in the family contribution, the documents submitted or the reasons will be verified by the Housing Staff. The common reasons for a family to make this request are: (1) Loss of income or job, (2) Medical Expenses (Applies to Elderly or disabled Family only); (3) Increase of family composition.

Interim reexamination of income and change of family composition will be conducted by the housing staff within a responsible time after the family has made such request. When a tenant family comes in to inform of any changes not directly related to their annual reexamination, Form 50059 will be prepared and signed by the family.

After the interview, the following forms/ documents are requested:

1. Signed reexamination/redetermination form;

2. Signed consent to release information, if applicable;

3. Signed verification of income form, if applicable;

4. Change in family composition (same as in annual reexamination);

5. W-5 form for any member who claims to be unemployed;

6. A certificate of good conduct from the State Police Department, (if applicable);

7 Whatever document is deemed pertinent for the completion of the reexamination process.

Upon filling out the reexamination form, the Housing Department will request the aforementioned documents from. the participant family and a date will be scheduled by the Municipality for the family to present its situation to the corresponding Program Coordinator. This will allow the family to comply with the documents requested by the Municipality as well as the verification of the validity of the information provided by the family in accordance with 24 CFR part 5, subpart F, section 982516.

In accordance with established federal regulations, the case will be analyzed with the existing conditions and a new computation of tenant rent will be prepared. A notice will be sent to both the tenant and landlord informing them of the changes and the dates that they will become effective. For certain extraordinary reasons this determination could in fact be ruled retroactively. The correspondence notifying both the family and the landlord would constitute a valid amendment to the lease and Housing Assistance Payment contracts, respectively.

The tenant will be instructed to notify the Municipality of any change of the conditions which originated the verification and periodic reexaminations would henceforth be scheduled. The family will be advised, that failure to comply with this same condition could result in a decision to increase the family participation, effect the condition, which originally caused the adjustment to cease to exist.

VIII. Adjusted Income

Adjusted income means annual income of the members of the family residing or intending to reside in the dwelling unit, after making the following mandatory deductions as per 24 CFR part 5, section 5.61: in determining adjusted income, the Municipality will deduct the following amounts from annual income:

a. $480 for each dependent;

b. $400 for any elderly family or disabled family;

c. The sum of the following, to the extent the sum exceeds three percent of annual income:

d. Medical expenses of any elderly family or disabled family not reimbursed;

e. Reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with a disability to the extent necessary, to enable any member of the family (including the member with a disability), to be employed that is not reimbursed.

f. Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education;

g. The amount of any earned income of a family member (other than the family head or spouse) who is not 18 years of age or older.

IX. PHA Errors

If the Municipality makes a calculation error at admission to the program or at an annual reexamination, an interim examination will be conducted, if necessary, to correct the error but the family will not be charged retroactively. Families will be given decreases, when applicable, retro active to when the decrease for the change would have been effective if the information was calculated correctly by the PHA.

X. Notification of results of reexaminations [Notice P 98-6]

The HIJD form 50058 will be completed and transmitted as required by HUD. A notice of rent change will be mailed to the owner and the tenant. If the family disagrees with the rent adjustment, they may request an informal hearing.

XI. Rent Determination [CFR Part 5, Section 5.613]

A. <u>Total Tenant Payment</u>

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

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

1. 30 percent of the family's monthly adjusted income;

2. 10 percent of the family's monthly income;

3. If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the family's housing costs, the portion of those payment's which is designated for housing will be considered;

4. Minimum rent in accordance with applicable provisions of Section 5

5. 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 then 40% as the cap established, by QHWRA of income on the family share of rent for initial leasing of any unit.

C. Minimum Rent

The minimum rent established by the PHA will be $25.00.

D. Hardship exemption

1. Should a family request a hardship exemption, said request will be honored upon determination of whether there is a qualifying financial hardship. The suspension of the minimum rent requirement will begin the month following the family's hardship request.

2. The following will be considered as financial hardship:

   a. When the family has lost eligibility for, or is waiting an eligibility determination for a Federal, State or, local assistance;

   b. When the family would be evicted as a result of the imposition of the minimum rent requirement;

   c. When the income of the family has decreased because of changed circumstances, including loss of employment;

d. When a death has occurred in the family;

e. Other circumstances as determined by the Municipality of Aguas Buenas.

E. Request for hardship exemption

1. If a family requests a. hardship exemption, the Municipality of Aguas Buenas will suspend the minim urn rent requirement beginning the month following the family's hardship request until the Municipality of Aguas Buenas determines whether there is a qualifying financial hardship and whether it is temporary or long-term.

2. If the Municipality of Aguas Buenas determines that there is a qualifying financial hardship, but that it is temporary, the Municipality of Aguas Buenas will not impose a minimum, rent for a period of any more than 90 days from the date of the family's request. At the end of the 90-day suspension period, a minimum rent is imposed retroactively to the time of suspension. The family will be afforded a responsible repayment agreement for the amount of back rent owed.

3. If the Municipality of Aguas Buenas has determined that there is no qualifying hardship exemption, the Municipality of Aguas Buenas will reinstate the minimum rent including the back payment for minimum rent from the time of suspension on terms and conditions established by the Municipality.

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

F. Appeal of financial hardship

Should the family appeal the financial hardship determination through the Municipality of Aguas Buenas' grievance procedure, it will be exempt from any escrow deposit that may be required in accordance with 24 CFR art5, Section 5.616.

XII. Timely Reporting of Changes in Income [CFR 982.516(c)]

A. Standard for Timely Reporting of Changes

The Municipality requires that families report certain., changes to the PHA within 30 days of when. the change occurs in accordance with the Interim

Reexamination Policy Section within this chapter. In such cases, the family will be given a reexamination form, a list of documents needed and scheduled for an interim re-exam at which time the family will be interviewed by the prospective Housing Program Coordinator

It will be the policy of the Municipality to require families to present any change affecting family composition and/or income before the 15 of every month so that the change can be effective the first of the following month, otherwise the change will become effective 30 days later.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

B. Procedures when the Change is Reported in a Timely Manner

The Municipality will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

• Increases in the Tenant Rent - are effective on the first of the month following at east thirty days' notice.

• Decrease in the Tenant Rent - are effective the first month following that in which the change is reported.

The change may be implemented based on documentation provided by the family, pending third-party verification.

C. Procedures when the Change is Not Reported by the Family in a Timely Manner

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

• An increase in Tenant Rent - will be effective retroactive to the date it would have been effective had it been reported on a timely basis The family will be liable for any overpaid housing assistance and may be required to sign a Repayment Agreement or make a lump sum, payment.

• Decrease in Tenant Rent - will be effective on the first of the month following the month that the change is reported.

D. Procedures when the Change is Not Processed by the PHA in a Timely Manner

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the PHA in a timely manner.

In this case, an increase will be effective after the required thirty days' notice prior to the first of the month after completion of processing by the PHA If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

E. Misrepresentation of Family Circumstances

If any participant deliberately misrepresents the information on which eligibility or tenant rent is established, the PHA may terminate assistance and may refer the family file/record to the proper authorities for appropriate disposition.

XIII. Zero-Income Checklist

Participants that report income lower than $100 per month will be required to have a complete "zero-income checklist" form filled out within their files. This document will exist for record-keeping purposes and in order to compare to future changes in income. The form to be used should contain be the Zero-Income Checklist in the National Housing Law Project Public Housing Occupancy Guidebook Appendix 8 Pages 352-356 or similar.

Chapter 9

Moves With Continued Assistance/Portability

[CFR 981314, 982353, 982355(a]

I. Introduction

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

II. General Procedures (Whenever this Municipality for portability purposes is the Initial PHA)

A family must live in the initial PHA's jurisdiction and hold a housing voucher or be a current participant to be eligible for portability. Furthermore, the family may lease a dwelling unit anywhere in the United States where there is a tenant-based subsidized housing program or in the same state or MSA. The family could decide to reside in an adjacent MBA to the initial PHA. According to existing regulations, if no PHA with a tenant-based program in this jurisdiction, assistance is administered by the initial PHA.

The family could decide to reside within the initial PHA's MSA and/or the following Municipalities within the initial PHA: (1) San Juan, (2) Bayamon, (4) Toa Alta, (5) Guaynabo, (6) Trujillo Alto and (7) Comerio, Also, the Municipality of Aguas Buenas has a verbal exchange agreement with the Municipality of Cidra permitting families from Aguas Buenas to live in that Municipality and their families in Aguas Buenas. The assistance will be administered by the initial PHA, thus, expanding the housing choices of the family, and therefore, complying with HUD's deconcentration policy as well as moving them from poverty areas.

III. Limitations on Participation

The family will not be allowed to port under the following conditions:

A. A. non resident applicant will be required by the Municipality, as the initial PHA, to reside within, the jurisdiction a minimum of 12 months.

B. Families that have exceeded the limit of 5 moves within a one year period following the execution of the initial lease and HAP contract.

C. If the family is an FSS Family and they are in their first year of the executed contract of participation.

D. The initial PHA may also deny a move under grounds covered by section 982.552 of the Federal Register.

E. In accordance with QWHRA, families with lease violations will not be allowed to port out.

F. Families cannot request more than one move in one calendar year (CFR 982.314(c)(ii))

IV. Allowable Moves

A family may move to a new unit after the first year of the initial lease-up with continued assistance if:

A. The assisted lease for the old unit has terminated because the PHA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.

B. The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a not-for -cause court judgment or other process allowing the owner to evict under State Law.

C. The family has given proper notice of lease termination (and if the family has a right to terminate the lease on notice to the owner).

D. Proper notice by the owner and/or family will be 90 days prior to the HAP contract reaching full term.

V. Portability [CFR 9823253]

Portability applies to families moving out of or into the PHA's jurisdiction within the United States and its territories.

VI. Income Limits under Portability

Families must meet income guidelines for eligibility in the receiving jurisdiction if:

A. Leasing a unit for the first time;

B. Changing types of assistance (Certificate to Voucher)

VII. Initial PHA Responsibilities under QHWRA

The family information packet will include a written explanation of how portability works, its meaning from the family's perspective as well as specific procedures which the family will need to follow in order to be allowed to port out of the Municipality.

Income eligibility of the family will be determined in accordance with established Federal Regulations as well as identify the receiving PH,A, if more than one PHA has jurisdiction The family will be advised as to how, and when to contact the receiving PEA. HUD Form. 52665, part I will be completed and forward to the receiving PHA with supporting documentation. All pertinent forms will be forward to the receiving PH.A via certified m ail unless an emergency exists and then said documents will be forward via a facsimile.

VIII. Receiving PHA Responsibilities under QWHRA

The receiving P,HA must perform all regular PHA functions and responsibilities as required by existing HUD regulations. Always use Part II of HUD Form 52665 to report information pertaining to the family to the initial PHA such as:

A. Initial billing and subsequent changes;

B. Absorption - if the receiving PHA misses initial billing deadline or has an established policy and has sufficient funding in the ACC to absorb the family;

C. Family leaves the program.

IX. Billing Issues under Portability

The receiving PHA must meet the initial billing deadline by completing Part II of HIJID Form 52665 and attach Form HUD 50058 within 10 working days as established by QHWRA. Form 52665 will automatically requisitions monthly amount due for each subsequent month. The initial PHA must make payments within 30 calendar days following receipt of said form unless each PHA agreed to a different schedule.

X. Restrictions on Moves [CFR 982.314 & 982.552(a)]

After initial lease-up families will not be permitted to move within the Municipality's jurisdiction during the initial first year of assisted occupancy. Also, after initial lease-up families will not be permitted to move outside the Municipality's jurisdiction under portability during this first year of assisted occupancy. Families will not be permitted to move more than once in a 12-month

period. The PHA will deny permission to move if there is insufficient funding for continued assistance.

The Housing Director or his/her designate may make an exception to these restrictions if there is an emergency reason for the move over which the participant has no control, which includes, for example, a termination of a HAP contract due to the owner's violation of the HAP contract, or when, in change of ownership, the new owner refuses to sign a HAP contract.

Chapter 10

Lease Approval and Contract Execution

[CFR 982.302]

I. Introduction

After issuing a voucher to families, they may search for a unit anywhere within the jurisdiction of the PHA, or outside of the PHA's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments Contract with the Municipality. This chapter defines the types of eligible housing, the Municipality's policies which pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests for Tenancy Approval (RFTA).

II. Program Requirements [CFR 982.302 & 982.305(b)]

The family must submit the RETA in the form and manner required by the Municipality of Aguas Buenas The Municipality will not approve any family to lease a unit or execute a HAP contract until it has been determined by the Municipality that the following has been met;

A. The unit is eligible;

B. The unit has been inspected by the Housing Inspector and passes HQS;

C. The lease is approved including all the required lease provisions and has been duly executed between the owner and family participant;

D. The rent to the owner has been determined to be reasonable;

E. The total of contract rent plus any utility allowance does not exceed the FMR/exception rent limit and is within the Payment Standard established by the Municipality.

F. The security deposit is approved in accordance with any limitations in this plan;

G. The proposed lease complies with HTJD and PHA requirements; HI. The owner is approved, and there are no conflicts of interest.

III. Actions prior to lease term

It will be required that all of the following must always be completed before the beginning of the lease term:

A. The unit has been inspected by the Municipality and it has been determined that the dwelling unit satisfies the HQS;

B. The lease has been duly executed by both the landlord and tenant, and the Municipality has approved the leasing of the unit in accordance with the program requirements.

IV. HAP Execution

Prior to contract and lease execution, lease provisions, lease approval procedures, Housing Quality Inspections and payment procedures will be fully discussed with the owner and, as is required by Law, all records and documents related to the lease approval will be filed and retained within the tenant's file for as long as the family stays within the program.

Every effort will be made by the Municipality of Aguas Buenas to execute a HAP contract before the beginning of the lease term. The Municipality will not pay any housing assistance payment to the owner until the HAP contract has been duly executed. Should the HAP contract be executed during the period of 60 calendar days from the beginning of the lease term, the Municipality will make housing assistance payments after execution of the HAP contract. Any HAP contract executed after the 60-day period is void and the Municipality will not pay any housing assistance payment to the owner.

V. Notice to Family and Owner

The Municipality of Aguas Buenas will promptly notify both the family and owner, after having received the family's request for lease approval to lease a particular unit.

VI. Procedure After PHA approval

When the Municipality of .Aguas Buenas has authorized the family to lease the unit the owner and the Municipality may then execute the HAP contract. The owner will receive a briefing on the program and the Housing Staff will closely work with both the family and the owner to expedite this same procedure. At this time the Housing Staff will coordinate with the owner and based on these instructions, as to where the payment of subsidies will be direct to, or specific

instructions on the persons authorized to pick up the same at the Municipality of Aguas Buenas

VII. Landlord Rejections

It will be the policy of the Municipality of Aguas Buenas not to enter into a HAP contract with any owner who refuses or has a history of refusing to evict families, who disturb the peaceful enjoyment of the property, engage in drug-related or violent criminal activity, and threaten the health or safety of other residents, managers, employees of the Municipal Housing Department or the owner. This is in accordance with established HUD regulations as set forth in the Quality Housing and Work Responsibility Act of 1998.

In this regard, a dwelling unit will not be approved if we have been informed by HLTD or otherwise, that the owner is debarred, suspended, or subject to a limited denial of participation under 24 CFR Part 24. When directed by HIJD, the unit will not be approved if:

A. The federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other Federal Equal Opportunity requirements and such action is pending;

B. A Court or Administrative Agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

As part of its administrative discretion, the Municipality of Aguas Buenas may deny approval to lease a unit from an owner for any of the following reasons including but not limited to those aforementioned:

The owner has violated obligations under a housing assistance payment contract under Section 8 of the 1937 Act (42 U5C1437);

The owner has committed fraud, bribery of any other corrupt or criminal act in connection with any federal housing program;

The owner has engaged in drug trafficking;

The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based program, or with applicable housing standards for units leased with Housing Choice Voucher Assistance or leased under another federal housing program.;

The owner has a history or practice of renting units that fail to meet State or Local housing codes;

The owner has not paid State or Local real estate taxes, fines, or assessments.

HUD has informed the Municipality that a court or administrative agency has determined the owner has violated the Fair Housing Act or other federal equal opportunity requirements.

HUD or other agency directly related has informed the Municipality that the owner has been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 982.306.

It should be clearly noted that nothing contained within 24 CFR Part 982.306 is intended to give any owner any right to participate in the program. For purposes of this plan the term "owner" includes a principal or other interested parties.

VIII. Initial Lease Term

It will be the policy of the Municipality of Aguas Buenas that the initial lease term will be for no more then one year after the execution of the HAP contract between the owner and the Municipality. The prevailing practice in the local housing market is to execute a lease contract of no more than one year. This is in accordance with established HUD regulations as set forth in the Quality Housing and Work Responsibility Act, section. 545.

IX. Security Deposits

Owners may collect a security deposit that is not greater then one month's rent which is the acceptable general practice within the Municipality. Every attempt will be made to brief the owners and tenants of the importance of this and encourage communication between the two parties.

If the owner fails to collect a security deposit, the Municipality will not be liable for any damages caused by the tenants in accordance with established federal regulations. The owner as well as the family will be briefed on their responsibilities concerning this.

X. Disapproval of RFTA

If the Municipality determines that the request cannot be approved for any reason, the landlord and the family will be notified. The Municipality will instruct the owner and family of the steps that are necessary to approve the request.

If for any reason, an RFTA is not approved, the Municipality will furnish another RFTA form to the family provided that time remains on the term of the voucher so that the family can continue to search for eligible housing.

XI. Lease Review [CFR 981308]

The Municipality will review the lease, particularly noting the approvability of optional charges and compliance with regulations and state as well as local law. The tenant also must have the legal capacity to enter a lease under State law. Responsibilities for utilities, appliances, and optional services must correspond to those provided on the RFTA.

The family and owner must submit a standard form of the lease used in the locality by the owner and that is generally used for other unassisted tenants in the premises. The terms and conditions of the lease must be consistent with State Law. If the standard form of the lease is not present, the Municipality will provide a model that can be used, which complies with HUD regulations and State Law.

At a minimum the lease must specify:

a. The names of the owner and tenant;

b. The amount of the monthly rent to owner;

c. The utilities and appliances to be supplied by the owner;

d. The HUD prescribed tenancy addendums must be included in the lease word-for-word before the lease is executed;

e. The lease must provide that drug-related criminal activity engaged in by the tenant, any household member, or any guest on or near the premises, or any person under the tenant's control on the premises are grounds to terminate tenancy;

f. The address of the unit rented (including apartment number, if any);

g. The lease must also provide that the owner may evict the family when the owner determines that:

1. Any household member is illegally using an illegally controlled substance;

2. A pattern of illegal use of drugs by any household member interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

3. The lease must also provide that the following types of criminal activity by a "covered person" are grounds to terminate tenancy:

(a) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of their premises by persons residing in the immediate vicinity of the premises;

(b) Any violent criminal activity on or near the premises by a tenant, household member, or guest;

(c) Any violent criminal activity on the premises by any other person, under the tenant's control.

4. The lease must provide that the owner may terminate tenancy if tenant is:

(a) Fleeing to avoid prosecution or custody or confinement after conviction for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees;

(b) Violating a condition of probation or parole imposed under Federal or State Law.

XII. Rent Limitations [CFR 982.507]

The Municipality will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for a lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.

By accepting each monthly housing assistance payment from the Municipality, the owner certifies that the rent to the owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner is required to provide the PHA with information requested on rents charged by the owner on the premises or elsewhere. Moreover, during the tenancy, the rent to the owner may not be more than the most current reasonable rent as determined by the Municipality.

XIII. Disapproval of Proposed Rent [CFR 982.502]

It if the proposed. rent is not reasonable, at the request of the family, the Municipality will negotiate with the owner to reduce the rent to a reasonable rent or to include some or all of the utilities in the rent to the owner.

If the rent can be approved after negotiations with the owner, the PHA will continue processing the Rental Agreement and lease. If the revised rent involves a change in the provision of utilities then a new Rental Agreement must be submitted.

If the owner does not agree on the rent to the owner, the Municipality has tried to negotiate a revised rent, the PHA will inform the family that the lease is disapproved.

XIV. Policy statement about a family to prospective owners [CFR 982.307(b) & 982.54(d) (7)]

It is the position of the Municipality of Aguas Buenas, and as such, will advise the owners that they and not the Municipality is permitted and encouraged to screen prospective families on the basis of their tenancy history. All owners will be so advised that they may consider a family's background with respect to such factors as:

A. Payment of rent and utility bills;

B. Caring for the unit and surrounding premise;

C. Respect for the rights of others to the peaceful enjoyment of their dwelling unit;

D. Drug related criminal activity or other criminal activity that may indeed pose a threat to the life, safety or property of others;

E. Compliance with other essential condition of tenancy.

The Municipality feels that the release of past history of a given family may in fact, block the family's efforts to find suitable housing, when in fact, this same family may have changed both their attitude and behavioral patterns for the better.

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

XV. Change in Total Tenant Payment (TTP) Prior to HAP Effective Date

When the family report changes in factors that will affect the total family share prior to the effective date of the HAP contract at admission, the information will be verified and the total family share will, be recalculated. If the family does not report any change, the PHA need not obtain new verifications before signing the HAP Contract.

XVI. Contract Execution Process [CFR 982.305(c)]

The Municipality prepares the Housing Assistance Payment (HAP) contract for execution. The family and the owner will execute the lease agreement and this same agreement will be notarized Notwithstanding, the owner and the

Municipality will execute the HAP contract Copies of the documents will be furnished to the parties who signed the respective documents. The PHA will retain a copy of all signed documents.

The Municipality will make every effort to execute the HAP contract before the commencement of the lease term. The HAP contract may not be executed more than 60 days after commencement of the lease term and no payments will be made until the contract is executed

The following PHA representative(s) is authorized to execute a contract on behalf of the Municipality of Aguas Buenas: Duly elected Mayor of the City and/or his/her authorized representative, who is the Housing Director.

Owners must provide the current physical address of their residence as well as mailing address, if it is not the same as the physical address. If families lease properties owned by relatives, the owner's current address will be compared to the subsidized unit's address. The owner will also submit documents prior to execution of the HAP contract. These documents are required by State Law and they are:

1. The deed to the property;

2. A certification that the Owner has no debt with the Municipality nor with the State;

3. Certification that the Owner has his personal finances up date;

4. Certificate of Good Conduct;

5. Certification that the Owner does not owe Child Support;

6. Owners must provide an employer identification or social security number;

7. Any other document required, by the Municipality.

Furthermore and unless there was a lease effective prior to June 17, 1998, a family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. The PHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

Chapter 11

HOUSING QUALITY STANDARDS AND INSPECTIONS

[CFR 982.401]

I. Introduction

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant- based programs. HQS standards are required both at initial occupancy and during the term of the lease. HQS standards apply to the building and premises as well as the unit. Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and HAP contract.

The Municipality of Aguas Buenas will inspect each unit under contract at least annually. Furthermore, the Municipality will also have a quality control inspector or inspection supervisor perform quality control inspections on the number of files required for file sampling by SEMAP annually to maintain the PHA's required standards and to assure consistency in the PHA's program. This chapter describes the PHA's procedures for performing HQS and other types of inspections, and the Municipality's standards for timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non com with HQS requirements for both families and owners. The use of the "HQS" in. this Administrative Plan refers to both the combination of HUD and PHA requirements -

II. Inspections [CFR 981401]

Housing to be utilized and approved for the program will be subject to meeting the Performance Requirements as set forth within the Federal Register 982.401 with the exceptions of requiring mechanical equipment such as cooling or ventilating under the criteria Thermal Environment. Natural ventilation, when appropriate under windows and air circulation criteria will be considered acceptable.

Efforts will be made at all times to encourage Owners to provide housing above HQS minimum standards, The Municipality will not promote any additional acceptability criteria which are likely to adversely affect the health or safety of participant families, or severely restrict housing choice. Bearing this mind and considering the climatic conditions of Puerto Rico, the Municipality of Aguas

Buenas has determined to include screens on doors and windows as part of the HQS minimum standards. The reason being that the screens in the windows and doors help to keep rodents and other small animals out of the interior of the homes. Also, screens are a deterrent to dust particles and mosquitos, which have been known to carry virus and can represent a danger to the children and elderly living in subsidized housing.

Notwithstanding, all utilities and Owner provided appliances (i.e., a refrigerator, stove and oven or range) in must be installed by the initial inspection date. If the tenant is responsible for supplying the stove and/or refrigerator, the PHA will allow the stove and refrigerator to be placed in the unit after the unit has passed all other HQS. The PHA will not carry out another reinspection.

III. Types of Inspections [24 CFR 982.401(a) & 982.405]

There are four types of inspections that will be car r led-out by the Municipality of Aguas Buenas:

a. Initial/Move-in - Conducted upon receipt of the Request for Tenancy Approval.

b. Annual Conducted within twelve months of the last annual inspection.!

c. Special - Conducted at the request of the owner, family, an agency and/or third party. This would also include emergency inspections.

d. Quality Control

IV. Initial HQS Inspections [CFR 982.401 (a) & 982.305(b) (2)]

The Housing Inspector must inspect the unit, determine whether the unit meets with HQS, and notifies the family of the determination within a time after the family submits a Request for Tenancy Approval. To the extent practicable, such inspection and determination must be completed within 15 days after the family and the owner submits a Request for Tenancy Approval. The 15-day clock is suspended during any period when the unit is unavailable for inspection.

Consequently, the unit must be vacant or occupied by the family to be inspected.

• The initial inspection will be conducted to: Determine if the unit and property meet the HQS as defined in this plan.

• If the family is not at home for a third scheduled inspection, they may be proposed for termination for failure to comply with a Family Obligation.

V. Time Standards for Repairs

The owner must correct emergency items which endanger the family's health or safety within 24 hours of notification. For non-emergency items, repairs must be made within a time frame set by the Housing Inspector, but not later than 30 days. For major repairs, the Housing Director may approve an extension beyond 30 days.

VI. Types of Inspections

A. Special Inspections [CFR 982.405(c)]

If at any time the family or owner notifies the Municipality that the unit does not meet HQS, the PHA may conduct an inspection. The PHA may also conduct a special inspection based on information from third parties such as neighbors or public officials.

The PHA will inspect only the items which were reported, but if the Inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs. However, if the annual inspection date is within 30 days of a special inspection, and as long as all items are inspected that are included in an annual inspection, the special inspection will be categorized as annual and all annual procedures will be adhered to.

Special inspections will be carried out in an orderly manner. When possible, involved parties will be granted 24 hours notice. When not possible or feasible, involved parties will be notified via telephone or in person. If a special inspection is carried out due to information from neighbors or public officials and the interested parties were not notified before hand, if the interested parties refuse to allow entrance into the unit, they will be given 24 hours notice from that instant.

B. Quality Control

Quality Control inspections will be performed by a Quality Control Inspector or designate of the Housing Director on the number of files required by SEMAP. The purpose of Quality Control inspections is to ascertain whether each inspector is conducting accurate and complete inspections, and to ensure that there is consistency in the application of HQS. The inspections will be carried out by an inspector other than the one who carried out the original inspection

The sampling of files will include recently completed inspections (within the prior months) and a cross-section of neighborhoods.

C. Emergency Repairs [CFR 982.404(a)]

An emergency is defined as a violation which threatens the life, safety, health of the family. If the emergency repair items(s) are not corrected in the timer period required by the Municipality, and the owner is responsible, the housing assistance payment will be abated and the HAP contract terminated. If the emergency repair items(s) are not corrected within the time frame required by the Municipality, and it is the responsibility of the Family, the PHA will, terminate the assistance.

VII. Consequences due to Non-Compliance by the Owner [24 CFR 982.405 & 982.453]

When it has been found that a unit in the program fails to meet HQS and the owner is responsible for completing the necessary repair(s) in the time frame specified by the Municipality, and the owner failed to repair after timely notice, the assistance payment to the owner will be abated.

A. Rent Increases

No rent increases will be approved if the unit is in a failed condition.

B. Notice of Abatement

A notice will be sent to the owner, and the abatement will be effective from the day of the failed inspection when the owner failed to repair after timely notice. The abatement is in effect until the unit passes or goes into default. The PHA will inspect abated units within 30 days of the previous inspection. A reinspection date is provided on the abatement letter, however, the PHA will reinspect earlier upon the owner's request.

If the owner it makes repairs during the abatement period, payment will resume on the day the unit passes inspection. The family will be notified of the reinspection date. No retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS.

C. Termination of Contract

If the owner is responsible for repairs and failed to correct all the deficiencies cited prior to the end of the abatement period, the owner will be a HAP Termination notice. Prior to the effective date of the termination, the abatement will remain in effect. Notwithstanding, if the repairs are completed prior to the effective termination date, the

termination may be rescinded by the Municipality if the tenant chooses to remain in the unit.

IX. Consequences due to Non-Compliance by the Family f24 CFR 982.404(b)]

If emergency or non-emergency violations of HQS are determined to be the responsibility of the family, the Municipality will require the family to make any repair(s) or corrections within, 30 days. If the repair(s) or corrections(s) are not made in this time frame, the Municipality will terminate assistance to the family, after providing an opportunity for an informal hearing. Extensions in these cases may be approved by the Housing Director The owner's rent will not be abated for items which are the family' s responsibility. If the tenant is responsible and corrections are not made, the HAP contract will terminate when assistance is terminated.

X. Responsibility [CFR 981404 & 982.54(d)(14)]

Certain HQS deficiencies are considered the responsibility of the family:

a. Tenant-paid utilities not in service;

b. Failure to provide or maintain family-supplied appliances;

c. Damage to the unit or premises caused by a household member or guest beyond normal wear and tear.

The owner is responsible for all other HQS violations. The owner is responsible for vermin-infestation even if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a tease violation and the owner can evict the family participant for serious or repeated violation of the lease. The PHA can terminate the family's assistance on that basis.

Chapter 12

Owner Rents, Rent Reasonableness and Payment Standards

[CFR 982502, 982.504, 985.505, 982.507]

I. Introduction

The policies outlined in this chapter reflect the amendments to the HUD regulations, which were implemented by the enactment of the Quality Housing and Work Responsibility Act of 1998 for the Section 8 Tenant-Based Assistance Program as well as the procedures adopted by the Municipality of Aguas Buenas for determination of rent- reasonableness, payments to owners, adjustments to the payment standards, and rent adjustments. These amendments became effective on October 1, 1999, which is referred to as the "merger date" of the old Certificate and Voucher Programs respectively, into one Program called the Housing Choice Voucher Program.

The Municipality of Aguas Buenas will determine rent reasonableness in accordance with 24 CFR 982 It is the responsibility of the Municipality to ensure that the rents charged by owners are reasonable based upon unassisted comparable in the rental market, using the criteria specified in 24 CFR 982

II. Payments to Owners [CFR 982.451]

The details for processing of the monthly payments for owners, the calculation, preparation and delivery of the checks, and the establishment of accounting, and auditing procedures will be the responsibility of the program's accountant.

The monthly checks to owners and negative rents to families will be delivered during the first week of the month to which the payment actually applies. If for unforeseen reason this is not possible, a notice will be given to owners and recipients of negative rent of the possible payment date.

In, accordance with, the Quality Housing and Work Responsibility Act, the Municipality of Aguas Buenas can be held liable for late payment of the housing assistance payment by the owner. Any late payment penalties must be imposed by the owner in accordance with the generally accepted practices in the local housing market. A late payment fee must be paid from the Municipality of Aguas Buenas administrative fee unless authorize by HUD to make such payment from another source.

Furthermore, no late fee may be charged if HUD determines that the late payment is due to factors beyond the control of the Municipality.

III. Rent to Owner

The rent to the owner is limited by rent reasonableness. The PHA must demonstrate that the rent to the owner is reasonable in comparison to rent for other comparable unassisted units by comparing at least three similar units from the private sector. The only other limitation on rent to the owner is the maximum rent standard at initial occupancy as established by 24 CFR 982.508. During the initial term of the lease, the owner may not raise the rent for the unit.

IV. Rent Reasonableness

A. Determination

In accordance with 24 CFR part 982, subpart K, section 982.503, the Municipality will not approve a lease until it is determined that the initial rent to the owner is reasonable. The decision of whether or not a rent is reasonable must be taken by the inspectors of the program after carrying out the comparison. If in any case the unit rent will be over the market rate, a justification must be present. A unit can be up to 16% over the market rate, under the condition that the house exceeds the quality and standards of the study comparison and all utilities are included.

The Municipality will may predetermine the reasonable rent under the following conditions:

1. Before any increase in the rent to the owner;

2. If there is a five percent decrease in the published FMR in effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary;

3. If directed by HUD

4. When a homeowner requests a raise in rent, a study can be carried out to assure whether or not the raise is reasonable.

The Municipality of .Aguas Buenas will predetermine the reasonable rent at any other time that it deems necessary as a form of efficient management of the limited funds available.

B. Comparability

The Municipality of Aguas Buenas will determine whether the rent to the owner is a reasonable rent in comparison to rent for other comparable unassisted units. A minimum of three units will be utilized. So that said determination can be ascertained, the following will be considered:

1. The location, quality, size, unit type, and age of the contract unit;

2. Any amenities, housing services, maintenance and utilities to be provided by the owner in accordance with the lease.

C. Owner Certification

By accepting each monthly housing assistance payment from the Municipality of Aguas Buenas, the owner certifies that the rent to the owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner must give the Municipality of Aguas Buenas information requested by the Municipality on rents charged by the owner for other units in the premises or elsewhere.

Additionally, the Housing Department will establish a data bank by obtaining information as to rental values in various areas of his jurisdiction and will compare them to proposed rents in the requests submitted by owners and applicants for lease approval.

At the time of the application intake, the applicant will provide information as to the actual rent he is paying, which may be verified by a letter from the landlord or agent. This too will constitute an index, and in some cases, an element to compare and allow Rent Reasonable Certification. It will be certified by the Housing Inspector based on the survey conducted in the form designed and used by the Municipal Housing Department to validate such certification. The Certification of Rent Reasonableness will be kept within the tenant's file for as long as the family is a participant within the Program.

D. Payment Standards [24 CFR 982.503]

A payment standard will be set between 90%410% of the Fair Market Rent for the PHA jurisdiction as established by QWHRA. The Municipality of Aguas Buenas has a payment standard of 100% of the Fair Market Rent established by HUD.

The local area Office of H namely the Economic and Market Analysis Division (EMAD), as well as the HUD Public Section 8 Program Director will be consulted on an annual basis, so as to confirm that the FMR

employed are both accurate and reflect the general cost of housing for our area.

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

■ Evidence that significant changes in rents have been experienced in the rental market, which differ from those changes measured by the Consumer Price Index (CPJ) factors used to update the Annual Housing Services based on the Median Rent.

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

E. Exceptions to FMR on a Unit by Unit Basis

The PHA is entitled to establish its payment standard from 90%410% of the FMR approved for MSA area of the PH.A. The PHA will be allowed to approve initial gross rents on a unit by unit basis which exceed the FMR's or payment standard established by the PHA for units, which by virtue of size, amenities or location, or in the case of expanding housing opportunities for low income families, or to obtain units which have been made accessible to the disabled, which are determined to warrant exception rents. The PHA accepts the fact that this same authority will not be exercised for more than 20 percent of the units authorized by the ACC.

F. Affordability Adjustments

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

G. Rent Adjustments [CFR 982.503]

Rent adjustments requested by landlords will be processed as indicated in Section 982.509 Federal Register, April30, 1998, page 23863. The owner

must request said revision to the contract rent ninety (90) to sixty (60) days prior to the HAP contract anniversary date.

H. Financial Feasibility

Before increasing the Payment Standard, the PHA will review the budget to determine the impact that the projected subsidy increases would have on available funding for the program and the number of families that are being or will be served. For this purpose, the PHA will compare the number of families who could be served under a higher Payment Standard with the number assisted under the current Payment Standard.

I. Exception Payment Standards [CFR 982.503(c)]

The PHA will maximize housing opportunities outside areas of poverty concentration and/or approving a higher payment standard for families who have a family member that is elderly or handicapped as a reasonable accommodation as well as families that are to large and are experiencing a hard time finding affordable housing.

Chapter 13

Owner Disapproval and Restriction

[CFR 98234, 982.306 & 982.453]

I. Introduction

It is the policy of the Municipality of Aguas Buenas to recruit owners to participate in the voucher program. The Municipality will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the Municipality. This chapter outlines the criteria for owner disapproval, and the various penalties imposed to the owner for violations as well as approval or disapproval of the participation of an owner in certain categories.

II. Disapproval of Owner [CFR 982.306 & 982.54(d) (8)]

As part of its administrative discretion, the Municipality of Aguas Buenas may deny approval to lease a unit from an owner as outlined in Chapter 10 "Lease Approval and Contract Execution," Section VII.

III. Owner Restrictions and Penalties [CFR 982.453]

If an owner has committed fraud, abuse or is guilty of frequent or serious contract violations, the Municipality will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The Municipality may also terminate some or all of the contracts with the owner.

Before imposing any penalty against the owner, the Municipality will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance as well as the number of violations.

IV. Change in Ownership

A change in ownership requires assumption of the existing contract. The Municipality will process a change of ownership only upon the written request of the new owner and only if accompanied by a copy of the escrow statement or other documents showing the transfer of the title, and the Social Security number of the new owner.

The Municipality may approve the assignment of the HAP contract at the new owner's request. The Municipality may deny approval of the assignment of the contract, for any of the reasons listed in Chapter 10 "Lease Approval and Contract", Section VII.

Chapter 14

Contract Terminations

[CFR 982 & 982.314]

I. Introduction

This chapter describes the circumstances under which the HAP contract can be terminated by the Municipality of Aguas Buenas and the owner as well as the policies and procedures adopted for such terminations.

II. Contract Terminations [24 CFR 982.311]

The term of the HAP Contract is the same as the lease that is signed between the owner and the family. The contract between the owner and the Municipality may be terminated by the Municipality contingent upon the termination of the lease by the owner or the tenant.

No future subsidy payments on behalf of the family will be made by the Municipality to the owner after the month in which the contract has been terminated. The owner must reimburse the Municipality for any subsidies paid by the PHA for any period thereafter. If the family continues to occupy the unit after termination of the contract, the family is responsible for the total amount of rent due to the owner.

After a contract termination and the family meets the criterion for a move with continued assistance, the family is eligible to lease-up in another unit. The contract for the new unit may begin during the month in which the family vacated the old unit.

III. Termination of HAP Contract due to Family Move [CFR 982.314(c) (2)]

During the briefing, the family will be informed of established procedures within this same program that once they chose to relocate to another dwelling unit, they must notify the owner of their intent to move in written form and with a copy of said notification to the Municipality. The family must give the owner at least a ninety (90) day notice. This same Lime requirement must be adhered to by the owner should he or she decide to terminate the contract or not renew it. A written statement of this will be provided to the family as well as owner in their respective packets.

Since the leases are based upon a monthly rent structure, the family must be made aware that if the owner is not notified well in advance, the owner could conceivably spend sometime looking for a new tenant. If the owner is able to secure another tenant to occupy the unit at the time the family vacates, a portion of the deposit could be returned to the outgoing tenant. The same can be said for the owner with the exception that the family needs time to locate a suitable dwelling unit to meet their needs.

By making this request of both the owner, and family participant, the Municipality will in fact have the necessary elements to judge if proper notice was given to the landlord or vice versa, and in addition, send the Housing Inspector to review any claim of damages which could be claimed at that time.

If the family vacates the unit in violation of the lease or tenancy agreement, the owner will receive the housing assistance payment due under the HAP Contract for the period of the month that the unit was occupied and no other payment will be made as soon as the Municipality has been informed of a noncompliance by the participant family. The owner must reimburse the PHA for any excess amounts collected from the PHA after the last payment has been made.

IV. Termination of Tenancy by the Owner: Eviction [CFR 982.310 & 982.455]

In the case where the owner requests eviction he will be required to follow the contractual obligations and procedures and the Housing Director will be assisted by an in-consultation with the Municipality's Legal Counsel.

The owner, notwithstanding, will not evict any family unless he complies with State and Local Law as well as section 983.310(e) of the Federal Register. The owner will provide a copy of the eviction, notice to the Municipality. The owner may only evict the tenant from the unit by instituting a court action,

During the term of the lease, the owner may not terminate the tenancy except for the grounds specified in HUD regulations. During the term of the lease the owner may only evict for:

A. Serious or repeated violations of the lease, but not limited to failure to pay rent or other amounts due under the lease.

B. Violations of Federal, State and local law that impose obligations on the tenant in connection with the occupancy or use of the premise, or criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety,

or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises or any drug related criminal activity on or near the premises.

C. The owner must provide the tenant a written notice of termination specifying the grounds for termination of the lease. The Owner must serve this notice during the term of the tenancy, and the tenancy does not terminate before this notice given. This notice is required in addition to any requirements mandated by State or local law.

D. The PHA will continue to make housing assistance payments until the family moves or is evicted from the dwelling unit and the contract has not been violated. Furthermore, by endorsing the monthly check from the PHA, the Owner certifies that the tenant is still in the unit, the rent is reasonable and he/she is in compliance with the contract.

E. If the action is finalized in court, the owner will provide the corresponding documents to the Municipality including the court notice of the move-out d ate,

F. if an eviction is not due to a serious or repeated violation of the lease, and if the Municipality has no other grounds for termination of assistance, the Municipality will issue a new voucher so that the family can move with continued assistance.

V. Evidence of Criminal Activity

The Owner may terminate tenancy and evict by judicial action for criminal activity by a family member if the owner determines they have engaged in a criminal activity under the following:

A. Regardless of arrest or conviction;

B. Without satisfying the standard of proof used for a criminal conviction.

VI. Termination of the Contract by the PHA [CFR 982.404(a), 982.453, 982.454 & 982.5 52(a) (3)]

The term of the HAP contract terminates when the lease terminates, or the program assistance for the family is terminated, or when the owner has breached the HAP contract. Furthermore, the PHA may also terminate the contract if funding is no longer available under the ACC. In accordance with HTJD regulations, the contract will terminate automatically if 180 days have passed since the last housing assistance payment to the owner.

A. Notice of Termination

When the PHA terminates the HAP contract, the Municipality will provide the owner and family written notices of termination of the contract, which will be at the end of the calendar month that follows in which the notice was served to the Owner, hence, a 30- day notice.

B. Termination of Tenancy Decisions

If the law and regulation permit the owner to take action but doesn't require any action to be taken, the owner can decide whether to take action. Relevant circumstances for consideration, include:

- The seriousness of the offense
- The effect on the community
- The extent of participation by household members
- The effect on uninvolved household members
- The demand for assisted housing by families who will adhere to responsibilities
- The effect on the integrity of the program
- The extent to which the leaseholder has shown personal responsibility and taken reasonable steps to prevent or mitigate the of fending action

VII. Exclusion of culpable household member

The owner may require a tenant to exclude a household member in order to continue to reside in the assisted unit.

Actions of termination by the owner must be consistent with the fair housing and equal opportunities as specified in 24 CFR 5.105.

Chapter 15

Denial or Termination of Assistance

[CFR 982.4, 982.54, 982.551, 982.552 & 982.553]

I. Introduction

This chapter outlines the policies and procedures adopted by the Municipality of Aguas Buenas required to deny and/or terminate program assistance to families, the denial of anew commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract. Also, the informal hearing procedures established by the Municipality of Aguas Buenas are set forth.

II. PHA Denial or Termination of Assistance for a Family [24 CFR 982.552]

According to Section 982.553 of the Federal Regulation, the Municipality of Aguas Buenas may terminate assistance for participation under the Housing Choice Voucher Program because of the family's action or failure to act. The provisions of this section do not affect denial or termination of assistance for grounds other than action or failure to act by the family.

III. Denial of Assistance

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

A. Denying listing on the waiting list;

B. Denying or withdrawing a voucher;

C. Refusing to enter into a HAP contract or approve a lease;

D. Refusing to process or provide assistance under portability procedures.

IV. Termination of Assistance for a participating family

Termination of Assistance for a participating family by the Municipality may include any or all of the following reasons:

a. Refusing to enter into a HAP contract or approve a lease;

b. Terminating assistance payments under an outstanding HAP contract;

c. Refusing to process or provide assistance under portability procedures;

V. Requirement to Deny Admission or Terminate Assistance

The Municipality will terminate program assistance for a family evicted from. Assisted housing under the Housing Choice Voucher Program for serious violation of the lease. The Municipality must deny admission to the program for an applicant, or terminate program assistance for a participant, if any member of the family fails to sign and submit consent forms for obtaining information in accordance with 24 CFR Part 5, subpart B and F, respectively.

VI. Grounds for Denial or Termination of Assistance [CFR 982 & 982.553]

The Municipality may at any time deny program assistance for an applicant or terminate program assistance for a participating family, for any of the following reasons:

A. If the family violates any family obligations under the program, crime committed or alcohol. abuse by the family.

B. If any member of the family has been evicted from federally assisted housing in the last five years.

C. If the PHA has ever terminated assistance under the program for any member of the family.

D. lf any member of the family has committed fraud, bribery, or any corrupt or criminal act in connection with any Federal housing program.

E. If the family currently owes rent or other amounts to the PHA or to another PHA in. connection with Section 8 or public housing assistance under the 1937 Act.

F. if the family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

G. If the family breaches an agreement with the PHA to pay amounts to the PHA, or amounts paid to an owner by the PHA. The PHA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to the PHA. or amounts paid to an owner by the PHA. The PHA may prescribe the terms of the agreement.

H. If a family participating in the FSS program fails to comply, without good cause, with the family's FSS contract of participation.

I. if the family has behaved in an abusive or threatening manner as well as demonstrated violent behavior towards PHA personnel.

VII. Consideration of Circumstances

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

A. The Municipality will consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial or termination of assistance on other family member who were not involved in the action or failure.

B The Municipality will impose, as a condition for continued assistance for other family members, a requirement that other family member s who participated in or were culpable for the action or failure will not reside in the unit, The Municipality will permit the other members of participant family to continue receiving assistance.

C. In determining whether to deny admission or terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the Municipality will consider whether the household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program and/or has other wise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the Municipality will require submission of a certification from the State approved rehabilitation that the family successfully completed the program and the same will be verified according to established procedures set forth within this same Administrative Han.

D. The Municipality's admission and eviction actions will be consistent with the Fair Housing and Equal Opportunity provisions as set forth in 24 CFR 5.105.

VIII. Notice of Termination of Assistance

When a contract is terminated at a time when the family is ineligible for payments, the contract will not be renewed a]id all parties involved will be informed in writing stating the reason for such a decision.

In the case of an overcrowded unit where it is determined by the Housing Director that the dwelling is not decent, safe and sanitary by reason of an increase in family size, and the PHA finds another acceptable dwelling unit available for occupancy by the family, and the lease with the first owner will be terminated in accordance with established, federal regulations. The payments will be made

available to the family for occupancy in the acceptable unit, unless the family indicates a valid reason for rejecting the new unit, the contract can be terminated.

The reasons for termination of the housing assistance payments are clearly stated in the different contract documents and in every case written notification will be directed to both the owner, and the tenant, stating the reasons and the effective date of the termination.

If it is determined by the Municipality to terminate assistance to the family a written notification will be sent clearly stating the reasons for the decision and an opportunity will be afforded to the family to appeal the decision and for an informal hearing in accordance with the "Complaints and Review" chapter of this plan and existing federal regulations as well as Section 982.552 and 982.553, respectively.

Once the family has been afforded the opportunity to appeal the decision made by the Municipality to terminate their assistance or denial of assistance because of failure to act and/or inaction by the family, the family must wait five (5) years before they may reapply. Also, if the participant family decides to voluntarily hand-over their voucher, they must wait five (5) years before reapplying.

IX. Policy Concerning Screening and Eviction for Drug Abuse and Other Criminal Activity [CFR 982.553]

A. Purpose

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

1. Help create and maintain a saf e and drug-free community.

2. Keep program participants free from threats to their personal and family safety.

3. Assist families in their vocational/educational goals in pursuit of self-sufficiency whenever possible.

B. Administration

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

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

X. Policy Concerning Denial of Admission and Termination of Assistance for Criminals and Alcohol Abusers

A. Prohibiting Admission of Drug Criminals

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

1. That the evicted household member who engaged iii drug- related criminal activity has successfully completed a supervised drug rehabilitation program approved by the State;

2. That the circumstances leading to eviction no longer exist such as that the criminal household member has dies or is imprisoned.

The Municipality has established the following standards for prohibiting admission:

1. The Municipality has determined that any household member is currently engaging in illegal use of a controlled substance;

2. The Municipality has determined that is has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents;

3. Any household member has ever been convicted of drug related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

B. Prohibiting of Other Criminals

The Municipality has established standards that prohibit admission to the program if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. The Municipality will screen the family by performing a criminal history background check necessary to determine whether any household member is subject to a lifetime sex offender registration requirement in the State where the dwelling unit is located and in other States where the household members are known to have resided. This screening is b be

carried-out through the Puerto Rico Police Department, which issues' Certificate of Good Conduct.

C. Prohibiting Admission of Alcohol Abusers

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

D. Terminating Assistance for Drug Criminals and Other Criminals

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

1. Any household member is currently engaged in any illegal use of a controlled substance;

2. A pattern of illegal use of a drug by any household member interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

3. The Municipality will immediately terminate assistance for a family under the program if it determined that any member of the household has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

4. The Municipality will terminate assistance under the program to a family if it is determined that any family member has violated the family's obligation under Section 982.551 which states that the family will not engage in any drug-related criminal activity.

E. Terminating Assistance for Alcohol Abusers

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

XI. Notice of Termination of Assistance

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

XII. Family Obligations [CFR 981551]

In accordance with HUD regulations, the family must supply any information that the Municipality of Aguas Buenas or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status, "Information" includes any requested certification, release or other documentation. Furthermore, the family is required to supply any information requested by the Municipality or HUD for use in regularly scheduled reexamination or interim reexamination of family income and composition.

XIII. Enforcing Family Obligations

A. HQS Breach

The inspector will determine, if a. HQS-breach as identified in 24 CFR 982.404(b) is the responsibility of the family. Families may be given extension to cure HQS breaches by the Housing Director or his/her designate.

B. Lease Violations

The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance.

1. If the owner terminates tenancy through court action for serious or repeated violations.

2. If the owner notifies the family of termination of tenancy for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the Municipality determines that the cause is a serious or repeated violation of the lease based on available evidence. Available evidence may include, but is not limited to police reports.

3. Nonpayment of rent is considered a serious violation of the lease, unless the reason for non-payment is covered by State or local law such as a rent deposit with the Court.

C. Notification of Eviction

If the family request assistance to move and they did not notify the Municipality of an eviction within 30 days of receiving said notice, the move will be denied.

D. Proposed Additions to the Family

New family members must meet HUD and the Municipality's eligibility requirements as enumerated in this same Administrative Plan. Program participants must report all changes in household composition to the Municipality between annual reexaminations. This includes additions due to birth, adoption, and court-award custody. The family must obtain the Municipality's approval prior to all other additions to the household.

E. Family Member Moves Out

Families are required to notify the Municipality if any family member leaves the assisted household. When the family notifies the Municipality, they must furnish the following information:

1. The date the family member moved out.

2. The notarized statement as to whether the family .member is temporarily or permanently absent.

XIV. Option Not To Terminate For Misrepresentation [CFR 982.551 & 982.552(c)]

If the family has misrepresented any facts that caused the Municipality to overpay assistance, the Municipality may choose not to terminate and may offer to continue assistance provided that the family executes a Repayment Agreement and makes payments in accordance with the agreement or reimburses the Municipality in full,

XV. Misrepresentation in Collusion with Owner [24 CFR 982.551 & 982.552(c)]

If the family intentionally, willingly, and knowingly commits fraud or is involved in any other illegal scheme with the owner, the Municipality will deny and/or terminate the assistance to the family.

XVI. Missed Appointments and Deadlines [CFR 982.551 & 982.552(c)]

It is a Family Obligation to supply information, documentation, and certification as needed for the Municipality to fulfill its responsibilities. The Municipality schedules appointments and sets deadlines in order to obtain the required information. The obligations also require that the family allow the Municipality to inspect the unit, and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or supply information required by the deadline without notifying the Municipality, may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or failure to allow the Municipality to inspect the unit.

The family will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, as specified within this same plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

- Eligibility for admissions
- Verification procedures
- Voucher Issuance and Briefings
- Housing Quality Standards Inspections
- Reexaminations
- Appeals

Acceptable reasons for missing appointments or failing to provide information by deadlines established:

- Medical emergency
- Family emergency
- Other circumstances beyond the family's control, as approved by the Housing Director or his/her, designate.

XVII. Procedure when Appointments are Missed or Information not Provided

Needless to say, the family will be afforded two opportunities before being issued a Notice of Termination or denial for breach of a family obligation.

After issuance of the termination notice for missed re-exam or inspection, if the family corrects the breach within the time allowed to request a hearing, the notice will be rescinded. Termination notices issued for other reasons will not be rescinded, even if the family offers to correct the breach.

Chapter 16

Complaints and Appeals

I. Introduction

The chapter outlines the policies, process, and standards to be used when families disagree with a decision made by the Municipality of Aguas Buenas. The procedures and requirements are explained for informal reviews and hearings. It is the policy of the Municipality to ensure that all families have the benefit of protections due to them under existing State, Federal and local laws.

II. Informal Review [24 CFR 982.54(d)(12)]

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

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

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

III. Hearing Procedures [CFR 982.555 (a-f) & 982.54(d)(13)]

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

a. The family will be afforded an opportunity to review any PHA documents that are deemed. necessary before the hearing. The PHA will permit the family to copy any such document at the family's expense.

b. It is agreed that the PH.A must be given the opportunity to examine at its office any family documents that are directly relevant to the hearing. The PHA is therefore allowed to copy any such documents at its own expense. It is then agreed, that should the family not make the document available for examination at the request of the PHA, the family will not be permitted to submit the document(s) at the hearing.

IV. Representation of the Family

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

V. Hearing Officers

The hearing will be conducted by a member of the legal staff of the Municipality, or by any other person so designated by the Mayor, other than the person who made or approved the decision under review or a subordinate of this person. The Municipality in appointing a person to conduct the hearing is empowered to regulate the conduct of the hearing.

VI. Evidence

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

VII. Issuance of Decision

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

VIII. Effect of Decision

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

IX. Complaints to the Municipality

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

Chapter 17

Special Housing Types

[CFR 982.601]

The Municipality of Aguas Buenas with permit the use of special housing types in its program.

I. Policy-Type of Unit Required

Without incurring vacancies, the Municipality will make every reasonable effort to provide units or special housing types for the disabled families with physically disabled and/or elderly members who require such units:

A. The Municipality will give elderly families a preference in admission to projects for the elderly;

B. The Municipality has agreed not to set a minimum age for the admission of disabled or physically challenged persons;

C. The Municipality will not exclude elderly families with children having units of the appropriate size;

D. For intentions of this same plan, specially designed units are sometimes referred to as accessible or barrier- free units. These may include ramps, grab bars, lower counters or special facilities, etc.

E. Additionally, the Municipality is aware that families which meet the HIJD definition of disabled or physically challenged persons often do not require specially designed units. An example of this would be a person who is mentally disabled would not be in need of a unit designed for a person with a mobility impairment and will not be offered such a unit.

F. Moreover, the Municipality is cognizant of the storage of suitable housing units located within Aguas Buenas. Being aware of this, the Municipality of Aguas Buenas will do everything within its means to provide suitable housing that meets with the needs of the families as well as comply with existing HQS regulations as set forth in CFR 982.401

G. An example of suitable housing would be one located above a bar. Therefore, the Municipality's policy is one where the unit will be approved on a conditional basis. The condition being, that the family wishing to relocate to such a unit would not be approved by the PHA if

there are minors present, the reasoning being that the location would represent an unsuitable area for the minors. If the family composition consists of adults and the family wishes to occupy such a unit then approval will be granted.

H. Another example is a unit located above a gas station. The policy of the Municipality of Aguas Buenas is one, whereby, the owner will be requested to have the local Fire Marshall inspect such a unit and obtain approval by the Fire Department that such a unit is suitable for living. Should such approval be received from the Fire Department, then with said certification of suitability, the unit will be approved for the occupancy by the family wishing to relocate there. Also, approval will be requested from the local Housing Inspector and should no Housing Inspector be present then approval of compliance with HQS will be needed by the Certified HQS Housing Inspector, who is an employee of the Municipal Housing Department.

II. Large Families

When it is determined that a qualified family such as a single mother with numerous small children (four, five, or six), and because of this many times it becomes difficult to find an owner, who are desirous to rent either an apartment or a single detached unit to this same family.

In this regard, should this same family find it totally impossible to locate an acceptable unit on its own, the Municipality will provide the following assistance:

A. Meet with homeowners who posses the proper sized units for the families involved and attempt to persuade them to accept these families;

B. Meet with representatives of the State Housing Department and Family Department in order to obtain assistance to resolve the problems;

C. it should clearly be noted that the Municipality will do everything within its authority to assist disabled, elderly and large families obtain suitable, clean, safe and decent housing.

III. Assistance to Families Residing in Public Housing

It is essential to understand how fundamentally important it is for the existence of adequate housing as well a.s an economic opportunity, and how these factors are directly related to the healthy human evolvement. It is imperative that every government entity establishes a proactive housing policy that provides low-income families with decent, safe and healthy dwellings, thereby developing the

urban living environment as well as improving the economic and social standards of its citizens. It shall be the policy of the Municipality of Aguas Buenas to assist low income families residing in the following two housing projects so that they may improve the quality of their lives:

A. Residencial Vista Alegre

Should a family residing in the aforementioned housing project and be in need of assistance, the Municipal Housing Department shall examine the circumstances and make the appropriate determination. Under extreme circumstances as well as with a medical certification that to continue residing in the unit is detrimental to the families well being, including but not limited to the mental and physical health. The Municipal Housing Department will evaluate the circumstances surrounding the case in question and determine if the case presented war rants' removal of the family from the housing project.

IV. Policy Governing Section 8 Homeownership Program and Self Sufficiency [24CFR 982.625]

Cognizant that the majority of the families within our tenant-based Housing Choice Voucher Program are desirous to become owners and aware of the fact that a proactive housing policy that is responsive as well as responsible is built upon the recognition of the centrality of housing and how it relates to the successful passage through each stage of human development, the Municipality has determined to establish and implement a viable and workable Homeownership Program to satisfy this need.

It is the administration's belief that housing stability achieved through affordability, preservation, a] neighborhood safety are some of the fundamental elements to the successful participation in the workforce by adults within a family, the fulfillment of parental responsibilities, and the maintenance of good health as well as the productivity of people of all ages.

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

- Eliminating blight and blighting conditions within low income areas by preserving existing housing units.

■ Develop self-sufficiency by encouraging other low and very low income families to become self-sufficient, in order to qualify as first - time homeowners

■ Revitalize and stabilize existing and deteriorated low income neighborhoods.

The municipality has a goal of establishing and implementing a viable Homeownership Program in accordance with the Quality Housing & Work Responsibility Act of 1998 and will attempt the necessary procedures to promote a Homeownership Program within its Housing Program. In this regard, the municipality will seek out not only HOME funds, but likewise will work with both the Puerto Rico Department of Housing, the Housing Development Bank, and other similar public and private agencies in order to accomplish this same goal.

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

ACTIVITIES:

■ PROVIDE GREATER ASSISTANCE IN MEETING BOTH DOWN PAYMENT AND CLOSING COST REQUIREMENTS

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

OBJECTIVE: CREATE AFFORDABLE HOUS WITHIN THE COMMUNITY

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

1. Family Income;

2. Land Costs;

3. Financing;

4. Lack of Available Land for Development.

Cognizant of this, the Municipality of Aguas Buenas will develop a strategy that identifies policies, which may require modification, and initiate the following actions that will address the problem of affordable housing and the establishment of the Homeownership Program.

ACTIVITIES:

- IMPROVE LAND DEVELOPMENT REGULATIONS

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

- PROVIDING FOR THE COORDINATION OF FUNDING

in order to achieve any degree of success in cr eating affordable housing for households classified as being either low or very low income, requires funding from multiple funding sources. The Municipality will take into account and consider the appropriate changes in order to implement the Homeownership Program, whereby, it will consider the following:

1. Assistance will be provided for:

    a. First time homeowner;

    b. Family that owns or is acquiring shares in a cooperative.

2. The Program will become available to families participating in our Tenant Housing Choice Voucher Program, but more so in Family Self Sufficiency Program

3. The total family that will be serviced through this program will be limited to approximately 20% of participating families, initially.

4. Funding levels.

The Municipality of Aguas Buenas will take deliberate action as well as consider the appropriate changes in order to improve the application process for all federal

programs that may have a beneficial impact upon the local housing market and affect programs covered within this same submission.

- CAPACITY OF THE PHA TO ADMINISTER A SECTION 8 HOMEOWNFRSHIP PROGRAM

In accordance with 24 CFR 982.625 and 982.632, respectively, the Municipality has adopted the following:

A. The minimum homeowner down payment requirement for the participating families of at least 3 percent and requiring that at least 1 percent of the down payment comes from the family's resources.

B. It will be required that the financing for the purchase of a home under our Section 8 Homeowner ship Program will be provided, insured or guaranteed by the State or Federal Government as well as complying with secondary mortgage market underwriting requirements and/or generally accepted private sector underwriting standards.

All other sections pertaining to 24 CFR 982 through 982.641 will be adhered to by the Municipal Housing Department.

V. Homeownership Action Plan

The Municipality of Aguas Buenas has established and adopted an action plan to implement and administer its Homeownership Program. This same plan has been submitted and approved by MUD.

Chapter 18

Owner or Family Debts

[CFR 982.552]

I. Introduction

The chapter describes the Municipality of Aguas Buenas policies for the recovery of monies which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the policy of the Municipality to meet the informational needs of owners and families, alike, as well as to communicate the program rules in order to avoid owner and family debts Before a debt is assessed against a family or owner, the file must contain the documentation to support the Municipality's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner, the family and/or any other interested parties.

When families or owners owe money to the Municipality, the Municipality will make every effort to collect it The Municipality will use a variety of collection tools to recover debts including, but not limited to:

- Abatements/Contract holds
- Civil Suits
- Payment Agreements
- Reductions in HAP to owner
- Requests for lump sum payments

II. Policy Concerning Repayment by a Family Participant to the PHA of Amounts Owed [CFR 982.552(c)(v-ii)]

The Municipality will take the following steps to collect the monies owed to the Municipal Housing Department:

Step1: Once it has been determined that the tenant owes money to the Municipality a payment plan will be established.

Step2: Once the payment plan has been established, it will be forwarded to the Finance Department, who has the faculty to enforce all payment plans. According to established procedures in the Finance Department, late penalties will be imposed when the family does not comply with the terms established.

Step 3: After various attempts to get the tenant to comply with the terms of the payment schedule, the tenant will have the participation canceled since this will form part of the signed agreement. Once the participation has been terminated because of default on their payment plan, the family will have to wait five (5) years before they can reapply.

III. Debts Due to Misrepresentation / Non-Reporting of Information [CFR 982.163]

HUD's definition of program fraud and abuse is a single act or pattern of actions that:

> Constitutes false statement, omission, or concealment of substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 Program funds in violation of Section 8 Program requirements.

A. Family Error / Late Reporting

Families who owe money to the PHA due to the family's failure to report increases in income will be required to repay in accordance with the guidelines in the Payment Agreement section of this chapter, or make a lump sum payment.

B. Program Fraud

Families who owe money, to the PHA, due to program fraud will be required to repay in accordance with the guidelines established in the Payment Agreement section of this chapter.

If a family owes an amount as a result of program fraud, the case may be referred to the Inspector General and the Puerto Rico Department of Justice as well as referred for criminal prosecution.

IV. Owner debts to the PHA [CFR 982.453(b)]

If the Municipality determines that the owner has retained housing assistance or claim payments the owner is not entitled to, the Municipality will reclaim the amounts from future housing assistance payments or claim payments owed the owner for any units under contract.

If future housing assistance payments or claim payments are insufficient to reclaim the amounts owed, the Municipality will:

A. Require the owner to pay the amount in full within 30 days.

B. Enter into a payment agreement with the owner for the amount owed.

C. Pursue collections through the local court system.

D. Restrict the owner from future participation.

Chapter 19

Monitoring and Record Keeping

I. Introduction

The Municipality of Aguas Buenas maintains complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. In addition, the Municipality will furnish to HUD accounts and other records, reports, documents and other information as required by HUD. This chapter delineates the record keeping practices that are to be followed by the Municipality in accordance with HUD requirements.

II. Monitoring Program Performance

The Municipality will collect and analyze all data that will permit it to determine:

a. That at least 75 percent of families initially provided assistance in each fiscal year trust have incomes no higher than 30 percent of median income for the PHA area is fulfilled.

b. Determine Reasonableness of Rents prior to signing a HAP contract.

c. That HAP's and utility payments are completed and made on schedule

d. The Housing Quality Standards are met and are conducted in a timely manner as required by QHWRA.

e That the income eligibility requirement under QHWRA is fulfilled.

f. That families are neither discriminated against nor abused.

g. That outreach efforts to both, landlords and families, are adequate.

h. That the payment standard as established by the PHA is in compliance with QHWRA and is revised annually based on the needs of the participant family.

1. That reporting to MTCS is fully complied with and on time.

j. That the PHA annual plan is being adhered to as required under QHWRA.

k. Adequacy of allowance for utilities and revision of the same at least annually utilizing established procedures.

l. Performance under the program is in compliance with existing regulations.

Date for these will be available from the Permanent Records and Registers to be established, and from the accounting records, and inspection forms executed by both the Housing Inspector and each family, as well as from the Director's involvement in the rental market within the Municipality.

In order to better concentrate our efforts on any area where a problem may be encountered, we must have the necessary means so as to assign the main task to the Housing Director and complements it with municipal resources.

III. Record keeping and Other Data

As prescribed by HUD, the Municipality maintains a program file on each participating family (active and terminated) that contains a complete and accurate account of the case history of the family. These family files are used to facilitate case management and program auditing.

The Municipality maintains current family files for active participants that include permanent family and owner records, and three years of those records that are updated annually (i.e., current and two prior years). Annual records collected in the current family file document the activity of the family owner and the accurate completion. of interim and annual reexaminations, support note, and evidence of family/owner non-compliance more than three years old, Upon reexamination, the files shall be purged of correspondence and notices that are no longer applicable because the reason for notice has been resolved. Note documentation that supports' family/owner non-compliance or other long-term agreements/conditions must be maintained in the file.

Below is Table I showing the contents of the Current Family File.

Table I

Current Family File

Record Keeping & Retention

Required Documents	Family(F)/ Owner(O)	Retention
Permanent Records:		
Family Photo	F	Permanent
Birth Certificates and Social Security Cards		
(all new members)*	F	Permanent
Preference Verification	F	Permanent

Determination of Family Eligibility	F	Permanent
Certification of Drug Free Household**	F	Permanent
Application	F	Permanent
Voucher	F	Permanent
Initial Request for Lease Authorization	F	Permanent
Initial Inspection	0	Permanent
Initial Rent Reasonableness Certification	0	Permanent
Proof of Ownership of Property	0	Permanent
Documents Required of Owner	0	Permanent
Family Affidavit	F	Permanent
Owner Fraud Certification	0	Permanent
Initial HAP Contract	0	Permanent
Initial Lease Agreement	0	Permanent
Release of Information Authorization Forms	F	Permanent
Family Statement of Obligations	F	Permanent
Annual Records:		
Reexamination Application	F	3 Years
Income Documentation	F	3 Years

Table I

Current Family File

Record Keeping & Retention

Required Documents	Family(F)/ Owner(O)	Retention
Income Verification Information provided by Family	F	3 Years
Expense Verification Information provided by family	F	3 Years
Participant Data Summary (HUD-50058)	F	3 Years
Other Participant Information	F	3 Years
Latest Unit Inspection	0	3 Years
Other Documents relating to family as determined by the Municipality of Aguas Buenas	F	3 Years

**Including new members added in subsequent years

IV. Summary

In conclusion, the PHA has agreed that participation in the Housing Choice Voucher Program requires compliance with all HUD regulations and other requirements. In the case where a particular work element was not touched upon, herein, the PHA has agreed to utilize existing or previously approved regulations to cover the same, in addition to complying with the consolidated ACC and the PHA's HUD approved applications for program funding. The following actions will be undertaken by the PHA ensure fulfillment of its responsibilities to HUD in administering its ACC as follows:

A. Newspaper and radio will be utilized to inform both families and owners of the availability and nature of housing assistance payments for extremely low and very low- income families. Written material will be prepared for orientation and included in what we have called a "Family information Packet" as well as a

“Homeowners Information Packet.” In addition, the various proposed outreach efforts to be performed, have been discussed.

B. In order to fulfill our responsibility to receive and review the applications for Vouchers for eligible families, as well as to verify the income and other pertinent factors therein contained, we have also included the following action:

■ We have retained a consultant to train, coordinate and supervise the development and implementation of this same program . on an ongoing basis. We are e confident that with the basic organizational structure we have included herein, along with the ongoing supervision, of our consultant, we will continue to both create and develop both a viable and effective program. that will, in fact be in compliance with existing regulations.

■ Whenever possible, members of the Housing staff will, assist in. seminars or conferences so as to learn the latest in the Housing industry and maintain the PHA update on the latest regulations enacted by HUD. This same PHA staff member will conduct in- house training for the rest of the staff

C. To meet our responsibilities regarding Issuance of Vouchers, we have contemplated the establishment of a Performance Record of Vouchers. This will permit the PHA to assure that the number of vouchers and/or funds assigned for Housing Assistance payments is not exceeded, and to that extent, that the 75 percent of families initially provided assistance in each fiscal year must have incomes no higher than 30 percent of median income

D. In order to provide documented basis upon notification to ineligible families a file will be established which will contain the necessary application, the verifications and the reasons for the determination of ineligibility, as well as a copy of the notification, to the applicant and any informal hearing or appeal material such as the signed interview forms we have implemented.

E. In order to meet our responsibility to provide each voucher holder with. Basic information on:

1. Applicable Housing Quality Standards

2. inspection Procedures

3. Search, selection and basic program rules

Our local housing staff will provide an application orientation, to all approved eligible families.

F. In order to determine Tenant rent, we rely heavily upon our trained housing staff Computations should be supported by information of the applicant once it has been verified as well as analyzed within the appropriate computation form. Documents which gave basis to the amount of the Tenant Rent and other supporting documents will be included within each family's file. Also information on each family will be submitted to HUD via its MTCS system. This file will also validate that the computation was done according to established procedures.

G. In order to meet our responsibilities in determining Housing Assistance Payments as well as rent reasonableness, we will review the lease approval request, in order that the proposed rent does not exceed the established PHA Payment Standard. Proper credit for utilities will also be reviewed and then the amount for Housing Assistance Payments will be determined. Each file will, be fully documented and the rent reasonableness will be certified by the appropriate housing staff member.

H. In order to make prompt and accurate Housing Assistance Payments, a system will be established whereby we can assure ourselves that the funds are always available. This will constitute a coordinated effort between the Municipality's Finance Department and Housing Department. The Housing staff will prepare a monthly payroll of the payments to be made based upon the existing contract with the owners recorded in the corresponding permanent record, where active Housing Assistance Payments Contracts are annotate. The record where vacancies and/or intention to vacate are recorded will be checked to avoid improper payments. Negative rent to tenants where applicable are simultaneously processed. The Housing Director will have a clear address or instructions from the landlords as to where the check is to be mailed or who is authorized to pick it up. When picked up, a receipt should be requested from the person that receives it. Payments should be in the hands of landlords not later than the 8" day of every month. We are aware of the negative impact this could have in landlord participation on the program and, therefore, utmost care will be given to avoid delays. However, should a delay occur for an unforeseen motive, the owner will be notified and an explanation will be given.

I. In order to carry annual reexaminations in a timely manner, a letter will be sent to the family with instructions. The Reexamination form will be filled, verified and analyzed, and the new tenant rent will be determined at that time. The family and owner will be notified and once any appeal or objection has been clarified, the corresponding amendments to the lease and contract will be made. Supporting

documents will be kept on file at all times When a family requests a special reexamination due to the fact that they are seeking an interim adjustment because of a temporary situation such as unemployment which merits and adjustments in gross family contribution, the Housing Staff will request the necessary documents (such as layoff notice from the employer, determination of compensation from unemployment, etc.) and make the computations for the tenant rent. The decision will be made known to the family and landlord in writing and the FHA's accounting division notified for payments and budget review.

J. As required by HUD, family information reporting will be carried-out electronically to MTCS. The Municipality will ensure that its internet connection is working properly or will find the means to be able to transmit said information.

K. In respect to inspection, we will be designating a Housing Inspector in. accordance with the program's financial resources reported on financial forms. A record of inspections will be kept to assure all properties under contract have been inspected and that those which required additional follow-up were reinspected and corrections made.

At the request of families, when situations so warrant, the Housing Inspector may perform. additional inspections or may schedule monitoring inspections. However, at least an annual inspection will be made to coincide with the annual reexaminations. Forms for these inspections and training on Housing Qualities Standards and Criteria will be among the tools given the Housing Inspector.

L. In order to meet our responsibilities in eviction cases, we are assuming that both the reason and procedures for eviction are included in the leases. Requirements set forth in Federal Register 982 .310 must be met. The Municipality's legal counsel will be available for consultation to the Hon sing Director, whenever necessary.

M. Our responsibilities to comply with Equal Opportunity Requirements will be met by extending our present compliance commitments and norms to the programs being administered by the Municipality of Aguas Buenas and the corresponding actions

Chapter 20

PROGRAM INTEGRITY

[CFR 792.101 to 792.204 & 982.54]

I. Introduction

The Municipality of Aguas Buenas is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources reach all who need it and qualify, so that program integrity can be achieved and maintained. The Municipality of Aguas Buenas will take any and all necessary steps to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously. This chapter outlines the Municipality's policies for the prevention, detection and investigation of program abuse and fraud.

II. Criteria for Investigation of Suspected Abuse and Fraud

Under no circumstances will the Municipality, undertake an inquiry or audit of a participating family arbitrarily. The Municipality's expectation is those participating families will comply with HUD's requirement provisions of the voucher and other program rules. The housing staff will make every effort to brief and educate families in order to avoid unintended violations. Moreover, the Municipality has an obligation to HUD, to the Community as well as families in need of rental housing assistance, to monitor participants and owner for compliance and, when indicators of possible abuse are brought to the Municipality's attention, to investigate such claims.

The Municipality will initiate an investigation of a participating family only in the even of one or more of the following circumstances:

A. <u>Referrals, Complaints and Tips</u>

The Municipality will follow-up on referrals from other agencies or individuals which are received by mail, telephone or in person, which allege that a family is in non- compliance with, or otherwise violating the family obligations or any other program rules. Such follow-up will be made provided that the referral contains at least one item of information that is hi dependently verifiable. A copy of the allegation will be retained in the case file.

B. <u>Internal File Review</u>

A follow-up will be made if the housing staff discovers during the process of annual certification and/or reexamination or quality control review information, or facts which conflict with previous file data, the Municipality's knowledge of the family, or is discrepant with statements made by the family.

C. Verification Document

A follow-up will be made if the Municipality receives independent verification or documentation which conflicts with representations in the family's file such as public record information and/or reports from other agencies.

III. Steps to be taken by the Municipality to Prevent Program Abuse and Fraud

The Municipality will utilize various methods to prevent program abuse, non-compliance, and, willful violations of program rules by applicants and participating families. The objective of this policy is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families.

■ Review and explanation of Forms - the housing staff is responsible for explaining thoroughly all required forms and review the contents of all (re)certifications documentation prior signatures.

■ Landlord Tenant Fraud Letters - are required to sign a certification indicating acknowledgment of the landlord's and tenant's responsibilities to adhere to program requirements.

IV. Steps to be taken by the Municipality to Detect Program Abuse and Fraud

The Housing Staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

■ Quality Control File Review - prior to initial certification, and at the completion of all subsequent reexaminations, a random selection of files will be reviewed per year as per HUD regulations in accordance with SEMAP. Such reviews will include, but are not limited to:

- Assurance that verification of all income and deductions is present.
- Authenticity of file documents.
- All forms are correctly dated and signed.

■ Observation

The Municipality's management and staff, but in particular the Housing Staff will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

■ Public Record Bulletins

These documents may be viewed by management and staff.

V. The Municipality's Handling of Allegations of Possible Abuse and Fraud

The Municipal Housing Staff will encourage all participating families to report suspected abuse to Landlord/Tenant Compliance and Recovery. All such referrals, as well as referrals from. community member and other agencies, will be thoroughly documented and placed in the case file. All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. The housing staff in charge of participant case files will not follow up on allegations which are vague or otherwise non-specific. They will only review allegations which contain one or more hid indecently verifiable facts.

■ File Review

An internal file review will be conducted to deter mine if the subject of the allegation is a client of the Municipality and, if so to determined whether or not the information reported has been previously disclosed by the family. Any file documentation of past behavior as we as corroborating complaints will be evaluated.

■ Conclusion of Preliminary Review

If, at the conclusion of the preliminary file review, there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, the staff will initiate an investigation to determine if the allegation! is true or false and/or the case will referred to the Municipal Internal Auditors Office for the appropriate course of action.

VI. Overpayments to Owners

If the landlord has been overpaid as a result of fraud, misrepresentation or violation of the Contract, the Municipality may terminate the Contract arid arrange for restitution to the Municipality and/or faintly as appropriate.

The Municipality will make every effort to recover any overpayments made as a result of landlord fraud or abuse. Payments otherwise due to the owner may be debited in order to repay the Municipality or the tenant, as applicable.

VII. How the Municipality will investigate allegations of Abuse and Fraud

If the Municipality determines that an allegation or referral warrants follow- up, the case will be referred to the Municipal Internal Auditor's Office and/or person designated by the Housing Director to monitor the program compliance. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below In all cases, the Municipality will secure the written authorization, where necessary, from the program participant for the release of information.

■ Employers and Ex-Employers

Employers and ex-employers may be contacted to verify wages which. may have been previously undisclosed or misreported.

■ Neighbors/Witness

Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to the Municipality's review.

■ Other Agencies

Investigators, case workers or representatives of other benefit agencies may be contacted.

■ Interviews with Head of Household or Family Members

The Municipality will discuss the allegation, or details thereof, with the Head of Household or family members by scheduling an appointment at the appropriate Municipal office or conducting a field interview. A high standard of courtesy and professionalism will be maintained by the Municipal staff person who conducts such interviews. Under no circumstances will inflammatory language, accusation, or any unprofessional conduct or language be tolerated by the management. An additional staff person may attend such interviews, if necessary.

VIII. Placement of Documents, evidence and statements obtained by the Municipality

Documents and other evidence obtained by the Municipality during the course of an investigation will considered "case product" and will either be kept in the participant's file, or in a separate "case file". In either case, the participant's file

or case file shall be kept in a restricted area. Such cases under review will not be discussed among Municipal staff unless they are involved in the process, or have information which may assist in, the investigation.

IX. Conclusion of the Municipality Investigative Review

At the conclusion of the investigative review, the reviewer will report the findings to the Housing Director, and disclose whether a violation has occurred, a violation has not occurred, or whether the facts are inconclusive.

X. Evaluation of the Findings

If it is determined that a program violation has occurred, the Municipality will review the facts to determine:

- The type of violation (procedural, non-compliance, or fraud);
- Whether the violation was intentional or unintentional;
- What amount of money, if any, is owed by the family;
- If the family is eligible for continued occupancy.

In deciding whether to take action against a tenant, landlord or both, the Municipality will take into consideration, whether the tenant was in collusion with the owner, or the tenant was confronted by the owner after the tenancy had begun and was complied by the owner to make the payments to avoid adverse owner action.

XI. Procedures for Violations Which Have Been Documented

Once a program violation has been documented, the Municipality will propose the most appropriate remedy based upon the type of severity of the violation.

A. <u>Procedural Non-compliance</u>

This category applies when the family "fails to" observe a procedure or requirement of the Municipality, but does not misrepresent a material fact, and there are no retroactive assistance payments owed by the family.

<u>Examples of non violations are</u>

-Failure to appear at a pre-scheduled appointment.

-Failure to return verification within the time period specified by the Municipality.

B. Procedural Non-compliance - Overpaid Assistance

When the family owes money to the Municipality for failure to report changes in income or assets.

In such cases a warning notice will be sent to the family in the form of a proposed termination letter which contains the following:

-A description of the non-compliance and the procedure, policy or obligation which was violated.

-The family's right to request an informal hearing, including their right to review their file and obtain representation at their own expense.

C. Intentional Misrepresentations

When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results, or would have resulted, in an overpayment of housing assistance by the Municipality, the Municipality will evaluate whether or not:

-The participant had knowledge that his/her actions were wrong.

-The participant willfully violated the family obligations or the law.

- Knowledge that action or inaction was wrong:

This will be evaluated by determining if the participant was made aware of program requirements and prohibitions. The participant's signature on various documents, the Voucher, Family Statement of Responsibility and Drug-free household certification are adequate to establish knowledge of wrong-doing.

- The participant willfully violated the law: Any of the following circumstances will be considered adequate to demonstrate willful intent:

1. An admission by the participant of the misrepresentation;

2. That the act was done repeatedly;

3. If a false name or Social Security Number was used;

4. If there were admissions to others of the illegal action or omission;

5. That the participant omitted material facts which were known to him/ her (e.g. employment of self or other household member (s));

6. That the participant falsified, forged or altered documents;

7. That the participant uttered and certified to statements at a interim reexamination which were later independently verified to be false.

D. Dispositions of Cases Involving Misrepresentations

In all cases of misrepresentations involving efforts to recover monies owed, the Municipality may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions.

E. Criminal prosecution

If it has been established by the Municipality criminal intent, and the case meets the criteria for prosecution, the Municipality may:

-Refer the case to the Puerto Rice Justice Department, notify HUD's Inspector General and terminate rental assistance.

F. Administrative Remedies

-Terminate assistance and demand payment of restitution in fulL

-Terminate assistance and execute an administrative repayment agreement in accordance with the Municipality's Repayment Policy.

-Terminate assistance and pursue restitution through civil litigation.

-Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with the Municipality's repayment policy.

G. The Case Conference

When the Municipality has established that material misrepresentation(s) have occurred or wishes to clarify discrepancies, a Case Conference may be scheduled with the family representative, owner, or others (referred to as "involved parties") and the Municipal Staff who is/are most knowledgeable about the circumstances.

The initial conference will take place prior to any proposed action by the Municipality. The purpose of the conference is to review the information and evidence obtained by the Municipality with the involved parties, and to provide

them with an opportunity to explain any document findings. Any documents or mitigating circumstances' presented will be taken into consideration by the Municipality. The involved parties will be given up to 30 days to furnish any mitigating evidence.

A secondary purpose of the Case Conference with the family is to assist the Municipality in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, the Municipality will consider:

- ♦ The duration of the violation and number of f else statements;
- ♦ The involved parties' ability to understand the rules;
- ♦ The involved parties' willingness to cooper ate, and to accept responsibility for his/her actions;
- ♦ The amount of money involve;
- ♦ The involved parties' past history;
- ♦ Whether or not criminal intent has been established

H. <u>Notification to Participant of Proposed Action</u>

The Municipality with notify the involved parties of the proposed action.

CHAPTER 21

FAMILY SELF-SUFFICIENCY PROGRAM ACTION PLAN

I. MISSION STATEMENT:

The Municipality of Aguas Buenas' mission is to provide and develop quality affordable housing opportunities for individuals and families in need while promoting self- sufficiency, empowerment and neighborhood revitalization. The FSS program is operated through The Municipality's Department of Federal Affairs, Housing, and Urban Development. The mission of the Department is to provide quality affordable housing opportunities and to strengthen families, promote self-sufficiency and build healthy communities while providing opportunities to improve the overall quality of life for Aguas Buenas residents.

II. FSS FAMILY SELECTION PROCEDURES:

It is the policy of the Municipality to comply fully with all Federal, State and local nondiscrimination laws, the Americans with Disabilities Act and the U.S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity. No person shall be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under the FSS or the Municipality programs on the ground of race, color, sex, religion, national or ethnic origin, familial status, or disability. In addition, the Municipality's FSS staff will, upon request, provide reasonable accommodation to persons with disabilities to ensure they are able to take advantage of the services provided by the FSS program.

The FSS staff has the primary responsibility to make sure that participants are not discriminated against in the selection process. For families or individuals whose potential enrollment is in question, the FSS staff will review the file in staff meeting to ensure that non-selection is not based on discriminator y factors before the final decision is made. Applicants will be provided with a letter informing them of the reason(s) that they were not selected for participation and will have access to the established appeal process as outlined in the Municipality's Administrative Plan. At all times, the Municipality will select families for participation in the FSS Program in accordance with HUD guidelines.

Upon the availability of FSS vouchers, the vouchers will be offered to current PHA program participants. Upon not finding any volunteers, the FSS vouchers

will be offered to persons on the Municipality's current waiting list. The Municipality clients who express an interest in the FSS Program may be screened before being enrolled in the program with the following HUD allowable guideline: mandatory participation in an FSS Program Orientation (this may be a group orientation or an individualized orientation and will include a review of the requirements to complete the FSS Program, the expectations and the services offered). Those interested clients who have successfully completed the FSS Program Orientation and express further interest in program enrollment will be chosen for participation based on the following factors:

- Preference given to participants who are currently on the PHA's Section 8 program.
- Preference given to applicants already on the waiting list
- Preference given to FSS participants porting to the Municipality from another housing authority

Referrals for FSS Program Orientation may be accepted from the PHA Director or the FSS Coordinator. If all FSS Program slots are filled, the Municipality will place those interested in the program in the PHA's waiting list. The Municipality, at its discretion, may deny participation in the FSS program to a family that previously participated and was terminated from FSS because the family did not meet it FSS obligations according to the Contract of Participation. The Municipality, at its discretion, may allow a family that previously participated in the FSS program and was terminated to sign a new Contract of Participation if the cause for termination of the original contract was due to circumstances beyond the control of the family, such as a serious illness.

III. INCENTIVES TO ENCOURAGE PARTICIPATION:

As part of the FSS program, the Municipality offers incentives to encourage participation and enhance participant's ability to achieve self-sufficiency. The Municipality will establish an FSS Escrow Account for each eligible participating family in accordance with HUD guidelines as its main incentive for program participation. This escrow account will be updated on a monthly basis by the FSS Coordinator. (A copy of the most updated worksheet will be available in the participant's case file). Additional incentives include, but are not limited to, enhanced access to educational, training and employment opportunities. Program participants may have enhanced access to tuition waivers and/or special scholarships for educational and training programs. FSS participants also have a number of personal incentives for involvement including structured goal planning, greater opportunity to increase their standard of living, an

enhanced support system, increased self-esteem, etc. FSS participants also have access to Financial Counseling and credit repair. They are also invited to attend home ownership workshops and receive available resources about the home buying process. The Municipality reserves the right to revise this plan when and if additional official incentives can be offered.

IV. OUTREACH EFFORTS:

Efforts will be made to include those on the PHA's waiting list priority categories in FSS participation. Notifications will be sent to current Section 8 participants and than to waiting list applicants upon slot availability. Upon having no applicants or participants interested, publication and outreach efforts for the FSS Program may include, but are not limited to, distribution of FSS Program flyers to community agencies / partners (both private and public), mass mailing of program information to current the Municipality residents, the Municipality website, orientation presentations to incoming Section 8 Public Housing applications, door to door recruiting for Public Housing tenants and Public Housing tenant meetings. Interpreters will be used as needed. Outreach informational material about the FSS

Program that may include:

- details about program history
- available resources
- requirements for eligibility
- application procedures
- participant responsibilities
- program benefits.

V. ACTIVITIES AND SUPPORTIVE SERVICES:

Extensive resources are available to FSS Program participants through public and private resources. The following services are currently available to eligible Family Self – Sufficiency Program participants. We continue to include resources from many places throughout the community, which means that resources and services are in a constant state of change. Participants sign a release of information form to protect their confidentiality. This list is not intended to be exhaustive but only an overview.

• Eligible participants will receive case management services which include identifying needs, planning goals, assessment of work/training, employment planning, job interviewing, problem solving skills, monitoring and tracking of progress, life skills planning (budgeting, improving credit, parenting skills, etc.), and coordination of community services and other public/private agencies with participant's needs and objectives in mind. Home ownership counseling through non-profit and public agencies, workshops and supportive services are available to families who are interested and eligible to become home owners. Financial assistance is available to assist with down payment and closing costs.

• The state and local offices of the Department of Family currently assist the Municipality's FSS tenants with applications for Temporary Aid for Needy Families (TANF), Medicaid, Food Stamps, day care, funds for car repairs and other emergencies, parenting and job readiness classes as well as stress management and self-esteem building programs.

• Non-profit organizations and the Mountain Consortium provide vocational testing, career counseling and additional financial assistance for educational programs to persons with disabilities. This includes funds for tuition, books, supplies, transportation and emergency expenses. Vocational Rehabilitation also provides psychological counseling, drug and alcohol rehabilitation, and special programs for the disabled. These programs both make and accept referrals to/from the Municipality's FSS Program.

• Head Start programs are readily accessible to most FSS residents.

• Women, Infants and Children (WIC) provides vouchers for infant formula and food for low income pregnant women and children up to five years of age. All eligible FSS tenants are referred.

• The Municipality in conjunction with the Boys and Girls Club shall soon begin providing after-school, teen and sports activities for the children of Public Housing tenants. This allows an opportunity for supervised recreation, help with school work and positive role models. Not only does this reduce stress on parents but it increases the opportunities for children to be involved in positive youth development activities while their parents are in school or at work.

VI. METHOD FOR IDENTIFICATION OF FAMILY SUPPORT NEEDS:

Families selected for participation in the FSS Program work closely with the FSS Case Managers and other PHA staff, to assist them in identifying family needs in a holistic manner and to develop an Individual Training and Services Plan. This plan will address the needs identified in the initial assessment process and outline the services to be accessed (NOTE: this will be a living/working plan that can be adjusted according to changes in circumstances for each family). All participants will be required to complete and sign the Contract of Participation (COP), the Individual Training and Services Plan (ITSP), and any related documentation. A one page goal prioritizing worksheet is currently in use to help active program participants get started in the goal/need identification process. The FSS staff works with each person in the family who wishes to develop an ITSP in a face-to-face interview process in which the goal prioritizing worksheet is used as a springboard to begin the goal planning process. This worksheet addresses common issues faced by participants of self-sufficiency programs including, but not limited to: employment, job search and readiness, abuse issues, budget issues, child care issues, clothing needs, credit needs, drug and alcohol issues, educational issues, health/mental health issues, housing issues, medical coverage issues, parenting skills, support network needs, training needs, and transportation issues. (NOTE: the goal prioritizing worksheet is not meant to be an all-encompassing needs identification document. It is meant to help clients start thinking about the issues of real concern in their lives and the areas of their lives in which they can realistically hope to achieve some improvement.)

In conjunction with the ITSP, identified goals are then broken down into realistic action steps. Goal progress is tracked with each participant through regularly scheduled meetings, contact by letters and phone, and six month face-to-face interviews.

VII. TERMINATION FROM FSS AND PROGRAM COMPLETION:

Involuntary Termination from FSS

Participant families may be denied or involuntarily terminated from FSS under the following circumstances:

A. If the participant fails to meet their obligations under the Contract of Participation, the Individual Training and Services Plan, the Completion Agreement and related documentation.

B. If the participant owes money to the PHA or any other PHA in connection with the Section 8 Program.

C. If the participant breached an agreement to pay back amounts owed to the PHA for payments made on behalf of the family to an owner in the Section 8 Program.

D. If the participant has committed fraud in connection with any federal housing assistance program.

E. If the participant failed to meet any obligations under the lease.

F. By operation of law.

G. By such other act as is deemed inconsistent with the FSS program.

H. Expiration of the Contract term or any extension of the Contract without completing the criteria for program completion as outlined under the section "Successful Completion of the FSS Program".

I. Lack of participation or interest in FSS workshops, supportive services, and orientations.

Participants who fail to meet their obligations under the above circumstances will be summoned to a required meeting with the FSS Case Manager or assigned the Municipality representative to resolve the problem. At this meeting a review of the Contract, Individual Training and Services Plan, and all related documentation in effect will be conducted and amendments will be made as necessary (within HUD guidelines) to allow for changes in circumstances. Failure to contact the FSS Case Manager to schedule this meeting within fifteen days of the Municipality's written request for a meeting or to attend this meeting by the FSS Head of Household without some type of correspondence to clarify the issue(s) that lend to nonattendance, may lead to implementation of consequences as outlined in HUD guidelines (i.e. - removal from the FSS Program, loss of supportive services, etc.). Upon violation of HUD guidelines and failure or inability to correct the action, participants will be canceled. Depending on the seriousness of the case and whether or not it is the first violation, an administrative hearing will be offered upon petition from the participant. The procedures outlining the administrative hearing are outlined in previous chapters.

Voluntary Termination

Participants may also be terminated from the FSS Program and related supportive services components under the following circumstances:

A. Mutual consent of both parties

B. The family's withdrawal from the program

If the family withdraws from the FSS Program with the mutual consent of the Municipality and the FSS Head of Household, then the family may rejoin the FSS Program in the future, with the following understanding.

■ The family completes a new Contract of Participation, Completion Agreement, and Individual Training and Services Plan with a the Municipality FSS Case Manager.

■ The family is not eligible to receive funds accrued in escrow up to the point of their initial withdrawal from FSS.

■ The family will be eligible to receive future deposits into escrow upon rejoining the FSS Program.

Grievance Procedures

Participant families who have a grievance are encouraged to comply by the procedures outlined in previous chapters.

Successful Completion of the FSS Program

In order to successfully complete the FSS Program and receive any money in escrow, FSS participants must meet the following criteria:

A. Meet the self-sufficiency goals set in the Contract of Participation and Individual Training and Services Plan. These goals include a minimum of the following:

1. Head of household will maintain employment or be attending school at an accredited institution within one year of participation in the FSS Program.

If the FSS head of household identifies a documented disability or documented physical, mental, or other impairment during this year, this requirement will be modified to accommodate the participant's needs. The participant will be eligible to receive FSS funds if they obtain suitable employment.

2. No member of the FSS household shall receive welfare assistance, as per HUD's current definition of welfare assistance, during the last year of participation in the FSS Program.

3. Participant will maintain regular contact with the assigned FSS Case Manager (defined as contacting the Case Manager on a monthly basis and meeting in person a minimum of once every six months to update the Individual Training and Services Plan).

4. Mandatory completion of All Workshops during the time of the Contract of Completion.

B. Comply with the Completion Agreement

C. Comply with lease agreement

D. Complete goals listed in the Individual Training and Services Plan and the FSS Contract

VIII. FSS EXTENSIONS:

The initial contract term is five years. The contract may be extended, in writing, for up to two additional years if the family is unable to achieve self-sufficiency in this time due to circumstances that are beyond their control such as:

- Serious illness in the immediate family
- Involuntary loss of employment within one year of the request
- Serious injury that interferes with employment opportunities

Other circumstances that are beyond control of the family and that are deemed as good cause by the Municipality. Extensions will not be granted for loss of employment due to lack of performance on the part of the FSS Participant. During the two-year extension, the family will continue to be eligible to receive deposits made into an FSS escrow account. The FSS Head of Household will be required to continue abiding by the Contract of Participation, Completion Agreement, and Individual Training and Services Plan as well as keep in regular contact with a FSS Case Manager during the two year extension.

IX. PROGRAM SIZE:

The Municipality's FSS program currently operates a voluntary program size of 25 Section 8 clients.

X. ASSURANCE OF NON-INTERFERENCE:

The Municipality's FSS program is a voluntary program under current HUD guidelines and, as a voluntary program, families who elect not to participate will not be negatively effected in regards to admission or ongoing occupancy in

subsidized housing programs offered by the Municipality (i.e.Section 8 Program, Public Housing Programs, etc.)

XI. TIME TABLE FOR PROGRAM IMPLEMENTATION:

Program implementation has already occurred and outreach selection, and enrollment activities are ongoing. FSS slots will continue to be filled as vacancies occur and as additional slots are created. The services identified in this Action Plan are in place and are being accessed by FSS program participants. Agency processes for the continued implementation of the FSS program have been revised according to HUD requirements and information contained in this Action Plan.

XII. CERTIFICATION OF COORDINATION:

The Municipality continues to coordinate with Division of Work Force Services and other community resources. Implementation of the services and activities described herein will continue to be coordinated with these and other agencies, as the program continues to mature and refine. Communication is coordinated on multiple levels to avoid duplication of services (including, but not limited to, dialogue between the FSS Case Manager and assigned Case Managers of other programs and dialogue between the FSS Case Manager and other members of the Family Self- Sufficiency Coordinating Council).

XIII. OPTIONAL ADDITIONAL INFORMATION:

The Municipality's FSS Program reserves the right to make addendums to this Action Plan as situations, regulations, and funding sources change, but such changes will be make in compliance with HUD regulations. The Municipality staff will make reasonable accommodations to persons with disabilities in order to ensure they are able to take full advantage of the services provided under the FSS Program.

CHAPTER 22

I. GENERAL PROVISIONS

The Municipality of Aguas Buenas hereby establishes a Section 8 tenant-based homeownership option in Aguas Buenas, Puerto Rico pursuant to the U.S. Department of Housing and Urban Development's final rule dated October 12, 2000 and as amended, and Section 555 of the Quality Housing and Work Responsibility Act of 1998 under Section 8(y), Homeownership Option.

II. FAMILY ELIGIBILITY REQUIREMENTS

Participation in the Homeownership Program is voluntary. Families seeking to participate in the Homeownership Program must meet the following eligibility requirements:

a. Priority will be given to FSS participants, than to HCV participants, than to waiting list applicants.

b. Be a first-time homeowner, as defined in Chapter 2 (A);

c. The buyers' annual income must be eighty percent (80%) or less of the area median income;

d. With the exception of elderly and disabled households, satisfy the employment requirement, as defined in Chapter 2 (C);

e. Have not defaulted on a mortgage securing debt to purchase a home;

f. Have completed an initial lease term in the Section 8 HCV;

g. Do not have a present ownership interest in a residence;

h. Attend a Homebuyer's Education Program through a HUD-approved counseling agency, and approved by the Municipality;

i. Be in full compliance with the Section 8 HCV lease and program requirements and must terminate a current lease agreement in compliance with the lease;

j. Must be in good standing for at least three (3) years. Participants with less than (3) years in a housing subsidy program are waived this

requirement. Participation in other Public Housing Programs can also be considered.

k. Provide a down payment of at least three (3) percent of the purchase price from the buyer's own funds - may include FSS escrow funds; and

l. Agree that financing for purchase of a home under this program: be provided, insured, or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards.

The Municipality's policies and practices are designed to provide assurances that all persons with disabilities will be provided reasonable accommodations so that they may fully access and utilize the housing program and related services. Persons requiring special accommodations due to a disability must notify the Municipality, in writing, of their needs. In matters where the Municipality has discretion, waivers to existing policy shall be determined by the Executive Director or her designee.

A. First-Time Homeowner

An eligible Section 8 HCV family, except for families with a disabled member, must be considered a first-time home buyer. A first-time home buyer means that no member of the household has had an ownership interest in any residence during the three years preceding the receipt of homeownership assistance. The purchaser must sign a sworn application attesting that they have not owned a home. In addition, the last three years tax returns will be reviewed to ascertain that no mortgage interest or real estate tax deductions have been claimed. An exception includes a person who qualifies as a displaced homemaker or a single parent who, while previously married, owned a home with his or her spouse.

A family that includes a family member who is a person with disabilities, also qualifies under this requirement if use of the homeowner ship option is needed as a reasonable accommodation.

B. Qualifying Income Requirement

(1) <u>Amount of Income</u>

At the time of receiving assistance through the Homeownership Program, the family must demonstrate that the income of the adult family members who will own the home does not exceed 80% of the area median income, as determined by HUD. In addition, the buyer must have sufficient income

and creditworthiness to qualify for a first mortgage through one of the Participating Lenders.

C. 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 is, or are, 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 r reasonably accommodate a family's participation in the program, the Municipality will exempt families that include a person with disabilities from this requirement.

The Municipality's Executive Director and/or her designees may also consider whether and to what extent an employment interruption is considered permissible in satisfying the employment requirement. The Executive Director may also consider successive employment during the one-year period and self-employment in a business.

D. Repayment of Any Housing Authority Debts

A participant shall be ineligible for participation in the Homeownership Program if he/she owes any money to Municipality.

E. Prior Mortgage Defaults

If an individual who was an adult member of a family at the time when such family received homeownership assistance and defaulted on a mortgage securing debt incurred to purchase the home, the family will be ineligible to participate in the Homeownership Program.

III. FAMILY PARTICIPATION REQUIREMENTS

Once a family is determined to be income-eligible, it must comply with the following additional requirements:

a. Contact a Participating Lender for eligibility screening. The Lender will take a loan application at this time and pre-qualify the individual for a first loan and the Homeownership Program. The Lender will also determine the maximum home price that the individual can afford. Participants will be notified that information is exchanged between the Municipality and the Lender.

b. Complete a homeownership counseling program approved by the Municipality prior to receiving homeownership assistance;

c. Locate the home the individual proposes to purchase. It is recommended that the individual contact a Realtor to assist in this process;

d. Make a purchase offer and start escrow, as well as submit a sales agreement that is subject to Municipality approval and review. The total burden shall not surpass the TTP.

e. Allow the Municipality to inspect the proposed dwelling to assure that it meets appropriate Housing Quality Standards;

f. Obtain an independent inspection (by a licensed inspector) covering major building systems. The Municipality inspection will occur prior to the private inspection.

g. When escrow closes, the individual will become a homeowner and will be responsible for maintaining the property in sound condition. The individual will begin making monthly payments on the mortgage.

A. Homeownership Counseling Program

Prior to receipt of homeownership assistance, the family must attend and successfully complete a homebuyer education class approved by the Municipality. The counseling program must cover the following topics:

a. Home maintenance;

b. Budgeting and money management;

c. Credit counseling;

d. Negotiating purchase price;

e. Securing mortgage financing;

f. Finding a home;

g. Advantages of purchasing and locating homes in areas that do not have a high concentration of low-income families;

h. Fair housing; and

i. Predatory lending issues.

The counseling agency providing the counseling program shall be approved by HUD. The Municipality will require families to participate in a Municipality-approved homeownership counseling program on a continuing basis to ensure the participant's successful transition from renter to homeowner. This training will continue to be offered to Homeownership participants in order to assure continued education.

B. Purchasing a Home

(1) Locating a Home

During the participant's search for a home to purchase, their Section 8 HCV rental assistance shall continue. Similarly, if a family is unable to locate a home through the Homeownership Program, their Section 8 HCV rental assistance shall continue.

(2) Type of Home

A family approved for the Homeownership Program may purchase the following type of homes within the Municipality of Aguas Buenas:

a. A new or existing home that is fixed to a permanent foundation, has a minimum of two bedrooms, and is currently occupied by the seller or vacant (tenant occupied homes are not eligible).

b. The home must be in sound condition and meet Housing Quality Standards.

c. The purchaser must reside in the home as his or her principal r residence within sixty (60) days of purchase and the home shall not be used as a business nor as a vacation (second) home.

(3) Failure to Complete Purchase

If a family is unable to purchase a home, the Municipality shall continue the family's participation in the Section 8 HCV rental assistance program. The family may apply for assistance through the Homeownership Program only once during any 12-month period.

(4) Portability

The Municipality will permit portability of the homeownership assistance (the Municipality's portion) to another jurisdiction, provided the receiving jurisdiction operates a similar homeownership program for which the applicant qualifies and for which the receiving PHA is accepting new homeownership families.

C. Sales Agreement

Prior to execution of the offer to purchase, or the Sales Agreement, the financing terms must be provided by the family to the Municipality for approval.

The Sales Agreement must:

- provide for inspection by the Municipality and the independent inspection,
- state that the purchaser is not obligated to purchase unless such inspections are satisfactory to the Municipality,
- provide that the purchaser is not obligated to pay for any necessary y repairs without approval by the Municipality,
- provide that the purchaser is not obligated to purchase if the mortgage financing terms, or any other terms, are not approved by the Municipality, and
- contain a seller certification that the seller is not debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

D. Independent Initial Inspection Conducted

To assure the home meets Housing Quality Standards, homeownership assistance may not be approved until the Municipality first inspects the home. An independent inspection must also be completed by a professional selected by the family and approved by the Municipality. The Municipality will not pay for the independent inspection, however, Homeownership and FSS escrow balance assistance may be used for this purpose. The independent inspection report must be provided to the Municipality. The Municipality may disapprove the unit due to information contained in the report or for failure to meet federal housing quality standards. The Municipality may not provide homeownership assistance until it has reviewed the inspection report of the independent inspector.

E. First Loan Terms

The purchaser shall apply for a mortgage from a Participating Lender and provide a minimum contribution of three percent (3%) from their own funds (gifts are not eligible for this minimum contribution).

F. Compliance With Family Obligations

A family must agree, in writing, to comply with all family obligations under the Housing Choice Voucher program and the Municipality's Homeownership Program policies. These obligations include:

a. Attending ongoing homeownership counseling;

b. Complying with the mortgage terms. Defaulting participants will loose their assistance. (The definition of "defaulting" will be the same as adopted and outlined by the Lender); and

c. Supplying all required information to the Municipality.

IV. AMOUNT OF ASSISTANCE

The Municipality will pay a down payment assistance grant via its CDBG Homeownership Program. The Homeownership financial assistance can be provided as down payment assistance and/or for a portion of closing costs associated with the home purchase. Also, FSS escrow eligible costs may include, but are not limited to, permanent interest rate buy-downs, non-recurring closing costs, home inspection and home warranty up to $1,000 for very low income households only. Repairs, recurring costs and other similar borrower obligations are not eligible for payment with Homeownership funds. The amount of assistance depends upon the buyer's qualifications and the price of the home.

V. CONTINUED PARTICIPATION IN SECTION 8 HOUSING CHOICE VOUCHER PROGRAM

A family is permitted to apply for and receive tenant-based rental assistance again after receiving homeownership assistance; however, rental assistance may not begin as long as any family member owns any title or other interest in the home purchased with homeownership assistance. In addition, 18 months must have passed since the family's receipt of homeownership assistance.

VI. WAIVER OR MODIFICATION OF HOMEOWNERSHIP POLICIES

The Executive Director of the Municipality, and/or her designees shall have the discretion to waive or modify any provision of the Homeownership Program or policies not governed by statute or regulation for good cause or to comply with changes in HUD regulations or directives

GLOSSARY

Definition of Terms and Concepts

In addition to the terms and concepts used in both the Existing Certificate and Voucher Programs, the following terms, definitions and concepts also apply:

A. Extremely low-income family - A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

B. Very low-income family - A family whose income does not exceed 50 percent of the Median income for the area, as determined by HUD.

C. Full-time student - .A person who is attending school or vocational training on a full-time basis.

D. Responsible entity - For the public housing and Section 8 tenant-based assistance (part 982) means the PHA administering the program under an ACC with HUD.

E. Tenant Rent - the amount payable monthly by the family as rent to the unit owner.

F. Applicable Payment Standard - The maximum subsidy payment for a family (before deducting the family contribution). The PHA sets a payment standard in the range from 90%-11O% of the current FMR/ exception rent limit,

G. Exception Rent - an amount that exceeds the published FMR.

H. Family Self-Sufficiency Program (FSS Program) -The program that is established by a PHA in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services.

I. Family unit size - The appropriate number of bedrooms for a family, as determined by the PH.A under the PHA subsidy standards.

J. Funding increment - Each commitment of budget authority by HUD to a .PHA under the consolidated annual contributions contracts for the PHA program.

K. Gross rent - The sum of the rent to the owner plus any utility allowance

L. HAP contract - Housing assistance payments contract.

M. Housing assistance payment - the monthly assistance payment by a PHA which includes:

1. A payment W the owner for rent to the owner under the family's lease;

2. An additional payment to the family if the total assistance payment exceeds the rent to the owner.

O. Budget authority - an amount authorized and appropriated by the Congress for payment to the PHA's under the program.

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

Q. Admission - the point when the family becomes a participant in the program. The date used for this purpose is the effective date of the first HAP contract for a family in a tenant-based program.

R. Administrative Fee Reserve (formerly "Operating Reserve") - It is an account established by the PH.A from excess administrative fee income. The administrative fee reserve must be used for housing purposes.

S. Contiguous MSA - in portability (under subpart H of this part 982) a MSA is one that shares a common boundary with the MSA in which the jurisdiction of the initial! PHA is located.

T. Contract Authority - The maximum annual payment by HUD to a PHA for a funding increment.

U. Participant (participant family) - A family that has been admitted to the PHA program is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PH.A for the family.

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

W. Reasonable rent - A rent to the owner that is not more than rent charged:

1. For comparable units in the private unassisted market; and

2. For comparable unassisted units in the premises.

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

AA. Special Admission - Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.

BB. Subsidy Standards - Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidies for families of different sizes and compositions.

CC. Suspension - Stopping the clock on the term of a family's voucher for such period as determined by the PHA, from the time when the f family submits a request for PHA approval to lease a unit, until, the time when the PHA approves or denies the request.

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

EE. Violent criminal activity - Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

FF. Voucher (rental voucher) - A document issued by the PHA to a family selected for admission to the Housing Choice Voucher Program. This document describes the program and the procedures for the PHA approval of a unit selected by the family. The voucher also states obligations of the family under the program.

GG. The Housing Choice Voucher Program - The rental voucher program and is representative of the merger of the old Voucher Program with the Certificate Program under the Quality Housing & Work Responsibility Act of 1998.

HH. Waiting List Admission - An admission from. the PHA waiting-list.

PHA Certifications of Compliance with PHA Plans and Related Regulations	U.S. Department of Housing and Urban Development Office of Public and Indian Housing **Expires 4/30/2011**

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___ 5-Year and/or_X Annual PHA Plan for the PHA fiscal year beginning 07/10 *, hereinafter referred to as" the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:*

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. For PHA Plan that includes a policy for site based waiting lists:
   - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
   - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
   - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
   - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
   - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
10. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
11. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.

12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA provides assurance as part of this certification that:
    (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
    (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
    (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

Municipality of Aguas Buenas
PHA Name

RQ-082
PHA Number/HA Code

X 5-Year PHA Plan for Fiscal Years 20 10 - 20 14

X Annual PHA Plan for Fiscal Years 20 10 - 20 11

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

Name of Authorized Official	Title
Luis Arroyo Chiqués	Mayor
Signature	Date

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 AGUAS BUENAS HOUSING DEPARTMENT	RQ-082
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: Luis Arroyo Chiqués	Title: Mayor
Signature	Date

Certification for a Drug-Free Workplace

U.S. Department of Housing and Urban Development

Applicant Name

Municipality of Aguas Buenas Housing Department

Program/Activity Receiving Federal Grant Funding

Housing Choice Voucher 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.)

Municipality of Aguas Buenas, Housing Department
Padre Quiñonez Street # 21
Aguas Buenas, PR 00703

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	Title
Luis Arroyo Chiqués	Mayor

Signature	Date
X	

form **HUD-50070** (3/98)
ref. Handbooks 7417.1, 7475.13, 7485.1 & .3

Commonwealth of Puerto Rico

Municipality of Aguas Buenas

Municipal Housing Department

The following programs are administered by our Housing Department:

HUD Sponsored:

- The Housing Choice Voucher Program
- The Family Unification Program
- The Family Self-Sufficiency Program
- The Portability Program (It is not a program but an option offered under the HCV Program. We have designed it as a program for easier manageability and control).
- Supportive Housing Program

Non- HUD Sponsored Programs:

- HOPWA
- Homeless Prevention Program

VIOLENCE AGAINST WOMEN POLICIES ACT
(VAWA)

As part of the Public Policy of the Municipality of Aguas Buenas through the Housing Choice Voucher Program (HCV), and in compliance with HUD's requirements a disclosure is 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 Aguas Buenas in compliance with local, state and federal 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.

The Municipality of Aguas Buenas will implement a Program Service Committee (PSC) in order to comply with the Violence Against Women Act . Some of the agencies that will be invited to be par t of this Committee are as follows:

Department of the Family
Municipal and State Police
Child Care
Early Head Start
 Counseling Services (APS, Inspira, Sanos Inc., etc.)

We will also be referred to the following laws:

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

Denial of Service or cancellation of participation:

The Municipality of Aguas Buenas can deny, prohibit and even cancel service to a person who has been accused of committing a crime against these laws, within or outside our jurisdiction, in compliance with Articles 5 and 7 of Public Law 266 of Puerto Rico and Federal Regulation 24 CFR 982.553, which prohibit, deny or cancel admission to the HCV 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 required 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, it does not guarantee that assistance will be denied by the Housing Choice Voucher Program (Section 8).

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

a. Not constitute a mayor 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. In the meanwhile, it is true that the Municipality of Aguas Buenas will deny admission to the program any applicant who has been accused of committing a criminal act, VAWA establish that the only way 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 Choice Voucher Program (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 Choice Voucher Program (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 Choice Voucher Program (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 Choice Voucher Program (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 VAWA.

Rights of the Housing Choice Voucher Program (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:

- duration of the relationship
- relationship
- 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.

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XVIII. SUMMARY

I EXECUTIVE STATEMENT

The Municipality of Aguas Buenas continues to move towards the major's initiatives outlined in our Five-Year Plan approved by HUD in the year 2000. The plans, statements, and policies set forth and/or referenced in this same Plan all lead towards accomplishing Aguas Buenas' goals and objectives. It is for this purpose that the Municipality of Aguas Buenas established a Housing Department to administer the tenant-based Housing Choice Voucher Program as well as any other subsidized housing program in order to assist financially disadvantaged families in meeting their housing needs, namely decent, safe, and sanitary. The Municipality of Aguas Buenas' Housing Department has adopted the following mission statement:

- ***To assist families during financial distress, while gradually reducing the amount paid by the Program in an efficient manner as well as motivating these same families to become self-sufficient.***

The Municipality of Aguas Buenas firmly believes that there are two major philosophy components, which is the foundation of the tenant-based housing program.

A. To afford extremely low-income families the opportunity of choice and mobility in selecting where they choose to live;

B. Maintain the essential elements of a private relationship between the tenant and the landlord on matters other than rent.

As a result of this philosophy the Housing Choice Voucher Program is tenant-based and does not tie the participant to any particular housing unit. Moreover, there is an undeniable need for low-income housing within the Municipality of Aguas Buenas as evidenced by the waiting list as well as the latest US Census of Population. There also exists a need for quality housing units for program participants but there is not an abundance of affordable housing for low income families within this same Municipality. Being cognizant of this, our Municipality has established realistic and attainable goals, whereby, particular thought has been given to the number of families which can be expected to need and want better housing. By setting attainable goals, the Municipality intends to become a facilitator for those in need and for those who have available units by coming together in a manner beneficial to all principals. This is in direct relation to both the major commitments and priorities of the U. S. Department of Housing and Urban Development (HUD). **The Municipality of Aguas Buenas is a Tenant-Based (Section 8) only PHA.**

This Municipality also administers various tenant-based subsidized housing programs geared towards certain sectors of the population in general to afford them the same opportunities as other extremely low-income and low-income families within the general population. The programs being administered by the Municipality of Aguas Buenas are as follows:

- **HOPWA** - a program geared to provide assistance to a member of the family that is HIV positive or has **AIDS.** Families are offered rental assistance and short-term payments to prevent homelessness. The municipality has joined a consortium made of municipalities located within the San Juan-Bayamon MSA to secure the necessary funding for this same program. The Municipality of San Juan is the lead PHA in this consortium.

- **Family Unification Program** - a program geared to provide assistance to extremely low-income and moderate income families whereby they are threaten by the Commonwealth Child Welfare Agency in the removal of the children from the home due to the environment under which they live, or have already been removed. In essence, the family needs a safe, decent and sanitary dwelling units so that the family maybe united. Our Municipality joined forces with the Commonwealth Department of the Family to provide a service to this sector of the population.

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

- **Special Housing Opportunities Programs (S.H.O.P.S.)** - this program encompasses various programs under one umbrella, which are targeted to certain sectors of the population. Under this umbrella program, the following is being offered:

    - ✓ **Assistance for the elderly** - this program is geared to offer assistance to a family and/or individual who is over the age of 62. Families are offered rental assistance and/or short-term payments to prevent homelessness as well as for other supportive services and health care.

- ✓ **Assistance for HCV participants** - this type of assistance is geared to current participants who are in need of aid inn the payment of the security deposit, whereby the family who receive this assistance enter into a repayment agreement, aid for the water and/or light security deposit, which is a grant to the family and other assistance determined necessary for the family.

- ✓ **Special Assistance Program (S.A.P.).** The purpose of this program is to issue ***Special Temporary Vouchers*** to families so that they can rent decent and affordable housing in the private market, while their current home is being rehabilitated by the Municipality through its Moderate Rehabilitation Program.

- ✓ **Emergency Temporary Rental Assistance (E.T.R.A)** - This program is geared towards people experiencing a short-term housing crisis and who are not eligible for the Housing Choice Voucher Program. The family may apply for E. T .R.A. from the Municipality of Aguas Buenas, so as to avoid homelessness as well as offering them an opportunity to stabilize. If approved, the Municipal Housing Department will provide short-term temporary Rental Assistance for a period up to 4 months.

The Annual Plan of Aguas Buenas as presented herein furthers HUD' s statutory goal in accordance with the Quality Housing and Work Responsibility Act of 1998, 24 CFR 903, Section 545, whereby, the Municipality of Aguas Buenas has established a unified vision of community actions. This same Plan will afford Aguas Buenas an opportunity to shape the various programs presented herein into effective, viable, and coordinated strategies by involving citizen participation. ***The Annual Plan provides a framework for local accountability and an easily identifiable source by which public housing residents, participants in the tenant-based program, and other members of the public may locate basic PHA policies, rules, and requirements concerning its operations, programs and services.***

II. SUMMARY OF POLICY OR PROGRAM CHANGES FOR THE UPCOMING YEAR

The Municipality of Aguas Buenas does not contemplate any significant changes and deviation in its policies from the previous year's PHA Plan that is not covered in other sections of this same Plan.

However, the Municipality has determined to continue suspension until further notice, the assistance to low income families for deposit to rent a dwelling unit. This program is geared as a loan program whereby the families are obligated to repay the PHA at a minimum $25.00.

III. HOMEOWNERSHIP PROGRAM

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

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

The municipality has a goal of establishing and implementing a viable Homeownership Program in accordance with the Quality Housing & Work Responsibility Act of 1998 and will adopt the necessary procedures to promote a Homeownership Program within its Housing Program. In this regard, the municipality will seek out not only HOME funds, but likewise will work with both the Puerto Rico Department of Housing, the Housing Development Bank, and other similar public private agencies in order to accomplish this same goal. To further this goal, the municipality has developed and adopted Homeownership Action Plan. This same plan has been presented to the HUD local office and since been approved.

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

ACTIVITIES:

- **PROVIDE GREATER ASSISTANCE IN MEETING BOTH DOWN PAYMENT AND CLOSING COST REQUIREMENTS**

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

Currently, the Commonwealth of Puerto Rico is sponsoring two programs to assist families with the purchase of their homes. One such program is called, ***"Llaue Para Tu Hogar"*** or ***"A Key For Your Home"*,** which provides low-income families with grants ranging from $3,000 to $15,000 to be applied against the purchase price of home. This same home can not be more than the established, by the State, price of $70,000.00. The second program called ***"Ley* 124"** or ***"Law 124"*** also provides low-income families with assistance to make the home affordable.

OBJECTIVE: CREATE AFFORDABLE HOUSING WITHIN THE COMMUNITY

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

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

Cognizant of this, the Municipality of Aguas Buenas will develop a strategy that identifies policies, which may require modification, and initiate the following actions that will address the problem of affordable housing and the establishment of the Homeownership Program.

ACTIVITIES:

☐ IMPROVE LAND DEVELOPMENT REGULATION

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

☐ PROVIDING FOR THE COORDINATION OF FUNDING

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

1. Assistance will be provided for:

    a. First time homeowner;

    b. Family that owns or is acquiring shares in a cooperative.

2. The Program will become available to families participating in our tenant-based Housing Choice Voucher Program. However, the families currently participating in our Family Self-Sufficiency Program will be offered the program first.

3. The total family that will be serviced through this program will be limited to approximately 20% of participating families in the Housing Choice Voucher Program.

4. Funding levels.

5. Families who do not enjoy the benefits of the Family Self Sufficiency Program but are in good-standing within the locally administered Housing Choice Voucher Program will be briefed on the benefits of joining the Homebuyers Club

with one of the two local banks authorized to offer such a program. The local banks are RG Premier Bank and Doral.

The Municipality of Aguas Buenas will take deliberate action as well as consider the appropriate changes in order to improve the application process for all federal programs that may have a beneficial impact upon the local housing market and affect programs covered within the Five-Year Plan.

IV STATEMENT OF PROGRESS IN MEETING THE 5-YEAR PLAN, MISSION AND GOALS

Within its 5- Year Plan, the Municipality of Aguas Buenas has achieved the following:

- ☐ Consolidated the Section 8 Voucher and Certificate Program, respectively, into a single market-driven program.
- ☐ Has been actively promoting freedom of housing choice so as to achieve spatial deconcentration of extremely low income families, within our homogeneous community.
- ☐ Continue with our established goal of providing improved conditions for extremely low-income families while maintaining their rent payments at an affordable level.
- ☐ Established the Homeownership program as planned. The families that entered the Program are currently looking for the home to purchase. The families have already taken a homeownership course. Had families moved from the FSS to become homeowners through a federally approved housing program such as those sponsored by the Rural Development Administration.
- ☐ Generate meetings with local banking to start participating families in Homebuyers Oub.
- ☐ Established in-house programs to meet the needs of certain sectors of the population within the municipality.
- ☐ Established contacts with the local banks to service our Homeownership families as well as with some local neighborhood networks organization (non-profit).

While the Municipality of Aguas Buenas is pleased with what has been accomplished so far, Aguas Buenas is very much cognizant of the long road ahead so as to meet the needs of its citizens. On an on-going basis, the Municipality of Aguas Buenas continues to evaluate the goals and strategies that have been established so that it can better meet the demand of housing.

V FINANCIAL RESOURCES

OBJECTIVE: IMPROVE OPPORTUNITIES UNDER RENTAL HOUSING

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

We have identified the need for rental housing based upon the number of requests made to the Municipality by the population at large to numerous Municipal Agencies. In most cases, it was primarily a general need for more rental housing, since better than 80% of the population do not qualify to purchase a dwelling unit and require some type of rental assistance. It is in this regard that the Municipality of Aguas Buenas has a one year goal to provide assistance of upwards to approximately 40 households with rental housing assistance.

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

A. Housing Funding Sources -

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

Additionally, work with island housing contractors that may be interested in constructing housing units within Aguas Buenas, by offering incentives and assistance in one form or another that may be legally acceptable, in order to encourage such contractors to participate in the local housing market.

B. Additional Subsidized Funding under the Voucher Program

The Municipality of Aguas Buenas will work closely with the U'S, Department of Housing and Urban Development (HUD) in attempting to obtain additional vouchers, if and, when they become available so as to expand and strengthen our successfully administered Self-Sufficiency Program, thus permitting our Municipality to assist more families, while affording them the same opportunity as other families who have successfully completed their Family Self-Sufficiency Contract.

C. Target available assistance to Families with special needs

1. HOPW A Program-

The Municipality of Aguas Buenas cognizant of the needs of families that are infected with the HIV virus and have very limited economic resources with which to combat this disease has joined a consortium with the Municipality of San Juan to secure the funding necessary to provide safe, decent and sanitary housing for eligible families. The Municipality of San Juan is the lead PHA in this consortium.

2. Family Unification Program-

Aware of the fact that extremely low income families do not have the means with which to have a decent, secure and sanitary housing due to other hardships that they encounter on a day to day basis, the Municipality of Aguas Buenas has developed and implemented a Program to maintain families together. Victims of domestic violence face financial hardships when the main bread winner is the aggressor and threatens the lives of his family as well as the one that has to vacate the dwelling or the family must separate because of the volatile situation in which they must endure.

Furthermore, these same families must also face social as well as psychological problems which in turns lower their self esteem. When the family becomes frustrated they then become abusers themselves and take out their frustration on the children. Because of this, the Family Department or rather, the Child Welfare Agency, must intervene on behalf of the young and remove them to a safe place until the Courts decide what the next step will be.

To avoid the aforementioned situations, the Municipality of Aguas Buenas and the Commonwealth of Puerto Rico, Department of the Family, have joined forces to provide this same families decent, secure and sanitary housing.

A ***Memo of Understanding*** was signed so that information could be exchanged between the two government agencies and the proper referrals can be made so to assist these families in need.

3. Family Self Sufficiency Program-

The purpose of this FSS Program is to promote the development of local strategies to coordinate the use of public and private resources to enable families eligible to receive assistance under the Voucher Programs achieve economic independence and self-sufficiency.

4. S.H.O.P.S. Program-

This program encompasses various programs under one umbrella, which are targeted to certain sectors of the population. Under this umbrella program, the following is being offered:

- ✓ **Assistance for the elderly** - this program is geared to offer assistance to a family and/ or individual who is over the age of 62. Families are offered rental assistance and/ or short-term payments to prevent homelessness as well as for other supportive services and health care.

- ✓ **Assistance for HCV participants** - this type of assistance is geared to current participants who are in need of aid inn the payment of the security deposit, whereby the family who receive this assistance enter into a repayment agreement, aid for the water and/ or light security deposit, which is a grant to the family and other assistance determined necessary for the family.

- ✓ **Special Assistance Program (S.A.P.)** - The purpose of this program is to issue ***Special Temporary Vouchers*** to families so that they can rent decent and affordable housing in the private market, while their current home is being rehabilitated by the municipality through its Moderate Rehabilitation Program.

- ✓ **Emergency Temporary Rental Assistance (E.T.R.A)** - This program is geared towards people experiencing a short-term housing crisis and who are not eligible for the Housing Choice Voucher Program. The family may apply for E. T .R.A. from the Municipality of Aguas Buenas, so as to avoid homelessness as well as offering them an opportunity to stabilize. The Municipal

Housing Department will provide short-term temporary Rental Assistance for a period up to 4 months.

E. Available Funding Sources

The Municipality of Aguas Buenas will submit for HUD's consideration its Annual Plan (FY 2005-2006) in accordance with CFR 24, Section 903.1.

In order to assist the needs of 215 families that are currently enjoying the benefits of the Municipality of Aguas Buenas' tenant-based housing assistance program, we will be submitting for HUD approval the following budget for the upcoming fiscal year. Budget is illustrated in Table I.

Table I

SUBSIDIZED HOUSING BUDGET FOR HUD APPROVAL

Program	Budget Estimate
HOUSING CHOICE VOUCHER PROGRAM ACTIVITIES: TENANT-BASED HOUSING ASSISTANCE FOR 88 FAMILIES.	$ 468,830.00
FAMILY SELF SUFFICIENCY PROGRAM ACTIVITIES: TENANT-BASED HOUSING ASSISTANCE FOR 25 FAMILIES.	$ 147,250.00
FAMILY UNIFICATION PROGRAM ACTIVITIES: TENANT-BASED HOUSING ASSISTANCE FOR 49 FAMILIES.	$ 351,419.00
Homeownership Program Activities: Tenant-Based Housing Assistance for 2 First Time Home buyers.	$ 6,000.00
TOTAL ESTIMATE OF BUDGET TO BE SUBMITTED TO HUD FOR APPROVAL	$ 973,490.00

Table I SUBSIDIZED HOUSING BUDGET FOR HUD APPROVAL	
OTHER PROGRAMS ADMINISTERED BY PHA	Budget Estimate
HOPWA PROGRAM	$ 111,000.00
ACTIVITIES: TENANT-BASED HOUSING ASSISTANCE FOR 22 FAMILIES.	
HOPWA PROGRAM – EMERGENCY FUND	$ 3,000.00
Emergency assistance to qualified families in the HOPWA Program.	
Portability Program	$ 104,746.00
ACTIVITIES: TENANT-BASED HOUSING ASSISTANCE FOR 14 FAMILIES.	
Emergency Fund	$ 5,000.00
ACTIVITIES: Emergency Assistance to qualified families in Different areas that are in good standing in the Housing Choice Voucher Programs.	
Senior's Housing Assistance Program	$ 15,000.00
ACTIVITIES: TENANT-BASED HOUSING ASSISTANCE FOR 15 SENIORS.	$ 24,000.00
SPECIAL ASSISTANCE PROGRAM	
ACTIVITIES: TENANT-BASED HOUSING ASSISTANCE FOR 3 FAMILIES.	
Emergency Temporary Rental Assistance (E.T.R.A.)	$ 1.00
ACTIVITIES: TENANT-BASED HOUSING ASSISTANCE.	
TOTAL FOR THE MUNICIPALITY OF AGUAS BUENAS' SPECIAL HOUSING PROGRAMS (SUB-TOTAL)	$ 262,747.00
ADMINISTRATIVE COST	$ 277,502.00
TOTAL FOR THE MUNICIPALITY OF AGUAS BUENAS' HOUSING BUDGET(SUB-TOTAL)	$ 540,249.00
TOTAL FOR THE MUNICIPALITY OF AGUAS BUENAS' HOUSING BUDGET(GRAND-TOTAL)	$ 1,513,739.00

VI PHA's COMMUNITY SERVICE AND SELF-SUFFICIENCY PROGRAM

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

The Municipality of Aguas Buenas has developed and implemented an FSS Program in conformity with the Housing Choice Voucher Program (Section 8) regulations and applicable civil rights authorities. At the current time the Municipality has monies allocated to assist 25 families of low and very low income. It has been successful in the implementation of said programs, due to the hard work and motivation provide by not only the Housing Staff, but also the Professional consulting firm.

To further its aim with the FSS Program, the Municipality appointed, and has received funding for, an FSS Coordinator to carry out the necessary functions in the formal structure of the Coordinating Committee. The Program Coordinating Committee (PCC) is integrated by professional representatives from public and private enterprises, actual FSS participants, church groups, community leaders, local business, and other resources. The representatives from these entities have an input in the program design and action steps of the FSS Program and are responsible for such functions as:

A. Developing a working relationship with the FSS Coordinator and other related Program Staff in the achievement of the program objectives.

B. Coordinating the needed actions for the selection of committee representatives.

C. Making specific commitments of time, staff, and resources to the program.

D. Providing input into the program research and evaluation process.

E. Developing a working relationship with the FSS Coordinator and other related Program Staff in the achievement of the program objectives.

F. Coordinating the needed actions for the selection of committee representatives.

G. Making specific commitments of time, staff, and resources to the program.

H. Providing input into the program research and evaluation process.

Furthermore, it is the intention of the Municipality of Aguas Buenas to further strengthen its current Family Self-Sufficiency Program (FSS) as well as aggressively pursue alternative means for participating families achieve self-sufficiency, economic independence and ultimately homeownership.

In order to achieve this objective, the Municipality has adopted a policy of increasing the frequency of appointments between the FSS family and the FSS Coordinator. The purpose for this is to assess how the family is doing, what needs they might and! or problems that might arise which need to be addressed. This will ensure that the family complies with its adopted action plan as well ass afford the PHA an opportunity to assess how the Program is functioning so that it can be proactive in addressing the needs of the participating families. In relation to the FSS Program, the Municipality plans on hosting a number of seminars, workshops and conferences geared towards education, homeownership, employment and other areas as they relate to the family successfully completing the Program and achieving economic independence. The Municipality will invite guest speakers from Federal and State Agencies, private industry and non-profit institutions.

Moreover, the Municipality intends to continue evaluating the following:

A. How the FSS Program and! or the PHA is meeting the needs of the families;

B. Creating a motivational environment so that the families successfully complete the FSS Program;

C. Assisting the families meet and! or establish their short-term and long-term goals;

D. Adherence to established Federal Regulations as they pertain to the FSS Program as well as the PHA FSS Action Plan.

VII CIVIL RIGHTS CERTIFICATION

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

VIII STATEMENT REGARDING THE STEPS THE MUNICIPALITY WILL TAKE TO AFFIRMATIVELY FURTHER FAIR HOUSING [24 CFR 982.54(D) (6)]

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

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

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.25 and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from, participation in, or otherwise be subjected to discrimination because the PHA's facilities are unusable to or unusable by persons with disabilities.

Based upon the latter, the Municipality of Aguas Buenas anticipates that the following activities will further Fair Housing, thereby benefitting those families, namely - the low and very low income families achieve safe, decent and affordable housing as well as self-sufficiency and economic independence.

ACTIVITIES:

REVIEW OF EXISTING HOUSING PROGRAM

The Municipality of Aguas Buenas will, in order to further fair housing within the community, review all existing dwellings and housing programs currently being carried out so as to assure that these very same programs and/ or projects are implemented in total compliance in accordance with existing applicable regulations. In addition, the Municipality will undertake the following steps to

ascertain that owners and participants are in compliance with fair housing laws as they are established by the Federal, State and Local governments, respectively:

- ✓ In order to promote fair housing, remedy discrimination, encourage fair housing choice and provide a suitable living environment for families living in assisted housing, regardless of race, color, religion, national origin, sex, familial status, and disability will be assured of because of the orientation offered to new or incumbent families and owners during their prospective briefing sessions which are held before the execution of the HAP contract and during the initial session held for prospective participants. Brochures will be prepared and handed out covering Fair Housing in both Spanish and English and these same brochures will be included in the owners' and participants' packet, respectively.

- ✓ After a thorough review of our records and programs, each staff member of our PHA is uniquely aware of the existing Fair Housing laws and the importance of adherence to these same laws by the family, owner and staff. They have been instructed on the applicability of these same laws and how they must brief and/ or provide proper orientation to a new as well as existing owner or family.

- ✓ Where a family alleges that illegal discrimination is preventing them from finding a suitable unit within the community our local housing staff will provide reasonable assistance in this matter by directing the aggrieved to the necessary agencies.

- ✓ The measures that will be undertaken to insure accessible housing to persons with all varieties of disabilities regardless of unit size are as follows:

  A. The local Housing Inspector will receive the proper training so that when a prospective home has been inspected, it complies not only with established HQS but also with the American Disabilities Act.

  B. Brief the owner concerning established local and federal laws on how to make the prospective dwelling unit comply with said laws and HQS as established by HUD.

  C. Revise the payment standard in accordance with our

plan so as to assure owner acceptance as well as the incentive to invest and make the dwelling unit an accessible unit for individuals with disabilities.

COORDINATION BETWEEN *PUBLIC/PRIVATE* RESOURCES

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

COORDINATING INFORMATION / REGULATIONS

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

CREATE AWARENESS OF LEAD BASE PAINT HAZARDS

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

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

ACTIVITIES:

COMPLYING WITH EXISTING REGULATIONS

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

IX RECENT RESULTS OF PHA's AUDIT

The Municipality of Aguas Buenas has submitted to the HUD local office in Puerto Rico the findings of the most recent Single Audit along with the action plan taken to correct the findings found so as to be in compliance with established HUD rules and regulations.

X SEMAP SCORE

The Municipality of Aguas Buenas' latest SEMAP Score is 100%.

XI ADDITIONAL INFORMATION REQUIRED

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

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

- Changes to rent (minimum rent), admission policies and! or organization of the waiting list;
- Additions of new activities not included in the current annual Plan and/ or 5- Y ear Plan;
- Any change with regard to homeownership or any other subsidized housing programs administered by the Municipality of Aguas Buenas.

- Changes to the grievance procedure as established within the Administrative Plan.

Nevertheless, the Municipality of Aguas Buenas will consider the following to constitute a "substantial deviation" from the HUD approved Five-Year Plan:

- Any modification to the PHA's mission statement or any substantial adjustment to the goals and/ or objectives.

- An exception to these definitions will be made for any of the above that are adopted to reflect changes in HUD regulatory requirements. Moreover, these same changes will not be considered substantial deviations or significant amendments by the Municipality.

XII STATEMENT OF HOUSING NEEDS

The following represents the estimated housing needs projected for the ensuring five-year (2005-2009) period. The data included within this portion of the plan is based upon existing available u.s. Census data, the Puerto Rico Housing Planning Board statistical data, as well as other reliable sources such as the local housing authority, and other similar agencies such as the Commonwealth Department of the Family.

Since this same jurisdiction, namely the Municipality of Aguas Buenas is not seeking funding on behalf of an eligible metropolitan statistical area under the HOPW A program, the needs described for housing and supportive services DO NOT address the needs of persons with HIV / AIDS and their families throughout the eligible metropolitan statistical area.

1. Housing Needs

The Comprehensive Housing Mfordability Strategy (CHAS) Data book issued by the u.s. Department of Housing and Urban Development, indicates that the Municipality of Aguas Buenas, has a total of some 7,142 housing units, of which some 4,843 units are occupied by very low income families, 1,205 units by low income families, 351 units by moderate income families and some 717 housing units are being occupied by above income families.

It should be noted, that the housing needs were based upon the number of renter and owner-occupied units with one or more housing problems. The definition of housing units with problems included those that:

- ☐ Occupying units having physical defects or being in deteriorated state.
- ☐ Classified as being overcrowded.
- ☐ Meet the definition of having a cost burden of more than 30 percent.

Based upon the latter, housing needs were determined to represent a major problem in terms of identifying housing problems in both renter and owner-occupied households with more than one problem, such as residing within overcrowded, deteriorated and/ or dilapidated dwelling units, or meeting the definition of housing cost burdens greater than 30 percent of family's income.

2. Renter Households

According to the 2000 U.5. Census of Population, there was registered a total of 9,240 year-round housing units within the Municipality of Aguas Buenas. Of this some 2,450 units are occupied by renter's on a year-round basis, of which 1,940 units have some type of housing problem.

It is estimated from figures obtained from such sources as the Department of Housing, the Family, the Planning Board, and our own internal figures based upon demands from the public at large upon local public housing units, and upon our locally administered Tenant Based Subsidized Housing Program, that rental housing demands will require some additional 510 units by the year 2009, for a total renter household size of 2,960. This is assuming that the present economic conditions will stabilize at present levels, and that all social programs currently in place, will continue to be funded at present levels over the next five years. Should any existing social program be eliminated and/ or receive severe cutbacks, the demand for renter households will then sky-rocket at unpredictable levels.

It should be noted, that this same increase of 510 additional rental units on the local housing market, will, it is estimated, be among the extremely low and low income segment of our local society who are either unable and/ or unwilling to relocate to other communities.

3. **Substandard Units**

Within the category of defining a substandard unit within the rental household group, it was determined that of these 590 units were found to be in deteriorating or dilapidated condition.

4. Other Housing Problems

According to the CHAS Data book dated 2000, there were some 1,164 or some 50.6 % of the renters occupied housing units surveyed, which were classified as having other housing problems. CHAS defines "other housing problems" as living in overcrowded conditions or in units lacking complete kitchen or plumbing facilities.

In this regard, and based upon the statistical data presented herein and from such reliable sources as the Planning Board, Housing, Social Services, and our own local appraisal based upon our locally administered Tenant-based program we have identified the following Renter Households by Income Groups and categories. This information is illustrated in Table II.

TABLE II
MUNICIPALITY OF AGUAS BUENAS
RENTER HOUSEHOLDS By INCOME GROUPS: 2000

RENTER HOUSEHOLDS	Extremely Low INCOME (0-30%)	VERY Low INCOME (31-50%)	Low INCOME (51-80%)	MODERATE INCOME (81-95%)	TOTAL
Elderly	85	91	58	20	254
Small Families	461	291	302	345	1,399
Large Families	104	149	61	54	368
Other	125	42	45	67	279
Total	775	573	466	486	2,300

5. Elderly Rental Households

According to the 2000, CHAS Data book, there was a total of some 254 renter households within the Municipality of Aguas Buenas of which 85 were classified as being of extremely low income, 91 households classified as being very low income, 58 households classified as being of low income and 20 households were classified as being of moderate income.

6. Cost Burden

Within this same income category involving elderly households, some 14 were within the 0-30%, 18 households were within 31-50% range while 20 households were within 51-80% range.

7. Small Family Rental Households

The small family rental household category, some 1,399 households, represented the following numbers:

A. 461 units were classified as being of extremely low income;

B. 291 units were classified as being of very low income;

C. 302 units were classified as being of low income;

D. 345 units were classified as being of moderate income.

8. Cost Burden

Within this same Small Family renter's household group some 72.9% of the households were classified as being of extremely low income, 49.1% households of very low income, 42.7% households of low income, and finally, 39.1 % represented moderate income levels.

9. Large Family Renter Households

This same Comprehensive Housing Affordability Strategy (CHAS) Data book covering Puerto Rico and dated 2000, indicated that there was a total of some 368 large rental household families, of which some 104 were classified as being of extremely low income; 149 were classified as very low income and some 61 large family renter households representing low income families, while 54 renter households represented the moderate income category.

10. Cost Burden

Within this same large family renter's household income group of some 100 households fall within the 0-30% group, 130 such households are within the 31-50% range, 32 households are classified within the 51-80% range, and 34 households are classified within the above 81 % range.

11. Homeless Persons

From a review of available reliable statistical data available at the present time, the Municipality of Aguas Buenas does not posses any homeless persons. Perhaps one of the reasons may be, that (1) Aguas Buenas is a rather small community in terms of population and therefore does not posses a highly developed central business district with all-night bars, cafeterias, bus stations, etc., where homeless people tend to congregate with total immunity, and (2) Since Aguas Buenas is adjacent to such major metropolitan areas such as Bayamon, San Juan, Guaynabo, and Caguas which posses the latter sites which attract homeless persons, they would tend to relocate to these other areas and thus freeing Aguas Buenas of having to deal with this same problem.

Since Aguas Buenas does not posses any homeless population, it has no need for shelters or supportive services covering this same segment of its local population.

12. Persons with Disabilities

Utilizing various information available to the Municipality of Aguas Buenas including both the u.s. Census (2000), the Puerto Rico Planning Board, and likewise numerous state and local agencies having to deal with disabilities, we likewise have estimated our needs fairly accurately.

According to the Puerto Rico Developmental Disabilities Planning Board, it is a nationally accepted fact that within the general population, 1.8 percent will have one form or another of a developmental disability. In this respect, Aguas Buenas with a 2000 total population of some 29,032, it is estimated that 523 persons are classified as having a developmental disability.

13. Persons With Physical and Developmental Disabilities

Within Aguas Buenas the 523 estimated persons as having been classified as having either a physical or developmental disabilities are currently residing with other family members, or residing within a rental unit.

One of the projects requested within our first year of activities is housing rehabilitation, a part of which, will be devoted not only to remove or correct health or safety hazards, in order to comply with applicable development standards or codes, and/ or to improve general living conditions of the resident(s), including improved accessibility by handicapped persons.

At the present time there are no known day care centers, either private or public for developmental disability within Aguas Buenas. These same services are rendered in all adjacent municipalities - Guaynabo, Caguas, San Juan and Bayamon.

Within Aguas Buenas several obstacles prevent the disabled from obtaining adequate housing:

- ☐ Proper accessibility;
- ☐ Centrally located housing convenient to public transportation;
- ☐ The need for additional rent subsidies as those afforded under HUD's tenant-based subsidized housing programs.

It is the intent of the present Mayor to seek out and obtain funds from other sources in order to provide new housing for this segment of the population. It is anticipated that the Municipality of Aguas Buenas will require some 150 additional supportive units over the next five years in order to serve both existing and anticipated needs within this same segment of its society.

Needless to say, any additional new units, or for that matter any rehabilitated units will be required among other factors, to meet the requirements for handicapped persons as required by Americans with Disabilities Act, since most of all existing units occupied by the disabled were not designed and/ or are not properly equipped to meet the special needs of this same category.

14. Estimate of Housing Needs Projected

The projected housing needs within Aguas Buenas were estimated based on various sources such as the 2000 Census, Puerto Rico Planning Board, Puerto Rico Department of Housing, and the local Housing Department. Housing needs in most communities of which Aguas Buenas is no different, come about as a result of the following:

- ✓ High housing costs;
- ✓ Housing located in areas subject to landslides, or unstable terrain;
- ✓ Physically deteriorated housing;
- ✓ Inadequate and overcrowded units.

The Puerto Rico Planning Board clearly indicates three (3) reasons for which a dwelling unit would be classified as being inadequate housing:

- ✓ High Housing cost;
- ✓ Being overcrowded;
- ✓ Being in a physical deteriorated condition.

It is in this regard that these general principles required to be operational through precise definitions according to the U.S. Census Bureau, such as a unit is considered overcrowded if the household consists of at least three persons and have 1.5 persons or more per room.

It should be noted, that households having unusually high housing costs when the following occurs:

- ✓ Two or more persons, with the heads of households less than 65 years of age paying more than 25 percent of their income for rent;
- ✓ Single person paying more than 35 percent of their income for rent;
- ✓ Two or more persons, with the heads of households over the age of 65, which are paying more than 35 percent of their income for rent.

Furthermore, housing units lacking complete indoor plumbing facilities or deteriorated/ dilapidated housing units having all plumbing facilities are regarded as being inadequate. In this regard, estimating the total needs for housing within Aguas Buenas was based on the various sources previously noted, regarding each of the three components of housing need. From this analysis it was concluded that there exist housing needs for 1,682 housing units within the Municipality of Aguas Buenas covering extremely low and low income families. This same projection while based upon available data sources does not take into consideration any change and/ or elimination of any existing housing programs, or a severe downturn in either the national or local economy.

The present municipal administration of Aguas Buenas is desirous in obtaining additional housing units over the next five years and preserving existing housing stock.

15. Barriers to Affordable Housing

Like any other community across this Nation, whether it be in Puerto Rico, or on the U.S. Mainland, the principle barriers to affordable housing within the Municipality of Aguas Buenas are:

A. The high cost of land development due to general lack of both vacant and available land;

B. The high cost of construction, which for the most part includes the construction of a sanitary sewer system, water lines, electrical services, within distant rural communities where vacant lands are currently available.

These combined factors, representing the high cost, clearly indicate that better than 80% of the total population of Aguas Buenas would indeed require some kind of assistance in order to solve their housing problems.

At the present time the only source of purchasing a home within Aguas Buenas is by securing a private mortgage through a banking institution or mortgage lending institution, which for the most part is not approving mortgages to low or moderate income families. At the present time, it appears that the minimum income required to purchase a home, averages at least $30,000. This same requisite along with a stable with a stable credit and employment recorded are required.

Bearing this in mind, if a family does not qualify to purchase a dwelling unit, then they qualify to rent a housing unit. This is more acute, since (1) there exists a lack of rental properties available, and (2) those units that are available for rent, are so costly ranging from $375 to $700 a month, that without some form of a rental subsidy, are indeed beyond the low and moderate income families. This can be verified, since some 300 families are currently awaiting placement on a waiting list, seeking assistance under our own Tenant -based Subsidized Housing Assistance Program.

XIII HOUSING MARKET ANALYSIS

A. General Characteristics

According to the 2000 US Census, the significant characteristics of the housing market within the Municipality of Aguas Buenas are depicted in Table III:

Table III	
HOUSEHOLDS	**TOTAL**
YEAR ROUND UNITS	10,412
VACANT	1,172
FOR RENT	211
FOR SALE	48
FOR RECREATIONAL USE, ETC.	193
FOR OTHER REASONS	720
OCCUPIED	9,240
OWNER OCCUPIED	6,790
RENTER OCCUPIED	2,450
UNITS LACKING KITCHEN FACILITIES	474
UNITS LACKING COMPLETE PLUMBING FACILITIES	116
VACANCY RATE OWNER OCCUPIED UNITS	0.70%
V ACANCY RATE RENTER OCCUPIED UNITS	7.90%
AVERAGE SIZE OF UNIT OCCUPIED BY OWNERS	3.16%
AVERAGE SIZE OF UNIT OCCUPIED BY RENTERS	3.01%
AVERAGE FAMILY SIZE	3.49%

It should be noted, that the total population or some 29,032 persons reside on only some 30.57square miles, representing a population density of some 949.8 persons per square mile and 340.6 dwelling units per square mile.

Because of Aguas Buenas' proximity to such Metropolitan cities such as Caguas, Bayamon, San Juan and Guaynabo and the scarcity of available land for development, it makes the Municipality one of the highest population densities in Puerto Rico. This represents a major problem since land for housing construction is limited, and the cost of acquisition as well as the placement of the necessary infrastructure such as water, electric, and sewers, would place the cost of acquiring individual units way beyond the reach of low income families.

The tenant-based housing assistance program which is administered by the Municipality of Aguas Buenas, and funded by the U.S. Department of Housing and Urban Development include the following categories:

Housing Choice Vouchers	**88**
Family Self-Sufficiency	**25**
Family Unification Program	**49**
Total Tenant-based units	**161**
Other Tenant-based Assistance	**54**
Administered by the Municipality	**215**

The need for secure, decent and sanitary housing within the Municipality of Aguas Buenas, is the fact that there is some 500 families currently on a waiting list seeking housing under this same program. When an acceptable rate per family within Puerto Rico is 3.5 persons per family, these same 500 families requesting housing under the Tenant-based Subsidized Housing Program which is representative of some 1,750 persons or 6% of the total Municipal population.

B. Housing Market and Inventory Conditions

Both the 2000 Census of Population and likewise the Comprehensive Housing Affordability Strategy (CHAS) Data book of Puerto Rico provide both an accurate picture of the market conditions within the Municipality of Aguas Buenas.

Without exception of the total housing units (10,412), some 9,240 are occupied on a year round basis. In this regard, of the total occupied units (9,240), some 6,790 are occupied by the owner while the remainder 2,450 are occupied by renters, with the balance or 1,037 units being vacant.

It should be noted again, that the 1,172 units that are classified as being vacant are for the most part due to the high cost of rent and the lack of any additional subsidized rental assistance programs in order to assist low, very low and moderate income families who are

unable to make the required monthly payments, in addition to making other basic expenses such as food, clothing, electric and water service.

XIV PHA's GRIEVANCE PROCEDURE

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

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

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

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

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

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

1. The family will be afforded an opportunity to review any PHA documents that are deemed necessary before the hearing. The PHA will permit the family to copy any such document at the family's expense.

2. It is agreed that the PHA must be given the opportunity to examine at its office any family documents that are directly relevant to the hearing. The PHA is therefore allowed to copy any such documents at its own expense. It is then agreed, that should the family not make the document available for examination at the

request of the PHA, the family will not be permitted to submit the document(s) at the hearing.

C. Representation of the Family

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

D. Hearing Officers

The hearing will be conducted by a member of the legal staff of the Municipality, or by any other person so designated by the Mayor, other than the person who made or approved the decision under review or a subordinate of this person. The Municipality in appointing a person to conduct the hearing is empowered to regulate the conduct of the hearing.

E. Evidence

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

F. Issuance of Decision

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

G. Effect of Decision

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

H. Complaints to the Municipality

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

XV PHA's RENT DETERMINATION

A. Total Tenant Payment

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

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

1. 30 percent of the family's monthly adjusted income;

2. 10 percent of the family's monthly income;

3. If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the family's housing costs, the portion of those payment's which is designated for housing;

4. Minimum rent in accordance with applicable provisions of Section 5.616.

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

C. Minimum Rent

The minimum rent established by the PHA will be $25.00.

D. Hardship exemption

1. Should a family request a hardship exemption, said request will be honored upon determination of whether there is a qualifying financial hardship. The suspension of the minimum rent requirement will begin the month following the family's hardship request.

2. The following will be considered as financial hardship:

a. When the family has lost eligibility for, or is waiting an eligibility determination for a Federal, State or, local assistance;

b. When the family would be evicted as a result of the imposition of the minimum rent requirement;

c. When the income of the family has decreased because of changed circumstances, including loss of employment;

d. When a death has occurred in the family;

e. Other circumstances as determined by the Municipality of Aguas Buenas.

E. Request for hardship exemption

1. If a family requests a hardship exemption, the Municipality of Aguas Buenas will suspend the minimum rent requirement beginning the month following the family's hardship request until the Municipality of Aguas Buenas determines whether there is a qualifying financial hardship and whether it is temporary or long-term.

2. If the Municipality of Aguas Buenas determines that there is a qualifying financial hardship, but that it is temporary, the Municipality of Aguas Buenas will not impose a minimum rent for a period of no more than 90 days from the date of the family's request. At the end of the 90-day suspension period, a minimum rent is imposed retroactively to the time of suspension. The family will be afforded a responsible repayment agreement for the amount of back rent owed.

3. If the Municipality of Aguas Buenas has determined that there is no qualifying hardship exemption, the Municipality of Aguas Buenas will reinstate the

A.

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

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

F. Appeal of financial hardship

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

G. Payment Standard

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

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

0 BR	*1BR*	*2BR*	*3BR*	*4BR*
361	440	519	650	730

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

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

- ☐ Evidence that significant changes in rents have been experienced in the rental market, which differ from those changes measured by the Consumer Price Index (CPI) factors

used to update the Annual Housing Services based on the Median Rent.

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

H. Determination of Unit Size in Relation to Family Composition

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

- ☐ The subsidy standards provide for the smallest number of bedrooms required to house a family without causing overcrowding;
- ☐ The subsidy requirements are consistent with space requirements under the Housing Quality Standards;
- ☐ The subsidy standards have been applied consistently for all families of like size and composition;
- ☐ A child who may be temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size;
- ☐ A family consisting of only a pregnant woman will be treated as a two-person family;
- ☐ Any live-in aide which has been authorized by the Municipality to reside within the unit to care for a family member who is either disabled or at least 50 years of age will be counted in determining the family unit size;
- ☐ The Municipality has agreed, that unless a live-in-aide resides with the family, the family unit size for any family consisting of a single person must be either a zero or one bedroom unit.

- ☐ The Municipality will grant an exception to its established subsidy standards, in determining the family unit size for a dwelling unit, if it determines that the exception is justified by the age, sex, health, handicapped or relationship of family members or other personal circumstances.

I. Exceptions to FMR on a Unit by Unit Basis

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

J. Affordability Adjustments

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

K. Rent Adjustments

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

XVI POLICY CONCERNING SCREENING AND EVICTION FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY [24 CFR 982.553]

A. Purpose

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

1. Help create and maintain a safe and drug-free community.

2. Keep program participants free from threats to their personal and family safety.

3. Assist families in their vocational! educational goals in pursuit of self-sufficiency whenever possible.

B. Administration

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

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

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

A. Prohibiting Admission of Drug Criminals

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

1. That the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the State;

2. That the circumstances leading to eviction no longer exist such as that the criminal household member has dies or is imprisoned.

The Municipality has established the following standards for prohibiting admission:

1. The Municipality has determined that any household member is currently engaging in illegal use of a controlled substance;

2. The Municipality has determined that is has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents;

3. Any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

B. Prohibiting Admission of Other Criminals

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

C. Prohibiting Admission of Alcohol Abusers

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

D. Terminating Assistance for Drug Criminals and Other Criminals

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

1. Any household member is currently engaged in any illegal use of a controlled substance;

2. A pattern of illegal use of a drug by any household member interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents;

3. The Municipality will immediately terminate assistance for a family under the program if it determined that any member of the household has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

4. The Municipality will terminate assistance under the program to a family if it is determined that any family member has violated the family's obligation under

Section 982.551 which states that the family will not engage in any drug-related criminal activity.

E. Terminating Assistance for Alcohol Abusers

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

F. Notice of Termination of Assistance

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

XVIII SUMMARY

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

Furthermore, these same standards and procedures will ensure longterm compliance with the requirements of the programs involved, including but not necessarily limited to:

A. To provide low and very low income families the opportunity of choice and mobility in selecting where they want to live.

B. To maintain the essential elements of a private relationship between the tenant and the landlord on matters other than rent.

C. To develop and implement a strong financial management system so as to ensure HUD's goal of improving efficiency as well as the proper oversight to make certain that the correct amount of assistance is provided to low income families.

D. To develop strategies to coordinate the use of housing assistance under the Housing Choice Voucher Program with public and private resources, to enable families eligible to receive assistance under this same program to achieve economic independence and self-sufficiency.

It should be note that the Housing Department, within the Municipality of Aguas Buenas, will implement the necessary management systems and oversight controls, so as to assure, that the individual programs included within this same Plan are:

- ✓ Completed within a timely manner in compliance with HUD's requirements;
- ✓ Compliance with the SEMAP Indicators;
- ✓ Adherence with the Rental Housing Integrity Improvement Project (RHIIP) as setforth in HUD regulations.
- ✓ That they are indeed in total compliance with existing federal and state applicable regulations.

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

- ✓ Families Assisted;
- ✓ Subsidies granted;
- ✓ Complaints that are resolved;
- ✓ Adherence with the Rental Housing Integrity Improvement Project (RHIIP) to assure improving on any deficiencies detected during the RIM Reviews and/ or SEMAP Certification conducted by HUD or their designee.
- ✓ FSS families that moved on, to become first-time homeowners;

- ✓ Families from the Family Unification Program that transferred into the FSS Program and the success of those families;

- ✓ The effectiveness of communication by and between the various Municipal, State and Federal Agencies as well as with citizens.

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

The use of this same data will assist the Mayor, members of the Municipal Assembly, interested citizens of the community, participants of the Tenant-based Housing Choice Voucher Program recommend changes within our strategy due too perhaps changes in the population characteristics or housing market within our Municipality according to the 2000 Census.

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

- Cash/Management System;
- Budget Controls;
- Effective Internal Control System so as to reduce administrative errors.
- Preparing the necessary financial data to report to HUD.
- Timely, accurate and complete information for management forecasting and policy decision making.
- Families serviced by income level (low, extremely low and moderate);
- Compliance with HQS, Quality control and Targeting as set forth in HUD regulations;
- Identify weakness and problem areas through our Quality Control Area so that Program Administration Efficiency can be maintained;
- Staff resources and performance;

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

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I EXECUTIVE STATEMENT

The Municipality of Aguas Buenas continues to move toward the major initiatives outlined in our Five-Year Plan approved by HUD in 2000. The plans, statements, and policies set forth and/or referenced in this same Plan all lead towards accomplishing Aguas Buenas' goals and objectives. It is for this purpose that the Municipality of Aguas Buenas established a Housing Department to administer the tenant-based Housing Choice Voucher Program as well as any other subsidized housing program in order to assist financially disadvantaged families in meeting their housing needs, namely decent, safe, and sanitary. The Municipality of Aguas Buenas' Housing Department has adopted the following mission statement:

- ***To assist families during financial distress, while gradually reducing the amount paid by the Program in an efficient manner as well as motivating these same families to become self-sufficient.***

The Municipality of Aguas Buenas firmly believes that there are two major philosophy components, which is the foundation of the tenant-based housing program.

A. To afford extremely low-income families the opportunity of choice and mobility in selecting where they chose to live;

B. Maintain the essential elements of a private relationship between the tenant and the landlord on matters other than rent.

As a result of this philosophy the Housing Choice Voucher Program is tenant-based and does not tie the participant to any particular housing unit. Moreover, there is an undeniable need for low-income housing within the Municipality of Aguas Buenas as evidenced by the waiting list as well as the latest US Census of Population. There also exists a need for quality housing units for program participants but there is not an abundance of affordable housing for low income families within this same Municipality. Being cognizant of this, our Municipality has established realistic and attainable goals, whereby, particular thought has been given to the number of families which can be expected to need and want better housing. By setting attainable goals, the Municipality intends to become a facilitator for those in need and for those who have available units by coming together in a manner beneficial to all principals. This is in direct relation to both the major commitments and priorities of the U. S. Department of Housing and Urban Development (HUD). **The Municipality of Aguas Buenas is a Tenant-Based (Section 8) only PHA.**

This Municipality also administers various tenant-based subsidized housing programs geared towards certain sectors of the population in general to afford them the same opportunities as other extremely low-income and low-income families within the general population. The programs being administered by the Municipality of Aguas Buenas are as follows:

- **HOPWA** - a program geared to provide assistance to a member of the family that is HIV positive or has AIDS. Families are offered rental assistance and short-term payments to prevent homelessness. The municipality has joined a consortium made of municipalities located within the San Juan-Bayamon MSA to secure the necessary funding for this same program. The Municipality of San Juan is the lead PHA in this consortium.

- **Family Unification Program** - a program geared to provide assistance to extremely low-income and moderate income families whereby they are threaten by the Commonwealth Child Welfare Agency in the removal of the children from the home due to the environment under which they live, or have already been removed. In essence, the family needs a safe, decent and sanitary dwelling units so that the family maybe united. Our Municipality joined forces with the Commonwealth Department of the Family to provide a service to this sector of the population.

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

- **Supportive Housing Program -** Program is designed to assist homeless people and develop supportive housing and services that will allow homeless persons to live as independently as possible. This program is only for 2 years period.

- **The Homeless Prevention Program** - Program provides rental, utility and supportive services directly related to the prevention of homelessness to eligible individuals and families who are in danger of eviction, foreclosure or homelessness.

The Annual Plan of Aguas Buenas as presented herein furthers HUD' s statutory goal in accordance with the Quality Housing and Work Responsibility Act of 1998, 24 CFR 903, Section 545, whereby, the Municipality of Aguas Buenas has established a unified vision of community actions. This same Plan will afford Aguas Buenas an opportunity to shape the various programs presented herein into effective, viable, and coordinated strategies by involving citizen participation. ***The Annual Plan provides a framework for local accountability and an easily identifiable source by which public housing residents, participants in the tenant-based program, and other members of the public may locate basic PHA policies, rules, and requirements concerning its operations, programs and services.***

II. SUMMARY OF POLICY OR PROGRAM CHANGES FOR THE UPCOMING YEAR

The Municipality of Aguas Buenas does not contemplate any significant changes and deviation in its policies from the previous year's PHA Plan that is not covered in other sections of this same Plan.

However, the Municipality has determined to continue suspension until further notice, the assistance to low income families for deposit to rent a dwelling unit. This program is geared as a loan program whereby the families are obligated to repay the PHA at a minimum $25.00.

III. HOMEOWNERSHIP PROGRAM

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

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

The municipality has a goal of establishing and implementing a viable Homeownership Program in accordance with the Quality Housing

& Work Responsibility Act of 1998 and will adopt the necessary procedures to promote a Homeownership Program within its Housing Program. In this regard, the municipality will seek out not only HOME funds, but likewise will work with both the Puerto Rico Department of Housing, the Housing Development Bank, and other similar public private agencies in order to accomplish this same goal. To further this goal, the municipality has developed and adopted Homeownership Action Plan. This same plan has been presented to the HUD local office and since been approved.

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

ACTIVITIES:

- **PROVIDE GREATER ASSISTANCE IN MEETING BOTH DOWN PAYMENT AND CLOSING COST REQUIREMENTS**

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

Currently, the Commonwealth of Puerto Rico is sponsoring two programs to assist families with the purchase of their homes. One such program is called, ***"Llave Para Tu Hogar"*** or ***"A Key For Your Home"*,** which provides low-income families with grants ranging from $3,000 to $15,000 to be applied against the purchase price of home. This same home cannot be more than the established, by the State, price of $70,000.00. The second program called ***"Ley* 124"** or ***"Law 124"*** also provides low-income families with assistance to make the home affordable.

OBJECTIVE: CREATE AFFORDABLE HOUSING WITHIN THE COMMUNITY

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

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

Cognizant of this, the Municipality of Aguas Buenas will develop a strategy that identifies policies, which may require modification, and initiate the following actions that will address the problem of affordable housing and the establishment of the Homeownership Program.

ACTIVITIES:

☐ IMPROVE LAND DEVELOPMENT REGULATION

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

☐ PROVIDING FOR THE COORDINATION OF FUNDING

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

1. Assistance will be provided for:
    a. First time homeowner;

b. Family that owns or is acquiring shares in a cooperative.

2. The Program will become available to families participating in our tenant-based Housing Choice Voucher Program. However, the families currently participating in our Family Self-Sufficiency Program will be offered the program first.

3. The total family that will be serviced through this program will be limited to approximately 20% of participating families in the Housing Choice Voucher Program.

4. Funding levels.

5. Families who do not enjoy the benefits of the Family Self Sufficiency Program but are in good-standing within the locally administered Housing Choice Voucher Program will be briefed on the benefits of joining the Homebuyers Club
With one of the two local banks authorized to offer such a program. The local banks are RG Premier Bank and Doral.

The Municipality of Aguas Buenas will take deliberate action as well as consider the appropriate changes in order to improve the application process for all federal programs that may have a beneficial impact upon the local housing market and affect programs covered within the Five-Year Plan.

IV STATEMENT OF PROGRESS IN MEETING THE 5-YEAR PLAN, MISSION AND GOALS

Within its 5- Year Plan, the Municipality of Aguas Buenas has achieved the following:

- ☐ Consolidated the Section 8 Voucher and Certificate Program, respectively, into a single market-driven program.
- ☐ Has been actively promoting freedom of housing choice so as to achieve spatial deconcentration of extremely low-income families, within our homogeneous community.
- ☐ Continue with our established goal of providing improved conditions for extremely low-income families while maintaining their rent payments at an affordable level.
- ☐ Established the Homeownership program as planned. The families that entered the Program are currently looking for the home to purchase. The families have already taken a

homeownership course. Had families moved from the FSS to become homeowners through a federally approved housing program such as those sponsored by the Rural Development Administration.

- ☐ Generate meetings with local banking to start participating families in Homebuyers Club.
- ☐ Established in-house programs to meet the needs of certain sectors of the population within the municipality.
- ☐ Established contacts with the local banks to service our Homeownership families as well as with some local neighborhood networks organization (non-profit). While the Municipality of Aguas Buenas is pleased with what has been accomplished so far, Aguas Buenas is very much cognizant of the long road ahead so as to meet the needs of its citizens. On an on-going basis, the Municipality of Aguas Buenas continues to evaluate the goals and strategies that have been established so that it can better meet the demand of housing.

V FINANCIAL RESOURCES

OBJECTIVE: IMPROVE OPPORTUNITIES UNDER RENTAL HOUSING

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

We have identified the need for rental housing based upon the number of requests made to the Municipality by the population at large to numerous Municipal Agencies. In most cases, it was primarily a general need for more rental housing, since better than 80% of the population do not qualify to purchase a dwelling unit and require some type of rental assistance. It is in this regard that the Municipality of Aguas Buenas has a one year goal to provide assistance of upwards to approximately 40 households with rental housing assistance.

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

A. <u>Housing Funding Sources -</u>

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

Additionally, work with island housing contractors that may be interested in constructing housing units within Aguas Buenas, by offering incentives and assistance in one form or another that may be legally acceptable, in order to encourage such contractors to participate in the local housing market.

B. Additional Subsidized Funding under the Voucher Program

The Municipality of Aguas Buenas will work closely with the U'S, Department of Housing and Urban Development (HUD) in attempting to obtain additional vouchers, if and, when they become available so as to expand and strengthen our successfully administered Self-Sufficiency Program, thus permitting our Municipality to assist more families, while affording them the same opportunity as other families who have successfully completed their Family Self-Sufficiency Contract.

C. Target available assistance to Families with special needs

1. HOPWA Program-

The Municipality of Aguas Buenas cognizant of the needs of families that are infected with the HIV virus and have very limited economic resources with which to combat this disease has joined a consortium with the Municipality of San Juan to secure the funding necessary to provide safe, decent and sanitary housing for eligible families. The Municipality of San Juan is the lead PHA in this consortium.

2. Family Unification Program-

Aware of the fact that extremely low income families do not have the means with which to have a decent, secure and sanitary housing due to other hardships that they encounter on a day to day basis, the Municipality of Aguas Buenas has developed and implemented a Program to maintain families together. Victims of domestic violence face financial hardships when the main breadwinner is the aggressor and threatens the lives of his family as well as the one that has to vacate the dwelling or the family must separate because of the volatile situation in which they must endure.

Furthermore, these same families must also face social as

well as psychological problems, which in turns lower their self-esteem. When the family becomes frustrated they then become abusers themselves and take out their frustration on the children. Because of this, the Family Department or rather, the Child Welfare Agency, must intervene on behalf of the young and remove them to a safe place until the Courts decide what the next step will be.

To avoid the aforementioned situations, the Municipality of Aguas Buenas and the Commonwealth of Puerto Rico, Department of the Family, have joined forces to provide this same families decent, secure and sanitary housing.

A ***Memo of Understanding*** was signed so that information could be exchanged between the two government agencies and the proper referrals can be made so to assist these families in need.

3. Family Self Sufficiency Program-

The purpose of this FSS Program is to promote the development of local strategies to coordinate the use of public and private resources to enable families eligible to receive assistance under the Voucher Programs achieve economic independence and self-sufficiency.

4. Supportive Housing Program

Program is designed to assist homeless people and develop supportive housing and services that will allow homeless persons to live as independently as possible. This program is only for 2 years period.

5. The Homeless Prevention Program

Program provides rental, utility and supportive services directly related to the prevention of homelessness to eligible individuals and families who are in danger of eviction, foreclosure or homelessness.

E. Available Funding Sources

The Municipality of Aguas Buenas will submit for HUD's

consideration its Annual Plan (FY 2010-2011) in accordance with CFR 24, Section 903.1.

In order to assist the needs of 215 families that are currently enjoying the benefits of the Municipality of Aguas Buenas' tenant-based housing assistance program, we will be submitting for HUD approval the following budget for the upcoming fiscal year. Budget is illustrated in Table I.

Table I

SUBSIDIZED HOUSING BUDGET FOR HUD APPROVAL

Program	Budget Estimate
HOUSING CHOICE VOUCHER PROGRAM **ACTIVITIES: TENANT-BASED HOUSING ASSISTANCE FOR 88 FAMILIES.**	**$ 550,000.00**
FAMILY SELF SUFFICIENCY PROGRAM **ACTIVITIES: TENANT-BASED HOUSING ASSISTANCE FOR 25 FAMILIES.**	**$ 114,000.00**
FAMILY UNIFICATION PROGRAM **ACTIVITIES: TENANT-BASED HOUSING ASSISTANCE FOR 49 FAMILIES.** **Activities: Tenant-Based Housing Assistance for 2 First Time Home buyers.**	**$ 194,000.00**
TOTAL ESTIMATE OF BUDGET TO BE SUBMITTED TO HUD FOR APPROVAL	**$ 858,000.00**

Table I SUBSIDIZED HOUSING BUDGET FOR HUD APPROVAL	
OTHER PROGRAMS ADMINISTERED BY PHA	Budget Estimate
HOPWA PROGRAM	**$ 85,000.00**
ACTIVITIES: TENANT-BASED HOUSING ASSISTANCE FOR 22 FAMILIES.	
Portability Program	
ACTIVITIES: TENANT-BASED HOUSING ASSISTANCE FOR 14 FAMILIES.	**$ 55,746.00**
ACTIVITIES: TENANT-BASED HOUSING ASSISTANCE FOR 11 HOMELESS.	
SUPPORTIVE HOUSING PROGRAM	**$ 115,841.00**
ADMINISTRATIVE COST.	**$ 5,777.00**
Homeless Prevention And Rapid Re-Housing	**$ 127,330.39**
TOTAL FOR THE MUNICIPALITY OF AGUAS BUENAS' SPECIAL HOUSING PROGRAMS (SUB-TOTAL)	**$ 389,334.39**
ADMINISTRATIVE COST	**$ 137,124.00**
TOTAL FOR THE MUNICIPALITY OF AGUAS BUENAS' HOUSING BUDGET(SUB-TOTAL)	**$ 526,458.39**
TOTAL FOR THE MUNICIPALITY OF AGUAS BUENAS' HOUSING BUDGET(GRAND-TOTAL)	**$ 1,384,458.39**

VI PHA's COMMUNITY SERVICE AND SELF-SUFFICIENCY PROGRAM

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

The Municipality of Aguas Buenas has developed and implemented an FSS Program in conformity with the Housing Choice Voucher Program (Section 8) regulations and applicable civil rights authorities. At the current time the Municipality has monies allocated to assist 25 families of low and very low income. It has been successful in the implementation of said programs, due to the hard work and motivation provide by not only the Housing Staff, but also the Professional consulting firm.

To further its aim with the FSS Program, the Municipality appointed, and has received funding for, an FSS Coordinator to carry out the necessary functions in the formal structure of the Coordinating Committee. The Program Coordinating Committee (PCC) is integrated by professional representatives from public and private enterprises, actual FSS participants, church groups, community leaders, local business, and other resources. The representatives from these entities have an input in the program design and action steps of the FSS Program and are responsible for such functions as:

A. Developing a working relationship with the FSS Coordinator and other related Program Staff in the achievement of the program objectives.

B. Coordinating the needed actions for the selection of committee representatives.

C. Making specific commitments of time, staff, and resources to the program.

D. Providing input into the program research and evaluation process.

E. Developing a working relationship with the FSS Coordinator and other related Program Staff in the achievement of the program objectives.

F. Coordinating the needed actions for the selection of committee representatives.

G. Making specific commitments of time, staff, and resources to the program.

H. Providing input into the program research and evaluation process.

Furthermore, it is the intention of the Municipality of Aguas Buenas to further strengthen its current Family Self-Sufficiency Program (FSS) as well as aggressively pursue alternative means for participating families achieve self-sufficiency, economic independence and ultimately homeownership.

In order to achieve this objective, the Municipality has adopted a policy of increasing the frequency of appointments between the FSS family and the FSS Coordinator. The purpose for this is to assess how the family is doing, what needs they might and! or problems that might arise which need to be addressed. This will ensure that the family complies with its adopted action plan as well ass afford the PHA an opportunity to assess how the Program is functioning so that it can be proactive in addressing the needs of the participating families. In relation to the FSS Program, the Municipality plans on hosting a number of seminars, workshops and conferences geared towards education, homeownership, employment and other areas as they relate to the family successfully completing the Program and achieving economic independence. The Municipality will invite guest speakers from Federal and State Agencies, private industry and non-profit institutions.

Moreover, the Municipality intends to continue evaluating the following:

A. How the FSS Program and! or the PHA is meeting the needs of the families;

B. Creating a motivational environment so that the families successfully complete the FSS Program;

C. Assisting the families meet and! or establish their short-term and long-term goals;

D. Adherence to established Federal Regulations as they pertain to the FSS Program as well as the PHA FSS Action Plan.

VII CIVIL RIGHTS CERTIFICATION

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

VIII STATEMENT REGARDING THE STEPS THE MUNICIPALITY WILL TAKE TO AFFIRMATIVELY FURTHER FAIR HOUSING [24 CFR 982.54(D) (6)]

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

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

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.25 and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from, participation in, or otherwise be subjected to discrimination because the PHA's facilities are unusable to or unusable by persons with disabilities.

Based upon the latter, the Municipality of Aguas Buenas anticipates that the following activities will further Fair Housing, thereby benefiting those families, namely - the low and very low income families achieve safe, decent and affordable housing as well as self-sufficiency and economic independence.

ACTIVITIES:

REVIEW OF EXISTING HOUSING PROGRAM

The Municipality of Aguas Buenas will, in order to further fair housing within the community, review all existing dwellings and housing programs currently being carried out so as to assure that these very same programs and/ or projects are implemented in total compliance in accordance with existing applicable regulations. In addition, the Municipality will undertake the following steps to

ascertain that owners and participants are in compliance with fair housing laws as they are established by the Federal, State and Local governments, respectively:

- ✓ In order to promote fair housing, remedy discrimination, encourage fair housing choice and provide a suitable living environment for families living in assisted housing, regardless of race, color, religion, national origin, sex, familial status, and disability will be assured of because of the orientation offered to new or incumbent families and owners during their prospective briefing sessions which are held before the execution of the HAP contract and during the initial session held for prospective participants. Brochures will be prepared and handed out covering Fair Housing in both Spanish and English and these same brochures will be included in the owners' and participants' packet, respectively.

- ✓ After a thorough review of our records and programs, each staff member of our PHA is uniquely aware of the existing Fair Housing laws and the importance of adherence to these same laws by the family, owner and staff. They have been instructed on the applicability of these same laws and how they must brief and/ or provide proper orientation to a new as well as existing owner or family.

- ✓ Where a family alleges that illegal discrimination is preventing them from finding a suitable unit within the community our local housing staff will provide reasonable assistance in this matter by directing the aggrieved to the necessary agencies.

- ✓ The measures that will be undertaken to insure accessible housing to persons with all varieties of disabilities regardless of unit size are as follows:

  A. The local Housing Inspector will receive the proper training so that when a prospective home has been inspected, it complies not only with established HQS but also with the American Disabilities Act.

  B. Brief the owner concerning established local and federal laws on how to make the prospective dwelling unit comply with said laws and HQS as established by HUD.

  C. Revise the payment standard in accordance with our

plan so as to assure owner acceptance as well as the incentive to invest and make the dwelling unit an accessible unit for individuals with disabilities.

COORDINATION BETWEEN *PUBLIC/PRIVATE* RESOURCES

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

COORDINATING INFORMATION / REGULATIONS

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

CREATE AWARENESS OF LEAD BASE PAINT HAZARDS

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

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

ACTIVITIES:

COMPLYING WITH EXISTING REGULATIONS

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

IX RECENT RESULTS OF PHA's AUDIT

The Municipality of Aguas Buenas has submitted to the HUD local office in Puerto Rico the findings of the most recent Single Audit along with the action plan taken to correct the findings found so as to be in compliance with established HUD rules and regulations.

X SEMAP SCORE

The Municipality of Aguas Buenas' latest SEMAP Score is 100%.

XI ADDITIONAL INFORMATION REQUIRED

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

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

- Changes to rent (minimum rent), admission policies and or organization of the waiting list;
- Additions of new activities not included in the current annual Plan and/ or 5- Y ear Plan;
- Any change with regard to homeownership or any other subsidized housing programs administered by the Municipality of Aguas Buenas.

- Changes to the grievance procedure as established within the Administrative Plan.

Nevertheless, the Municipality of Aguas Buenas will consider the following to constitute a "substantial deviation" from the HUD approved Five-Year Plan:

- Any modification to the PHA's mission statement or any substantial adjustment to the goals and/ or objectives.

- An exception to these definitions will be made for any of the above that are adopted to reflect changes in HUD regulatory requirements. Moreover, these same changes will not be considered substantial deviations or significant amendments by the Municipality.

XII STATEMENT OF HOUSING NEEDS

The following represents the estimated housing needs projected for the ensuring five-year (2005-2009) period. The data included within this portion of the plan is based upon existing available u.s. Census data, the Puerto Rico Housing Planning Board statistical data, as well as other reliable sources such as the local housing authority, and other similar agencies such as the Commonwealth Department of the Family.

Since this same jurisdiction, namely the Municipality of Aguas Buenas is not seeking funding on behalf of an eligible metropolitan statistical area under the HOPW A program, the needs described for housing and supportive services DO NOT address the needs of persons with HIV / AIDS and their families throughout the eligible metropolitan statistical area.

1. Housing Needs

The Comprehensive Housing Affordability Strategy (CHAS) Data book issued by the u.s. Department of Housing and Urban Development, indicates that the Municipality of Aguas Buenas, has a total of some 7,142 housing units, of which some 4,843 units are occupied by very low income families, 1,205 units by low income families, 351 units by moderate income families and some 717 housing units are being occupied by above income families.

It should be noted, that the housing needs were based upon the number of renter and owner-occupied units with one or more housing problems. The definition of housing units with problems included those that:

- ☐ Occupying units having physical defects or being in deteriorated state.
- ☐ Classified as being overcrowded.
- ☐ Meet the definition of having a cost burden of more than 30 percent.

Based upon the latter, housing needs were determined to represent a major problem in terms of identifying housing problems in both renter and owner-occupied households with more than one problem, such as residing within overcrowded, deteriorated and/ or dilapidated dwelling units, or meeting the definition of housing cost burdens greater than 30 percent of family's income.

2. Renter Households

According to the 2000 U.5. Census of Population, there was registered a total of 9,240 year-round housing units within the Municipality of Aguas Buenas. Of this some 2,450 units are occupied by renter's on a year-round basis, of which 1,940 units have some type of housing problem.

It is estimated from figures obtained from such sources as the Department of Housing, the Family, the Planning Board, and our own internal figures based upon demands from the public at large upon local public housing units, and upon our locally administered Tenant Based Subsidized Housing Program, that rental housing demands will require some additional 510 units by the year 2009, for a total renter household size of 2,960. This is assuming that the present economic conditions will stabilize at present levels, and that all social programs currently in place, will continue to be funded at present levels over the next five years. Should any existing social program be eliminated and/ or receive severe cutbacks, the demand for renter households will then sky-rocket at unpredictable levels.

It should be noted, that this same increase of 510 additional rental units on the local housing market, will, it is estimated, be among the extremely low and low income segment of our local society who are either unable and/ or unwilling to relocate to other communities.

3. **Substandard Units**

Within the category of defining a substandard unit within the rental household group, it was determined that of these 590 units were found to be in deteriorating or dilapidated condition.

4. Other Housing Problems

According to the CHAS Data book dated 2000, there were some 1,164 or some 50.6 % of the renters occupied housing units surveyed, which were classified as having other housing problems. CHAS defines "other housing problems" as living in overcrowded conditions or in units lacking complete kitchen or plumbing facilities.

In this regard, and based upon the statistical data presented herein and from such reliable sources as the Planning Board, Housing, Social Services, and our own local appraisal based upon our locally administered Tenant-based program we have identified the following Renter Households by Income Groups and categories. This information is illustrated in Table II.

TABLE II
MUNICIPALITY OF AGUAS BUENAS
RENTER HOUSEHOLDS By INCOME GROUPS: 2000

RENTER HOUSEHOLDS	Extremely Low INCOME (0-30%)	VERY Low INCOME (31-50%)	Low INCOME (51-80%)	MODERATE INCOME (81-95%)	TOTAL
Elderly	85	91	58	20	254
Small Families	461	291	302	345	1,399
Large Families	104	149	61	54	368
Other	125	42	45	67	279
Total	775	573	466	486	2,300

5. Elderly Rental Households

According to the 2000, CHAS Data book, there was a total of some 254 renter households within the Municipality of Aguas Buenas of which 85 were classified as being of extremely low income, 91 households classified as being very low income, 58 households classified as being of low income and 20 households were classified as being of moderate income.

6. Cost Burden

Within this same income category involving elderly households, some 14 were within the 0-30%, 18 households were within 31-50% range while 20 households were within 51-80% range.

7. Small Family Rental Households

The small family rental household category, some 1,399 households, represented the following numbers:

A. 461 units were classified as being of extremely low income;

B. 291 units were classified as being of very low income;

C. 302 units were classified as being of low income;

D. 345 units were classified as being of moderate income.

8. Cost Burden

Within this same Small Family renter's household group some 72.9% of the households were classified as being of extremely low income, 49.1% households of very low income, 42.7% households of low income, and finally, 39.1 % represented moderate-income levels.

9. Large Family Renter Households

This same Comprehensive Housing Affordability Strategy (CHAS) Data book covering Puerto Rico and dated 2000, indicated that there was a total of some 368 large rental household families, of which some 104 were classified as being of extremely low income; 149 were classified as very low income and some 61 large family renter households representing low income families, while 54 renter households represented the moderate income category.

10. Cost Burden

Within this same large family renter's household income group of some 100 households fall within the 0-30% group, 130 such households are within the 31-50% range, 32 households are classified within the 51-80% range, and 34 households are classified within the above 81 % range.

11. Homeless Persons

From a review of available reliable statistical data available at the present time, the Municipality of Aguas Buenas does not posses any homeless persons. Perhaps one of the reasons may be, that (1) Aguas Buenas is a rather small community in terms of population and therefore does not posses a highly developed central business district with all-night bars, cafeterias, bus stations, etc., where homeless people tend to congregate with total immunity, and (2) Since Aguas Buenas is adjacent to such major metropolitan areas such as Bayamon, San Juan, Guaynabo, and Caguas which posses the latter sites which attract homeless persons, they would tend to relocate to these other areas and thus freeing Aguas Buenas of having to deal with this same problem.

Since Aguas Buenas does not posses any homeless population, it has no need for shelters or supportive services covering this same segment of its local population.

12. Persons with Disabilities

Utilizing various information available to the Municipality of Aguas Buenas including both the u.s. Census (2000), the Puerto Rico Planning Board, and likewise numerous state and local agencies having to deal with disabilities, we likewise have estimated our needs fairly accurately.

According to the Puerto Rico Developmental Disabilities Planning Board, it is a nationally accepted fact that within the general population, 1.8 percent will have one form or another of a developmental disability. In this respect, Aguas Buenas with a 2000 total population of some 29,032, it is estimated that 523 persons are classified as having a developmental disability.

13. Persons With Physical and Developmental Disabilities

Within Aguas Buenas the 523 estimated persons as having been classified as having either a physical or developmental disabilities are currently residing with other family members, or residing within a rental unit.

One of the projects requested within our first year of activities is housing rehabilitation, a part of which, will be devoted not only to remove or correct health or safety hazards, in order to comply with applicable development standards or codes, and/ or to improve general living conditions of the resident(s), including improved accessibility by handicapped persons.

At the present time there are no known day care centers, either private or public for developmental disability within Aguas Buenas. These same services are rendered in all adjacent municipalities - Guaynabo, Caguas, San Juan and Bayamon.

Within Aguas Buenas several obstacles prevent the disabled from obtaining adequate housing:

- ☐ Proper accessibility;
- ☐ Centrally located housing convenient to public transportation;
- ☐ The need for additional rent subsidies as those afforded under HUD's tenant-based subsidized housing programs.

It is the intent of the present Mayor to seek out and obtain funds from other sources in order to provide new housing for this segment of the population. It is anticipated that the Municipality of Aguas Buenas will require some 150 additional supportive units over the next five years in order to serve both existing and anticipated needs within this same segment of its society.

Needless to say, any additional new units, or for that matter any rehabilitated units will be required among other factors, to meet the requirements for handicapped persons as required by Americans with Disabilities Act, since most of all existing units occupied by the disabled were not designed and/ or are not properly equipped to meet the special needs of this same category.

14. Estimate of Housing Needs Projected

The projected housing needs within Aguas Buenas were estimated based on various sources such as the 2000 Census, Puerto Rico Planning Board, Puerto Rico Department of Housing, and the local Housing Department. Housing needs in most communities of which Aguas Buenas is no different, come about as a result of the following:

- ✓ High housing costs;
- ✓ Housing located in areas subject to landslides, or unstable terrain;
- ✓ Physically deteriorated housing;
- ✓ Inadequate and overcrowded units.

The Puerto Rico Planning Board clearly indicates three (3) reasons for which a dwelling unit would be classified as being inadequate housing:

- ✓ High Housing cost;
- ✓ Being overcrowded;
- ✓ Being in a physical deteriorated condition.

It is in this regard that these general principles required to be operational through precise definitions according to the U.S. Census Bureau, such as a unit is considered overcrowded if the household consists of at least three persons and have 1.5 persons or more per room.

It should be noted, that households having unusually high housing costs when the following occurs:

- ✓ Two or more persons, with the heads of households less than 65 years of age paying more than 25 percent of their income for rent;
- ✓ Single person paying more than 35 percent of their income for rent;
- ✓ Two or more persons, with the heads of households over the age of 65, which are paying more than 35 percent of their income for rent.

Furthermore, housing units lacking complete indoor plumbing facilities or deteriorated/ dilapidated housing units having all plumbing facilities are regarded as being inadequate. In this regard, estimating the total needs for housing within Aguas Buenas was based on the various sources previously noted, regarding each of the three components of housing need. From this analysis it was concluded that there exist housing needs for 1,682 housing units within the Municipality of Aguas Buenas covering extremely low and low income families. This same projection while based upon available data sources does not take into consideration any change and/ or elimination of any existing housing programs, or a severe downturn in either the national or local economy.

The present municipal administration of Aguas Buenas is desirous in obtaining additional housing units over the next five years and preserving existing housing stock.

15. Barriers to Affordable Housing

Like any other community across this Nation, whether it be in Puerto Rico, or on the U.S. Mainland, the principle barriers to affordable housing within the Municipality of Aguas Buenas are:

A. The high cost of land development due to general lack of both vacant and available land;

B. The high cost of construction, which for the most part includes the construction of a sanitary sewer system, water lines, electrical services, within distant rural communities where vacant lands are currently available.

These combined factors, representing the high cost, clearly indicate that better than 80% of the total population of Aguas Buenas would indeed require some kind of assistance in order to solve their housing problems.

At the present time the only source of purchasing a home within Aguas Buenas is by securing a private mortgage through a banking institution or mortgage lending institution, which for the most part is not approving mortgages to low or moderate-income families. At the present time, it appears that the minimum income required to purchase a home, averages at least $30,000. This same requisite along with a stable with a stable credit and employment recorded are required.

Bearing this in mind, if a family does not qualify to purchase a dwelling unit, then they qualify to rent a housing unit. This is more acute, since (1) there exists a lack of rental properties available, and (2) those units that are available for rent, are so costly ranging from $375 to $700 a month, that without some form of a rental subsidy, are indeed beyond the low and moderate income families. This can be verified, since some 300 families are currently awaiting placement on a waiting list, seeking assistance under our own Tenant -based Subsidized Housing Assistance Program.

XIII HOUSING MARKET ANALYSIS

A. General Characteristics

According to the 2000 US Census, the significant characteristics of the housing market within the Municipality of Aguas Buenas are depicted in Table III:

Table III	
HOUSEHOLDS	**TOTAL**
YEAR ROUND UNITS	10,412
VACANT	1,172
FOR RENT	211
FOR SALE	48
FOR RECREATIONAL USE, ETC.	193
FOR OTHER REASONS	720
OCCUPIED	9,240
OWNER OCCUPIED	6,790
RENTER OCCUPIED	2,450
UNITS LACKING KITCHEN FACILITIES	474
UNITS LACKING COMPLETE PLUMBING FACILITIES	116
VACANCY RATE OWNER OCCUPIED UNITS	0.70%
V ACANCY RATE RENTER OCCUPIED UNITS	7.90%
AVERAGE SIZE OF UNIT OCCUPIED BY OWNERS	3.16%
AVERAGE SIZE OF UNIT OCCUPIED BY RENTERS	3.01%
AVERAGE FAMILY SIZE	3.49%

It should be noted, that the total population or some 29,032 persons reside on only some 30.57square miles, representing a population density of some 949.8 persons per square mile and 340.6 dwelling units per square mile.

Because of Aguas Buenas' proximity to such Metropolitan cities such as Caguas, Bayamon, San Juan and Guaynabo and the scarcity of available land for development, it makes the Municipality one of the highest population densities in Puerto Rico. This represents a major problem since land for housing construction is limited, and the cost of acquisition as well as the placement of the necessary infrastructure such as water, electric, and sewers, would place the cost of acquiring individual units way beyond the reach of low income families.

The tenant-based housing assistance program which is administered by the Municipality of Aguas Buenas, and funded by the U.S. Department of Housing and Urban Development include the following categories:

Housing Choice Vouchers	**88**
Family Self-Sufficiency	**25**
Family Unification Program	**49**
Total Tenant-based units	**161**
Other Tenant-based Assistance	**54**
Administered by the Municipality	**215**

The need for secure, decent and sanitary housing within the Municipality of Aguas Buenas, is the fact that there is some 500 families currently on a waiting list seeking housing under this same program. When an acceptable rate per family within Puerto Rico is 3.5 persons per family, these same 500 families requesting housing under the Tenant-based Subsidized Housing Program which is representative of some 1,750 persons or 6% of the total Municipal population.

B. Housing Market and Inventory Conditions

Both the 2000 Census of Population and likewise the Comprehensive Housing Affordability Strategy (CHAS) Data book of Puerto Rico provide both an accurate picture of the market conditions within the Municipality of Aguas Buenas.

Without exception of the total housing units (10,412), some 9,240 are occupied on a year round basis. In this regard, of the total occupied units (9,240), some 6,790 are occupied by the owner while the remainder 2,450 are occupied by renters, with the balance or 1,037 units being vacant.

It should be noted again, that the 1,172 units that are classified as being vacant are for the most part due to the high cost of rent and the lack of any additional subsidized rental assistance programs in order to assist low, very low and moderate income families who are

unable to make the required monthly payments, in addition to making other basic expenses such as food, clothing, electric and water service.

XIV PHA's GRIEVANCE PROCEDURE

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

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

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

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

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

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

1. The family will be afforded an opportunity to review any PHA documents that are deemed necessary before the hearing. The PHA will permit the family to copy any such document at the family's expense.

2. It is agreed that the PHA must be given the opportunity to examine at its office any family documents that are directly relevant to the hearing. The PHA is therefore allowed to copy any such documents at its own expense. It is then agreed, that should the family not make the document available for examination at the

request of the PHA, the family will not be permitted to submit the document(s) at the hearing.

C. Representation of the Family

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

D. Hearing Officers

The hearing will be conducted by a member of the legal staff of the Municipality, or by any other person so designated by the Mayor, other than the person who made or approved the decision under review or a subordinate of this person. The Municipality in appointing a person to conduct the hearing is empowered to regulate the conduct of the hearing.

E. Evidence

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

F. Issuance of Decision

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

G. Effect of Decision

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

H. Complaints to the Municipality

The Municipality will respond promptly to complaints from

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

XV PHA's RENT DETERMINATION

A. Total Tenant Payment

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

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

1. 30 percent of the family's monthly adjusted income;

2. 10 percent of the family's monthly income;

3. If the family is receiving payments for welfare assistance from a public agency and a part of those payments, adjusted in accordance with the family's actual housing costs, is specifically designated by the agency to meet the family's housing costs, the portion of those payment's which is designated for housing;

4. Minimum rent in accordance with applicable provisions of Section 5.616.

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

C. Minimum Rent

The minimum rent established by the PHA will be $25.00.

D. Hardship exemption

1. Should a family request a hardship exemption,

said request will be honored upon determination of whether there is a qualifying financial hardship. The suspension of the minimum rent requirement will begin the month following the family's hardship request.

2. The following will be considered as financial hardship:

a. When the family has lost eligibility for, or is waiting an eligibility determination for a Federal, State or, local assistance;

b. When the family would be evicted as a result of the imposition of the minimum rent requirement;

c. When the income of the family has decreased because of changed circumstances, including loss of employment;

d. When a death has occurred in the family;

e. Other circumstances as determined by the Municipality of Aguas Buenas.

E. Request for hardship exemption

1. If a family requests a hardship exemption, the Municipality of Aguas Buenas will suspend the minimum rent requirement beginning the month following the family's hardship request until the Municipality of Aguas Buenas determines whether there is a qualifying financial hardship and whether it is temporary or long-term.

2. If the Municipality of Aguas Buenas determines that there is a qualifying financial hardship, but that it is temporary, the Municipality of Aguas Buenas will not impose a minimum rent for a period of no more than 90 days from the date of the family's request. At the end of the 90-day suspension period, a minimum rent is imposed retroactively to the time of suspension. The family will be afforded a responsible repayment agreement for the amount of back rent owed.

3. If the Municipality of Aguas Buenas has determined that there is no qualifying hardship exemption, the

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

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

F. Appeal of financial hardship

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

G. Payment Standard

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

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

0 BR	*1BR*	*2BR*	*3BR*	*4BR*
478	518	576	763	902

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

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

- ☐ Evidence that significant changes in rents have been experienced in the rental market, which differ from those changes measured by the Consumer Price Index (CPI) factors

used to update the Annual Housing Services based on the Median Rent.

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

H. Determination of Unit Size in Relation to Family Composition

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

- ☐ The subsidy standards provide for the smallest number of bedrooms required to house a family without causing overcrowding;
- ☐ The subsidy requirements are consistent with space requirements under the Housing Quality Standards;
- ☐ The subsidy standards have been applied consistently for all families of like size and composition;
- ☐ A child who may be temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size;
- ☐ A family consisting of only a pregnant woman will be treated as a two-person family;
- ☐ Any live-in aide which has been authorized by the Municipality to reside within the unit to care for a family member who is either disabled or at least 50 years of age will be counted in determining the family unit size;
- ☐ The Municipality has agreed, that unless a live-in-aide resides with the family, the family unit size for any family consisting of a single person must be either a zero or one bedroom unit.

- ☐ The Municipality will grant an exception to its established subsidy standards, in determining the family unit size for a dwelling unit, if it determines that the exception is justified by the age, sex, health, handicapped or relationship of family members or other personal circumstances.

I. Exceptions to FMR on a Unit by Unit Basis

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

J. Affordability Adjustments

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

K. Rent Adjustments

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

XVI POLICY CONCERNING SCREENING AND EVICTION FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY [24 CFR 982.553]

A. Purpose

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

1. Help create and maintain a safe and drug-free community.

2. Keep program participants free from threats to their personal and family safety.

3. Assist families in their vocational educational goals in pursuit of self-sufficiency whenever possible.

B. Administration

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

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

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

A. Prohibiting Admission of Drug Criminals

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

1. That the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the State;

2. That the circumstances leading to eviction no longer exist such as that the criminal household member has dies or is imprisoned.

The Municipality has established the following standards for prohibiting admission:

1. The Municipality has determined that any household member is currently engaging in illegal use of a controlled substance;

2. The Municipality has determined that is has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents;

3. Any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

B. Prohibiting Admission of Other Criminals

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

C. Prohibiting Admission of Alcohol Abusers

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

D. Terminating Assistance for Drug Criminals and Other Criminals

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

1. Any household member is currently engaged in any illegal use of a controlled substance;

2. A pattern of illegal use of a drug by any household member interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents;
3. The Municipality will immediately terminate assistance for a family under the program if it determined that any member of the household has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

4. The Municipality will terminate assistance under the program to a family if it is determined that any family member has violated the family's obligation under

Section 982.551 which states that the family will not engage in any drug-related criminal activity.

E. Terminating Assistance for Alcohol Abusers

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

F. Notice of Termination of Assistance

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

XVIII SUMMARY

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

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

A. To provide low and very low income families the opportunity of choice and mobility in selecting where they want to live.

B. To maintain the essential elements of a private relationship between the tenant and the landlord on matters other than rent.

C. To develop and implement a strong financial management system so as to ensure HUD's goal of improving efficiency as well as the proper oversight to make certain that the correct amount of assistance is provided to low income families.

D. To develop strategies to coordinate the use of housing assistance under the Housing Choice Voucher Program with public and private resources, to enable families eligible to receive assistance under this same program to achieve economic independence and self-sufficiency.

It should be note that the Housing Department, within the Municipality of Aguas Buenas, will implement the necessary management systems and oversight controls, so as to assure, that the individual programs included within this same Plan are:

- ✓ Completed within a timely manner in compliance with HUD's requirements;
- ✓ Compliance with the SEMAP Indicators;
- ✓ Adherence with the Rental Housing Integrity Improvement Project (RHIIP) as set forth in HUD regulations.
- ✓ That they are indeed in total compliance with existing federal and state applicable regulations.

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

- ✓ Families Assisted;
- ✓ Subsidies granted;
- ✓ Complaints that are resolved;
- ✓ Adherence with the Rental Housing Integrity Improvement Project (RHIIP) to assure improving on any deficiencies detected during the RIM Reviews and/ or SEMAP Certification conducted by HUD or their designee.
- ✓ FSS families that moved on, to become first-time homeowners;

- ✓ Families from the Family Unification Program that transferred into the FSS Program and the success of those families;

- ✓ The effectiveness of communication by and between the various Municipal, State and Federal Agencies as well as with citizens.

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

The use of this same data will assist the Mayor, members of the Municipal Assembly, interested citizens of the community, participants of the Tenant-based Housing Choice Voucher Program recommend changes within our strategy due too perhaps changes in the population characteristics or housing market within our Municipality according to the 2000 Census.

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

- Cash/Management System;
- Budget Controls;
- Effective Internal Control System so as to reduce administrative errors.
- Preparing the necessary financial data to report to HUD.
- Timely, accurate and complete information for management forecasting and policy decision making.
- Families serviced by income level (low, extremely low and moderate);
- Compliance with HQS, Quality control and Targeting as set forth in HUD regulations;
- Identify weakness and problem areas through our Quality Control Area so that Program Administration Efficiency can be maintained;
- Staff resources and performance;

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

Commonwealth of Puerto Rico

Municipality of Aguas Buenas

Municipal Housing Department

ESTADO LIBRE ASOCIADO DE PUERTO RICO

GOBIERNO MUNICIPAL DE AGUAS BUENAS

DEPARTAMENTO DE LA FAMILIA Y DESARROLLO SOCIAL

Hon. Luis Arroyo Chiqués
Alcalde

Norberto Rodríguez Santiago
Director Interino

Miembros de la Junta de Participantes

Departamento de la Vivienda

Municipio de Aguas Buenas

Presentación Plan Anual 2010-11

José M. Bermúdez _____

Idalia Agosto _____

Blanca Ramos de León Blanca Ramos de León

Johanna Del Valle _____

Los miembros de la Junta aquí presente (✓) aprueban ( ) desaprueban el Plan Administrativo que se presentara a HUD.

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Abriendo Puertas